

# Vision 2030 Beyond Measure

Hioki is committed to pushing the boundaries of measurement as an industry front-runner, and to becoming a solution creator that works with customers worldwide to realize a sustainable society.

# Real Potential of Hioki

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### Editorial Policy

Hioki E. E. Corporation (Hioki) aims to provide shareholders, investors and other stakeholders with a better understanding of the Group's real potential, including the intangible capital that is the source of value creation, which should be widely disclosed. We publish an integrated report that summarizes financial and non-financial information. For more details, please visit our website at <https://www.hioki.com/>

### Reporting Period

January 1, 2021 – December 31, 2021  
(Some information from January 2022 onward is included)

### Scope of Reporting

Data for the Hioki Group (Hioki and its 11 consolidated subsidiaries) is compiled and reported. When the scope of the data to be reported differs from the scope of the report, it is clearly indicated on a case-by-case basis.

### Reference Guidelines

- GRI (Global Reporting Initiative) Standard
- ISO 26000 Guidance on Social Responsibility
- VRF (Value Reporting Foundation) International Integrated Reporting Framework
- Ministry of Economy, Trade and Industry Guidance on Integrated Disclosure and Dialogue for Value Creation



### Forward-Looking Statements

The forward-looking statements contained herein are estimates based on information available at the time of publication and involve known and unknown risks and uncertainties. Various factors may cause actual results to differ materially from those discussed in the forward-looking statements.

### Cover

We have continued to respond to customers' challenges through electrical measurement, and in doing so we have developed a wide variety of products. We liken our company to a range of mountains, with each mountain representing one product category. Our focus constantly encompasses both the near and far as we aim to achieve the top niche in each mountain and reach for the next goal.



## Changing people value to corporate value

# Hioki Philosophy

Hioki's management philosophy as established in 1986 reflected what it had been since its inception, and ever since, Hioki has always moved forward with that philosophy.

Hioki's philosophy-based management will be further accelerated to realize its Vision 2030.

## Respect for Humanity

Hioki aims to create a free and open environment that fosters creativity and individuality and allows each employee to maximize his or her potential and abilities in order to become the best version of themselves.

For personal development to be the driving force of Hioki's corporate evolution and ensure that the company will continue to grow and develop into the indefinite future, we practice management with respect for humanity to achieve a high degree of harmony between individual potential and organizational goals.

## Contribution to Society

Hioki contributes to the security and development of society and to the happiness of its members by providing high-quality products and the ultimate level of service in response to its needs.

As a member of the communities we serve, we recognize the need to make an educational, cultural, and environmental contribution, and we actively undertake activities that support the development of area youth and the conservation and protection of the local environment.

# HIOKI

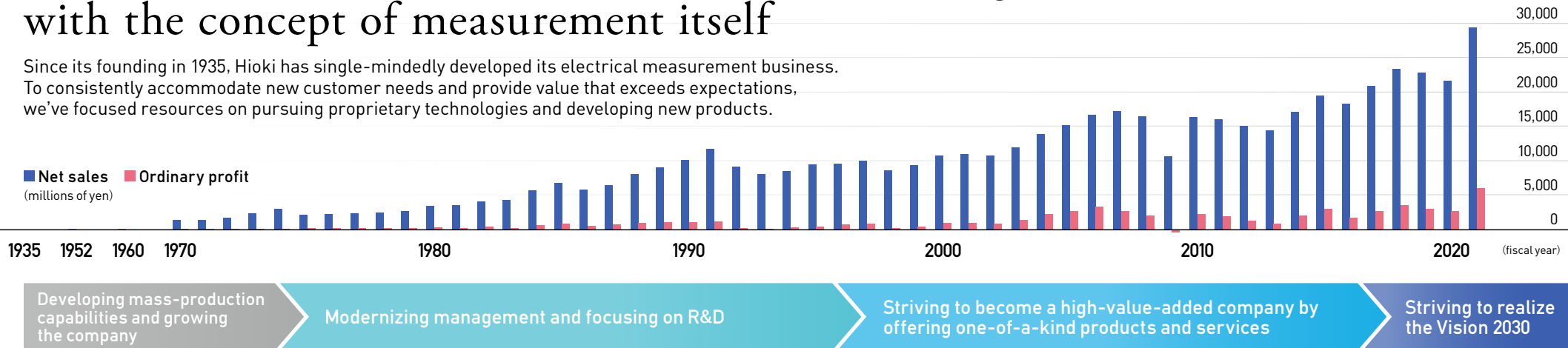
### The HIOKI logo

The "O" is not a simple circle but an oval. It symbolizes Earth embracing an egg of creation, nurturing people as it brings forth new things and contributes to the development of society.

## A history of creations and challenges

# New-product development at Hioki has evolved together with the concept of measurement itself

Since its founding in 1935, Hioki has single-mindedly developed its electrical measurement business. To consistently accommodate new customer needs and provide value that exceeds expectations, we've focused resources on pursuing proprietary technologies and developing new products.



## Management milestones

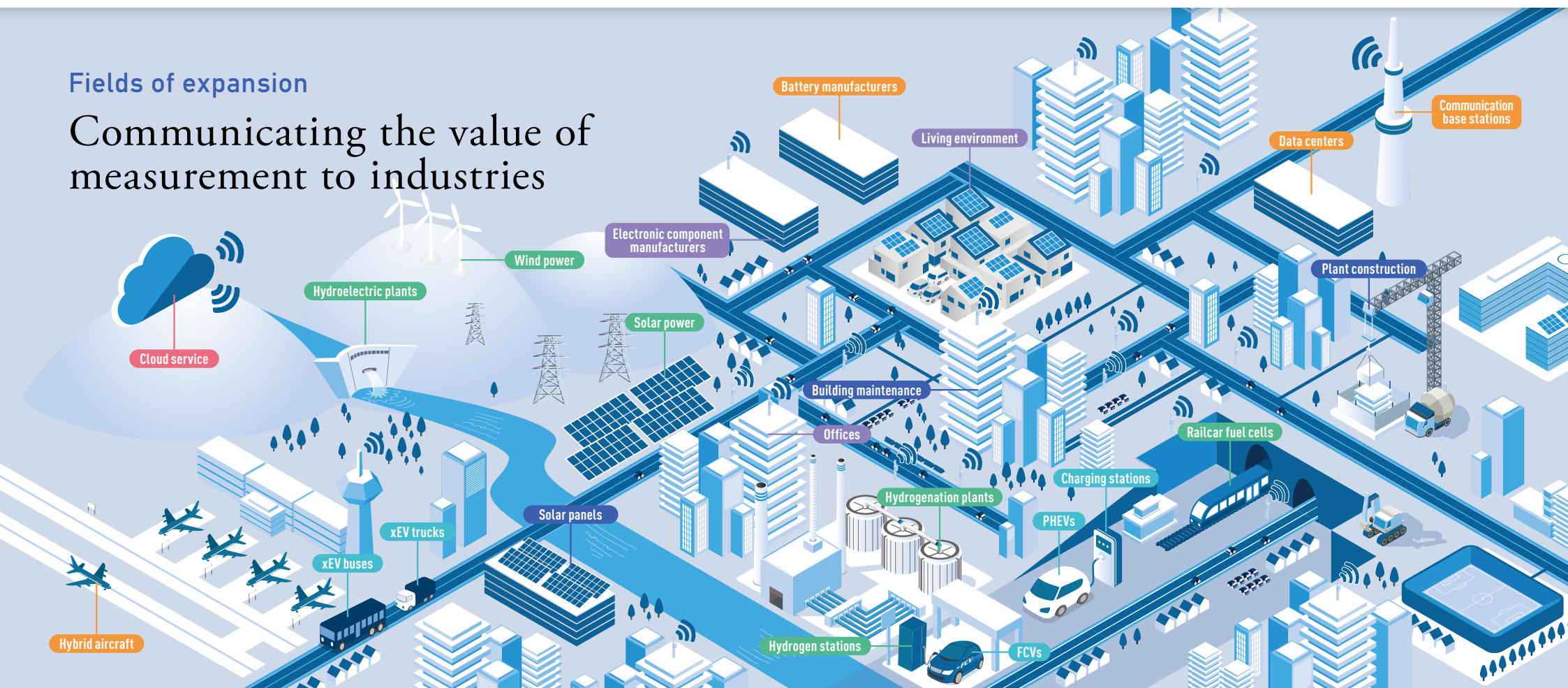
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|---|---|--|--|--|--|
| <p><b>1935</b> Hioki starts manufacturing electrical indicating meters in Minato-ku, Tokyo</p> <p><b>1945</b> Hioki's plant is relocated to the town of Sakaki in Nagano Prefecture as a result of World War II.</p> <p><b>1952</b> Hioki E.E. Corporation is incorporated with a capitalization of ¥1.8 million.</p> | <p><b>1980</b> The first issue of Hioki Technical Notes is published.</p> <p><b>1986</b> The Hioki Philosophy is adopted.</p> | <p><b>1990</b> The company's new head office and plant are completed at Hioki Forest Hills, Ueda, Nagano Prefecture.</p> <p><b>1991</b> Hioki stock is listed on Japan's over-the-counter market.</p> <p><b>1998</b> Hioki USA Corporation is established.</p> | <p><b>2003</b> Hioki shares are listed on the First Section of the Tokyo Stock Exchange.</p> <p><b>2006</b> Hioki's New Plant (Solution Factory) is completed.</p> <p><b>2007</b> Hioki (Shanghai) Sales &amp; Trading Co., Ltd., is established in China.</p> | <p><b>2010</b> Hioki launches a series of reforms to globalize its businesses. Establishes sales companies in Singapore, Korea, India, Germany, and Taiwan.</p> <p><b>2015</b> Hioki Innovation Center, the company's new R&amp;D complex, is completed.</p> | <p><b>2020</b> Long-term Management Policy: Vision 2030 is announced.</p> <p><b>2021</b> Sakaki Factory is established in the town of Sakaki in Nagano Prefecture.</p> <p><b>2022</b> Hioki made the transition to the "Prime Market" of the Tokyo Stock Exchange.</p> |
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## New technology and product development milestones

- |  |   |   |  |  |  |
|--|---|---|--|--|--|
| <p><b>1946</b> Hioki launches its first tester (the Model H Circuit Tester).</p> <p><b>1965</b> Hioki begins mass-producing VU meters.</p> <p><b>1972</b> Hioki begins developing field measuring instruments.</p> | <p><b>1978</b> The first domestically produced clamp-type power meters, the Clamp on Power HiTesters 3131 and 3133.</p> <p><b>1983</b> The first domestically produced waveform recorder, the Memory HiCorder 8801.</p> | <p><b>1990</b> Hioki launches the high-speed Flying Probe Tester 1110, the first jigless in-circuit tester.</p> <p><b>1996</b> Hioki expands the UPS maintenance market with the launch of its Battery HiTesters 3550 and 3555.</p> <p><b>1998</b> The launch of the Clamp on HiTester 3280 sets the global standard in clamp ammeters.</p> | <p><b>2005</b> The Battery HiTester 3561 establishes the market for the testing of mass-production lithium-ion batteries.</p> <p><b>2013</b> Digital Multimeter DT4250 Series features ICs developed in-house.</p> | <p><b>2014</b> The Clamp on Power Logger PW3365 provides the world's no-metal-contact measurement capability.</p> <p><b>2015</b> Best in class Power Analyzer PW6001 and Current Sensor CT Series.</p> | <p><b>2019</b> The Electrode Resistance Measurement System RM2610 is a unique technology for quantifying composite layer resistivity and interface resistance of lithium-ion battery electrode sheets.</p> |
|--|---|---|--|--|--|

## Fields of expansion

## Communicating the value of measurement to industries



## Batteries



Extensively used for evaluation testing of secondary batteries such as lithium-ion batteries, material development, shipping inspection, maintenance, and reuse.



Portable battery testers



Battery impedance meters

## Electric vehicles (EVs)



High-performance power analyzers and high-precision current sensors are essential for research and development on power electrification, rapid charging, inverter power supplies, and electric motors.



Power analyzers



High-accuracy current sensors

## Electronic devices



We are contributing to the development of the electronic components industry, where there is active capital investment, driven by the spread of 5G and the general computerization of society.



Impedance analyzers



LCR meters

## DX and IoT



The cloud native era. We are expanding data analysis and data collection services using the cloud.



Lux meters

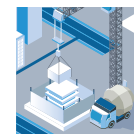


Leakage clamp meters



Data recording

## Infrastructure and maintenance



We meet diverse needs for electrical safety, preventive maintenance, and environmental measurements for buildings and facilities.



Data loggers



Earth testers



Handheld digital multimeters

## Renewable energy



We are working with customers to develop new technologies for alternative energy generation for a carbon-free society.



Clamp power meters



Power meters



## TOP MESSAGE

# Forging a sustainable society together with our customers

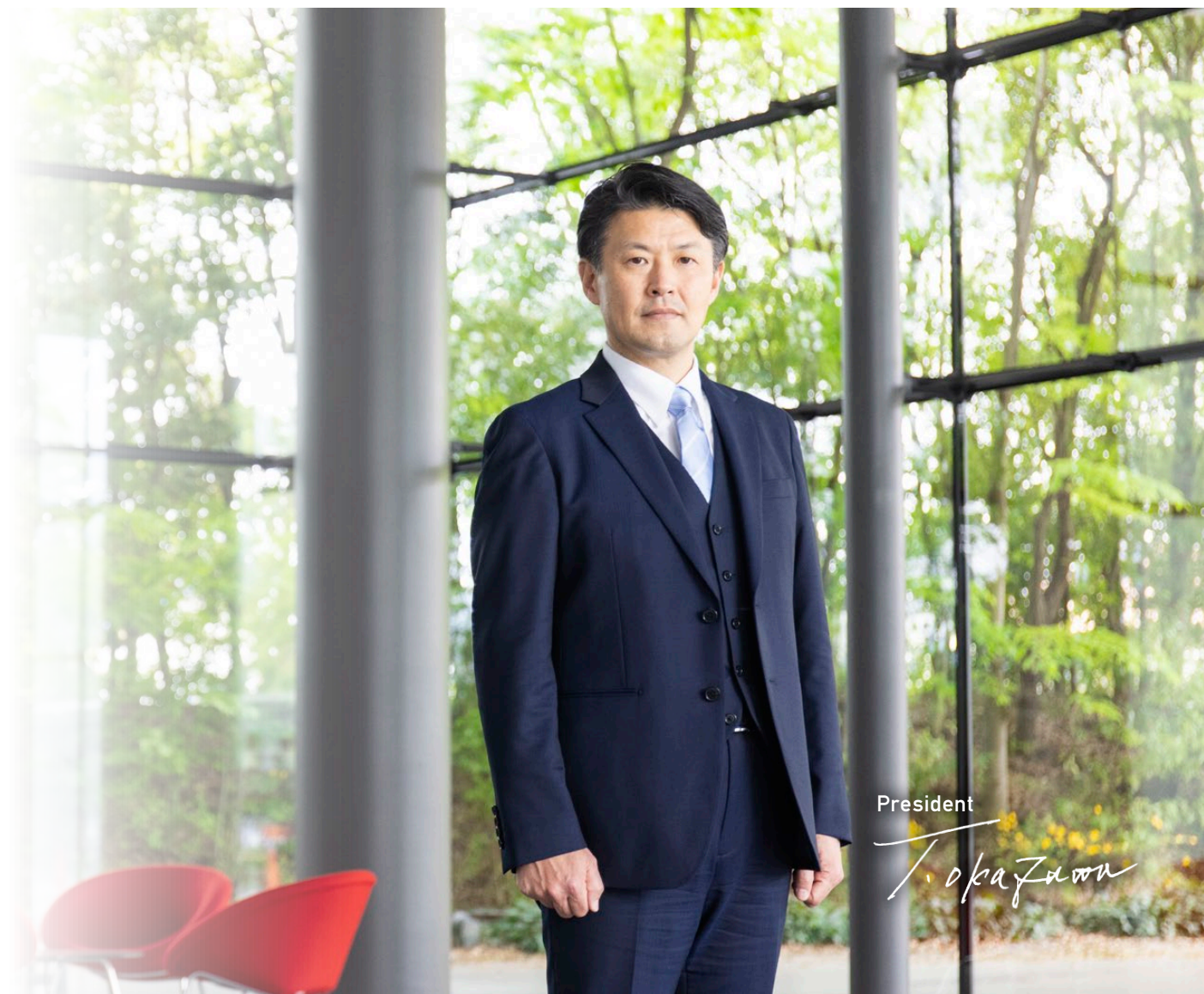
## Respect for Humanity and Contribution to Society

In line with its philosophy of “Respect for Humanity” and “Contribution to Society,” Hioki has been developing, producing, selling and servicing electric measuring instruments, which are said to be the mother tools of the industry.

At Hioki, each and every employee can foster their individuality and creativity, and achieve self-fulfillment. That personal growth forms the driving force behind Hioki’s perpetual growth and development and our concept of “Respect for Humanity.” Achieving this requires a free and vigorous work environment in which individuals can maximize their potential and abilities. By respecting the character and aptitude of individuals and nurturing their abilities, our aim is to achieve a high level of harmony between individual potential and organizational goals.

In addition, we contribute to the security and development of society and to the happiness of its members by providing high-quality products and services through the business of electrical measuring instruments. As a corporate citizen, our approach to “Contribution to Society” is to actively engage in community development and environmental conservation and protection activities, including through educational and cultural contributions.

The Hioki Group shares and practices this philosophy. Today, the Group has grown to include sales companies in eight countries, sales agents in 30 countries, and approximately 1,000 employees engaged in global business operations.



President

*T. Okazawa*

## Long-term management policy “Vision 2030”

With the world now turning the corner toward a decarbonized society, the shift in energy sources and electrification are accelerating. In this ever-changing external environment, we came to realize the need to redefine the vector for Hioki Group employees by setting forth a medium- to long-term management direction of what we will contribute to customers and society as we expand our global operations.

Therefore in 2019, we launched an internal project and spent six months formulating Vision 2030, Hioki's first long-term management policy. In 2020, we shared it with all employees and worked to spread it throughout the Group.

### Our Mission

To contribute to social stability and development by promoting customers' safe and effective use of energy through electrical measurement.

### Our Vision

10 Years in the Future

### “Beyond Measure”

As an industry front-runner, Hioki will become a solution-creator that helps forge a sustainable society together with customers worldwide by continuing to evolve what it means to “measure.”

## Concentrate management resources on priority areas

The slogan of Vision 2030 is “Beyond Measure.” This expresses our desire to contribute to a sustainable society together with our customers, not only by “measuring,” but also by providing solutions to customers' challenges that go beyond measurement. We are convinced that we can make a significant

contribution to the decarbonization of industries and the shift to electrification through our accumulated expertise in electrical measurement and our global, customer-focused approach to resolving problems.

In particular, we see a great opportunity in the electric vehicle (EV) and battery fields, where the market is expected to expand in the future. To ensure the realization of Vision 2030, we will focus our management resources on these important markets that will comprise a new social system.

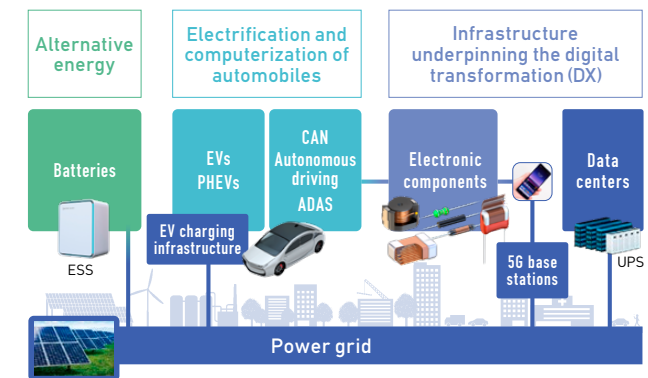
As indicated by “Beyond Measure,” we will contribute to market growth by providing measurement solutions that are one step ahead of the development and production processes used by market-leading customers.

## A look back at the first year of Vision 2030

In fiscal 2021, the first year of Vision 2030, there were further significant changes in Hioki's external business environment.

Bringing products to every field that will use electric energy as infrastructure in the future

Focusing development resources on the key markets that comprise a new social system



“ We will contribute to decarbonization with our expertise in electrical measurement and our customer-focused solutions approach. ”





For example, the United Nations Intergovernmental Panel on Climate Change (IPCC) Working Group I report released in August 2021 declared there is “no doubt” that human activities are the cause of global warming. As a President, I take this very seriously and it renewed my desire to promote climate change countermeasures.

As a result of sharing the ideal vision for 2030 throughout the Group and the penetration of the concept, I recognize that each department within the Group has begun a trial-and-error process to connect with customers who are at the forefront of the times and are working together to create a sustainable society.

Tight delivery schedules for parts and soaring prices of raw materials are among the risks that have emerged with the spread of Covid-19. We have responded by taking every possible measure, including design changes, adoption of alternative products, and procurement of parts via various routes, to keep customers from experiencing long waits. We felt that we could not achieve our vision without connecting with customers and exploring new challenges and upcoming needs.

On the other hand, the fact that the amount of internal communication through the Web and other means increased dramatically as non-face-to-face business became the norm. It turned out to be a positive development. However, there are still issues in communication between head office and overseas sales subsidiaries, we intend to be ready to travel to overseas destinations while giving every consideration to protection against infection, and in that way focus on strengthening communications with local communities so as to build stronger relationships of trust.

### Strengthening management strategies for companywide deployment

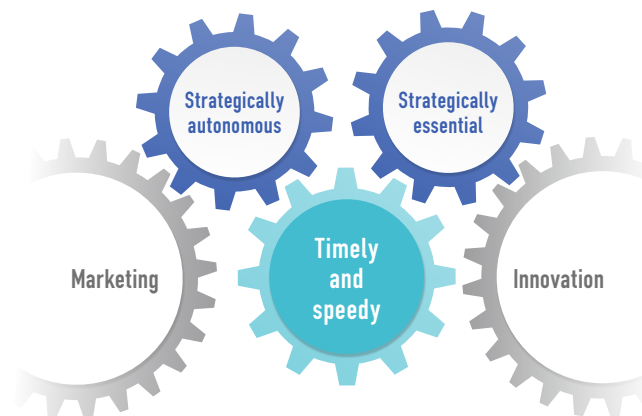
In order to provide products and services to customers in a timely manner, we have added the concepts of

“strategically autonomous and essential” to our management strategy, which requires us to constantly make and implement speedy decisions in response to changes in the external environment.

Autonomy means establishing a system that allows each employee to make his or her own decisions on what to do to realize our mission and vision in the midst of rapid changes in the environment. We will always go back to the basics of customer first, and all employees work with a sense of ownership.

The three essentials are: “Only Hioki can make it happen,” “Only Hioki can do it,” and “We will be the first company you turn to when you have a problem.”

Through these efforts, we will strengthen our agile development capabilities and contribute to important markets, such as alternative energy (batteries), which comprise a new social system for realizing a sustainable society through decarbonization and zero emissions, electrification of vehicle powertrains and computerization of vehicles (electric vehicles), and infrastructure for digital transformation (DX).



**Achieving speedy decision-making and execution so that we can provide products and services in a timely manner**

## Five innovations

For realizing Vision 2030, we have defined five types of sustained, ongoing innovations in companywide functions and have started forging new connections in all fields.

### 1. Creating new customer value

To become a solution creator that works with customers around the world to create a sustainable society, we will continue to maintain close relationships with customers who are always on the frontline and promote customer-focused solutions sales. In addition to digging deeper into our customers' needs and solving their problems, we will also take on the challenge of anticipating future needs and providing society with new measurement and inspection standards.

### 2. Building new production structures

Hioki has always had a great advantage by having its development and production facilities concentrated at its Hioki Forest Hills head office and plant in Ueda, Nagano Prefecture. In November 2021, while leveraging this strength, in order to achieve optimal production to meet growing demand, Hioki relocated its production base for field measuring instruments to a new site in the neighboring town of Sakaki, where many of its partner companies are located. This move will strengthen collaboration with partners and reduce CO<sub>2</sub> emissions by decreasing the distance that parts are transported. In addition, the space vacated by the relocation will be used to expand floor space and install additional equipment to ensure greater production capacity.

### 3. Building relationships for collaborating creatively with customers to forge a new society

Since Hioki's instruments are used for measurement of customers' production goods, we have established a





new organization with a laboratory function that aims to create new value by measuring actual products in our testing lab. The Hioki Innovation Center will also be equipped with a functionality that enables the actual experience of measurement in a creative collaboration with customers. We have also joined an external organization to work with customers from the development stage of battery materials.

#### 4. Building new supply chains

To contribute to a sustainable society starting from the supply chain, we have revised our basic procurement policy. We also set targets for Scope 1, 2, and 3 of the GHG Protocol to strengthen sustainability. As Scope 3 cannot be achieved without the cooperation of suppliers, as a manufacturer of electrical measuring instruments, we will support the visualization of energy consumption of each company.

#### 5. Realizing new organizations

To respond to changes in the external operating environment, we have changed our technical development and manufacturing divisions into a

“ We manage the company in an employee-first manner in which the priority is on individual purpose and maximizing their individuality will drive the company’s growth. ”

business and market-oriented organization.

In order to drive the maximization of individual potential, we have created a system that will foster this by allowing each employee to choose which area motivates them while also respecting their individual sense of purpose (their will to do something, realize goals, take on challenges, make contributions). We also have a study program that enables employees to develop their careers at overseas sales subsidiaries. We believe that customer recognition and appreciation are important in fostering a sense of fulfillment, and we expect that these efforts will produce the next seeds that will lead to winning customer recognition.

#### Sustainability initiatives

Based on its corporate philosophy, Hioki has long been engaged in activities to contribute to the realization of a sustainable society, and in 2022 we formulated the Basic Sustainability Policy to disseminate that intention both inside and outside the company. Sustainability has two axes, sustainability as a manufacturer and sustainability as a social institution, and we believe that both must be embodied through the measuring business.

A Managing Executive Officer who is the Chief Technical Officer and Chief Information Officer has been appointed as the person in charge of promoting sustainability, as efforts to promote collaboration throughout the Hioki Group are being further accelerated.

#### Management focused on individual purposes

To grow sustainably into an industry frontrunner, we need to be able to turn small corners faster than anyone else, create new measurement and test standards, and compete in niche markets. The growth of our employees is an essential part of achieving this goal.

Individuals are the most important factor in realizing our vision, which is rooted in the principles of “Respect for Humanity” and “Contribution to Society,” and maximizing their individuality will give rise to a stronger drive to achieve our vision. That is why Hioki’s aim is to manage the company in an employee-first manner in which the priority is on individual purpose. The company will continue with its updates to create new value and actively promote the appointment of younger employees.

Looking ahead, we will continue to invest in the development of an environment for collaborative creation with customers and in the exploration of new businesses, and by further strengthening corporate governance. We will enhance trust in Hioki and realize our individual purpose to become a company that is “Beyond Measure.”

July 2022

Takahiro Okazawa  
President

# Hioki's value creation story to realize Vision 2030

## Management resources

### Human capital

**Ability to think independently and autonomously**

All Hioki employees share our corporate philosophy and strive for personal growth

### Intellectual capital

**Our accumulated know-how in electrical measurement**

### Manufactured capital

**Customer-based mobility**

Robust production system

### Financial capital

**Sound financial structure**

Earning power

### Social and relationship capital

**Strong partnerships**

### Natural capital

**Hioki Forest Hills**

80,000 Trees Planted at Headquarters Plant  
The rich nature of Ueda, Shinshu

## Mission

To contribute to social stability and development by promoting customers' safe and effective use of energy through electrical measurement.

### Business model

Sharing customer feedback with the three-in-one approach and linking it to proposals

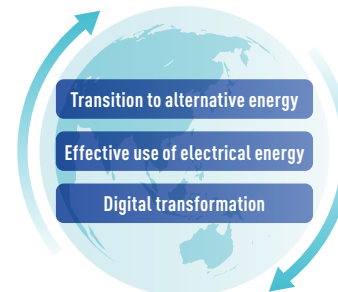


Customer-focused approach

### Management strategy

From hardware manufacturer to solution creator

Autonomous and essentiality of strategy- Five innovations



An industry leader

### Value creation

#### Social value

Efficient use of energy

Environmental protection related to business activities / Respect for human rights

Creation of shared value

#### Corporate value

Employee growth and job satisfaction

Strengthening of business foundation

Sustainable growth

## The ideal state

Realization of a sustainable society



As an industry front-runner, Hioki will become a solution-creator that helps forge a sustainable society together with customers worldwide by continuing to evolve what it means to "measure."

■ Basic Sustainability Policy ■ Governance and risk management structure

Respect for Humanity

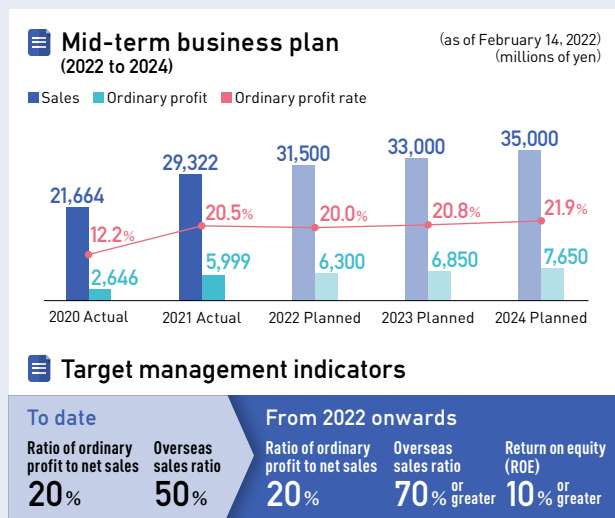
Hioki Philosophy

Contribution to Society

# Financial strategies for realizing Vision 2030

Increasing corporate value by focusing on capital efficiency and investing in human capital.

Yoshikazu Suyama  
Managing Director  
Executive Officer  
Chief Financial Officer



## Formulation of the medium-term management plan

In 2021, the first year of Vision 2030, sales posted a strong increase of 35.3% compared to the previous year, thanks to brisk demand for measuring instruments related to batteries, motors, and electronic components in response to global efforts to decarbonize industry. The increase in sales allowed the ordinary profit rate to reach the 20% target for the first time, despite higher personnel and overhead costs.

In response to major changes in the external environment, Hioki revised its medium-term management plan and formulated a new three-year plan that aims to achieve 35 billion yen in sales, 7,650 million yen in recurring profit, and a 21.9% recurring profit rate by 2024.

\*The consolidated earnings forecast for the current fiscal year was revised on April 12, 2022.

## Balanced market development with no bias toward any particular region

Hioki is implementing transformational measures to realize further growth. As part of this we reviewed our target management indicators and raised the overseas sales as a percentage of total sales from the previous target of 50% to 70% or greater.

Due to the rapid growth of the Asian market in recent years, we reached the previous target of 50% in overseas sales in 2020. In order to reduce the risk of fluctuations in business performance, we will continue to develop markets in a well-balanced manner so that orders and sales are not heavily weighted toward any specific regions, while at the same time promoting in-depth cultivation of global markets under the new target.

## Hioki sets new target of 10% Return on Equity (ROE)

Hioki has added an ROE of 10% or greater as a new management target and will invest its capital to further increase return on sales and total capital turnover.

Going forward, we aim to achieve further growth by focusing management resources in priority areas. To that end, we will continue to invest in plant productivity improvements and focus on R&D to enhance our technological capabilities, including technology alliances and joint research.

We consider investment in human capital to be a top priority in realizing our corporate philosophy of Respect for Humanity and enhancing our competitiveness. We will promote long-term, ongoing human resource development to enable Group employees to maximize their

capabilities in all areas and implement measures to enhance employees' work environment and job satisfaction.

We will also strive to reduce the cost of capital by promoting proactive information disclosure, while at the same time minimizing ESG risks and securing profits that exceed the cost of capital. We will formulate a new Basic Sustainability Policy and Sustainability Declaration and promote activities for sustainability throughout the Hioki Group.

By promoting these measures, we aim to continuously achieve an ROE of 10% or greater.

## Change of baseline for stable profit distribution to a consolidated dividend on equity ratio (DOE) of 2% or greater.

Hioki has been paying an annual dividend of 20 yen per share as the base for stable profit distribution, with a target consolidated dividend payout ratio of 40%. Starting in 2022, we changed the basic policy on profit distribution and set the baseline for stable profit distribution at a consolidated dividend on equity ratio (DOE) of 2% or more.

Changing the base of stable profit distribution to DOE makes it possible to expand the stable dividend which we believe will contribute more than ever to the return of profits to shareholders.



# Business model and management strategy

Hioki will further strengthen its customer-focused business model and implement five innovations to become a solution creator.

## Three-in-one business model approach linking customer feedback (individual customer information) to proposals

As a manufacturer of electrical measuring instruments, Hioki has always aimed to provide value that exceeds customer expectations by responding to new needs and challenges.

Hioki's greatest strength is its business model, where the feedback of the customer is continuously shared between production, sales, and development.

In product development, concurrent engineering has taken root to quickly identify customers' measurement issues and develop products in a timely manner. Teams are formed from members of each department right from the planning stage to share product concepts from customers' viewpoints as early as possible, with the aim of developing high-quality products in a short period of time.

We endeavor to structure our production operations to realize multi-model, small-lot production that can flexibly respond to demand fluctuations.



## Hioki Forest Hills brings together development, production, and sales departments

Hioki Forest Hills in Ueda, Nagano Prefecture, is where our head office and plant are located, surrounded by a verdant natural environment.

In 1988, two years prior to the relocation of the head office and plant from the town of Sakaki, Nagano Prefecture to the current location, employees planted some 60,000 saplings to create a park in an effort to restore what was lost from the natural environment during the construction of the plant. Each year more trees have been planted, so that today there are more than 80,000 trees.

With the development, production, and sales/service departments here, an environment is created that enables us to provide advanced measurement technology to the world.

The Solution Factory was added in 2006, followed by the Hioki Innovation Center in 2015, equipped with various laboratories and development facilities, further enhancing the environment for R&D and production.



There are also sports facilities and the Hioki Lodge, a dormitory for single employees, further helping to create an environment where individuals can maximize their abilities by further indulging in their hobbies, and enriching their personal lives.

## Five innovations for a solution creator

Hioki operates in an external business environment that is undergoing ever-greater changes, including through the rapid development of initiatives aimed at achieving a carbon-free society.

We have formulated and are implementing five innovations to respond rapidly to these changes to create a sustainable society together with customers around the world. By strengthening relationships with customers, society, suppliers, and employees and forging new connections of companywide functions, we will depart from being a manufacturer that just provides hardware and works to create social value as a solution creator.



Creating new **customer value**



Building new **production structures**



Building **relationships for collaborating creatively with customers to forge a new society**



Building new **supply chains**



Realizing new **organizations**

## Five innovations for realizing Vision 2030 ①



# Creating new customer value

To focus on the individual challenges of customers and provide them with the ultimate level of service, we are striving to build a new sales and marketing structure attuned to these changing times.

### Remaining a valuable partner for customers

The first item of Hioki's management guidelines is to provide the ultimate level of customer service. As a research and development company, we have integrated development, production, and sales to meet the latest needs and challenges of customers and provide products and services that are valuable to them.

With Vision 2030, as an industry front-runner we will continue to evolve measurement to become a solution creator who builds a sustainable society together with customers around the world, as the ideal for 2030. To realize this, we will continue to maintain close relationships with customers who are at the forefront of the times and promote customer-focused, problem-solving sales. Furthermore, rather than being bound by precedents, we will take on the challenge of proposing new measurement and testing standards required by society and establishing them as de facto standards.

### Enhanced application engineer system

Although distributors form Hioki's main sales channel, negotiations with customers are conducted directly by our sales staff. Through dialogue with customers, Hioki is able to more accurately grasp the problems they face, and by bringing underlying on-site needs to light. We are able to find and propose the best solutions for customers, based on our own knowledge or through discussions with our engineers.

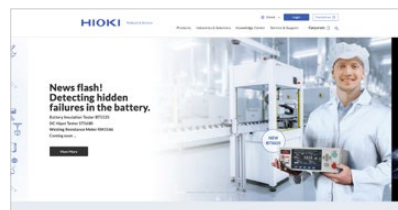
In recent years, our veteran sales staff, who have

accumulated knowledge of a wide variety of product lines and extensive measurement expertise, have played a major role as application engineers in our overseas expansion. Currently this business style is beginning to produce results as well as growth opportunities for locally hired employees and technical employees at the head office and plant.

### Enhancement of inside sales

In addition to our customer-focused sales approach, we also strengthened inbound telemarketing by enhancing our website and holding exhibitions and product seminars, but the impact of the new coronavirus has completely changed the way we do business. However, changes in social infrastructure, such as the spread of telework and web conferencing systems, have dramatically reduced travel time and time lost of participating members, and have strengthened our ties with customers in Japan and overseas.

Enhanced video and SNS information distribution has played a role in expanding sales, and the growing e-commerce site has contributed to the expansion of the Hioki brand, the image of which is strongly B2B and for professional use.



Hioki Products Website

### Increasing Hioki brand trust and security through acquisition of international standard certification

Hioki's products are designed to comply with the IEC 61010 series of international safety standards for measuring instruments, and most of our products conform to CE marking as required by EU law. We are also working to increase the number of products certified under regional standards such as UL/CSA (North America) and KC (Korea).

Repair and periodic calibration are essential for long-lasting use of measuring instruments, and Hioki is building a system to provide the requisite repair and calibration services at its sales companies around the world, increasing the number of models that can be repaired and calibrated locally. In addition, the Hioki head office and plant has acquired certification as an ISO/IEC17025-compliant JCSS calibration provider for testing and calibration laboratories and is providing high-reliability calibration services.

We continue working to improve our measurement technology and are gradually expanding the classification of certified calibration methods and the certified range of calibration.

In 2021 Hioki USA also obtained ISO/IEC17025 certification.

In this way, we are building a base for creating new customer value by expanding the security and trust projected by the Hioki brand.

## Five innovations for realizing Vision 2030 ②



# Building new production structures

In order to provide the products that customers want in a quick and timely manner, we are working to strengthen cooperation with partner companies and increase the production capacity of our head office and plant.

### Hioki opens new plant in Sakaki

Hioki opened a new plant in the town of Sakaki, which borders the city of Ueda in Nagano Prefecture, home to our head office and plant. The new facility, which has a production area of 770 square meters and is located at affiliate Nishizawa Electric Meters Manufacturing, started up on November 24, 2021, producing field measuring instruments used in construction and maintenance of social infrastructures.

Operating within the Nishizawa plant, which has been manufacturing field measuring instruments in partnership with Hioki, improves production efficiency, and by cutting the number of deliveries reduces the impact in the environmental.



Sakaki Plant Dedication Ceremony

### Expanding production capacity at head office and plant

The head office and plant is being expanded to increase production capacity. Up until now, materials have been received in and products shipped from the same location, but the expansion will provide a new shipping terminal to improve the flow of products from assembly to shipping. In addition, the move of operations to the new Sakaki Plant frees up space that will be utilized to establish a parts storage area and to re-think the plant layout.

New equipment is being introduced to improve productivity. An automated warehouse has been introduced for the components used to populate printed circuit boards on the assembly line.

As well as improving the efficiency of warehousing and shipping operations. Automation will also reduce production equipment downtime and improve the productivity of PCB surface mount operations by 6.6% over the next two years. With in-line localized soldering equipment having been introduced for the insertion and mounting process, providing a major decrease in power consumption and material costs when compared to the past, productivity is expected to increase by 10% over the next two years.

Demand for electric measuring instruments related to electric vehicles and renewable energy continues to grow with the move toward decarbonization. At the head office and plant, we are building a system to speed up the manufacture of products for these growth markets as well as other products that contribute to user development and productivity improvement. Restructuring for



The Completed Shipping Terminal



In-line Localized Soldering Equipment

strengthening production structures is expected to be completed by the end of 2022. While production space, including that of the Sakaki Plant, will increase by around 10%, the overall production capacity of the Hioki Group is expected to increase by 1.5 to 2 times the current level.



## Five innovations for realizing Vision 2030 ③



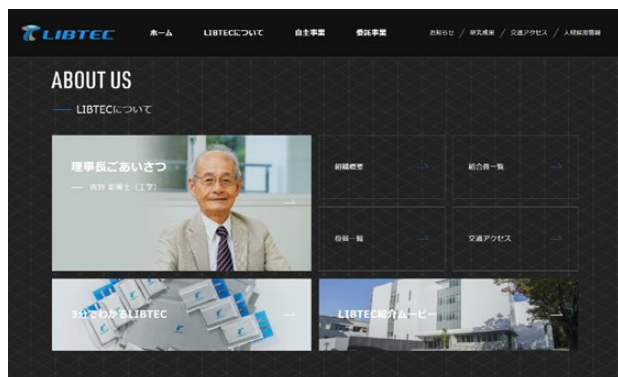
# Building relationships for collaborating creatively with customers to forge a new society

We are working to create opportunities for joint research in order to create a sustainable society together with customers who are at the forefront of the times.

## Participation in LIBTEC

In September 2021 Hioki joined the Consortium for Lithium Ion Battery Technology and Evaluation Center.

Lithium-ion batteries (LiBs) are becoming increasingly widespread as a power source for electric vehicles as the world moves toward the realization of a decarbonized society. Hioki is conducting research on common basic technologies, including battery material evaluation technology, together with battery and automotive manufacturers, and academic researchers. At the 62nd Battery Symposium in Japan held from November 30 to December 2, 2021, Hioki presented a paper describing joint research with Shinshu University and other companies. We will continue to deepen our knowledge of LiBs to develop future LiB measurement solutions.



LIBTEC Home Page (President: Dr. Akira Yoshino)

## Establishment of new joint laboratory —Expansion of R&D investment

Hioki is actively engaged in joint research with customers on new electrical measurement technologies and products in order to create a sustainable society together

with them.

As a recent initiative, a new laboratory is to be established within the Hioki Innovation Center to conduct joint experiments with customers who visit the center. The new facility is scheduled for completion in the spring of 2023 and will be used to strengthen our agile development capabilities and collaborate creatively with customers.

## Hioki signs agreement with Japan Research Institute and four other companies to commercialize EV battery residual value evaluation services

In March 2022, Hioki signed an agreement with Japan Research Institute, Ltd. and four other companies to commercialize services for diagnosing the residual value of EV batteries. The services will be set up in China and use a blockchain-based continuous information management system.

EVs use high-performance batteries, and most of the batteries that have completed their primary role in EVs can be used for secondary purposes, such as a power source for regulating renewable energy. On a worldwide basis, batteries that have run their course in secondary applications are expected to be recycled to obtain materials, to use in new batteries. However, since a recycling market for EV batteries has yet to be established, most used EV batteries are currently disposed of or incinerated without being recognized

for their utility as a secondary or recycled resource. One reason for this is the lack of a widespread system for accurately diagnosing and evaluating the quality of used EV batteries and safely operating and managing them.

The services will be provided as part of the activities of the BACE Consortium \*, for which we are providing diagnostic technology and battery-related measuring instruments. In this way we are promoting the secondary use of EV batteries and contributing to the realization of a carbon-neutral society. At the same time as we are raising awareness of our strengths in battery deterioration diagnosis technology in China, we are working to expand sales of our products by enhancing our brand power.

\*BACE Consortium (Battery Circular Ecosystem Consortium): A business study consortium of companies that form an ecosystem for the development of advanced diagnostic technologies and the circular market in Japan. The consortium aims to build a circular market ecosystem centered on unparalleled diagnostic functions by integrating and utilizing multiple advanced diagnostic technologies.

## Five innovations for realizing Vision 2030 ④



# Building new supply chains

By strengthening cooperation with our business partners, we are responding to new social issues and promoting optimization of the entire supply chain.

### Revision of Basic Procurement Policy

Hioki procures various parts from many suppliers throughout the world. Through close communication, we aim to build mutually beneficial relationships, as partners. We also value cooperation and trust with our suppliers based on fair transactions in consideration of the global environment and local communities.

In February 2022, we revised our Basic Procurement Policy for material procurement. The new policy clearly states that we shall conduct sound and sincere procurement activities in compliance with relevant laws and social ethical norms in each country (prohibition of child labor, forced labor, and all forms of discrimination, no relations with antisocial forces, non-use of conflict minerals, and so forth).

In March 2022, we also revised our Green Procurement Guidelines.

### Realizing a sustainable society with business partners

We and our business partners need to work together to achieve the goal of a sustainable society.

In revising the Basic Procurement Policy, we formulated the Hioki Sustainability Declaration and set targets for Scope 1 of the GHG Protocol and for Scope 2 and Scope 3. In particular, we cannot achieve Scope 3 without the cooperation of our partners. We will work together to build stronger relationships.

Hioki will also strengthen cooperation with partner

companies (companies that produce parts designed by Hioki or Hioki products manufactured on a consignment basis) to further improve their productivity. We will also support the visualization of energy consumption at partner companies by utilizing our knowledge as a manufacturer of electrical measuring instruments.

### Procurement risk

Recently risk has arisen around the procurement of some parts, such as semiconductors, a situation that is expected

to continue for some time. We will address this risk through timely, close cooperation with suppliers based on the relationship of trust that we have built through companywide communication with our supply chains, including by holding internal exhibitions of parts and components and annual briefings on materials procurement policy.

### Basic Procurement Policy

#### 1. Fair and Equitable Transactions

- 1. In procuring materials, we will promote open, fair and impartial transactions with all suppliers, both domestic and overseas.
- 2. We will conduct sound and sincere procurement activities in compliance with relevant laws and social ethical norms in each country (prohibition of child labor, forced labor, and all forms of discrimination, interruption of relations with anti-social forces, and non-use of conflict minerals, etc.).
- 3. We will provide information necessary for our procurement activities to our business partners and strive to maintain confidentiality by strictly managing confidential information obtained through business transactions.

- 4. We will promptly conduct acceptance and arrival inspections, and thoroughly implement proper payment procedures without delay.

#### 2. Mutual Development

- 1. Through our business transactions, we aim to build relationships that enable mutual development as partners, and we will promote transactions that maintain relationships of trust through communication with business partners.
- 2. In addition to quality, price, and supply stability, we will comprehensively and fairly take into account our efforts to fulfill our social responsibilities, and seek a broad range of suppliers worldwide, both domestically and abroad, that can grow together.

#### 3. Contribution to Society

- 1. Based on the philosophy of "Contributing to Society," we will contribute to the safety and development of society with our suppliers through sustainable procurement activities.
- 2. Respecting the basic human rights and diversity of individuals, we will endeavor to create a safe and hygienic work environment in which everyone can reach their full potential.

#### 4. Environmentally Friendly

- 1. Establish "Green Procurement Guidelines" and strive to procure unavoidably environmentally conscious materials.
- 2. We will work with our suppliers to develop products that are environmentally friendly and to protect the environment in order to build a sustainable society.

## Five innovations for realizing Vision 2030 ⑤



# Realizing new organizations

We are promoting reforms to create high value for society by maximizing the power of all individuals and maximizing the synergistic power of organizations.

### Initiatives to maximize individual potential

In line with our corporate philosophy of Respect for Humanity and Contribution to Society, the potential of each and every employee needs to be maximized to realize the goals as set out in Vision 2030. Employees who share our corporate philosophy and vision will become solution creators through their independence and autonomy. Our focus is on creating high value for society by synergizing the strengths of individuals' roles.

### Attaining individual purpose through career autonomy

Driving employees to reach their full potential requires respecting their individual sense of purpose (their will to do something, realize goals, take on challenges, make contributions) by providing each of them with the

opportunity to develop their own career independently. Here at Hioki we nurture career autonomy by utilizing a range of career growth opportunities, and by developing the skills, knowledge, experience, and humanity acquired in the process of working at one's job, and improving one's way of life, including the personal side.

### Reorganization in response to market changes

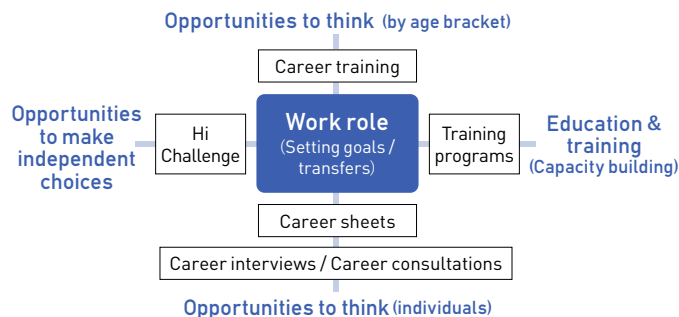
To ensure a rapid, timely response to customer needs when changes take place in the market, we are enhancing our mobility to reorganize as required without waiting for transition points such as the change to a new fiscal year.

Formerly we focused on standardizing processes and using multiple operators for specialized work tasks, organized according to business function, rather than a

business-specific organization by product group. We are aiming for an organization able to further strengthen customer-focused business models while making optimum use of accumulated capabilities.

The technology development department has been reorganized by business category and a new business unit has also been established. The manufacturing department, which conducts variable-model, variable-quantity production, is working to optimize manufacturing by product group based on a business-specific production system that emphasizes improvement of logistics and the supply chain. The order center, which is a one-stop quotation and order acceptance service point, will add a shipping operation, forming a one-stop service system for customers at entry and exit points. The sales department will be strengthened by the integration of marketing and service operations.

### Opportunities for career development



\*HiChallenge system  
A system that respects an individual's purpose and readiness to take on new roles and solve problems

## Chosen as a 2022 Great Place to Work

For the second year in a row Hioki was chosen as a Great Place to Work® by the Great Place to Work® Institute Japan (GPTW). The award is given based on the results of a survey of workers, and is an official recognition of an excellent workplace culture.

To date, we have implemented a range of measures to improve employee comfort and satisfaction

based on our corporate philosophy. Under Vision 2030, employees consider the meaning of their work and its connection to the vision, with a culture in which everyone takes ownership as CEO and acts independently, leading to improved job satisfaction.

We will continue our efforts to further improve job satisfaction through the creation of an environment

that gives rise to a high level of performance and renewed collaboration.



Please refer to the following website for information on the Great Place to Work®.



[https://hatarakigai.info/ranking/certified\\_companies/](https://hatarakigai.info/ranking/certified_companies/)

TOPICS



# DX initiatives

Promoting digital transformation (DX) to develop services and businesses that provide new value to customers.

## DX of products and services (external DX)

### Expansion of software services

Ever since its inception Hioki has taken on the challenge of creating one-of-a-kind products in every aspect of its customers' R&D, production lines, and maintenance services. Today, as we evolve our proposal-oriented style of working closely with customers' needs and solving their problems, we are working to expand our software services as well as our hardware.

One example is the GENNECT series of telemetry IoT solutions. Hioki provides PC applications that makes it easy to set up a measurement system. This provides the ability to remotely control measuring instruments and transfer the data with various means of wireless

communication. In addition, the applications are combatable with a wide range of Hioki measuring instruments and have data compilation and analysis functions.

Hioki will continue to develop and expand dedicated software services to enhance the sophistication and efficiency of customers' measurement operations.

\*The name GENNECT was coined from the Japanese word for "field" (genba) and the English word connect.

### Advancing cloud computing and software development

Hioki's vision is to be a solution creator that is continuously evolving "measurement" as it works with customers around the world to create a sustainable society. Going forward, we will focus on what customers want to achieve by using electrical measuring instruments and accelerate the shift from hardware-centric businesses to software and solution services.

One example is OTA (Over the Air) measuring equipment. Connecting our measurement instruments to the cloud enables the hardware to have a long lifespan since the software can be constantly updated.

Looking to the future, it is highly likely that new services and businesses will arise for collecting large volumes of wide-ranging data and turning it into valuable information through the application of AI and advanced simulation and analytical technology.

Hioki is promoting the advanced development of software required for next-generation services through

a combination of proprietary technology development and open innovation development.

## Digital transformation of in-house information systems (internal DX)

Digital transformation is also being applied to the Hioki Group's internal systems. In-house systems and cloud services will be used to further accelerate the sharing of information within the Group, including customer needs and advanced solutions.

The use of cloud services is expected to avoid risks and reduce costs related to information asset management. By reducing the burden imposed by the maintenance and upkeep of information systems, we hope to redirect our in-house digital human resources into future DX activities for external use.

### DX promotion structure

In 2022, Hioki established a DX Promotion Team headed by chief technology officer and chief information officer Kunihisa Kubota, for a full-fledged start of DX operations.

In the first year, the team will focus on training digital human resources who will lead future DX initiatives.



Image of GENNECT

# Hioki sustainability management

We are strengthening the activities of the entire Hioki Group based on our Basic Sustainability Policy.

Kunihisa Kubota

Managing Director  
Executive Officer  
Chief Technical Officer,  
Chief Information Officer and  
Chief Sustainability Officer



## Sustainability initiatives

Historically, Hioki has been carrying out a range of sustainability activities guided by our corporate philosophy, namely contributing to society. Through cross-organizational committees and projects with a variety of themes, we are working on targets for the reduction of resource consumption, internal and external risk management, contribution to work environments, the natural environment and local communities, and other goals.

In 2021, we received a silver sustainability rating from EcoVadis in France. The silver rating is awarded to the top 25% of companies evaluated by EcoVadis based on four themes: the environment, labor and human rights, ethics, and sustainable material procurement. We will continue to put Hioki's performance to the test of international sustainability rating organizations.



In view of the increasing importance of sustainability activities in Japan and abroad, we established the Basic Sustainability Policy and the Hioki Sustainability Declaration in 2022.

Based on our philosophy, Hioki will continue to carry out activities for sustainable growth and make company-wide efforts in cooperating with energy suppliers and local communities to achieve carbon neutrality.

### Basic Sustainability Policy

**The Hioki Group will contribute to the realization of a sustainable society through its business based on the principles of “Respect for Humanity” and “Contribution to Society.”**

- The Hioki Group will contribute to the security and development of society by promoting the safe and effective use of energy by customers through electrical measurement.
- Will build a relationship of trust with all stakeholders through active communication.
- As a member of society, we will engage in activities that contribute to the development of society and environmental preservation.

### Hioki Sustainability Declaration

**Will continue our efforts to decarbonize our business based on the following targets.**

**Achieve carbon neutrality in Scope 1 and Scope 2 by 2025 (90th anniversary of founding)**

- |                |   |
|----------------|---|
| <b>Scope 1</b> | Direct greenhouse gas emissions from the business operator<br>(fuel combustion, industrial processes)                   |
| <b>Scope 2</b> | Indirect greenhouse gas emissions from the use of electricity, heat, and steam, which are supplied from other companies |

**Achieve Scope 3 carbon neutrality by 2035 (100th anniversary)**

- |                |  |
|----------------|--|
| <b>Scope 3</b> | Indirect emissions other than those that come under Scope 1 and Scope 2<br>(emissions of other companies related to the business operator) |
|----------------|--|

\*The policy for Scope 3 emissions is to achieve the 2035 target without resorting to carbon emissions trading to the extent possible.

## Appointment of person in charge of promoting sustainability

In January 2022, Kunihisa Kubota, the Managing Director and Executive Officer of Hioki, was appointed Chief Sustainability Officer.

Our sustainability activities include not only production and development, but a large range of technical aspects, including proposals for the effective use of energy through electrical measurement.

By appointing the Chief Technical Officer and Chief Information Officer as Chief Sustainability Officer, we will promote connections across the entire Hioki Group and further improve and accelerate our sustainability activities through organic collaboration throughout the organization.

In addition, we support the Task Force on Climate-related Financial Disclosures (TCFD). We also plan to work on information disclosure in line with international frameworks.



## Sustainable Development Goal (SDG) initiatives

We are carrying out corporate activities to help achieve SDGs based on our corporate philosophy, which we believe is consistent with the philosophy of the SDGs and that our activities will contribute to their achievement.

We will continue to strive to serve our stakeholders and local communities through our products and services and through our efforts to help create a sustainable society.

\*SDGs = Sustainable Development Goals

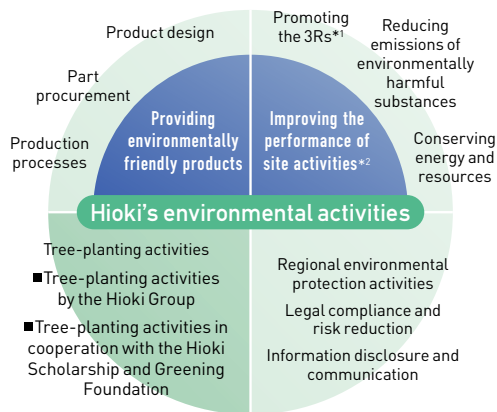
## Contribution to environmental protection

Our entire company carries out eco-friendly activities to reduce the impact on, and maintain harmony with, local communities and the global environment.

### Overview of environmental activities

In 1978, we achieved an industry first when we developed a clamp power meter enabling any person to safely and easily measure electric power. Since then, we have recognized the usefulness of our products in the energy-saving activities of society and fostered a corporate culture of contributing to society

### Overview of activities to reduce environmental burdens



\*1 3Rs: Reduce, reuse and recycle  
\*2 Site activities at factories and offices

through eco-friendly corporate activities.

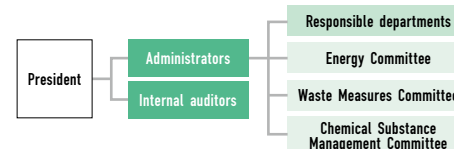
The activities of the Local Afforestation program that was started in 1995 have been expanded in cooperation with the Hioki Scholarship and Greening Foundation.

In 1997, we obtained ISO 14001 certification. In addition to continuing to provide eco-friendly products, we carry out company-wide activities aimed at reducing environmental burdens.

As a member of the local community, we engage in environmental preservation activities and cooperate with the Nagano Association for Conserving the Environment and the local community.

### Environmental protection structure based on an integrated management system

To unify our environmental protection activities with our business activities, we transferred ISO 9001 and ISO 14001 certifications to an integrated management system in 2016. We have established committees for energy, waste materials and chemical substances requiring specialized knowledge and are implementing company-wide activities to address these issues.



### Electric power used at head office and plant changed to CO<sub>2</sub>-free electricity

In January 2020, we replaced one third of the electricity used at the head office and plant with CO<sub>2</sub>-free electricity from hydroelectric power generators, aiming to reduce greenhouse gases. On April 1, 2021, we switched to using CO<sub>2</sub>-free electricity from hydroelectric power generators for all of the electricity used at the head office and plant. All the electric power used at the head office and plant is, in effect, renewable energy and CO<sub>2</sub> emissions from power use are now zero.

As a result, 98.7% of the electricity we use in Japan is CO<sub>2</sub>-free energy.

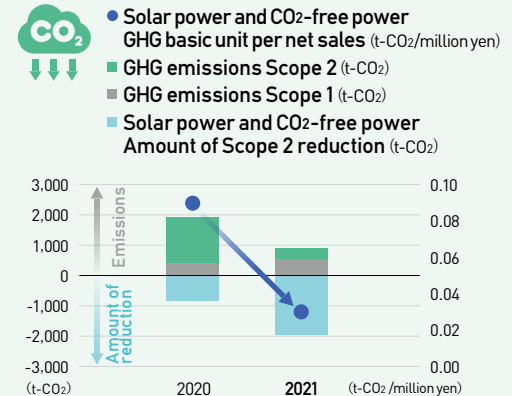
### Future initiatives

In 2022, we will implement the in-house generation of renewable energy on the premises of the head office and plant, in addition to improving our energy-saving activities, to promote carbon neutrality. Additionally, we will use CO<sub>2</sub>-free energy to replace the electricity used at other business sites and will work to reduce the burden on the environment throughout our value chain by providing subcontractors with energy-saving solutions using Hioki's measuring instruments and evaluating the use of biomass plastics in our products.

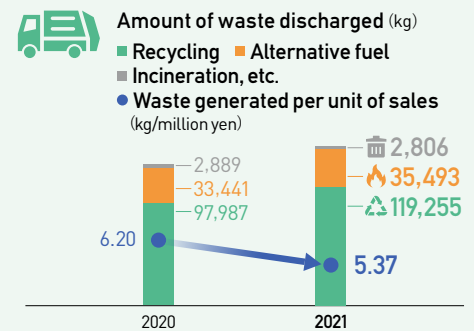
### Environmental preservation data

We will carry out activities to reduce our environmental footprint with the goal of achieving the carbon neutrality of our Scope 3 emissions by 2035.

\*Only at the Hioki head office (includes some data from domestic branches)



\* Calculated to Scope 3 using Robotic Process Automation  
\* Working with supply chains to reduce Scope 3 emissions (result in 2021: 88,643 t-CO<sub>2</sub>)



\*Donations due only to the cancellation of events to prevent COVID-19 infection

### Environmental Policy

#### Contribute to the realization of a sustainable society

Contributing to the realization of a sustainable society through business

Global warming and other environmental problems have become social issues that should be solved globally.

Contributing to solutions for these problems through business is one of the important responsibilities that Hioki bears in its effort to be a company that is vital to society.

Corporations are naturally expected to have each of their employees work conscientiously to reduce the burden on the environment in each process of their business activities and

vigorously engage in eco-friendly activities.

The contributions of a single company or a single person is limited when it comes to efforts to address environmental issues.

However, we will be able to increase our contributions without limit by expanding our measurement solution business more widely across the world and continuing to create customer value.

We will take on all challenges and maximize our efforts to solve issues to be a company that globally contributes to the creation of a sustainable society.



For more information  <https://www.hioki.com/sustainability/society>

## Communication with stakeholders and initiatives

Hioki strives to build trust-based relationships with stakeholders through active communication.

### Communication with customers

We are aiming to provide high-quality products and the best services in an effort to satisfy customers and earn their trust.

#### Customer-focused sales activities

Reflecting our commitment to resolving customers' challenges through measurement technology, our domestic branches and overseas sales companies work with distributors to build structures with strong local roots in every market we serve. Employees with extensive expertise maintain active communication with customers, and we put what they learn to use in improving existing products and developing new offerings.

#### Quality assurance structures

Hioki's operations run the gamut from production to repair and calibration in response to market requirements. Our repair service seeks both to improve lead times and minimize customer downtime, and to generate feedback for product design. Our quality assurance teams strive to earn third-party certification and improve product reliability so that customers can use Hioki products with peace of mind over the long term. Emblematic of this focus is the three-year warranty that we currently offer for about 650 products.

- 1993 Hioki earns ISO 9001 certification.
- 1997 Hioki earns ISO 14001 certification.
- 2005 Hioki earns certification as an ISO/IEC 17025-compliant JCSS calibration provider.  
\*2008: Hioki becomes a certified JCSS provider capable of issuing international MRAs.
- 2008 Hioki receives authorization to display the new JIS mark  
(becoming the first manufacturer in the measurement industry to do so).
- 2016 Hioki integrates its ISO 9001 and ISO 14001 certifications to comply with the 2015 edition of the underlying standards.

### Communication with business partners

We are continuing to strengthen our win-win relationships that enable us to grow and develop with our partners.

#### Material purchase policy briefings

Since 2009, we have been holding annual briefings on materials purchasing policy that include the participation of business partners. In addition to the purchasing policy, we report recent events and priority measures, the status of parts quality, and other news at these briefings. In 2022, after a two-year hiatus, we held a briefing as a webinar for the first time. We provided a deeper understanding of Vision 2030 and expressed our commitment to achieving the goals of the Sustainability Declaration together with our partners based on the new Basic Sustainability Policy.

Through a survey conducted each year, we receive many requests, and many issues are pointed out from diverse perspectives. We aim to build deeper trust-based relationships and develop together with our partners by sincerely responding to this feedback.

#### Kyousou Kai (co-creation meetings with distributors)

We currently conduct business with approximately 400 companies through domestic offices and overseas distributors while building sales networks across the globe. Together with these partners, we create many opportunities to help improve our selling skills, exchange information, and actively work to deepen mutual understanding.

In 2021, we renamed our meetings with distributors, that had usually been held in Japan, the Hioki distributor Kyousou Kai (co-creation meeting) to indicate that we would cultivate new

customers with our domestic distributors. The meetings are held online and include descriptions of our management strategy for the realization of Vision 2030, commendations of distributors with exceptional performance, keynote speeches promoting participants' understanding of Hioki and its business environment and opportunities for two-way communication.

### Communication with shareholders and investors

We are working to promote an understanding of Hioki and to earn the trust of shareholders and investors.

#### Information disclosure policy

Hioki has adopted the following basic policy on disclosing information to shareholders and investors: "Hioki is committed to disclosing information in a timely, fair, and appropriate manner to facilitate understanding, trust, and the ability to fairly evaluate the company's operations on the part of all stakeholders, including shareholders and investors."

We comply with the Timely Disclosure Rules put in place by the Tokyo Stock Exchange. We also work to disclose information that does not technically fall under those rules when we believe it could be of use to stakeholders or the general public, and we do it quickly and accurately based on considerations of fairness and timeliness.

#### Briefings on financial results

We hold two financial results briefings in Japan each year (after the second quarter and at the end of the year) for institutional investors and securities analysts to help them understand Hioki's performance and future corporate strategies. The briefing for the second quarter

of 2020 was held online for the first time. We also work to deepen investors' understanding of our operations and of the electrical measuring instrument industry in general by accommodating inquiries from investors and journalists. We strive to ensure that both of these vehicles provide an opportunity to communicate by listening to stakeholders' questions and desires directly.



### Hioki listing moves to Prime Market of the Tokyo Stock Exchange

On April 4, 2022, the four market segments of the Tokyo Stock Exchange (TSE) were reorganized into three new markets, the Prime, Standard, and Growth markets. TSE notified us that we conform to the criteria for a Prime Market listing, so we transferred to the Prime Market.

TSE positions the Prime Market as being "for companies which have appropriate levels of market capitalization (liquidity) to be investment instruments for many institutional investors, maintain a higher quality of corporate governance, and commit to sustainable growth and improvement of medium- to long-term corporate value, central to which is constructive dialogue with investors." We will continue to engage in constructive dialogues with domestic and overseas investors while improving governance to earn the trust of global investors.

For more information  <https://www.hioki.com/sustainability/society>

## Communication with stakeholders and initiatives

Hioki strives to build trust-based relationships with stakeholders through active communication.

### Communication with employees

We are creating an environment that enables each employee to grow as an autonomous human resource in a place that encourages innovation and to exert their skills as a solution creator based on Hioki's principle of Respect for Humanity.

#### Diversity and inclusion

We are recruiting and hiring employees based on Hioki's Employee Code of Conduct, which requires conformity to our corporate philosophy of Respect for Humanity, and prohibits discrimination based on race, gender, nationality, belief, or physical condition.

We actively hire foreign students and other non-Japanese individuals. Currently, employees from seven different countries are contributing in various departments.

In addition, with our action plans for supporting the development of the next generation and promoting the advancement of women, as well as for hiring people with disabilities, we have established an environment that enables employees to play an active role regardless of gender, childcare or nursing care status.

We are promoting a healthy work-life balance through programs such as childcare support, the childcare leave program, the long-term care leave program, and full-time employment opportunities for part-time workers to create comfortable workplaces and rewarding jobs.

These efforts have been praised and Hioki was awarded the Kurumin certification in

February 2018 and the prestigious Platinum Kurumin certification in June 2020 as a company actively supporting the fulfillment of both work and childcare responsibilities.

In September 2020, we received Level 3 Eruboshi certification (the highest level), which certifies companies with outstanding achievements in the promotion of the active participation of women in the workplace.



Platinum  
Kurumin mark



Eruboshi  
mark

#### Human resources development

At Hioki, we believe that each employee constantly working to develop skills and shape their own careers leads to the company's growth and social development. Therefore, we have established training before and after joining the company, training at each stage, career development through professional training and other activities, and educational training programs for specialized skill development.

Moreover, we have established the Personal Development Program to create a place for Hioki employees to engage in self-directed education, in which 10% of working hours in technology-related divisions can be used for free research, learning, discussions, and other activities away from daily jobs. This program has become a source of innovation as free creation time.

### Contributing to local communities

We are actively supporting the development of local culture and education.

#### Local Afforestation program

Each year since 1995, Hioki has donated seedlings to local schools and public facilities as part of its Local Afforestation program, which seeks to create a green environment by providing an opportunity for employees to plant trees together with local residents. To date, a total of 9,760 individuals have planted 74,700 seedlings at 38 locations in Japan. Overseas sales companies are spreading the initiative in their areas, too.



#### Scholarships for science and engineering students

Hioki established the Forest Hills Scholarship Fund in 1989 to award scholarships to students enrolling in science and engineering faculties at four-year colleges as a way to help train engineers and contribute to the local community. Our goal is both to help train young engineers and to spark growth in regional cities.

\*The Hioki Scholarship and Greening Foundation took over this program in 2005 and continues to administer it today as a public interest incorporated foundation. Scholarships are available to undergraduate and graduate students from Nagano who attend science and engineering colleges and universities.



#### Support for Little League

Hioki created the Ueda Minami League in 1991 as a means of encouraging the development of wholesome youth and deepening interactions with local residents. League participants learn basic behaviors such as manners and teamwork and can develop their dreams and personal strengths.



#### Support for Local Afforestation

In February 2021, the Hioki Scholarship and Greening Foundation and the Shinshu Josho Forestry Cooperative signed an Afforestation Support Agreement based on the Nagano prefectural government's Forest Foster Parent Promotion Project. Under this agreement, we will donate seedlings, maintain forests, and contribute in other ways to SGECC-certified\* forests within the municipality of Ueda and cooperate in sustainable afforestation.

\*SGECC: Sustainable Green Ecosystem Council. SGECC certification is given to forests whose operations are certified to be conducted through sustainable forest management based on international standards.



### Highest prize awarded by the Commendations for Business Supporting Future Generations

In May 2022, we received the Most Outstanding Business Supporting Future Generations Award (organized by the Alliance of Governors Supporting the Future) as part of the Commendations for Business Supporting Future Generations.

We were recognized for our active support of childcare, women and young people based on our corporate philosophy, as well as for carrying out a wide range of initiatives independently of other organizations.

We will continue to support the development of a positive environment for all employees, enabling them to feel comfortable at their workplace, and their jobs are rewarding.



TOPICS

## Board of Directors, Auditors and Executive Management Board (As of February 25, 2022)



### Directors

**President**  
Takahiro Okazawa

**Director**  
Yoshikazu Suyama

**Director**  
Kunihisa Kubota

**Director**  
Yasunao Takano

**Outside Director**  
Shigeru Tanaka

**Outside Director**  
Sumio Ohtsuji

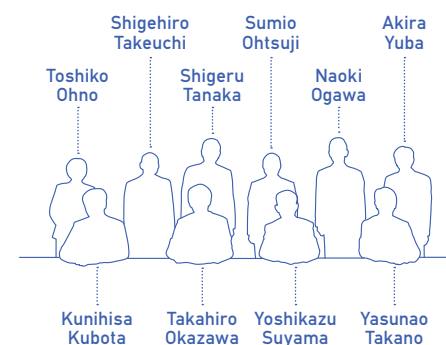
### Auditors

**Corporate Auditor**  
Shigehiro Takeuchi

**Corporate Auditor**  
Toshiko Ohno

**Outside Corporate Auditor**  
Naoki Ogawa

**Outside Corporate Auditor**  
Akira Yuba



### Executive Management Board

**President** Takahiro Okazawa

**Managing Director  
Executive Officer** Yoshikazu Suyama  
Chief Financial Officer

**Managing Director  
Executive Officer** Kunihisa Kubota  
Chief Technical Officer,  
Chief Information Officer, and  
Chief Sustainability Officer

**Director  
Executive Officer** Yasunao Takano  
Chief Marketing Officer and  
Director of Customer Marketing

**Executive Officer** Katsuhiro Takeuchi  
Director of Field Maintenance

**Executive Officer** Masamitsu Miyashita  
Director of Test System

**Executive Officer** Toshihiko Tsuchiya  
Director of Manufacturing

**Executive Officer** Tsutomu Yamaguchi  
Director of Quality Assurance

**Executive Officer** Hiroshi Tsuchiya  
Director of Sales

**Executive Officer** Akiko Kobayashi  
Director of Human Resources

**Executive Officer** Masayuki Yamabe  
Director of Americas and President of  
HIOKI USA CORPORATION

**Executive Officer** Pan Dongyun  
Director of China and President of  
HIOKI (Shanghai) MEASUREMENT  
TECHNOLOGIES CO., LTD.



## Corporate governance

We will pursue the establishment of a management system aiming to raise corporate value and fulfill our social responsibility for all stakeholders.

### Outline of corporate governance system

#### Basic policy

We recognize corporate governance as the establishment of a management system with the goal of increasing corporate value. Our highest priority is legal compliance, and we work to streamline business management, ensure appropriate profit, increase the transparency of leadership through the active disclosure of management information, and fulfill our responsibilities to society for shareholders, investors, customers, employees and all other stakeholders.

### Management structure

#### ■ Board of Directors

The Board of Directors consists of six Directors (including two Outside Directors).

The Board of Directors meets once a month and extraordinary meetings are held as necessary as this is a group that makes important decisions about the management of our business.

We have established a Nominating Committee and a Remuneration Committee, that each include two Outside Directors as a majority of their respective memberships, as advisory bodies to the Board of Directors to ensure fairness and the transparency of management decision making.

#### ■ Executive Management Board system

We have adopted an Executive Management Board system and have separated the management decision making of the Board of Directors and the Directors' function of supervising operations from the Directors' performance of their duties. Executive Officers are responsible for the performance of their duties and acting promptly based on the management decisions that have been made.

#### ■ Board of Corporate Auditors

The Board of Corporate Auditors is composed of four Corporate Auditors (including two Outside Corporate Auditors). Corporate Auditors attend important meetings such as the meetings of the Board of Directors. The Board of Corporate Auditors audits the Directors' performance of their duties.

#### ■ Nominating Committee and Remuneration Committee

Outside Directors constitute the majority of the Nominating Committee and the Remuneration Committee to ensure the independence of the committee structure.

The Nominating Committee meets as necessary as an advisory body to the Board of Directors to select candidates for President, who is the chief executive officer, recommend candidates for President, and reports change of candidates for Directors and other matters to the Board of

Directors. The Nominating Committee recommends candidates for Corporate Auditors to the Board of Corporate Auditors and recommends candidates approved by the Board of Corporate Auditors to the Board of Directors.

The Remuneration Committee meets as necessary as an advisory body to the Board of Directors and reports to the Board of Directors on remuneration systems, decision policies, amounts of remuneration, and other matters concerning the remuneration of Directors and Corporate Auditors, taking into account trends in other companies. The Remuneration

Committee is entrusted by the Board of Directors and calculates the amount paid to each Director within the range of the amount approved at the general meeting of shareholders according to the policy for determining the remuneration of Directors.

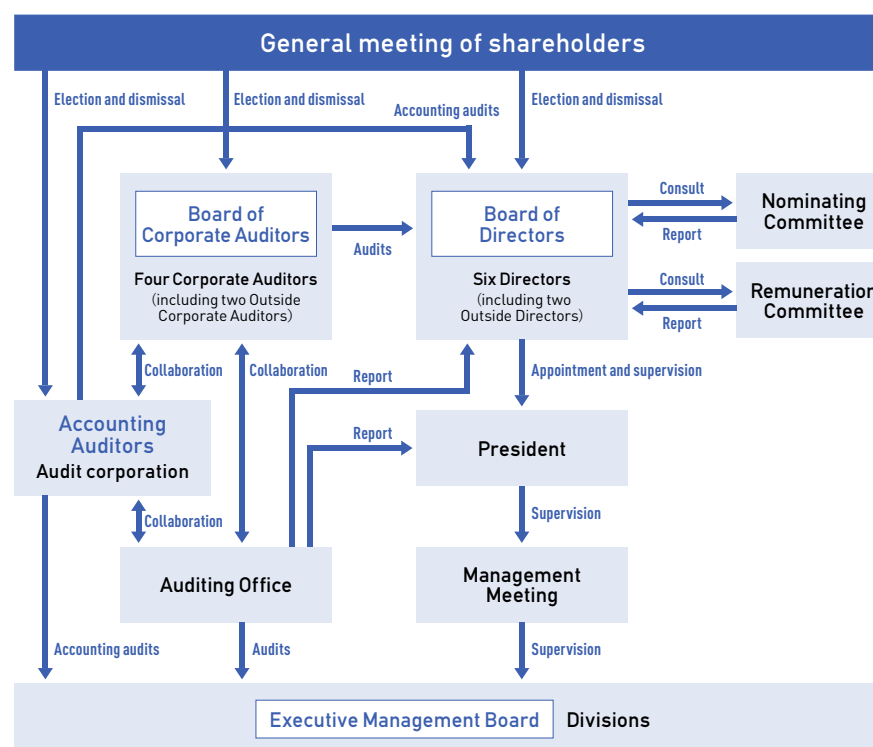
### Directors also serving as directors or corporate auditors at other companies

The two Outside Directors do not concurrently serve as executives of other listed companies. Of the two Outside Corporate Auditors, one concurrently serves as an executive of another listed company. Only one concurrent position is held, which is deemed reasonable. This information is disclosed every year through the notice of convocation of the general meeting of shareholders, the securities report, the corporate governance report, and others.

### Assessment of the effectiveness of the Board of Directors

We conduct anonymous surveys to enable the Board of Directors to evaluate its own effectiveness. The results of the assessment are discussed by the Board of Directors to conclude the self-evaluation. We have established a system to enable Directors and Corporate Auditors to share management and customer information, the status of internal audits, the minutes of important meetings and other documents on a daily basis. Each Director and Corporate Auditor attends the meetings of the Board of Directors and make decisions based on this information. Directors concurrently serving as an Executive Officer report the status of their performance of their duties to the Board of Directors. The activities of the Board of Directors are facilitated by providing the Outside Directors and Outside Corporate Auditors opportunities to remark on matters, regarding the performance of their duties. The Board of Directors holds unrestricted discussions and exchanges opinions, ensuring its effectiveness. The analysis of the assessment of effectiveness conducted in fiscal 2021 identified "securing time for reporting and

### Corporate governance organization



discussing management strategies,” “identifying issues in the proposals of the Board of Directors and improving the situation,” and “prompt delivery of information materials” as issues to be addressed in the future. Taking this into account, we held discussions at management meetings and the meetings of the Board of Directors and revised proposals for the Board of Directors to improve their discussions of management strategies. We are also working to improve the prompt provision of information materials. We will continue activities such as these to continue to increase the effectiveness of the Board of Directors.

### Approach to the overall balance of knowledge, experience and skills, and diversity and size of the Board of Directors

We ensure that the members of the Board of Directors are diverse. The Articles of Incorporation specify that there be no more than ten Directors, and we have appointed six as of now. Of the six Directors, we have elected two Outside Directors

who have business management experience at other companies. We are striving to increase the transparency, soundness and effectiveness of management by also considering knowledge from outside the company.

The table below is a skill matrix for the Board of Directors.

Our operation is audited by the Board of Corporate Auditors. The Articles of Incorporation specify that there be no more than five Corporate Auditors, and we have at presently elected four. Two of the four are Outside Corporate Auditors. We will appoint at least one Corporate Auditor who has adequate knowledge of finance and accounting such as qualification as a certified public accountant and other Corporate Auditors equipped with a thorough knowledge of our business, rich experience and insight. The four Corporate Auditors include one woman.

### Remuneration for executives

The basic policy for the remuneration of each Director is designed to encourage the Director to

aim for the continuous increase of corporate value over the medium and long term. It is also designed to encourage them to aim for a further increase in the connection between financial results and shareholder value, and to maintain a highly transparent system. The amount of remuneration for each Director is determined by the Board of Directors based on the results of consultation with the Remuneration Committee, in which the Outside Directors are a majority of the committee's members, for greater objectivity and transparency.

The remuneration of Directors (excluding Outside Directors) is composed of a fixed remuneration (money and stocks), and performance-linked remuneration. The remuneration of Outside Directors is composed of only fixed remuneration (money) in view of their independence and neutrality. Regarding stock-based compensation, we have been paying remuneration granting restricted stock since March 2020.

### Internal control system and risk management

We have established Basic Policies for the Development of Internal Control Systems based on the Companies Act, Ordinance for Enforcement of the Companies Act and Financial Instruments and Exchange Act. We have built a system ensuring the compliance of the Hioki Group's operations and have established a system ensuring the conformity of the Directors and employees of Hioki and its subsidiaries' to adhere to laws, regulations and the Articles of Incorporation and a system ensuring the Directors of Hioki and its subsidiaries efficiently perform their duties.

In addition, we have established a risk management system for the Hioki Group that functions as the regulations for the management of the risks that may cause Hioki and its subsidiaries to incur losses. We understand that how we respond to diverse risks can severely affect the foundation of our corporate management and we consider risk management to be extremely important. Therefore, we have established Risk Management Rules and Crisis Response Rules, which provide directions for risk assessment, preventive procedures, responses to any risks that arise and other measures. Each division performs their duties pursuant to these rules in an effort to understand and prevent the various risks associated with legal compliance, the environment, disasters, quality, information security

and other aspects of the Hioki Group as a whole.

Further, we develop the systems that are necessary for responding to the various risk factors surrounding Hioki and its subsidiaries such as company-wide, cross-organizational committees for safety and health, environmental measures, export control, etc. and establish related rules and guidelines, etc. for the entire Group.

### Compliance

#### ■ Code of Conduct for Employees

We have established the Hioki Employee Code of Conduct as the guidelines for employees to act in compliance with laws, regulations, the Articles of Incorporation and the social norms based on Hioki's principles of Respect for Humanity and Contribution to Society. Directors and executives in managerial positions within the Hioki Group are proactively complying with and practicing the Code of Conduct to be role models for the employees.

#### ■ Initiatives to protect personal information

The Hioki Group has established regulations for the appropriate handling of private information and is working to build a system to protect the rights and interests of individuals while facilitating the efficient business operations of the Group as a whole. We are also regularly carrying out educational activities for the Group's employees through training and other events.

#### ■ Internal reporting system

We have built and are operating a whistleblowing system with the Outside Directors acting as liaison for employees to directly provide information about acts they suspect violate laws or regulations.

#### ■ Insider Trading Prevention Rules

We have established rules for the prevention of insider trading applicable to the trading of Hioki's shares by executives and employees of the Hioki Group and are promoting compliance with these rules throughout the Group.

#### ■ Compliance training

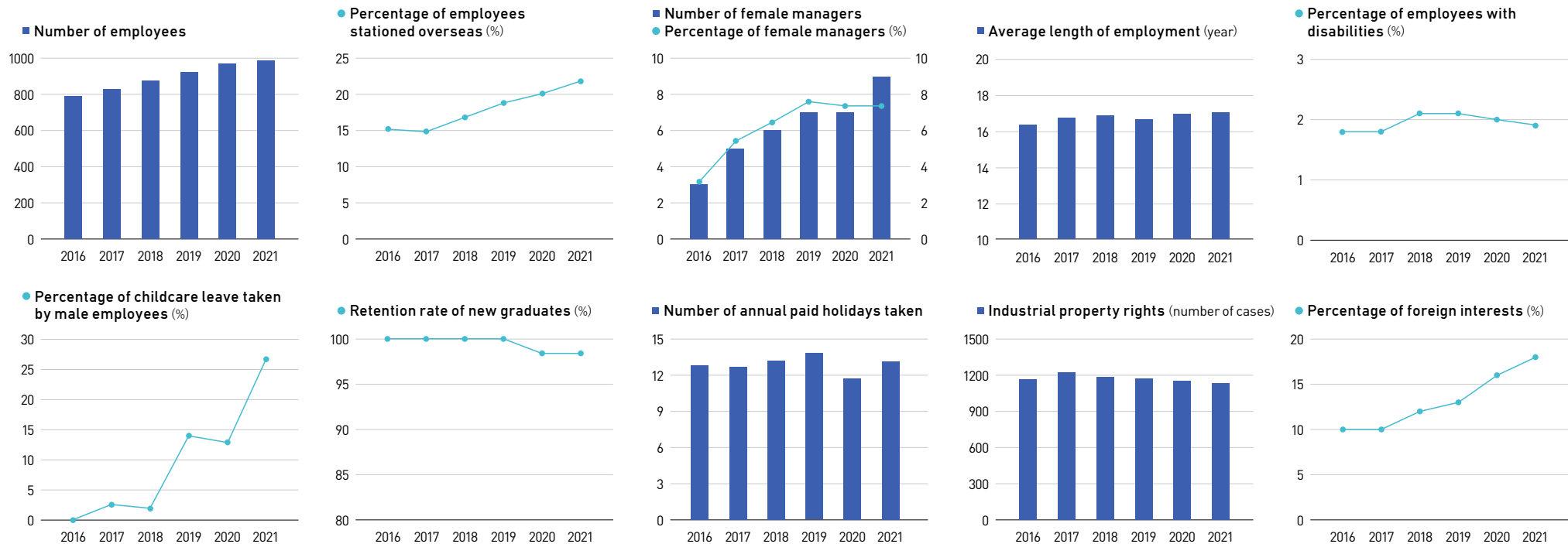
We provide employees working in Japan with compliance training. The training is provided periodically on various themes to increase employee awareness of legal compliance.

 **Skill matrix of the Board of Directors**  
(as of January 1, 2022)

		Corporate management	Global, overseas assignment	Finance and accounting	R&D, DX	Manufacturing and production technologies	Sales and marketing	Legal affairs, compliance, internal control	Personnel and labor management
President	Takahiro Okazawa	●	●			●	●		
Managing Director Executive Officer Chief Financial Officer	Yoshikazu Suyama	●		●		●		●	●
Managing Director Executive Officer Chief Technical Officer, Chief Information Officer, and Chief Sustainability Officer	Kunihisa Kubota	●			●				
Director Executive Officer Chief Marketing Officer and Director of Customer Marketing	Yasunao Takano	●	●	●			●	●	●
Outside Director	Shigeru Tanaka	●	●		●	●			
Outside Director	Sumio Ohtsuji	●	●				●		

## Non-financial data (social data)

	2016	2017	2018	2019	2020	2021	Remarks
Number of employees	787	826	872	920	965	983	Entire Group
Percentage of employees stationed overseas (%)	15.1	14.9	16.7	18.7	20.0	21.7	
Number of female managers	3	5	6	7	7	9	Entire Group
Percentage of female managers (%)	3.1	5.4	6.5	7.6	7.4	7.4	
Average length of employment (year)	16.4	16.8	16.9	16.7	17.0	17.1	Entire Group
Percentage of employees with disabilities (%)	1.8	1.8	2.1	2.1	2.0	1.9	Hioki head office only
Percentage of childcare leave taken by male employees (%)	0	2.6	1.9	14.0	12.9	26.7	Hioki head office only
Percentage of childcare leave taken by female employees (%)	100.0	100.0	100.0	100.0	100.0	100.0	Hioki head office only
Retention rate of new graduates (%)	100.0	100.0	100.0	100.0	98.4	98.4	Hioki head office only, retention rate after 3 years of employment
Number of annual paid holidays taken	12.8	12.7	13.2	13.8	11.7	13.1	Hioki head office only
Industrial property rights (number of cases)	1164	1220	1187	1174	1155	1133	
Percentage of foreign interests (%)	10	10	12	13	16	18	





## 11-year financial data

	2011/12	2012/12	2013/12	2014/12	2015/12	2016/12	2017/12	2018/12	2019/12	2020/12	2021/12	Year-on-year changes (%)
(millions of yen)												
<b>Financial Data</b>												
Net sales	15,966	15,069	14,332	17,086	19,432	18,131	20,891	23,288	22,810	21,664	29,322	35.3
Operating profit	1,948	1,127	768	1,970	2,892	1,677	2,503	3,314	2,853	2,469	5,750	132.8
Ordinary profit	1,942	1,186	826	2,007	2,914	1,682	2,630	3,403	2,967	2,646	5,999	126.7
Net income attributable to owners of parent	1,358	711	499	1,348	2,126	1,167	1,998	2,774	2,197	2,071	4,521	118.3
Earnings per share (yen)	99.69	52.22	36.68	98.97	156.03	85.67	146.67	203.63	161.27	151.91	331.35	118.1
Ratio of operating profit to net sales (%)	12.2	7.5	5.4	11.5	14.9	9.3	12.0	14.2	12.5	11.4	19.6	—
Ratio of ordinary profit to net sales (%)	12.2	7.9	5.8	11.7	15.0	9.3	12.6	14.6	13.0	12.2	20.5	—
Ratio of net income to net sales (%)	8.5	4.7	3.5	7.9	10.9	6.4	9.6	11.9	9.6	9.6	15.4	—
Return on equity (%)	8.0	4.1	2.8	7.2	10.7	5.6	9.1	11.8	8.9	8.1	16.3	—
Return on assets (%)	10.0	6.0	4.1	9.2	12.5	7.3	10.8	12.8	10.7	9.1	18.0	—
Ratio of overseas sales (%)	40.5	39.4	41.4	46.3	45.9	44.0	45.8	48.3	49.3	50.7	58.6	—
Profit before income taxes	1,919	1,145	810	1,883	2,906	1,668	2,609	3,601	2,975	2,707	6,006	121.9
Total assets	19,610	19,773	20,328	23,252	23,177	23,200	25,650	27,365	27,963	30,440	36,391	19.5
Net assets	17,426	17,744	18,286	19,369	20,721	21,035	22,786	24,216	25,122	26,012	29,454	13.2
Net worth	17,403	17,722	18,259	19,331	20,670	21,035	22,786	24,216	25,122	26,012	29,454	13.2
Net assets per share (yen)	1,277.12	1,300.56	1,339.93	1,418.66	1,516.91	1,543.68	1,672.18	1,777.17	1,843.68	1,907.33	2,158.34	13.2
Cash flows from operating activities	1,927	2,501	1,372	2,674	2,560	2,333	3,499	3,845	3,282	4,207	4,695	11.6
Cash flows from investing activities	−792	−1,112	−2,113	−1,668	−3,241	−1,827	−1,166	−121	−1,199	−1,018	−826	−18.9
Cash flows from financing activities	−475	−547	−275	−272	−476	−680	−612	−884	−1,293	−885	−1,434	62.0
Free cash flow*	1,135	1,389	−741	1,006	−681	506	2,333	3,724	2,083	3,189	3,869	21.3
Cash and cash equivalents at end of period	4,567	5,499	4,666	5,489	4,278	3,999	5,768	8,504	9,223	11,542	14,237	23.3
Capital investment	681	739	1,910	2,868	1,443	1,683	1,078	655	985	740	736	−0.5
R&D expenses	1,844	2,037	2,010	2,104	2,409	2,466	2,293	2,420	2,419	2,327	2,725	17.1
Depreciation and amortization	725	797	798	730	1,034	1,249	1,239	1,185	1,231	1,180	1,121	−5.0
Dividend payout ratio (%)	40.1	47.9	54.5	30.3	28.8	46.7	40.9	39.3	55.8	39.5	49.8	—
Annual dividends per share (yen)	40	25	20	30	45	40	60	80	90	60	165	175.0
Total amount of dividends	545	340	272	408	613	545	817	1,090	1,226	818	2,251	175.2

\*Total of cash flows from operating activities and cash flows from investing activities

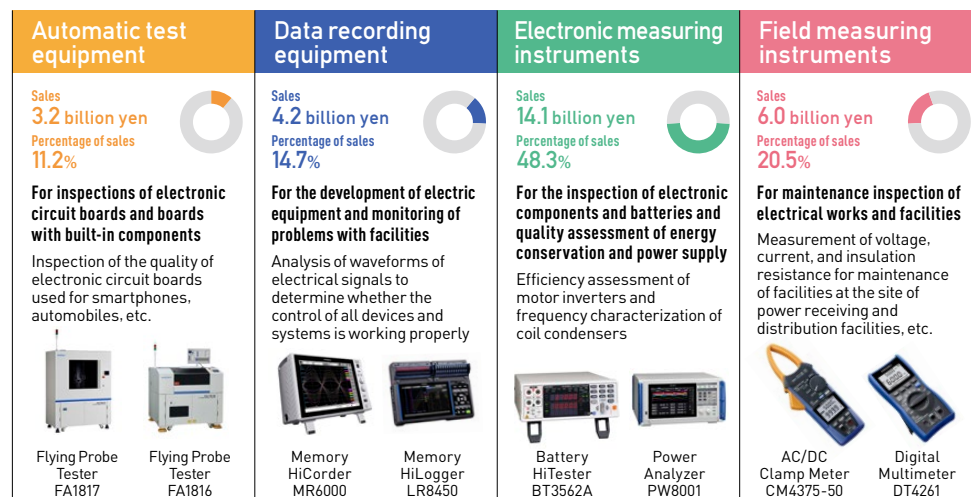
## Management discussion and analysis

### Net sales, operating profit, and profit

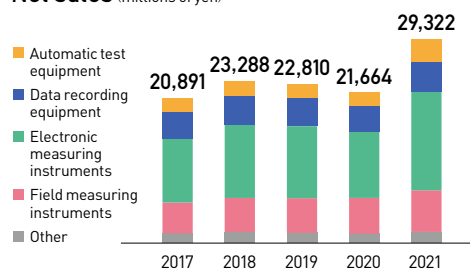
In response to efforts around the world to achieve carbon neutrality, demand for batteries, motors, and measuring instruments related to electronic components remained high during the fiscal year. Overseas demand for measuring instruments also remained strong in a wide range of regions, such as China, South Korea, Taiwan,

the U.S., and Europe.

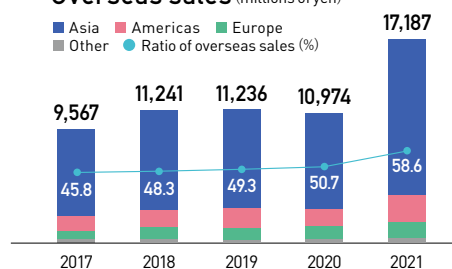
Both operating profit and ordinary profit exceeded those in the previous fiscal year to reach a new record high, offsetting an increase in personnel and other expenses caused by a significant increase in net sales. We have set a ratio of ordinary profit to sales of 20% as a target management indicator, which was achieved for the first time.



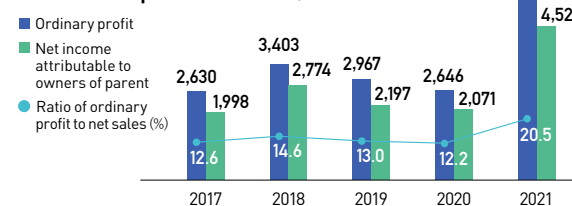
Net sales (millions of yen)



Overseas sales (millions of yen)



Ordinary profit / Net income attributable to owners of parent (millions of yen)



company as an electrical measurement business operator. During the consolidated fiscal year under review, there were no removals or disposals of essential equipment.

Cash and cash equivalents amounted to 14,237 million yen at the end of the fiscal year under review, increasing 2,694 million yen from the end of the previous fiscal year.

### Cash flows from operating activities

Net cash provided by operating activities stood at 4,695 million yen (up 11.6% year on year). Main factors for the increase include profit before income taxes of 6,006 million yen, depreciation of 1,121 million yen, and an increase of 1,560 million yen in accrued expenses. Key factors for the decrease include an increase of 1,890 million yen in inventories and 1,275 million yen in income taxes paid.

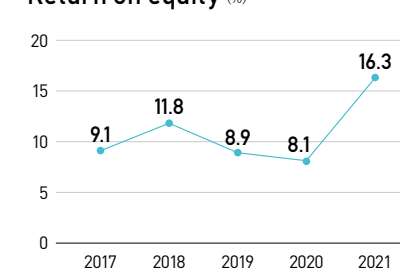
### Cash flows from investing activities

Net cash used in investing activities totaled 826 million yen (down 18.9% year on year) chiefly due to purchase of property, plant and equipment.

### Cash flows from financing activities

Cash used in financing activities was 1,434 million yen (up 62.0% year on year) as a result largely of dividends paid.

Return on equity (%)



## Shareholders' information (as of December 31, 2021)

### Shareholders' information

Number of authorized shares	40,514,000
Number of shares Issued	14,024,365
Number of shareholders	6,903

### Major shareholders (top 10)

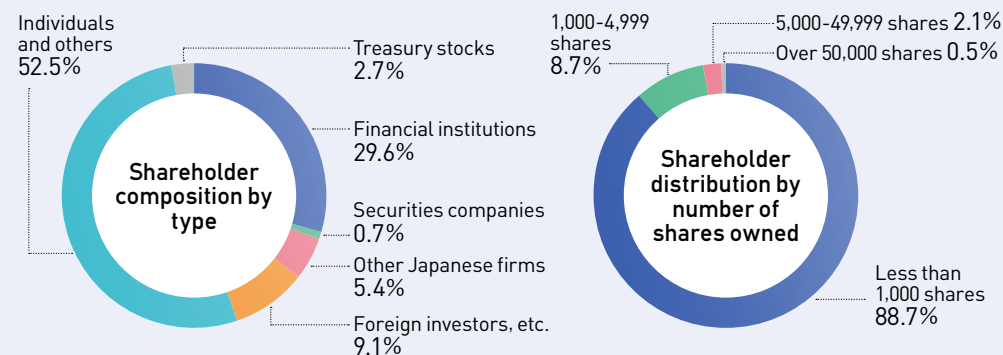
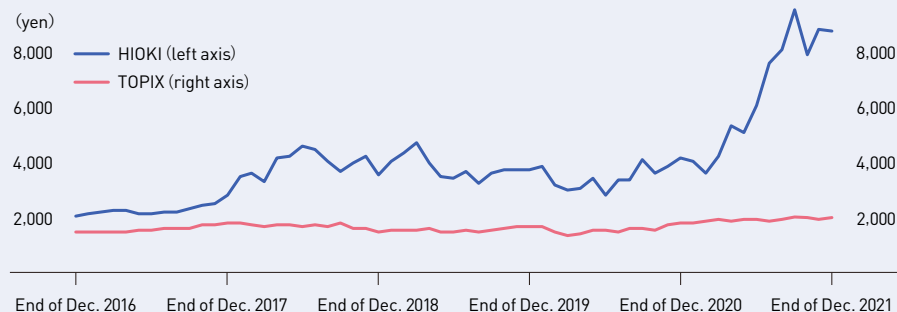
Shareholders' name	Number of shares (thousands)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	1,266	9.28
Tsuneaki Hioki	800	5.86
Hioki Employee Shareholding Association	798	5.85
Yuji Hioki	719	5.27
The Hachijuni Bank, Ltd.	666	4.88
Taeko Hioki	573	4.20
Meiji Yasuda Life Insurance Company	510	3.74
Custody Bank of Japan, Ltd. (Trust account)	455	3.34
Hideo Hioki	352	2.58
The Hioki Scholarship and Greening Foundation	301	2.21

Note 1. Although the Company holds 377,000 treasury shares, it is excluded from the list of major shareholders above.  
2. Shareholding ratio is calculated excluding treasury shares.

### Basic stock information

<b>Fiscal year</b>	From January 1 to December 31
<b>General meeting of shareholders</b>	February
<b>Shareholders record date (Base data)</b>	Year-end dividends: December 31 (June 30 of each year for interim dividend payments)
<b>Number of shares per unit</b>	100
<b>Administrator of shareholder register</b>	Mitsubishi UFJ Trust and Banking Corporation
<b>Account management institution for special accounts</b>	Mitsubishi UFJ Trust and Banking Corporation
<b>Contact for inquiries</b>	Mitsubishi UFJ Trust and Banking Corporation Corporate Agency Division 1-1, Nikko cho, Fuchu-shi, Tokyo, 183-0044, Japan Telephone: +81-42-204-0303 (Business hours: 9:00 a.m. to 5:00 p.m. Closed Saturday, Sunday and holiday)
<b>Mail address</b>	Mitsubishi UFJ Trust and Banking Corporation Corporate Agency Division Shin-TOKYO Post Office post office box No.29 137-8081, Japan
<b>Public notices</b>	Public notices will be posted electronically on the company's website at <a href="https://www.hioki.co.jp/jp/ir/">https://www.hioki.co.jp/jp/ir/</a> . If for any reason the company is unable to make an electronic public notice, the notice concerned will be published in the Nihon Keizai Shimbun.
<b>Listed market</b>	First Section of the Tokyo Stock Exchange* (Securities code 6866) *Transition to the Tokyo Stock Exchange Prime Market on April 4, 2022

### Stock price



## Company profile (as of February 25, 2022)

### Company profile

<b>Trade name</b>	HIOKI E.E. CORPORATION
<b>Founded</b>	June 1935
<b>Incorporated</b>	January 1952
<b>Trademark</b>	<b>HIOKI</b>
<b>Capitalization</b>	3,299 million yen
<b>Employees</b>	983 (as of December 31, 2021)
<b>Businesses</b>	Development, manufacture, sales, and service of electrical measuring instruments
<b>Headquarters</b>	81 Koizumi Ueda, Nagano 386-1192 Japan
<b>Group companies</b>	HIOKI FOREST PLAZA CORPORATION HIOKI USA CORPORATION HIOKI (Shanghai) MEASUREMENT TECHNOLOGIES CO., LTD. HIOKI (Shanghai) TECHNOLOGY DEVELOPMENT CO., LTD. HIOKI (Shanghai) MEASURING INSTRUMENTS CO., LTD. HIOKI SINGAPORE PTE. LTD. PT. HIOKI ELECTRIC INSTRUMENT HIOKI KOREA CO., LTD. HIOKI INDIA PRIVATE LIMITED HIOKI EUROPE GmbH HIOKI TAIWAN CO., LTD.

### Sales and service network

