

Integrated Report

2026

Contributing to a Stable and Developing Society Through Fulfilling the Potential of Every Individual

Hioki's activities are guided by our corporate philosophy established in 1986 and Group Policy formulated in 2025.
Both defining philosophies are deeply embedded throughout our entire Group.

Respect for Humanity

Hioki aims to build a free and open environment where employees can develop their full potential. Guided by our principle of "Respect for Humanity," Hioki fosters creativity and individuality in our employees to help them become the best version of themselves. Hioki seeks harmony between the potential of our individual employees and our organizational goals, to ensure that personal development remains the driving force of our evolution.

HIOKI

**Corporate
Philosophy**

Contribution to Society

As a manufacturer, Hioki contributes to the security and advancement of society and the happiness of people by providing high-quality products and unparalleled services. As a member of the communities we serve, we work actively to support local youth and protect the environment, making meaningful educational, cultural, and environmental contributions.

Group Policy

This document sets out the fundamental management stance and basic thinking of the Hioki Group as a whole, grounded in the corporate philosophy. This policy represents the shared management intent common to all Group companies worldwide and serves as a code of conduct across the entire Group.



For more details, please visit our website:

<https://www.hioki.com/corporate/vision/group-policy.html>

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and Future

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Editorial Policy

This integrated report has been published by HIOKI E.E. CORPORATION (hereinafter, "Hioki") to provide shareholders, investors, and other stakeholders with a better understanding of the Hioki Group's value creation stories from a medium- to long-term perspective, along with an overview of its real potential, including the intangible capital that is the source of value creation. For further details, please visit our website.

<https://www.hioki.com/>

Reporting Period

January 1, 2025–December 31, 2025
(Some information both before and after the reporting period is included for reference.)

Scope of Reporting

Data for the Hioki Group (Hioki and its 12 consolidated subsidiaries) is compiled and reported. When the scope of the data to be covered differs from the scope of the report, the applicable scope is specified individually for each case.

Reference Guidelines

- UN Global Compact
- GRI (Global Reporting Initiative) Standards
- IFRS Foundation "International Integrated Reporting Framework"
- IFRS Foundation "IFRS Sustainability Disclosure Standards"
- Task Force on Climate-related Financial Disclosures (TCFD)
- Taskforce on Nature-related Financial Disclosures (TNFD)
- Ministry of Economy, Trade and Industry (Japan) "Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation 2.0"



Forward-Looking Statements

The forward-looking statements included in this report are based on information available at the time of publication and encompass known and unknown risks and uncertainties. Various factors may cause actual results to differ materially from those described in the forward-looking statements.

Continuously Responding to Customer Needs to Become a Trusted and Preferred Partner

To advance our customers' business activities and contribute to a sustainable society, we have delivered products and services unavailable elsewhere, engaging directly with customers to understand their needs, and developing technologies that anticipate them.



- Our founder, Mizo Hioki, began manufacturing electrical indicating meters in Minato-ku, Tokyo
- Hioki's factory was relocated to Sakaki-machi in Nagano Prefecture due to the war
- Hioki launches its first tester

- HIOKI E.E. CORPORATION was incorporated
- Received a large volume order for aircraft multi-testers from the U.S. Far East Air Force
- Expanded business centered on mass production technologies

- Focused on developing in-house branded products and established four distinct product lines with the aim of modernizing management and establishing proprietary technologies
- Completed the new Hioki Forest Hills Headquarters Factory

- The first Local Afforestation Program was held
- Brought successive unique products to market
- Established a local subsidiary in the United States
- Hioki was listed on the First Section of the Tokyo Stock Exchange

- Focused on developing high value-added products from the customer's perspective
- Accelerated the establishment of overseas subsidiaries
- Completed a new factory and research building adjacent to the headquarters

- Formulated the Long-Term Management Policy: Vision 2030
- Announced the Basic Sustainability Policy and Declaration
- Established creative collaboration hubs domestically and internationally
- Launched the HI-Career System

1935

Our Starting Point: Tester Manufacturing with Electrical Indicating Meters

Panel Meter
H45

1978

Responding to the Growing Awareness of Energy Conservation Amidst the Oil Crisis

Ahead of our competitors, we launched a product capable of measuring power consumption. Our contribution to industry was recognized, and in 1983, the 3161, the successor to the original model 3133, received the 1983 Outstanding Energy Conservation Product Award.

Clamp on Power
HiTester 3133

1986

Contributing to Improvements in Electronic Circuit Board Quality and Production Efficiency

Originally developed as an in-house production tool, the In-Circuit HiTester 1101 circuit board inspection device was commercialized in response to customer demand. The result: better board quality and lower production costs through faster inspection times.

In-Circuit
HiTester 1101

1996

Addressing the Need for Battery Inspection of Uninterruptible Power Supplies (UPSs)

We launched the Battery HiTester 3550 in 1996, after years of demand and queries from customers about using our tester units, like the AC Milliohm HiTester 3225, launched in 1986, for UPS maintenance and inspection. Battery testing has since evolved to become a core pillar of our business.

Battery HiTester
3550

2014

Challenging Conventional Measurement Wisdom through the Development of New Elemental Technologies

The PW3365 power logger incorporates the PW9020 sensor, which measures voltage simply by clipping onto a cable. Conventional measurement typically requires connecting the instrument to a live metal conductor, an operation that carries inherent risk. By eliminating the need for this connection, operator safety is significantly enhanced.

Clamp on
Power Logger
PW3365Voltage Sensor
PW9020

2022

Powering the Development of Core Technologies for Green Hydrogen, the Key to a Decarbonized Society

Water electrolysis systems and fuel cells, both essential to the production and utilization of hydrogen, represent a new field in which performance evaluation methods have yet to be established. Drawing on the expertise cultivated through our singular focus on electrical measurement, we developed a measurement system that enables performance analysis using common indicators regardless of equipment scale, providing powerful support for the development of core technologies for next-generation energy.

Electrolysis Cell
Analyzer
ALDAS-Mini

A Broad Product Lineup Built on Our Core Technologies

Automatic Testing Equipment

Inspection Solutions Supporting the Quality and Productivity of Electronic Circuit Boards

Our instruments are used to inspect the quality of electronic boards incorporated into smartphones, battery electric vehicles (BEVs), hybrid electric vehicles (HEVs), AI servers, and other products. As boards become increasingly miniaturized and multilayered, inspection grows more challenging—a challenge our solutions address through high-speed, high-precision probe (needle) control technology, helping prevent defective products from slipping through inspection and contributing to improved yields at manufacturing sites.

Key Customers: •Electronic component manufacturers
•Circuit board assembly manufacturers •Automotive electronics manufacturers

Quality inspection of
printed circuit boards



Flying Probe Tester
FA1816

Quality inspection of
cutting-edge IC package boards



Flying Probe Tester
FA1823

Quality inspection of
mounted circuit boards



Flying Probe Tester
FA1240

Electronic Measuring Instruments

High-Precision Measurement Advancing a Decarbonized Society

Our high-precision instruments are used for evaluating the performance of devices central to electrification, including lithium-ion batteries, motors, and inverters. As electrification technologies advance toward carbon neutrality, these instruments provide highly accurate measurement data that enable customers to improve product performance and enhance development efficiency.

Key Customers: •Automakers •Motor and inverter manufacturers
•Battery manufacturers •Hydrogen-related companies

Performance evaluation of
motors and inverters



Power Analyzer
PW8001

Performance evaluation of
batteries



Battery Tester
BT6075

Performance evaluation of
water electrolysis systems



Electrolysis Cell Analyzer
ALDAS-Mini

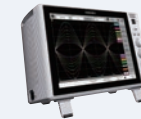
Data Recording Equipment

A Measurement Platform That Visualizes Physical Phenomena

Our instruments simultaneously record and visualize electrical and physical changes such as voltage, current, temperature, and strain. In design verification and fault analysis applications, they accurately visualize signal changes that are otherwise invisible to the naked eye. By recording everything from instantaneous anomalous events to long-term fluctuations, they enable analysis grounded in objective evidence.

Key Customers: •Transportation equipment manufacturers (automotive, rail, aerospace, etc.)
•Heavy electrical equipment manufacturers

Recording sudden,
instantaneous changes



Memory HiCorder
MR6000

Recording long-term
fluctuations



Memory HiLogger
LR8450

Performance evaluation
of high-output batteries



Data Logger
LR8102

Field Measuring Instruments

Supporting the Safety and Stable Operation of Electrical Infrastructure

Our tools are used for on-site measurement and diagnosis of voltage, current, insulation condition, and other parameters in the maintenance and management of factories, buildings, power generation facilities, and similar infrastructure. Proprietary technologies, including non-metallic contact measurement, enable dependable inspections while lowering the risk of electric shock and short circuits. They contribute to the stable operation of equipment in response to the growing adoption of renewable energy facilities and efforts to address aging infrastructure.

Key Customers: •Electric power companies •Building maintenance companies
•Factory maintenance departments •Electrical contractors

Connection inspection
of electrical wiring



Digital Phase Detector
PD3259-50

Completion inspections
and periodic maintenance of
electrical infrastructure

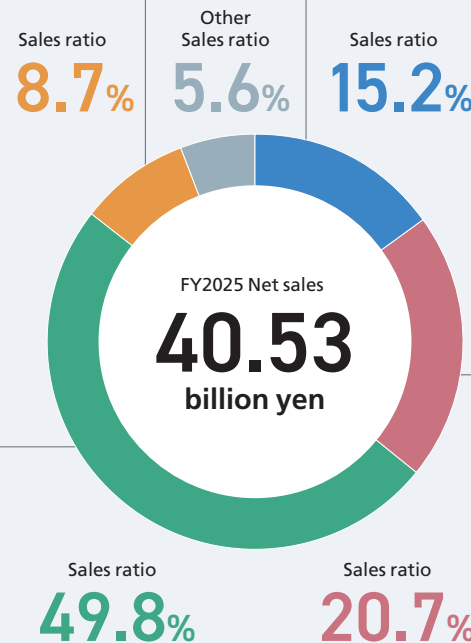


AC/DC Clamp Meter
CM4375-50

Insulation diagnosis of
substation equipment, large
motors, and machine tools



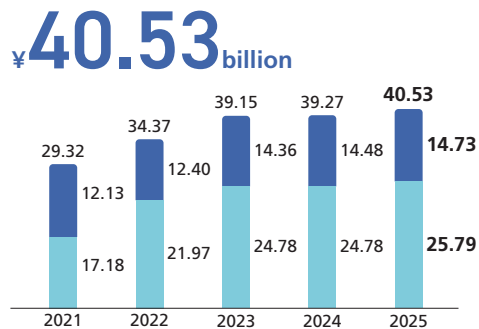
High Voltage Insulation Tester
IR5051



Net Sales Hit a New Record High in 2025

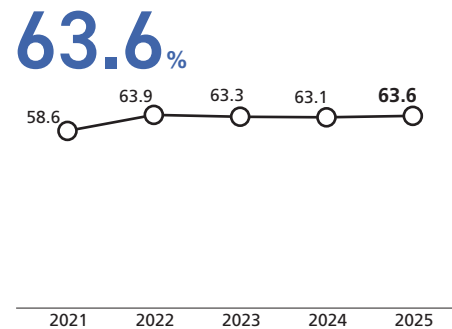
Net Sales

Net Sales ■ Domestic ■ Overseas



Net sales for 2025 increased 3.2% year on year, driven by higher sales of electronic measuring instruments and data-recording equipment. This marks the fifth consecutive year of record-high net sales.

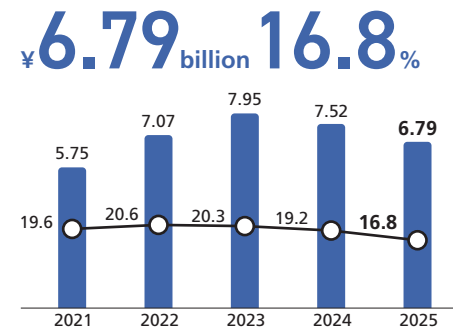
Ratio of Overseas Sales



The ratio of overseas sales has exceeded 60% since 2022. As a target management indicator for 2030, we aim to raise this figure to 75%.

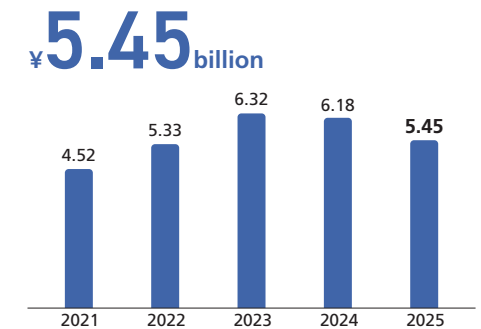
Operating Profit / Operating Profit Ratio

■ Operating Profit ○ Operating Profit Ratio



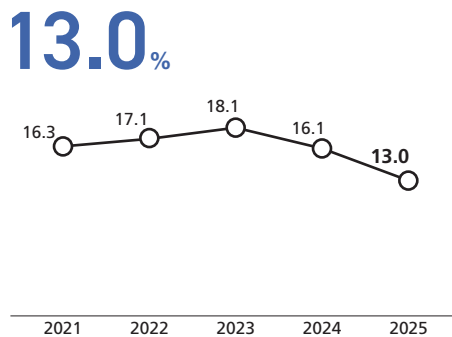
The operating profit ratio had hovered around 20% since 2021, but came in at 16.8% in 2025 due to the impact of non-recurring and planned expenses. We are targeting 25% by 2030.

Profit Attributable to Owners of Parent



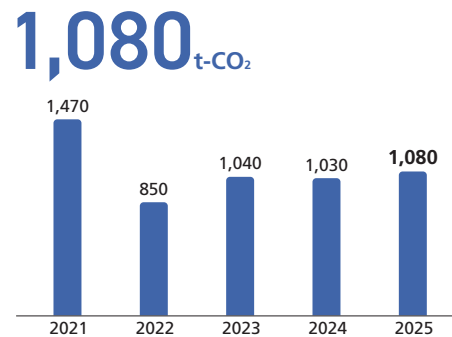
Although net sales increased in 2025, profit attributable to owners of parent declined 11.8% year on year due to the impact of non-recurring and planned expenses.

ROE



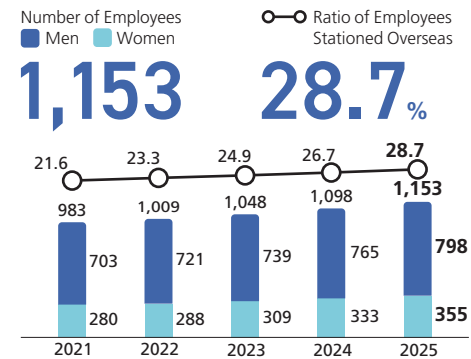
ROE declined in 2025 as net assets expanded due to an increase in remeasurements of defined benefit plans. Our target management indicator for 2030 is an ROE of 15% or higher.

Scope 1 and 2 CO₂ Emissions



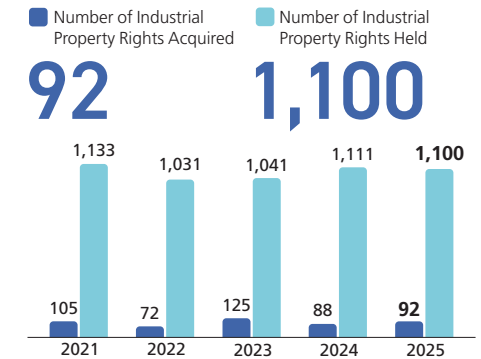
In 2025, we achieved investment-based carbon neutrality for Scope 1 and 2 emissions (market-based, including non-energy sources).

Number of Employees / Ratio of Employees Stationed Overseas



To further penetrate overseas markets, we are strengthening recruitment both in Japan and at our overseas subsidiaries, steadily growing our headcount each year.

Number of Industrial Property Rights Acquired / Held



As industrial property rights directly influence our pricing power, we are reinforcing risk management alongside our business strategy.

Sales Network Spanning Across 11 Countries Overseas, Centered on Asia

● Regional Group Company's Headquarters ○ Offices of Group Companies

Germany
HIOKI EUROPE GmbH
(established in 2017)

South Korea
HIOKI KOREA CO., LTD.
(established in 2012)

China
**HIOKI (Shanghai) MEASUREMENT
TECHNOLOGIES CO., LTD.**
(established in 2007)

Vietnam
**HIOKI ELECTRIC VIETNAM
COMPANY LIMITED**
(established in 2025)

United Arab Emirates
HIOKI MEA FZCO
(established in 2024)

India
HIOKI INDIA PRIVATE LIMITED
(established in 2016)

Thailand
**HIOKI ELECTRIC (THAILAND)
CO., LTD.**
(established in 2024)

Singapore
HIOKI SINGAPORE PTE. LTD.
(established in 2010)

Indonesia
PT. HIOKI ELECTRIC INDONESIA
(established in 2018)

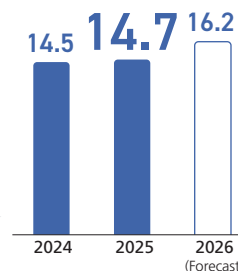
Japan
HIOKI E.E. CORPORATION
(Founded in 1935/Incorporated in 1952)

Headquarters

Taiwan
**HIOKI TAIWAN
CO., LTD.**
(established in 2018)

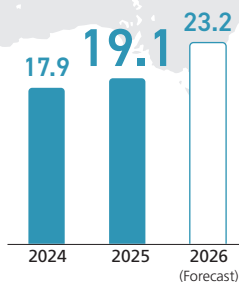
Japan

Net sales (Billions of yen)



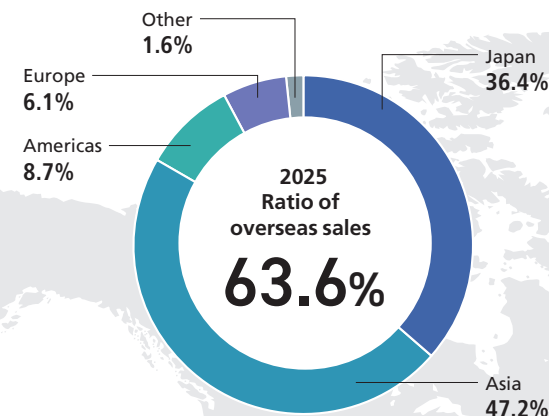
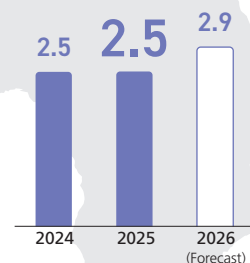
Asia

Net sales (Billions of yen)



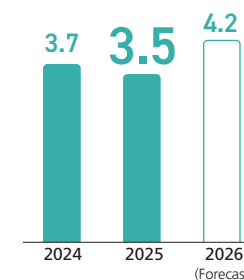
Europe

Net sales (Billions of yen)



Americas

Net sales (Billions of yen)



Strengthening Our Global After-Sales Service Framework

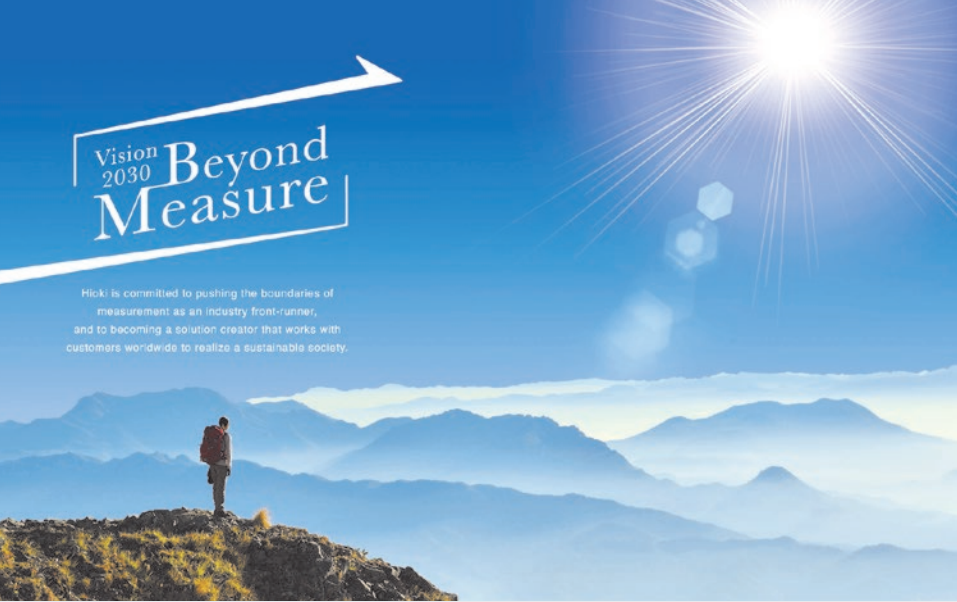
We are committed to providing optimal and comprehensive after-sales service to ensure that customers around the world can use our measuring instruments with confidence for years to come. To minimize downtime in our customers' business operations caused by instrument repair and calibration, we will continue to expand our global after-sales service network, delivering local repair and calibration wherever our customers need it.

Note: The 2026 forecast was revised upward in June 2026. Amounts are rounded to the nearest 0.1 billion yen.

Aiming to Be the Solution Creator for a Sustainable Society

Our long-term management policy, Vision 2030, which we have pursued since 2020, sets out Hioki's purpose for being and the future we aspire to create. We aim to accurately capture the electrical measurement needs of our customers working toward the realization of a decarbonized society, while driving innovation forward.

Long-Term Management Policy: Vision 2030 Key Visual



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.

Our Mission

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

Our Vision

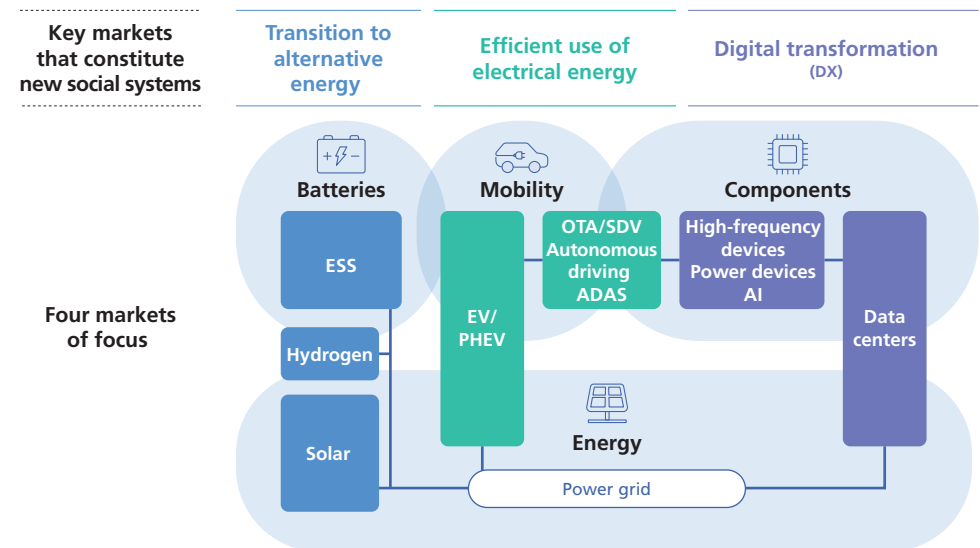
What We Want to Be

"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."

The Direction of Our Business

Among the key markets shaping new social systems, we have identified four priority markets: Energy, Mobility, Components, and Batteries. By focusing our development resources on these priority markets, we aim to contribute to market growth and the realization of a sustainable society.



Key Steps toward 2030

Five years have passed since the launch of Vision 2030, and with 2030 now within sight, we have set specific target figures for that year. We will pursue our Vision by executing the medium-term business plan, which serves as a milestone along the way.

Establishment of an integrated Group-wide business structure Three growth strategies

- ① Product development with the indispensability of Hioki → P. 26
- ② Market-oriented business development → P. 26
- ③ Achievement of carbon neutrality → P. 37

2025 Results

Sales
¥**40.5** billion
Operating profit ratio
16.8%

Job
satisfaction &
greater skill

2026 Forecasts

(upward revision in June 2026)

Sales
¥**47.7** billion
Operating profit ratio
19.9%

Higher
productivity

2027 Plan

(as set in the 2025 Medium-Term
Business Plan)

Sales
¥**51.2** billion
Operating profit ratio
22.5%

Higher
per-capita
net sales

2030 Plan

Operating profit ratio
25.0%
Sales ratio
Domestic **25%** International **75%**
ROE
15% or greater

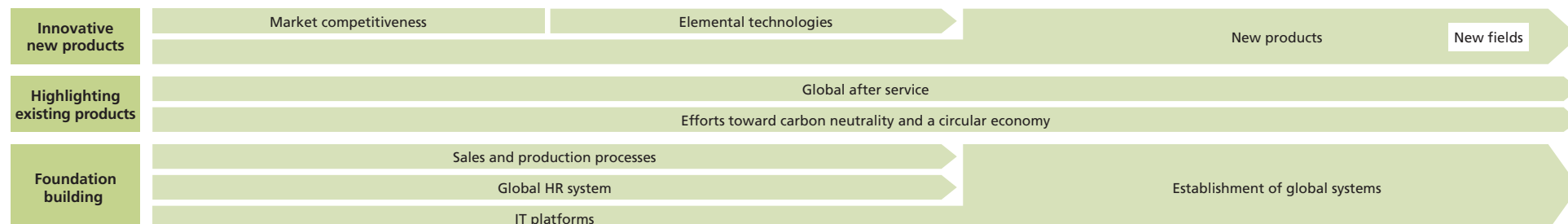
New Products
New Fields

Company-Wide Course of Action to Realize Our Mission and Vision

Deliver competitive, high value-added
electrical measurement solutions
to customers across the globe
as a solution creator through
continuous company-wide innovation.

Market
Expansion &
Essentialization

Existing
Products



Building a Foundation for Future Growth

Management Milestones toward Vision 2030

In 2020, we formulated Vision 2030 to clarify “what we want to be in 2030.” As concrete targets were needed to realize this vision, management held extensive long-term discussions before setting the 2030 targets, a portion of which, namely operating profit ratio, domestic/overseas sales ratios, and return on equity (ROE), were announced in February 2025. In setting these targets, we envisioned Hioki's future based on factors such as net sales, headcount, and annual income levels at each site, with the plan being to achieve growth that exceeds market growth rates. We have also positioned the three-year period from 2025 to 2027 as a phase for building the foundation for our next stage of growth, pursuing sustainable growth through a strategy that emphasizes profitability and productivity.

Regarding the progress of our management indicators in 2025, selling, general and administrative expenses increased due to investment in our 90th anniversary commemorative activities and digital transformation (DX) promotion initiatives, causing the operating profit ratio to fall below the 2024 level. The ratio of overseas sales saw only a modest increase overall, affected by a slowdown in South Korea amid political instability, despite sales increases in China and India. Net assets expanded due to an increase in remeasurements of defined benefit plans, which in turn caused ROE to decline.

Target Management Indicators (as of FY2027)

	Ratio of operating profit to net sales	Ratio of overseas sales	Return on equity (ROE)
Profitability	22.5%	70% or higher	15% or higher

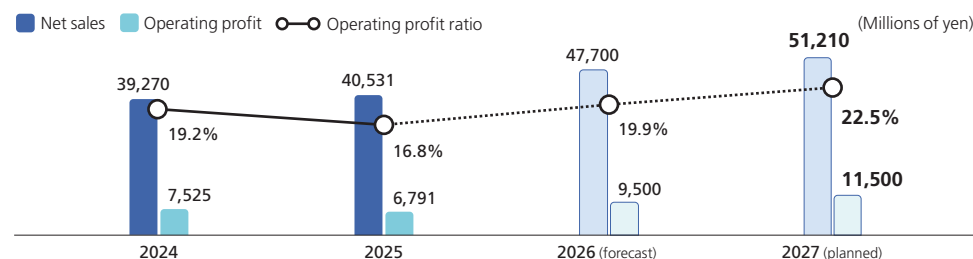
Progress of Management Indicators

	2024	2025	2026 (forecast)	Medium-Term Business Plan Final Year 2027 (planned)	Vision 2030 Target Year 2030 (planned)
Ratio of operating profit to net sales	19.2%	16.8% ↓	19.9%	22.5%	25.0%
Ratio of overseas sales	63.1%	63.6% ↑	66.1%	70% or higher	75%
Return on equity (ROE)	16.1%	13.0% ↓	16.5%	15% or higher	15% or higher

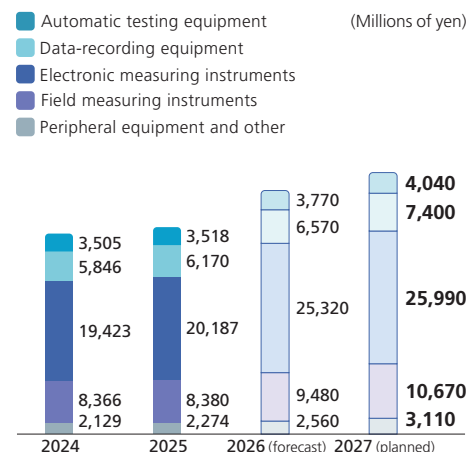
Committed to Expanding Net Sales in Pursuit of Our Targets

As a manufacturer of electrical measuring instruments, Hioki offers a broad range of products, grouped into four product categories based on their functions. In the medium-term business plan, we aim for growth across all product groups and expect rising demand especially in the electronic measuring instruments segment as electrification progresses globally. By region, Asia is expected to continue leading growth, and we also look forward to a recovery in Europe and the Americas.

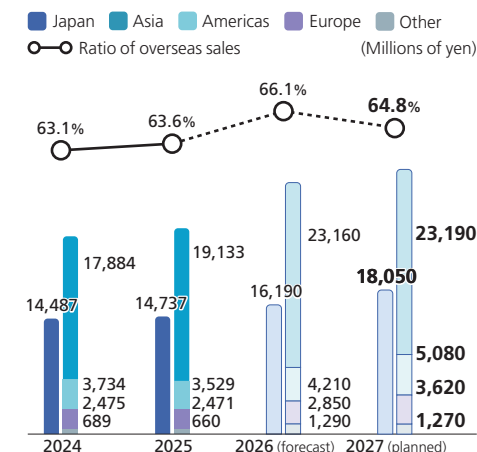
Net Sales/Operating Profit



Net Sales by Product Group



Net Sales by Region



Note: The 2026 forecast was revised upward in June 2026 and the 2027 plan remains unchanged from the announcement in February 2025.

Delivering Measurement Solutions to Customers Around the World, Tackling Social Issues and Aiming for Sustainable Growth

Realizing Our Philosophy

Respect for Humanity
Contribution to Society

Creating Value

—— Social Value ——

Efficient use of energy
Environmental protection
related to business
activities and respect
for human rights

—— Corporate Value ——

Employee growth
and job satisfaction
Individual purposes
Strengthening of
business foundation
Sustainable growth
and development

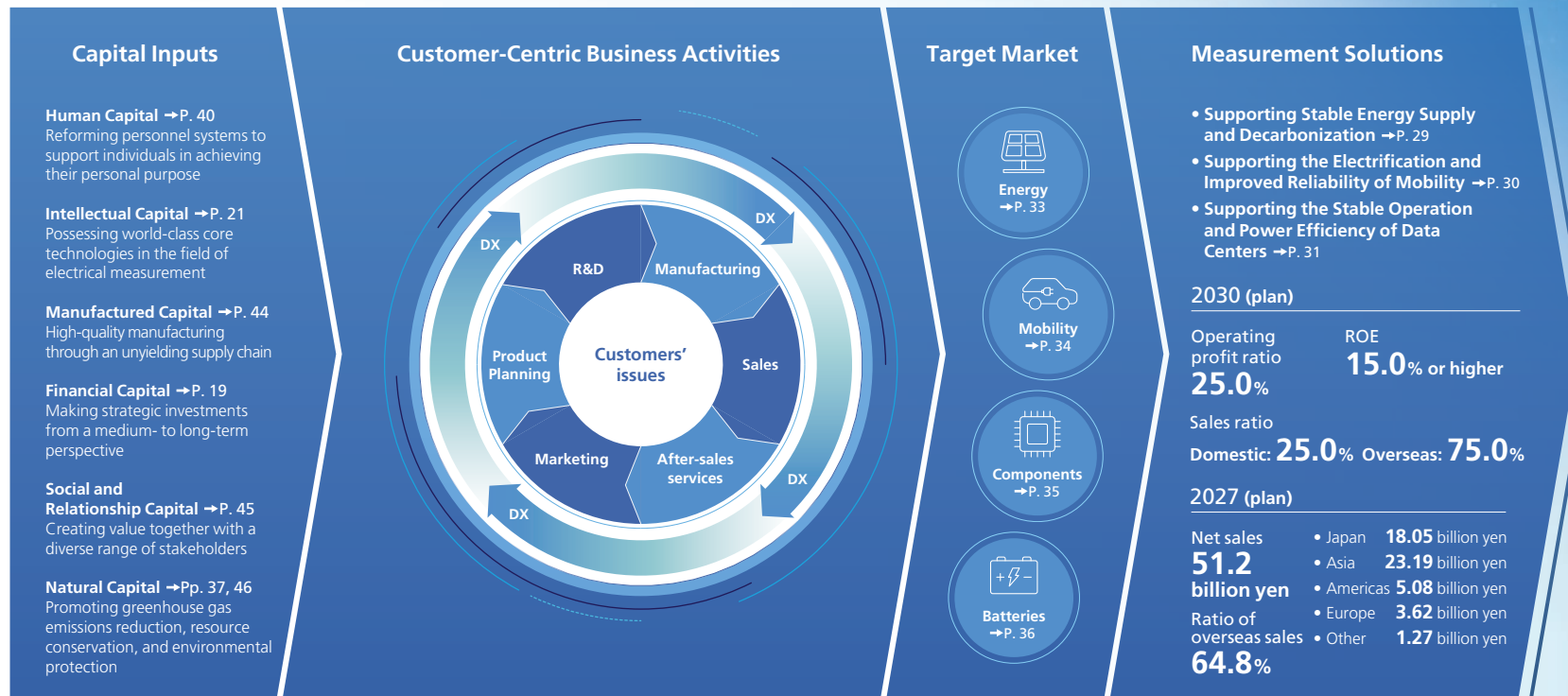
Long-Term Management Policy:
Vision 2030 →P. 07

Medium-Term Business Plan
(2025 to 2027) →P. 09

Three Growth
Strategies

- ① Product development with the indispensability of Hioki →P. 26
- ② Market-oriented business development →P. 26
- ③ Achievement of carbon neutrality →P. 37

Customer needs | Transition to a decarbonized society | Develop new energy sources | Maintain and manage social infrastructure | Reduce environmental impact



Enhancing Corporate Value and Addressing Social Challenges through Our Materiality Framework

Formulating Our Materiality

With Respect for Humanity and Contribution to Society at the heart of our corporate philosophy, Hioki has developed a materiality framework designed to jointly enhance corporate value and address social challenges, in pursuit of our Long-Term Management Policy: Vision 2030.

This framework integrates management, business, and sustainability into a unified materiality structure.

Formulation Process

Step1	Confirming Hioki's Philosophy Based on the corporate philosophy of Respect for Humanity and Contribution to Society, we clarified Hioki's reason for being and its approach to engaging with society.
Step2	Confirming Hioki's Management Principles In pursuit of sustainable long-term growth and development, we reaffirmed our business principles, including customer focus, fair business practices, and support for employee growth, and organized our direction for value creation.
Step3	Review of Long-Term Management Policy: Vision 2030 We set targets for each of the Five Innovations established in pursuit of our Long-Term Management Policy: Vision 2030. Five Innovations: ① Creating New Customer Value ② Building New Production Systems ③ Building Relationships for Creative Collaboration with Customers to Forge a New Society ④ Building New Supply Chains ⑤ Realizing New Internal Structures
Step4	Clarifying Our Three Growth Strategies We examined how the three growth strategies that serve as the pillars of Hioki's business growth interrelate, and identified areas in which executing these strategies contributes to addressing social challenges. Three Growth Strategies: ① Product development with the indispensability of Hioki ② Market-oriented business development ③ Achievement of carbon neutrality
Step5	Incorporating the UN Global Compact's Four Areas and 10 Principles Taking global sustainability expectations into account, we applied international principles related to <i>Human Rights, Labor, Environment, and Anti-Corruption</i> to identify Hioki's responsibilities and key focus areas.
Step6	Integrating the Hioki Group Policy After conducting a final review of our Group-wide corporate philosophy and code of conduct, we integrated them with the Group Policy, which was established to prioritize trust-based relationships with customers, embrace diversity from a global perspective, and respond flexibly to change.
Step7	Finalizing Our Materiality Following Approval by the Management Meeting* Finalized following discussion, validation, and approval at the Management Meeting.

*The Management Meeting is composed of internal directors, executive officers, and advisors.

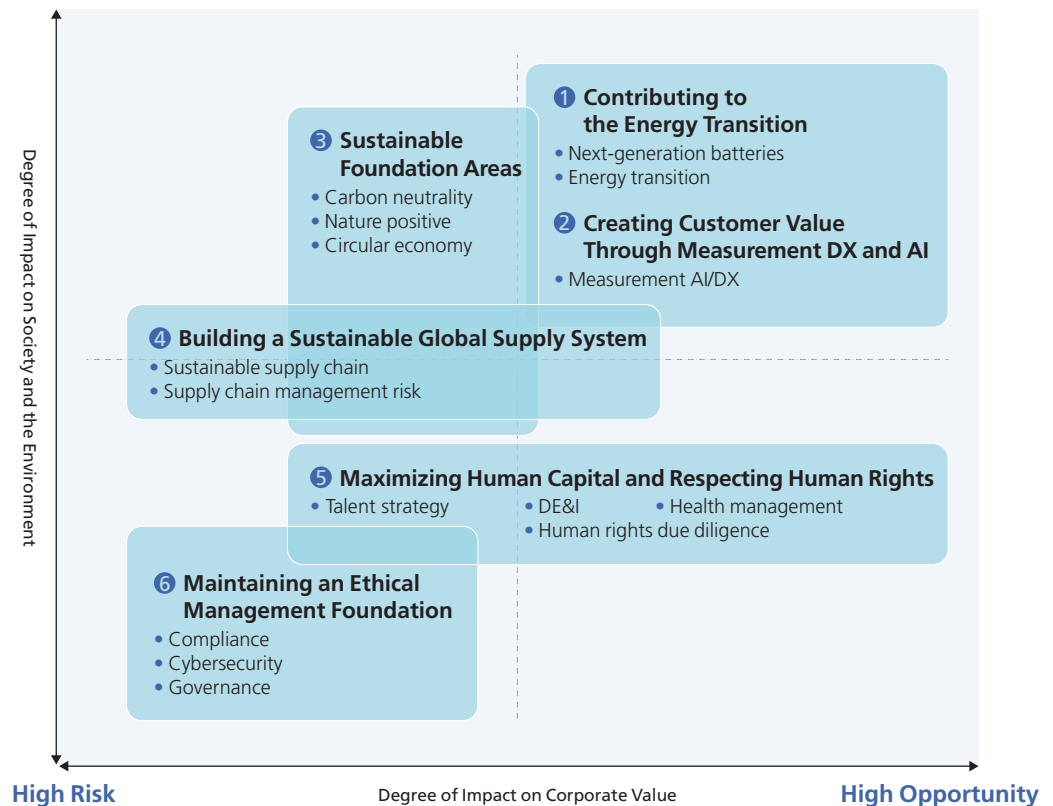
Material Issues

Our material issues were identified to fulfill our responsibilities as a company committed to sustainable growth.

This materiality framework has been evaluated from the perspectives of impact on society and the environment and impact on corporate value, and deliberated and approved by the Management Meeting. Our greatest area of focus is *Contributing to the Energy Transition*.

Overview of Material Issues and Specific Initiatives

High Opportunity



Top Management

In messages from four directors, we outline the management direction of the Hioki Group.

They share achievements in 2025 within their own areas of responsibility, initiatives receiving special focus in 2026, and their outlook ahead.

- 13 Message from the President
- 19 Message from the Chief Finance Officer
- 21 Message from the Officer in Charge of Research & Development
- 23 Message from the Chief Global Sales Officer

Building Hioki's Next Growth Engine Through Measurement, Globalization and Innovation

In a society advancing toward decarbonization, expectations for measuring technologies are growing even further. By working as one Group to address and respond to our customers' needs, Hioki aims to achieve the *breakthrough growth* envisioned in Vision 2030.



Takahiro Okazawa
President

Our Commitment to Vision 2030

Revising the Medium-Term Business Plan to Achieve Our Long-Term Management Policy, Vision 2030

In Vision 2030, announced in 2020, the Hioki Group set out to become a solution creator for a sustainable society. Under the policy of concentrating development resources on key markets that constitute new social systems, we shifted our business portfolio approach from a product-led model to a market-led portfolio strategy, and identified four priority markets for focused investment: Energy, Mobility, Components, and Batteries.

I assumed the role of President in 2021, the following year, and launched a management plan based on back-casting from the 10-year vision of what we aspire to become as set forth in Vision 2030. Over the following three years, the Group achieved rapid growth, with net sales increasing 1.8-fold and operating profit nearly tripling. However, as the medium-term business plan entered its third year in 2024, I decided to revise the plan.

Despite our strong business performance, I chose to reset the plan because the growth we experienced differed from the trajectory we had envisioned; it was, in effect, *unexpected growth*. Following the change in administration in the United States in 2021, the global movement toward decarbonization accelerated, driving a sharp increase in our revenues. At the same time, however, each division became consumed with responding to immediate orders, making it difficult to advance growth strategies as envisioned, including the development of new technologies and products for the future and the exploration of needs through closer engagement with markets and customers. In light of these circumstances, we decided to launch a revised medium-term business plan beginning in 2025.

What the Medium-Term Business Plan Aims to Achieve

Achieving Growth Worldwide Together with Group Companies

In the new medium-term business plan, my top priority is strengthening Integrated Group Management. To date, the Company has achieved growth through an *all-under-one-roof* management model, under which major functions were concentrated at headquarters in Japan. Today, however, overseas sales account for more than 60% of the Group's total sales, and the number of sales subsidiaries operating around the world has grown to 11. To continue evolving toward the vision set forth in Vision 2030, I believe it is essential that we move beyond our traditional Japan-centered mindset and strengthen

the ability of Group companies worldwide to work as one in responding to increasingly diverse customer needs.

This is also the reason we implemented a large-scale organizational restructuring in April 2024. The most significant aspect of this restructuring was the reorganization of departments responsible for technology development, product planning, and marketing into two new divisions: the Research & Development (R&D) Division, dedicated to strengthening our reservoir of technological expertise—the source of our competitiveness—and the Product & Marketing (P&M) Division, designed to work closely with customers around the world and take responsibility for identifying customer needs and planning new products. In addition, in June 2025, the core functions of the P&M Division were relocated to Singapore, reflecting the abundance of personnel proficient in English and Chinese and the ease of sending and receiving information on a global basis. Under this structure, we will seamlessly integrate the functions of each division going forward and pursue closer engagement with markets and individual customers around the world. By conducting business more closely aligned with local needs across global markets, we will advance toward the realization of Vision 2030.

Review for 2025 and Outlook for 2026

Steadily Advancing Our Growth Strategy Through a Period of Compressing the Spring

In the fiscal year ended December 31, 2025, the first year of the new medium-term business plan, consolidated Group net sales fell short of plan but reached a record high for the fifth consecutive year, surpassing 40 billion yen for the first time in the Company's history. By region, the China market recorded the largest increase in sales, with growth in the Battery field in particular contributing to revenue expansion. Conversely, the South Korea market experienced the sharpest decline, reflecting temporary customer investment and order delays amid heightened domestic uncertainty, although orders are currently recovering.

On the profit side, both operating profit and net profit declined. One factor behind the decrease in profit was a temporary increase in expenses related to the Company's 90th anniversary. As commemorative initiatives marking this milestone year, we invited numerous employees from around the world to Japan together with their families and held the Hioki Future Tech 2025—New Technology Exhibition, a technology exhibition showcasing the Company's vision for the future to both internal and external stakeholders, resulting in a certain level of expenditure. However, we view these as important one-time investments that contributed to strengthening integrated Group



management. Another factor was the expansion of digital transformation (DX) investment. As discussed in greater detail below, we intend to continue making proactive investments in this area as an essential strategy for strengthening our business foundation from a medium- to long-term perspective.

Internal factors, including delays in the development and launch of new products, also contributed to our inability to generate sufficient sales to absorb these growth investments. As mentioned earlier, responding to rapidly expanding demand through 2024 left each division preoccupied with fulfilling immediate orders, and during the first half of the fiscal year we were almost unable to bring to market the new products necessary for sustainable business growth. However, as conditions stabilized following the change in U.S. administration, we were finally able from 2025 onward to fully engage in technology development and customer needs exploration for the future, and from the second half of the fiscal year new product launches also began. From 2026 onward, we expect these efforts to become increasingly evident in our business performance.

Although our performance for the year fell short of plan, we believe our growth strategy is progressing steadily in the direction originally envisioned. We view 2025 as a *period of compressing the spring*, and from the next fiscal year onward, we will deepen our business in each region of the world in accordance with customer and market conditions, placing the Group back on a renewed growth trajectory. In June, we revised upward the earnings forecast for the fiscal year ending December 31, 2026, and forecast increases in both revenue and profit, with net sales of 47.7 billion yen, operating profit of 9.5 billion yen, and net profit of 7.54 billion yen. We currently have no plans to revise the numerical targets for 2027, the final year of the medium-term business plan.



The Group employees gathering at the 90th anniversary commemorative ceremony, One Hioki Future



The 90th anniversary commemorative exhibition showcasing the future of electrical measurement technology, Hioki Future Tech 2025—New Technology Exhibition

Sales Strategy

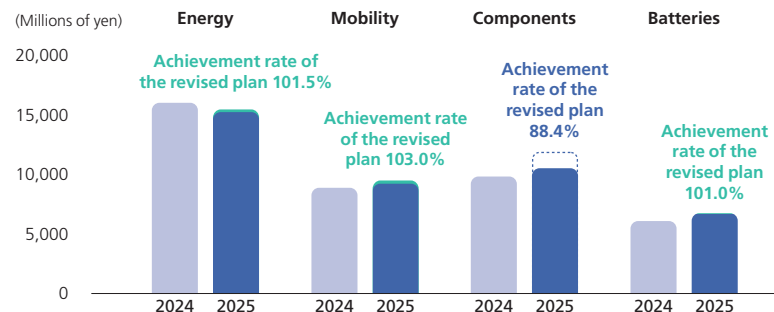
Extending Successful Sales Process Transformation Practices Across Countries

One area attracting particular attention as a growth field is demand related to data centers. A global surge in the construction of massive data centers is currently underway, particularly in North America. At Hioki as well, direct and indirect orders related to data centers have increased sharply in recent years, and further growth is expected going forward. In addition, we are seeing an increase in large-volume orders from existing customers for Energy Storage Systems (ESS) in the Energy field and xEV-related applications in the Mobility field.

We view these developments as evidence of the positive effects of transforming sales structures and processes in each region based on a *market-axis* perspective. Under the new sales framework, we have become better able to quickly identify changes in individual customers and markets and make effective proposals that respond to the latest needs.

A prime example is the growth of our business in China. At the beginning of 2024, we reorganized our sales structure, shifting from a regional framework divided into 10 domestic areas to an account-based sales framework aligned with our four priority markets. Because this was a fundamental organizational change, some disruption initially occurred at the operational level, but from 2025 the new sales process began functioning smoothly. More specifically, the new market-based structure enabled us to quickly identify rapidly expanding ESS-related demand trends, and through timely proposal activities carried out jointly by our headquarters in Japan and local

Sales by Focus Market



Note: Repair, calibration, and others are allocated to each market based on sales ratios.

subsidiaries, we achieved substantial sales growth.

This transformation has also been highly praised by local distributors. During a visit to China in 2025, I repeatedly heard comments such as “Hioki’s sales team has deep knowledge of our industry and is highly dependable,” and “Working alongside Hioki has elevated the capabilities of our own sales teams.” Going forward, we intend to roll out this successful model from China across markets in Japan and around the world.

Development and Marketing Strategy

Delivering Customer Satisfaction Only Hioki Can Achieve Through Collaboration Between R&D and P&M

I expect that collaboration between the R&D Division and the P&M Division, which could be described as the centerpiece of our 2024 organizational restructuring, will undoubtedly begin to yield results in the near future. At the P&M Division, whose core functions have been relocated to Singapore, staff responsible for each market have been stationed around the world to gather direct local information. This has enabled us to understand not only *what customers want now*, but also *why they want it*. As a result, information concerning not only immediate needs but also *technologies likely to become necessary in the near future* has begun flowing to the R&D Division.

When it comes to responding to short-term needs, there are still many instances of vigorous debate between the two divisions regarding development schedules, resource availability, and other constraints. However, both divisions share the common aspiration of anticipating latent needs and delivering customer satisfaction that only Hioki can provide. As a result, the gears are beginning to mesh in constructive discussions aimed at medium- to long-term technology development and the creation of new products, and in turn, we expect successful outcomes to gradually emerge going forward.

We are also placing emphasis on cultivating new technologies through co-creation with customers. In terms of R&D as well, we have moved away from concentrating functions solely in Japan and have promoted the decentralization and strengthening of development bases so that technology development can take place closer to customers. In China, in particular, which represents a market of significant scale, many customers visit our local technical center daily, bringing DUTs (devices under test) for consultation. In response, in May 2026 we relocated to a new office approximately 3.5 times larger than the previous facility. In addition, this year we plan to establish a new R&D site in Singapore, where the P&M Division is located, partly due to the relative ease of securing technical talent.

Digital Transformation (DX) Strategy

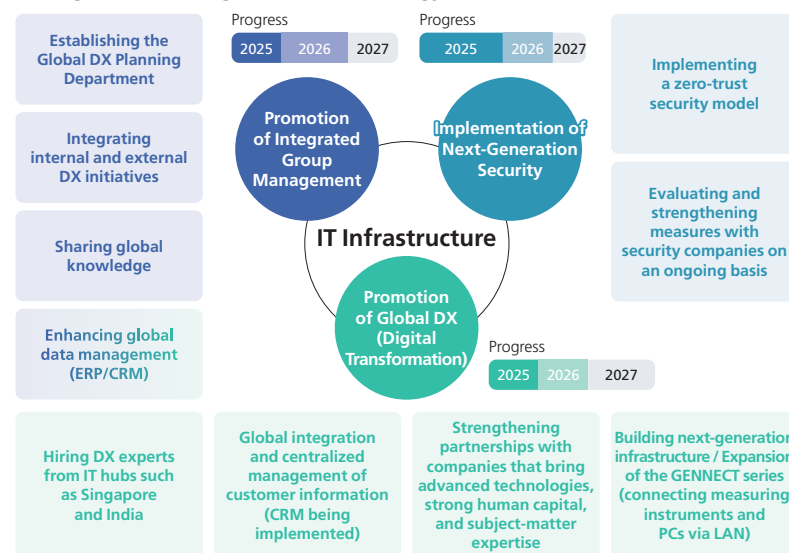
Advancing a Global DX Strategy Through Proactive Investment

Strengthening the information infrastructure is also an important element in advancing Integrated Group Management. Since establishing the Global DX Planning Department in 2024, we have promoted the integration of global initiatives and the sharing of IT knowledge across the Group, increasing the commitment to DX throughout the organization. In 2025, the largest DX investment was made in *information security*, with security enhancements implemented not only at headquarters in Japan but across the entire Group, including overseas subsidiaries. We intend to continue investing at a comparable level in this area through 2026 and 2027, working to establish a robust, next-generation security infrastructure.

In addition, beginning in 2025, we launched full-scale investment in ERP (Enterprise Resource Planning), a system central to the foundation of our manufacturing operations. By adopting cloud services, we aim not only to enhance the effectiveness of our BCP (Business Continuity Plan), but also to establish a foundation capable of responding flexibly to a rapidly changing business environment and enabling faster decision-making.



Driving Growth Through a Global DX Strategy



Furthermore, from 2026 we have accelerated the full-scale development of a global CRM (Customer Relationship Management) system. The objective is to centrally manage and leverage customer and project information dispersed across regions worldwide, thereby enhancing the sophistication of marketing and improving the quality of sales activities. Beginning with sales subsidiaries in the United States and South Korea, the system will be rolled out sequentially across all locations, enabling the use of information across regions and supporting the realization of more proactive, anticipatory solution proposals. Through multidimensional analysis that encompasses not only information related to customers and projects, but also information concerning customers' DUTs (devices under test), we will accurately identify market needs and changes, strengthening our proposal capabilities and enhancing customer satisfaction.

Developing Human Capital

Cultivating Employees

Who Aspire to Grow with a Global Perspective

To sustainably enhance corporate value through Integrated Group Management, strengthening what is often referred to as non-financial capital is also critically important. Among these, our people are our most important asset, and we are therefore working to strengthen human capital development on a global basis.

Under the 2024 organizational restructuring, administrative functions such as finance, general affairs, and human resources were also reorganized into a *division*, conducting monthly meetings that bring together Japan headquarters and subsidiaries around the world as one unified team. As cross-organizational information exchange has become part of daily operations, new developments have begun to emerge. For example, staff in the finance and accounting department of our Taiwan subsidiary have visited their counterparts in South Korea to learn from advanced initiatives taking place within the Group. We are also consciously promoting personnel transfers from a global perspective. Through a considerable number of transfers from overseas subsidiaries to headquarters in Japan, as well as between subsidiaries in different countries, I increasingly sense the emergence of a new mindset in which employees think about career development from the perspective of the Group as a whole.

The purpose of our human capital strategy is to maximize the vitality of the entire Group by offering the right positions to motivated and capable personnel best suited to their strengths, regardless of nationality or departmental affiliation. At the foundation of this approach is *respect for humanity*, a principle set forth in our corporate philosophy. While aligning each individual's personal fulfillment with the Company's objectives, we

will cultivate people who aspire to grow with a global perspective, while also creating an environment in which all employees can thrive, both through our corporate culture and institutional frameworks.

Strengthening Quality Management

Reinforcing a Quality Assurance Framework Capable of Serving as the Last Line of Defense

Another non-financial initiative I prioritize is quality. No matter how strong our business performance may be, if defective products are released to the market, the Company's brand could suffer, and the impact could be severe enough to undermine the very foundation of the Company's management. Even products developed through careful planning must be withheld from shipment if defects are identified and the quality falls short of the standard we should provide to customers. However, for employees in development, production, and sales, making such judgments is often not easy. This is why one of the quality assurance department's most important missions is to evaluate quality from an objective perspective and, as the manufacturer's last line of defense, determine, when necessary, that a product cannot be released to the market at its current quality level.

To further strengthen this oversight function, from 2025 I placed the Quality Assurance Department under my direct supervision. The purpose is to ensure the independence of the quality management function by establishing it as an organization directly under top management and independent from development and sales. Since assuming oversight of quality assurance, I have consistently communicated to department staff a clear understanding of their role: *this is the only department that can ultimately say no*.

Environmental Initiatives

Taking the Lead in Advancing Decarbonization Efforts

Based on the belief that a *company committed to contributing to a sustainable society should itself demonstrate a willingness to stay one step ahead of society as a business operator*, we are also placing emphasis on environmental conservation initiatives. Following the announcement of Vision 2030, in April 2021 we switched the electricity used at our headquarters site to *CO₂-free electricity*. In addition, beginning in 2024, we started power generation through solar carports (carport-type solar power generation facilities). Through these initiatives, we achieved our target of carbon neutrality for Scope 1 and Scope 2 emissions in 2025.

Going forward, we will continue to systematically advance efforts to reduce greenhouse gas emissions while also taking on the challenge of achieving our Scope 3 target by 2035 with the understanding and cooperation of our customers and business partners.

Strengthening Corporate Governance **Incorporating External Perspectives from Diverse Angles into Management Execution**

We are also committed to strengthening governance in order to continuously enhance corporate value. At meetings of the Board of Directors, which I chair, active discussions take place at every session with the participation of Outside Directors, who constitute a majority of Board members.

To better incorporate the valuable opinions and advice provided by our Outside Directors, who possess extensive knowledge and experience across a wide range of fields, into management execution, we changed the sequence of meetings beginning in the second half of 2025. Specifically, we decided to hold the Management Meetings attended by Executive Officers on the business day following each Board of Directors meeting. This enables members of the Management Meeting to properly absorb observations and recommendations raised from a variety of external perspectives and engage in deeper discussion.

In addition to the increasing vitality of the Board of Directors, discussions at the Audit & Supervisory Board have also become more active. Last year, Outside Audit & Supervisory Board Members expressed a desire to close the information gap between themselves and the Outside Directors. In response, beginning this fiscal year, we established quarterly opportunities for dialogue with our Outside Audit & Supervisory Board Members.

Message to Stakeholders **Toward Achieving *Breakthrough Growth***

Although the change in U.S. administration last year may have made the movement toward decarbonization appear to slow at first glance, over the course of the past year I have instead grown even more convinced that the direction we are pursuing is the right one. As clearly demonstrated by the ongoing construction boom in data centers mentioned earlier, the importance of electrical energy is now increasing across virtually every industrial sector. At the same time, the transition from fossil fuels to renewable energy is expected to continue progressing, and demand for the efficient utilization

of electrical energy in our four priority markets is likely to continue expanding and becoming more sophisticated.

For this very reason, competition in our business domains is also expected to intensify further. To prevail amid this increasingly challenging environment, I believe it is becoming ever more important for the entire Group to accurately understand the direction in which society is moving.

The numerical targets for 2030 announced together with the medium-term business plan still remain significantly distant from our current position. This gap cannot be bridged through a simple extension of the continuous growth we have achieved to date. Over the remaining five years to 2030, some form of *breakthrough growth* will be essential. There are many possible sources of such breakthrough, including not only the development of innovative technologies and products, but also new approaches such as commercializing after-sales services and pursuing business development through co-creation with customers and companies in other industries. Decisions regarding where to concentrate management resources are made according to the characteristics of each region and market, and we are also considering the use of M&A where appropriate to incorporate external technologies and organizational capabilities into the Group. In any case, realizing breakthrough growth requires expanding Hioki's differentiated capabilities beyond measure. Overcoming this formidable challenge and leading the Group is, I believe, my most important responsibility as the Company's top executive. We look forward to continuing this journey with you as we press ahead toward the realization of Vision 2030.



Takahiro Okazawa
President



Yoshikazu Suyama

Managing Director
Senior Managing Executive Officer
Director of Administration Division
and Manufacturing Management

Striving to Further Improve Capital Efficiency While Maintaining Financial Soundness

Continuing Proactive Growth Investment Toward Achievement of the Medium-Term Business Plan

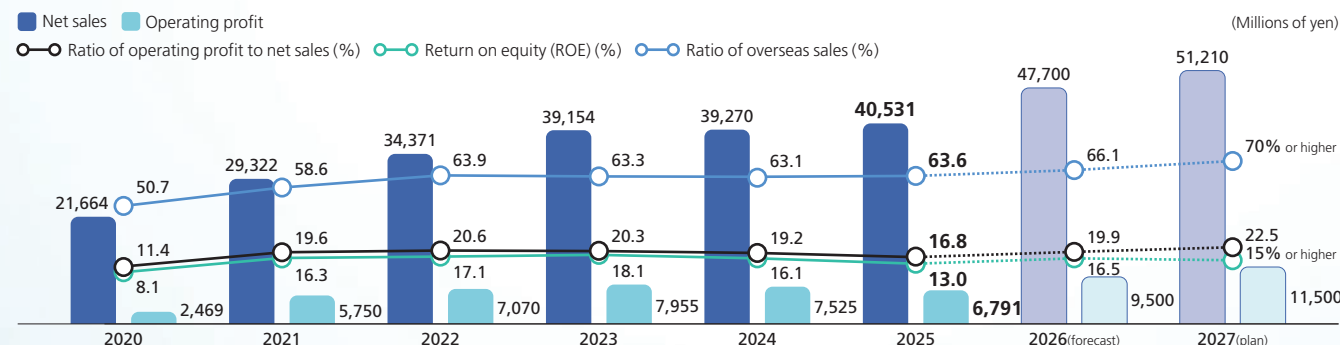
While consolidated net sales of the Hioki Group for 2025 exceeded 40 billion yen for the first time and marked the fifth consecutive year of revenue growth, operating profit and net profit both declined from the previous year. As the officer responsible for finance, I regard the achievement of reaching a new level of business scale as a meaningful accomplishment. At the same time, however, I recognize that the results were challenging, with all management indicators falling short of plan. Domestic sales increased only marginally, and in overseas markets, we were unable to achieve significant sales expansion outside China.

For the Company, 2025 marked the 90th anniversary of its founding and from the beginning of the fiscal year, we anticipated a temporary slowdown in profit growth due to the unusually large amount of special expenses associated with various anniversary initiatives. In addition, fixed costs increased as a result of ongoing R&D

investment and more aggressive hiring to realize Vision 2030, while digital transformation (DX) investments undertaken in earnest to strengthen our management foundation further added to costs. Sales growth was insufficient to absorb these increases.

However, beginning in the fourth quarter of 2025, our performance has been recovering, backed by expanded demand mainly in the data center field, with the effects of new product launches introduced in the second half of the fiscal year gradually becoming apparent. As a result, we expect 2026 to mark a return to a growth trajectory not only in sales but also in earnings. We also intend to continue proactive investment in the recruitment and development of talent for the future, as well as in the promotion of DX. Although a gap currently remains between performance and the numerical targets set forth in the medium-term business plan, we believe that progress in upcoming new product launches, market-focused sales initiatives in each region, and DX initiatives aimed at strengthening our business foundation will enable us to achieve the targets for fiscal 2027, the final year of the medium-term business plan, which serves as a milestone toward realizing Vision 2030.

Trends in Target Management Indicators



Note: The 2026 forecast was revised upward in June 2026 and the 2027 plan remains unchanged from the announcement in February 2025.

Advancing a Financial Strategy Focused on Balance Sheet Optimization

To date, Hioki has achieved growth through management focused on the P/L (profit and loss statement), seeking to generate as much net profit as possible through business activities and reinvest those earnings into strengthening our people, our greatest asset, as well as into research and development aimed at enhancing the technological capabilities that form the source of our competitiveness. In recent years, our equity ratio has remained at a high level of 80% to 85%. We view this as the result of steady growth investment bearing fruit and retained earnings accumulating year after year, as well as evidence of sound business management. It is precisely because sufficient equity capital has ensured a stable financial foundation that we have been able to sustain continuous growth investment.

At the same time, as a company listed on the Prime Market, we recognize that in order to meet the expectations of our shareholders and investors and further enhance corporate value, it is important not only to maintain financial soundness and stability but also to improve investment efficiency. To achieve this, it is important not only to manage earnings from a short-term P/L perspective, but also to pursue an optimal balance of assets, liabilities, and equity on the B/S (balance sheet) from a medium- to long-term perspective. Going forward, our policy is to minimize our weighted average cost of capital (WACC) through an optimal balance between debt and equity, while generating returns on equity (ROE) that exceed our cost of capital through efficient growth investment. By improving market valuation, we aim to further enhance corporate value.

Based on this thinking, in September 2025 we announced our B/S Guidelines as a benchmark for the ideal balance sheet structure we seek to achieve. For the period through the fiscal year ending December 31, 2030, we established two key medium- to long-term guidelines: maintaining a cash and deposits ratio of no more than 20%, and maintaining an equity ratio of around 60%. Although both figures currently remain above target levels, we will pursue a well-balanced and optimal capital structure through measures

including further acceleration of growth investment and the purchase of treasury stock. In the near term, we will manage the cash and deposits ratio to stay within 25% to 30% on an annual average basis, and the equity ratio at around 70%.

Enhancing Capital Efficiency Through Optimal Cash Allocation

In February 2026, we also announced our basic policy for cash allocation from 2025 to 2027. Over this three-year period, we expect a cash inflow of approximately 40 billion yen from our business activities, which we plan to allocate roughly equally across three areas: R&D expenses, capital investment, and strategic investment and shareholder returns.

For R&D expenses, we have traditionally invested at a level of 10% or more of net sales, and we will continue making proactive investments of more than 4 billion yen annually to support sustainable growth. In particular, approximately 80% of this investment will be directed toward proprietary technologies that are directly linked to new product development, with the aim of generating results for each development theme within a one-year timeframe.

In capital investment, as part of our growth strategy aimed at the early achievement of carbon neutrality, we plan to transform our headquarters building into a ZEB (Net Zero Energy Building). In addition, we will continue investing in the promotion of the DX strategy described earlier, expansion of facilities required for research and development, automation and rationalization through the introduction of robotics in manufacturing operations, and enhancement of after-sales services in sales operations.

For strategic investment and shareholder returns, while targeting a consolidated dividend payout ratio of 40%, we will continue to provide stable dividends to shareholders and flexibly implement share buybacks that contribute to balance sheet optimization and the enhancement of shareholder value. In addition, I intend to move beyond our traditional in-house approach and accelerate our M&A strategy. With technology acquisition-oriented M&A that accelerates capability building and shortens time-to-market in mind, we are currently exploring candidates in Japan and overseas, including specialized niche companies.

Through this allocation of capital, we will enhance capital efficiency while creating greater value for society, thereby achieving a further increase in corporate value.

Cash Allocation for 2025–2027

Cash In	Cash Out	
Three-year cumulative CF + Research and Development Expenses + Cash and Deposits Discipline Approximately 40 billion yen	Research and Development Expenses 1/3	• Original products centered on elemental technologies • Ratio of R&D expenses to sales: 10% or more (including research and development facilities)
	Capital Investment 1/3	• Research and development facilities • Production (new products + automation & rationalization) • Sales (strengthening after-sales service, samples, establishing new bases) • DX & infrastructure: IT infrastructure development including security, building maintenance and renewal • Achieving Scope 1 and 2 as a growth strategy (completed through capital investment), with Scope 3 achievement to follow • ZEB conversion through building renewal (sustainability investment)
	Strategic Investment Shareholder Returns 1/3	• Cash and deposit discipline, share buybacks to enhance shareholder value / M&A as a growth strategy • Targeting a consolidated dividend payout ratio of 40%, with dividends linked to performance

Pursuing Sustained Value Creation Over the Medium to Long Term

Honing Proprietary Technology at the Customer's Site to Build Lasting Competitive Advantage

The source of Hioki's value creation lies in highly distinctive technologies such as non-metallic contact voltage measurement, high-precision current sensing, high-frequency measurement, laser light measurement, and micron-level probing. We have been able to advance these technologies continuously because we have consistently held to our position as a specialized, R&D-driven manufacturer. Since our founding, we have defined our business domain as electrical measurement, and rather than chasing short-term earnings growth or easy diversification whenever the economy or market conditions shift, we have continued

to invest 10% or more of net sales in research and development, steadily building up our technological capabilities.

Developing our people is another vital element in strengthening these capabilities. We have fostered a culture that embraces challenges, where failure is accepted as part of the process, where engineers are free from the pressure of short-term results or comparisons with competitors' products and can devote themselves to development with patience and focus. As a result, Hioki attracts engineers who understand measurement technology deeply and find joy in honing their skills over the long term, and an organizational culture has taken shape in which advanced technical expertise is handed down and refined across generations.

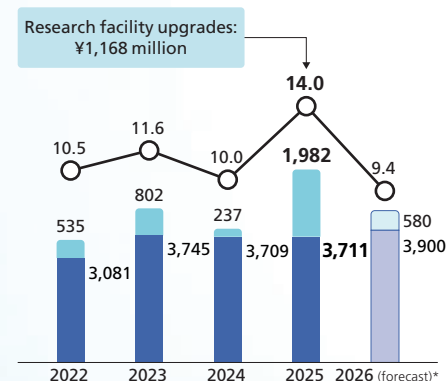
The starting point for our technology development is the customer's site. The essential purpose of our R&D investment is to understand the DUT (device under test) better than anyone else.

Kunihisa Kubota

Managing Director,
Senior Managing Executive Officer,
Director of Research &
Development Division and
Chief Information Officer

Trend in R&D Expenses

■ R&D expenses ■ R&D-related capital investments
○—○ Percent of sales (Millions of yen)



* The 2026 sales forecast was revised upward in June 2026 and the R&D expense forecast is based on the figures announced in February 2026 (subject to future revision).

New Product Development Themes



Theme5
The information
society and new
measurement solutions



Theme4
Safe and
convenient future
use of electricity



Theme3
Enhancing
the safety and
durability of
electrical products



Theme1
Future energy
storage and electrical
measurement



Theme2
Technology
development
contributing to
a circular society

By listening carefully to our customers to learn what troubles them and what kind of measurement would lead to truly meaningful value, and by continually working to meet those needs, we have refined our capabilities and created measurement technologies that are indispensable in each application. This is what has allowed us to build strong relationships of trust with our customers and to establish a sustainable competitive advantage.

Marking our 90th anniversary in 2025, we defined the future technologies Hioki aims to achieve, drawing on these strengths. We are now concentrating our development resources on these themes.

Deepening Collaboration with the P&M Division to Drive Medium- to Long-Term Value Creation

Through the organizational restructuring in 2024, the product planning function previously handled by the engineering divisions was transferred to the newly established Product & Marketing (P&M) Division. This systematized the analysis of market needs and the formulation of product roadmaps, and strengthened our product and development strategies across the entire product lifecycle, from market launch through ongoing sales, improvement, and discontinuation. Within the Research & Development Division as well, priorities among research and development themes have become clearer, creating an environment in which we can focus more intently on technology development and product design. At the same time, it has become easier to organize market information and customer requirements from a global perspective, and discussions now proceed with an awareness of alignment with market needs from the earliest stages of development.

That said, challenges remain in the collaboration between the Research & Development Division and the P&M Division. Because the roles of product planning and technology development have been separated, the two now require even closer communication than before; areas such as the clarity of required specifications at the planning stage and the sharing of decision-making criteria that account for technical constraints are still developing.

Even so, there is no doubt that the restructuring has brought positive change to our research and development organization. The mindset of many engineers has begun to shift from delivering products that meet short-term market needs to honing technologies that create value over the medium to long term, and we expect that, in an environment where they can concentrate on research and development, the accumulation of forward-looking technologies and advanced development will steadily progress.

Expanding Creative Collaboration with Customers to Sharpen Solution-Oriented Proposals

To strengthen our technology development capabilities from a global perspective, we have established R&D sites around the world and are expanding and reinforcing their functions. In market-oriented technology development, creating points of contact with customers is also extremely important. With this in mind, we have set up the Creative Collaboration Laboratory, equipped with an advanced measurement environment, at our headquarters, and we have established technical centers at sales bases in Japan and overseas as places where customers can readily consult on technical matters and carry out evaluation and verification. At these facilities, we can measure DUTs together with our customers using state-of-the-art equipment that we update on a planned basis, allowing us to grasp their issues, needs, and requests, to anticipate the themes in electrical measurement that will grow in importance in the near future, and to translate these quickly into product planning and technology development.

Discussing matters directly with customers at the measurement site and hearing their real, firsthand input also helps our engineers deepen their own knowledge and skills. Through these efforts, we aim to raise the quality of our creative collaboration, moving from simply explaining products toward solution-oriented technical proposals.

Advancing Digital Transformation (DX) in Research and Development to Accelerate Innovation

To respond in real time to a rapidly changing market environment, we are advancing a global DX strategy that replaces the operational systems we had optimized region by region and department by department with company-wide, integrated ERP (enterprise resource planning) and CRM (customer relationship management) systems. As information sharing advances across departments and national borders, we can expect a range of benefits, including the earlier identification of issues and faster decision-making at each site, and stronger coordination among functions in customer service and product development.

At the same time, we regard the use of digital technology in research and development as an important theme in its own right. We are making all of our products OTA (over-the-air) capable so that we can continue to improve their functionality and quality even after shipment, and we are also moving our communication and development-support tools to the cloud. By consolidating design data, evaluation results, and development-progress information in the cloud, we aim to have our R&D sites in Japan and overseas work from the same information base, improving both the speed and the quality of development.

We are also actively pursuing the use of AI in our research and development processes. By applying AI to tasks such as design studies, the organization of evaluation data, and the search and reuse of past technical information, we are creating an environment in which engineers can devote more time to the problem definition and technical judgment, where their expertise is most needed. Alongside this, we have established internal guidelines on the handling of intellectual property rights, copyrights, and similar matters, and we ensure these tools are used appropriately.

We see this set of initiatives as something that does more than improve operational efficiency: it raises the very quality of our research and development. Going forward, we will continue to advance DX to draw out our engineers' creativity and to build an R&D structure capable of generating value on a continuous basis.



Yasunao Takano

Managing Director, Managing
Executive Officer
Director of Global Sales Division and
Director of European &
American Market

Strengthening Sales Activities by Reforming Our Sales Structure and Introducing CRM (Customer Relationship Management)

Sales Grew as Decarbonization Investment and Data Center Demand Advanced

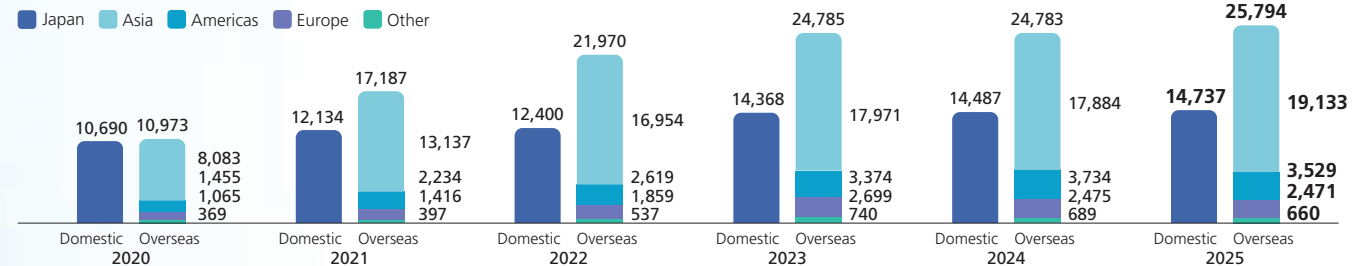
In 2025, conditions remained uncertain amid persistently high geopolitical risk and changes in U.S. energy and mobility policy, including uncertainty around EV incentives and regulatory priorities, yet the decarbonization trend continued to drive corporate capital investment, and clean-energy-related investment reached a record

high. For Hioki as well, against a backdrop of greater EV diversity, the electrification of construction and agricultural machinery, and rising demand in the semiconductor sector, net sales for the mobility market, the component market, and the battery market increased year on year.

In addition, demand for data centers is further expanding, with a global surge in their construction currently under way, and orders related to the data center field have increased sharply, mainly in North America, Japan, and other Asian countries.

Data-center-related demand is broad and multifaceted. Demand for our products is expanding across a wide range of areas, including

Trend in Net Sales by Region



Market-wise Growth Rate in Top Sales Regions for 2025 (YoY)

	Domestic	China	South Korea	Americas	Europe	Taiwan	India
Components	1% ↗	20% ↗	-28% ↘	-12% ↘	15% ↗	-6% ↘	4% ↗
Batteries	-1% ↘	34% ↗	-14% ↘	-4% ↘	-24% ↘	-4% ↘	5% ↗
Energy	1% ↗	7% ↗	-25% ↘	7% ↗	5% ↗	5% ↗	4% ↗
Mobility	0%	23% ↗	-18% ↘	-2% ↘	-9% ↘	5% ↗	4% ↗

infrastructure development to secure substantial power supply, energy savings for servers and cooling equipment, and high-efficiency energy conversion, in addition to the needs related to data center facilities themselves such as construction completion inspections and maintenance checks of electrical distribution equipment (see page 31 for details). We expect data-center-related demand to keep accelerating, at an even faster pace than before.

Looking at sales results by region, the strong advance of China, which was among the first in the Group to restructure the sales structure along market lines, led our overall performance. In China, large-scale energy storage system (ESS) investment expanded rapidly, particularly in the battery market, and we were able to capture this in a timely fashion. In Vietnam, where we established a new sales subsidiary, proposal activities also proceeded as planned. South Korea, on the other hand, saw temporary customer investment and order delays amid heightened domestic uncertainty through mid-year, with net sales recovering from September onward but falling below the previous year's level on a full-year basis.

While differences like these appear from market to market and region to region, the broader current of decarbonization is, in our view, set to continue worldwide, and we expect demand in each of our target markets to expand steadily.

All Four Focus Markets Expected to Expand Steadily

In the energy market, as global demand for electrical energy grows, we expect rising demand for the wide range of solutions we offer. In monitoring in particular, which is essential to the efficient conversion of energy, we see demand expanding with even greater momentum than before.

In the mobility market, although EV uptake has stalled in the United States amid shifting policy and incentive uncertainty, we expect continued expansion worldwide, driven by greater EV diversity such as BEVs and HEVs and by progress in electrifying agricultural and construction vehicles. Working in coordination with the Product &

Marketing (P&M) and R&D Divisions, we intend to evolve our solutions to meet evolving customer and market requirements and to strengthen sales.

In the component market, we see opportunity in the growing demand for the semiconductor ICs and motor-related products that serve as key devices for the data center applications noted above and for vehicle electrification, and we will move quickly to provide the solutions called for.

In the battery market as well, the addition of data center demand to the EV and ESS applications that have driven growth so far is widening our opportunities. We aim for further growth through a product lineup that helps improve battery safety and reduce manufacturing costs.

Rolling Out the Success of China's Sales-Structure Reform to Regions Worldwide

Two years ago, we reorganized our sales structure in Japan and China by market and by industry, and in 2025 the benefits of this became evident in China, where sales grew substantially. Clarifying our targets not only raised the success rate of our proposals; it also led each member of the sales staff to deepen their expertise in the market they handle, which was a major gain.

From 2026, we plan to carry out the same kind of organizational restructuring as in China at our sales subsidiaries around the world. We will designate as key accounts those globally active customers that are working actively on decarbonization and on solving social issues, build deeper relationships with them, and meet our targets by being quick to grasp their latent and future needs.

We will also further strengthen our collaboration with the P&M Division. In 2025, the top priority was deepening collaboration between the P&M and R&D Divisions; as that area has shown steady progress, from 2026 onward we will begin building a full-fledged framework for collaboration between our Global Sales Division and the P&M Division. Between the P&M Division, which is based in Singapore, and the Global Sales Division, with locations in countries around the world, we are

stepping up information sharing by email and web conferencing, and by conveying the value of the products planned by the P&M Division to customers effectively, we will translate this into higher sales.

Standardizing Sales Processes and Promoting Global Information Sharing

As part of Integrated Group Management, we are moving ahead with the introduction of a CRM system. Until now we have grown sales through a locally led structure run by our sales subsidiaries around the world, but going forward we will use CRM to standardize our sales processes. We will introduce CRM first at our subsidiaries in the United States and South Korea, grasping not only its benefits but also the operational challenges before rolling it out to each region. We plan to build a company-wide shared information platform during 2027. So that operation can begin smoothly once CRM is in place, we are preparing the ground by unifying our deal-management and reporting processes and clarifying targets through a key account system. With CRM, sales activities and customer movements will be shared quickly across the world, which should dramatically speed up the Check and Action stages of the PDCA cycle.

That said, while we are standardizing the sales process, the proposal activities themselves will not be uniform across the world. We want to drive further growth at each sales subsidiary by using the information in CRM to strengthen their relationships with local sales partners and to deepen activities suited to the characteristics and business customs of each region and country. Especially in Europe and the Americas, where face-to-face proposal work is harder, we expect a stronger CRM-based information platform to be a major factor in strengthening our competitive position.

Value Creation Strategy

We explain initiatives and progress under our growth strategy, the strengths that support sustainable growth, and our contributions to addressing social issues through Hioki products, all aimed at realizing Vision 2030. We also report on the growth potential of the four key markets we are focused on.

- 26 Growth Strategies: Business
- 27 Strengths and Capital
- 29 Special Feature 1 Supporting Stable Energy Supply and Decarbonization
- 30 Special Feature 2 Supporting the Electrification and Improved Reliability of Mobility
- 31 Special Feature 3 Supporting the Stable Operation and Power Efficiency of Data Centers

- 32 Overview of Priority Markets
- 33 Report by Market
 - 33 Report by Market Energy
 - 34 Report by Market Mobility
 - 35 Report by Market Components
 - 36 Report by Market Batteries
- 37 Growth Strategies: Sustainability

Focus Development Resources on Three Key Markets That Comprise a New Social System

In Vision 2030, Hioki has declared that it regards two kinds of markets as key markets and will concentrate its development resources on them: markets that comprise society's core infrastructure for realizing a sustainable society, with aims such as decarbonization and zero emissions, and markets for building and maintaining the digital backbone that supports digital transformation (DX).

Three Key Markets That Comprise a New Social System

Growth Opportunities

With measurement solutions that meet recent market needs, we achieve both contributions to addressing social issues and corporate growth.

Examples of Contributions to Addressing Social Issues (Special Feature) → Pp. 29-31

Target Markets

We define our target markets as the areas within the three key markets where we concentrate development resources in particular, and we are working on researching technology trends and developing products.

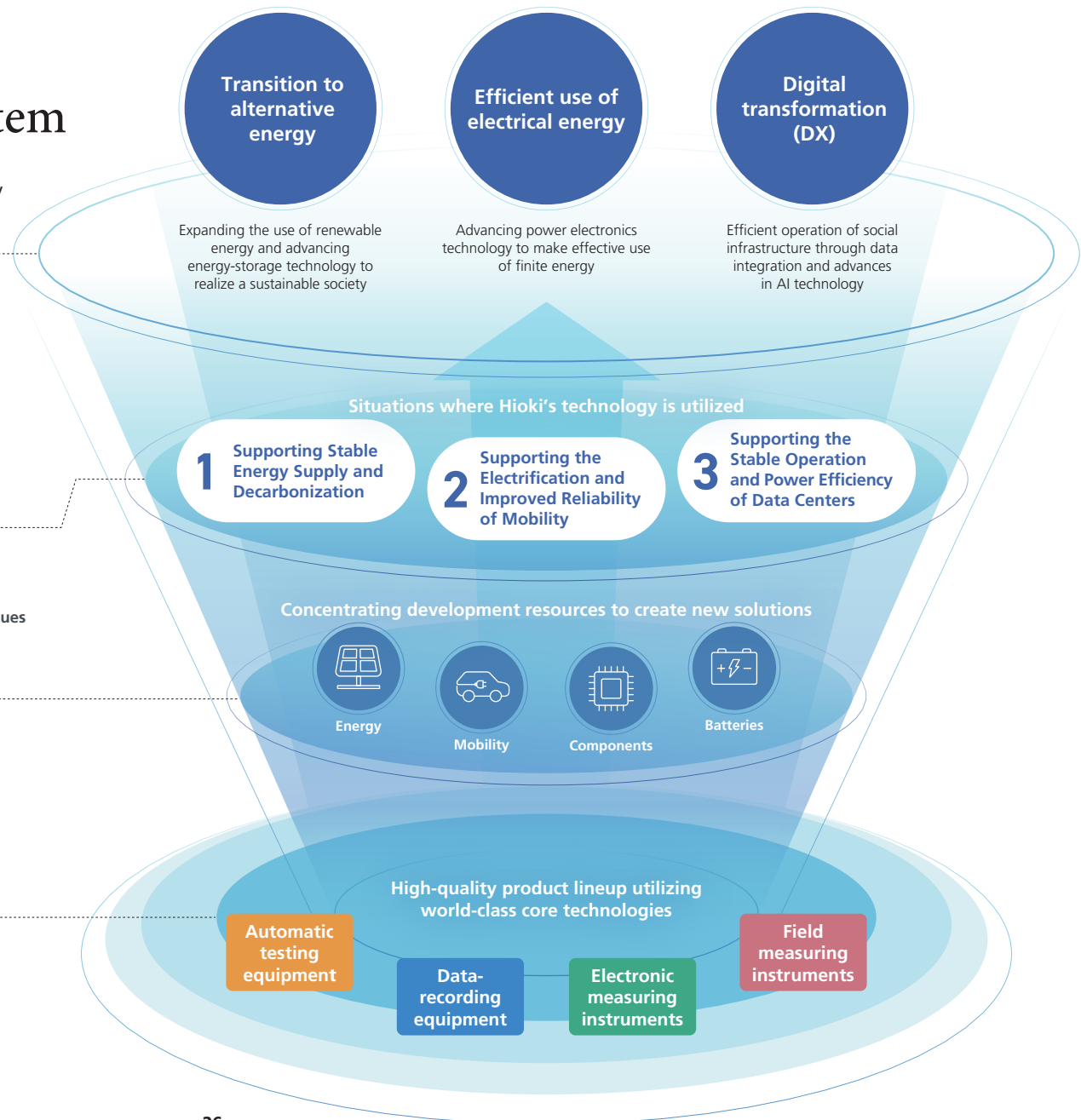
Report by Market → Pp. 32-36

Hioki's Product Lineup

Building on the electrical measurement technology we have cultivated since our founding, our broad product lineup meets the needs of every industry and application.

Four Product Groups → P. 4

Three Key Markets That Comprise a New Social System



Mastering Measurement, Anticipating Its Evolution.

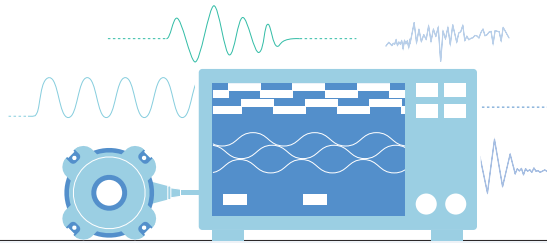
Balancing High Profitability and Resilience Even in an Uncertain Environment

Hioki's strength lies in combining continuous investment of 10% of net sales in research and development with a sales structure that stays close to customers, all built around the core *engineering capability to design from first principles* that we have cultivated over our 90-year history.

This delivers high added value, with a gross profit margin exceeding 50%, while a diversified, market-creating strategy grounded in thorough differentiation from competitors gives us a stable earnings structure that is resilient to economic fluctuations.

Strength 1: Sources of Competitive Advantage

Deepening Measurement to Generate High Added Value



Hard-to-imitate analog technology and continuous development investment that deliver high customer value and a gross profit margin exceeding 50%

Design capability from first principles

A technical foundation that goes beyond surface-level specifications to design circuits and sensors from the level of underlying physical principles

Accumulated analog technology

Advanced noise-processing and minute-signal capture know-how developed over nine decades

Continuous R&D investment

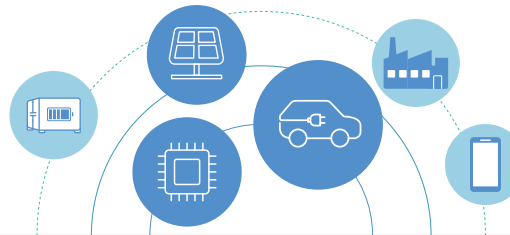
Continued investment of approximately 10% of net sales in research and development

Related capital

- Proprietary sensing technology
- Industrial property rights held: 1,100

Strength 2: Monetization Mechanism

Products That Create Their Own Markets to Drive Sales Growth



A multilayered structure that secures a unique position across many markets through a thorough differentiation strategy, generating stable earnings

Customer-focused sales structure

A direct-proposal structure across the globe that captures customers' cutting-edge development needs ahead of competitors

Building barriers to entry

Establishing numerous positions with high customer switching costs through a wide range of products embedding solutions that deeply address customer applications

Diversification of customer markets

Offsetting specific industry risks through a diversified portfolio spanning industries such as EVs, batteries, and infrastructure, and applications such as R&D and production

Related capital

- Operating profit ratio 16.8%
- Sales distributed across four product groups (2025 results) (see P. 4)

Strength 3: Foundation for Sustainable Growth

An Organizational Culture That Turns Human Capital into Value



A corporate culture and organizational management in which diverse talent worldwide can fully demonstrate their abilities without fear of change

Instilling our philosophy

Employees' autonomous improvement activities and sincere response to customers, grounded in Hioki's corporate philosophy of Respect for Humanity

An agile organization

Flexible organizational management that places the best people in each role regardless of age or nationality, in response to changes in markets and strategy

Strong external recognition

Engagement, openness, and high workforce vitality being highly rated in third-party surveys

Related capital

- Retention rate of new graduates 96.6% (Hioki headquarters only)
- Selected six years in a row as a "Certified Great Place to Work" by Great Place to Work® Institute Japan
- Awarded the "Best Workplace" recognition in D&I AWARD two years in a row

Honing Our Strengths to Accelerate Value Creation

Strength 1: Reinforcement Initiatives

Expanding Our Elemental Technologies

At the core of the Company's technology development is a deep understanding of the DUT (device under test). By tracking technology trends at our R&D bases around the world and maintaining state-of-the-art verification environments, we will bring next-generation measurement technologies to life.

① Formulating the Future Technologies Hioki Aims for

Starting from the key issues society will face going forward, we have formulated five new product development themes to focus on over the medium to long term. We allocate development resources on a priority basis and advance the development of technologies that contribute to solving these issues.

New Product Development Themes → P. 21

② Continuing R&D Investment and Capital Investment

We continue to invest with the aim of deeply understanding the DUT itself. Actual measurement using state-of-the-art equipment, together with accumulated knowledge, enables us to anticipate customer issues and underpins the uniqueness of our products.

Trend in R&D expenses → P. 21

③ Deploying R&D Bases Globally

We have built a system to capture cutting-edge technologies and market trends in each region. By having our bases work together and circulating knowledge globally, we quickly reflect each region's needs in product development.

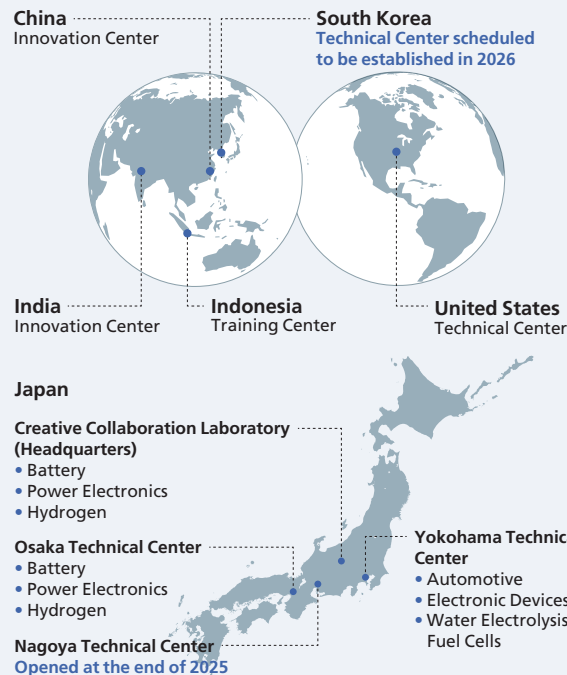


R&D bases established in Yokohama, India, and China

Strength 2: Reinforcement Initiatives

Establishing Creative Collaboration Hubs

As creative collaboration hubs for drawing out latent issues through in-depth dialogue with customers and exploring solutions together, we operate Technical Centers in Japan and abroad. Close on-site collaboration not only helps solve customers' issues but also leads to the accumulation of proprietary measurement expertise and the establishment of new technologies. In addition, at our headquarters we have set up the Creative Collaboration Laboratory, equipped with more advanced facilities, where we carry out more in-depth verification in coordination with our regional bases. This steady accumulation of creative collaboration underpins our deep expertise and high market share across numerous niche markets.

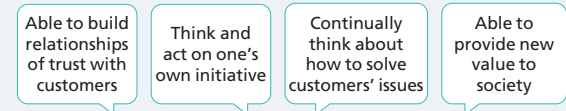


Strength 3: Reinforcement Initiatives

Growing as Experts

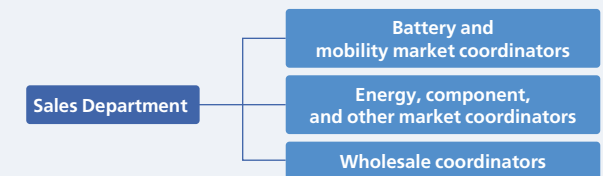
What underpins the Company's strengths is an organizational culture of being a solution creator that thinks through customers' issues alongside them and guides them to solutions. By having each employee think and act on their own initiative and continually refine their expertise, we aim to grow into experts who can truly stand alongside our customers.

What a Solution Creator Means to Hioki



Deepening Expertise through Organizational Reform

Chinese subsidiary



At the Sales Department of our Chinese subsidiary, we shifted from a structure in which customers were handled by region to one organized by market. By deepening our knowledge of each market, we are accumulating experience as experts who not only grow sales but also engage more closely with customers' issues.

1 Supporting Stable Energy Supply and Decarbonization

To realize a decarbonized society, the wider adoption of renewable energy and the advancement of power infrastructure are progressing rapidly. Hioki's measurement technology contributes to the stable and efficient operation of the entire energy system, from power generation to transmission and distribution, energy storage, and next-generation energy.

Social Issues

As renewable energy led by solar power spreads rapidly, ensuring a stable supply of electricity and reducing energy loss have become important challenges. At the same time, there is growing demand for technologies that can keep pace with the transformation of the entire energy system, such as establishing next-generation energy-storage technology and putting hydrogen energy into practical use in society.

Hioki's Areas of Contribution

Area of Contribution ① Power Plants

Main customers: power generation operators, O&M operators, power conditioner manufacturers

Contributes to completion inspection and maintenance inspection of power generation equipment, and to development evaluation and mass-production testing of power conditioners.

Area of Contribution ② Transmission and Distribution Systems

Main customers: electric power companies

Contributes to the stable operation of the entire power grid through analysis and evaluation of power quality and maintenance inspection of equipment.

Area of Contribution ③ Energy Storage Systems (ESS)

Main customers: storage-system manufacturers, battery manufacturers

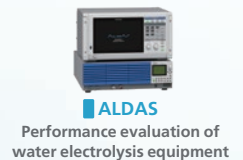
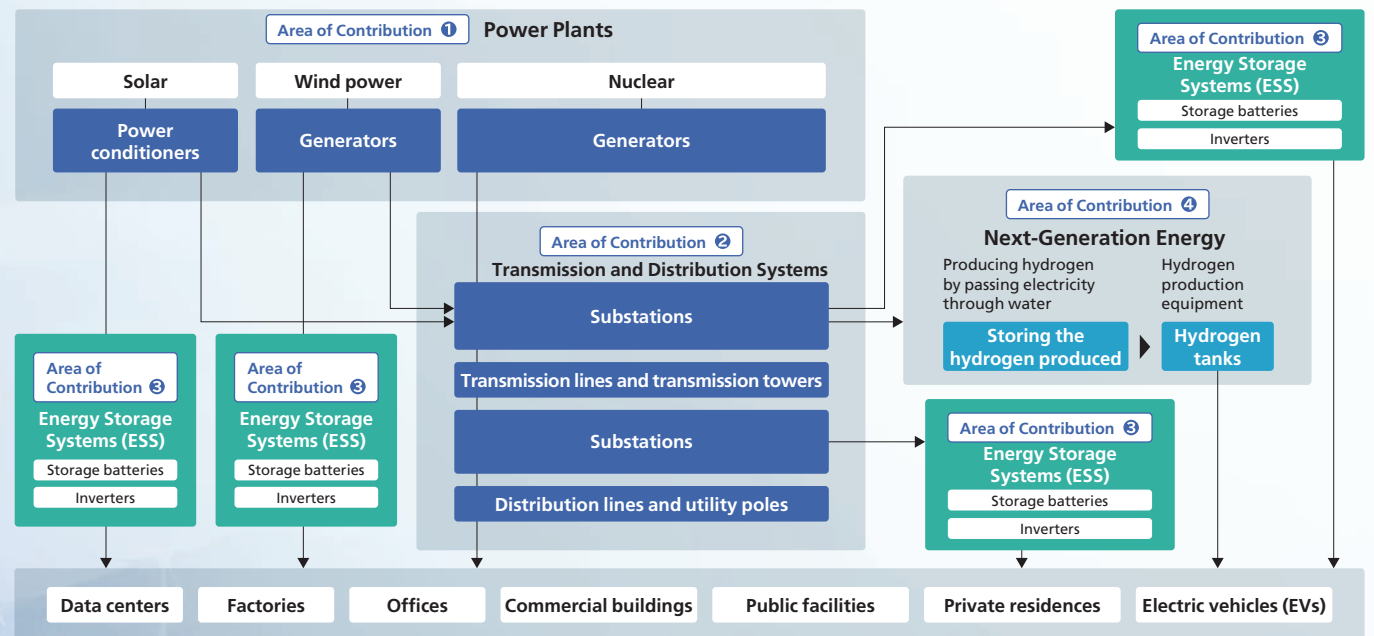
Contributes to everything from battery development evaluation to mass-production testing, maintenance inspection, technology development for reuse, and the development of all-solid-state batteries.

Area of Contribution ④ Next-Generation Energy

Main customers: hydrogen production operators, plant construction operators, industry-government-academia R&D institutions

Contributes to a wide range of development evaluation and performance verification, from small research devices to large commercial units, in developing water electrolysis equipment that produces hydrogen by electrolyzing water and fuel cells that convert hydrogen into electricity.

Products Related to the Market



2 Supporting the Electrification and Improved Reliability of Mobility

Driven by the trend toward carbon neutrality, the electrification of mobility as a whole is advancing rapidly, from automobiles to aircraft, railways, and ships.

Across every stage of development and manufacturing, from the powertrain to the battery and the finished vehicle, Hioki uses its measurement technology to help ensure quality and safety.

Related Target Markets



Social Issues

A wave of electrification is spreading across diverse forms of mobility, including automobiles, aircraft, railways, and ships. Developing the high-output batteries and highly efficient power-control technologies that each of these fields requires, along with the advanced performance verification needed to safeguard human lives, has become an urgent priority worldwide.

Hioki's Areas of Contribution

Area of Contribution ① Powertrain

Main customers: automakers, Tier 1 suppliers, motor and inverter manufacturers

Contributes to improving energy efficiency and ensuring safety through development evaluation of drivetrain components such as motors and inverters, and durability testing of motors that carry large currents while driving.

Area of Contribution ② Batteries

Main customers: automakers, Tier 1 suppliers, battery manufacturers

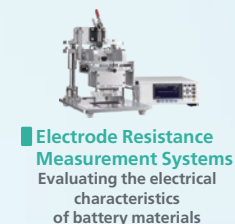
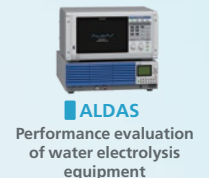
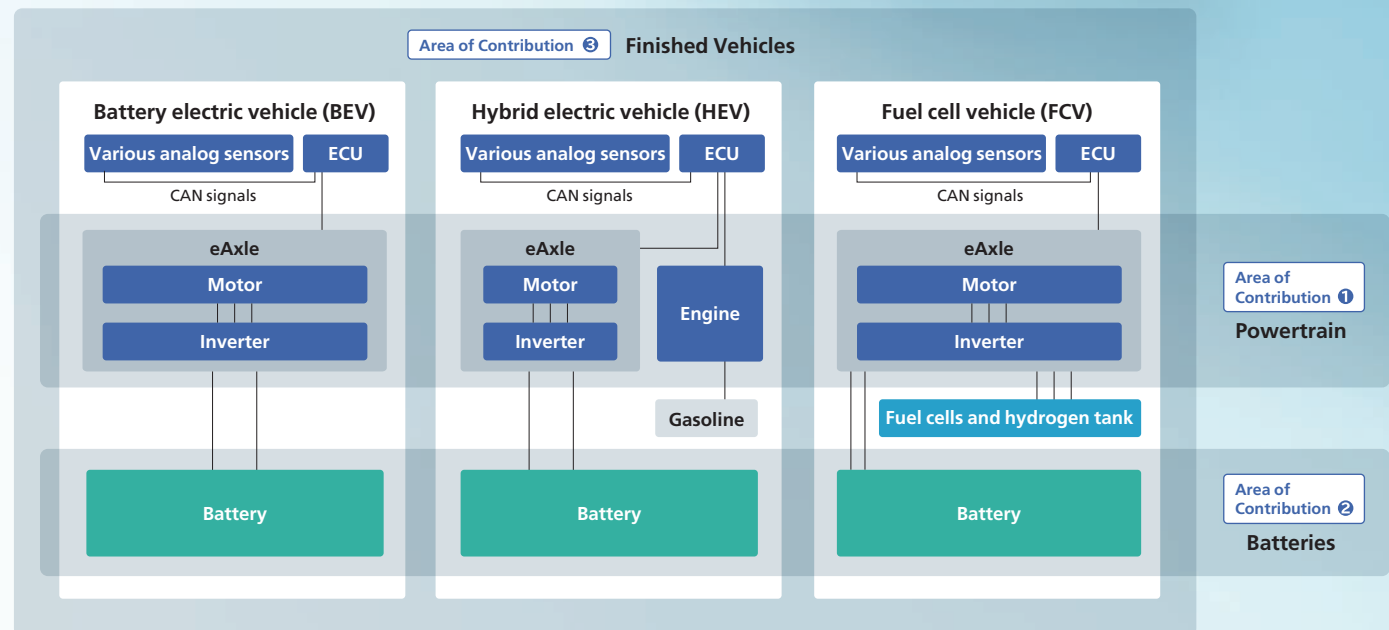
Contributes broadly, from the development of battery materials through cell and module evaluation, mass-production testing, and maintenance inspection.

Area of Contribution ③ Finished Vehicles

Main customers: automakers, vehicle inspection and certification bodies, contract development companies

Contributes to ensuring the final quality and safety of the vehicle as a complete car, ready for real-world driving, through tasks such as verifying the operation of electrical systems in the final vehicle-assembly process, safety-performance inspections based on regulations, measuring electricity consumption (electric mileage) in real-vehicle driving tests, analyzing the operation of sensor arrays for autonomous driving, and evaluating the noise immunity of the entire vehicle.

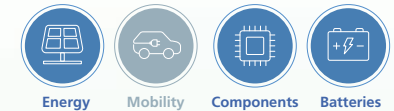
Products Related to the Market



3 Supporting the Stable Operation and Power Efficiency of Data Centers

Data centers are indispensable infrastructure for society, serving as the foundation for cloud services and AI. Across the areas of power supply equipment, air-conditioning and cooling equipment, and server equipment, Hioki uses its measurement technology to support the stable operation and power efficiency of data centers.

Related Target Markets



Social Issues

Against the backdrop of the rapid spread of AI and digital services, the power consumption of data centers is surging on a global scale. Society as a whole now faces a complex set of challenges: securing a stable power supply network, improving the efficiency of cooling equipment that handles vast amounts of waste heat, and further raising the performance of server equipment.

Hioki's Areas of Contribution

Area of Contribution ① Power Supply Systems

Main customers: data center builders, general contractors, electrical equipment companies

Contributes to commissioning tests and maintenance inspections of equipment that stably supplies the enormous power consumed by server equipment and air-conditioning and cooling equipment, and to operational verification of backup power equipment (uninterruptible power supplies and onsite generation) that prevents system downtime and data loss.

Area of Contribution ② Cooling Systems

Main customers: air-conditioning and cooling equipment manufacturers

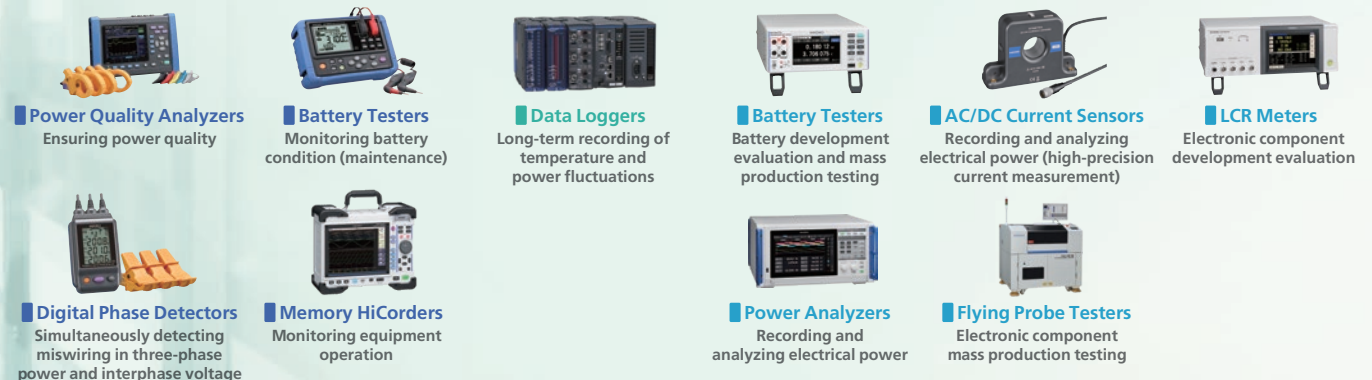
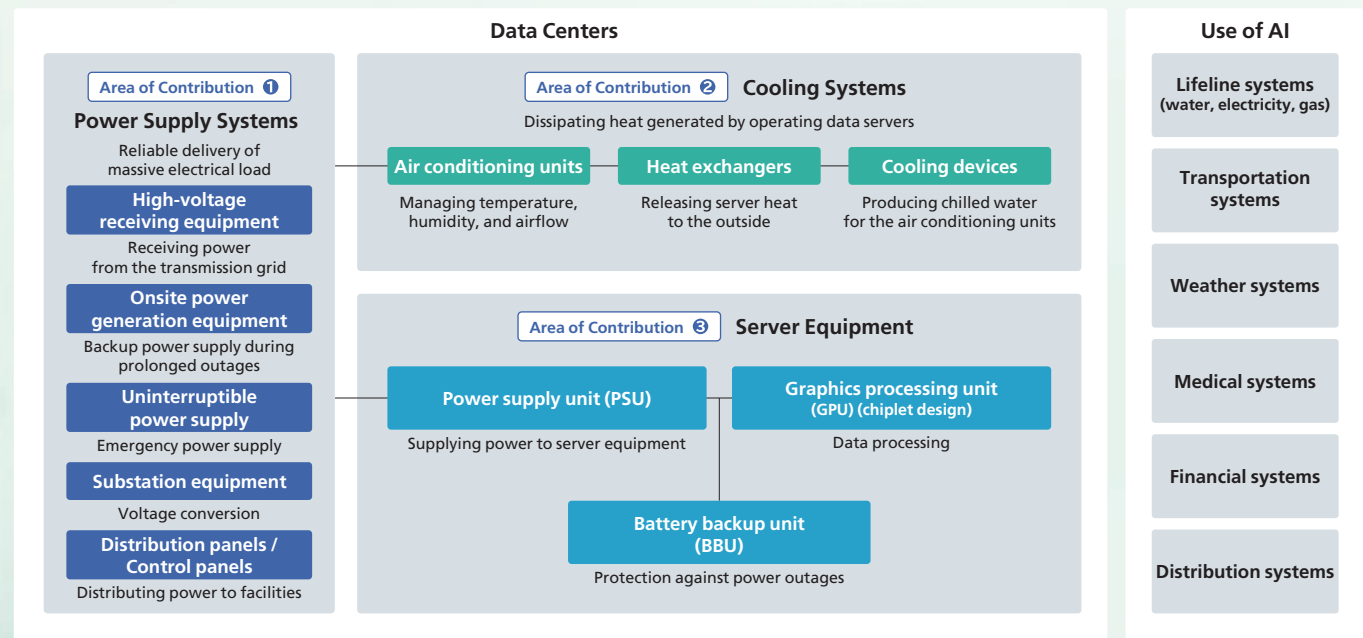
Contributes to development evaluation of cutting-edge air-conditioning equipment that cools the enormous thermal energy generated by server equipment, as well as to R&D in efficient thermal management that addresses the enormous power consumption of the cooling equipment itself.

Area of Contribution ③ Server Equipment

Main customers: passive component manufacturers, power module manufacturers

Contributes to the development of cutting-edge power electronics for supplying enormous power to GPUs, and to development evaluation and mass-production quality inspection aimed at improving the performance of the key electronic components that make up GPUs (MLCCs, power inductors, and large-capacity capacitors).

Products Related to the Market



Aiming to Achieve Product Sales Growth That Surpasses Market Growth through Close Customer Engagement



Energy



Mobility



Components



Batteries

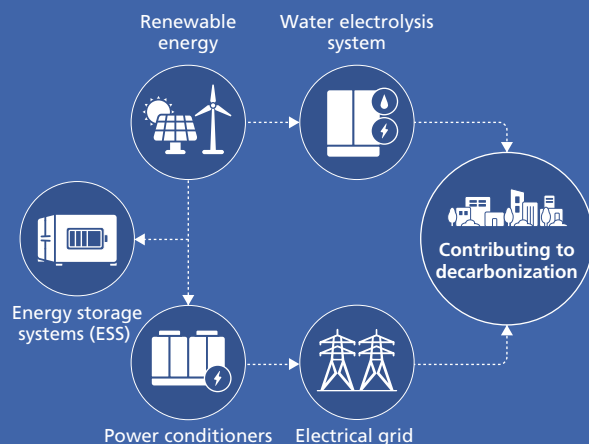
Defining Markets	Embracing the challenges of environmental change Contributing to a stable, efficient, and highly reliable supply of energy through electrical measurement amid the green energy shift	Resolving electrification issues Contributing to accelerating mobility electrification for carbon neutrality, addressing key development challenges with innovative solutions	Achieving high-speed production through precision measurement Contributing to the high-speed production of components such as resistors and capacitors and playing a key role in making modern electronics through Hioki's renowned precision measurement technology	Pursuing sustainability Contributing to CO ₂ emission reductions, a decarbonized society, high-quality battery development and production, and battery life cycle assessment through electrical measurement
Main Customer Profiles	- Solar power generation-related companies (maintenance, inverter manufacturing) - Hydrogen research institutions - Electrical equipment-related companies (power companies, safety management associations, building maintenance, energy-saving measures) - Data center-related companies (owners, power supply, servers, commissioning companies)	- Automobile OEMs - Tier 1 to 4 - Evaluation and testing equipment manufacturers - xEV maintenance - Railways - Aviation	- Electronic component manufacturers (MLCC, coils, etc.) - Electronic component inspection equipment manufacturers, electronic component distribution companies - Board inspection equipment manufacturers - Motors/materials manufacturers	- Battery material research institutions - Cell, pack, and module manufacturers - Manufacturing line system integrators
Overview	- Commissioning (completion inspection) demand is expanding due to new and expanded data centers - Measurement demand for power quality evaluation, storage, and backup power is increasing - Demand for maintenance and inspection for power companies and infrastructure operators remains steady	- Investment for evaluation and testing continues with the progress of EV and xEV development - Evaluation targets are expanding from inverter and motor areas to battery material evaluation - Demand expansion is expected with the recovery of the European market and penetration of new products from the latter half of 2025	- Due to continued investment in AI servers and data centers, demand for electronic component inspection remains firm - As the market shifts from commodity products toward higher-value offerings, demand is growing for high-reliability, high-performance electronic components in automotive and industrial applications	- Production line investments by battery manufacturers and investments in next-generation batteries and materials research continue - In the Chinese market, collaboration with system integrators is progressing due to measurement performance that meets customer requirements - We aim to enhance added value per production line by launching new products and reviewing our lineup strategy
Sales Performance and Targets	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Market Growth Rate and Target Growth Rate for Hioki Product Sales through 2027*	Market growth rate 4.4% Growth rate of Hioki 10.2%	Market growth rate 3.9% Growth rate of Hioki 7.1%	Market growth rate 10.4% Growth rate of Hioki 14.0%	Market growth rate 7.3% Growth rate of Hioki 6.2%

*Market growth rates are company estimates.



Energy

Through Hioki's electrical measurement technology, we realize the stable and efficient supply of highly reliable energy, supporting the wider use of renewable energy and improvements in power quality, and contributing to the realization of a decarbonized society.



Market Environment

As global power demand grows and the adoption of renewable energy accelerates, demand for measurement technology is expanding too

In the energy market, energy demand continues to expand, driven by the growth of AI data centers, economic growth in emerging countries, and greater demand for air-conditioning equipment as temperatures rise. Since 2025 in particular, the rapid growth of AI and cloud services has accelerated the construction and expansion of data centers around the world, and the resulting increase in power demand has been significant. In addition, economic growth and advancing urbanization in emerging regions such as Asia, the Middle East, and Africa are driving the development and expansion of power infrastructure, continuing to lift energy demand.

At the same time, as countries advance policies toward their 2050 carbon-neutral targets, the adoption of renewable energy is accelerating further, and the share of solar and wind power is rising year by year. Technology development for *hydrogen*, which is drawing attention as a next-generation energy source, is also progressing. On the other hand, renewable energy carries the challenge of unstable generation output and power quality, and the importance of power-quality measurement and fault analysis to address these issues continues to grow.

2025 Results

Demand for energy storage systems and power-quality evaluation rises with new and expanded data centers, lifting sales as well

Sales of measurement instruments for the energy market in 2025 increased year on year. Against the backdrop of new and expanded data centers, demand grew for commissioning (completion inspection) and for testing the batteries contained in energy storage systems (ESS), expanding demand for power quality analyzers and battery testers. Adoption has been particularly strong in quality-evaluation applications for energy storage and backup



Many ESS units are installed in data centers

power. The expansion of maintenance and inspection demand accompanying power-infrastructure development in China and emerging countries also provided a tailwind. In addition, R&D investment toward the practical use of hydrogen energy remained active, and our ALDAS series is beginning to be used widely, from basic research to real-world demonstration.

Growth Opportunities

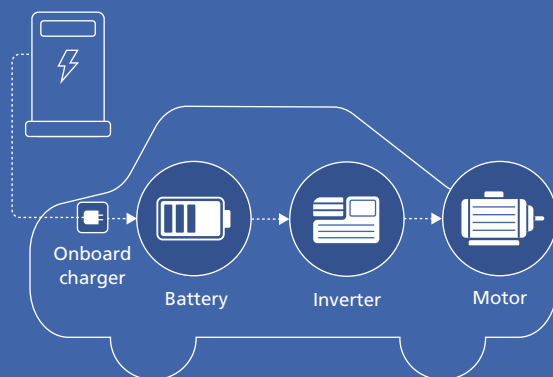
Taking on the challenges of the energy market through measurement technology and data utilization

Looking ahead, the energy market is expected to keep expanding, driven by the wider adoption of renewable energy toward the 2050 carbon-neutral target and by sustained growth in data center demand. With this, demand is expected to rise further for measurement technology that supports the long-term operation of ESS and the evaluation of power quality. By providing solutions that combine measurement technology with data utilization, we will work to solve the challenges of the energy market and contribute to realizing a sustainable society.



Mobility

We provide measurement technology for the optimization and reliability evaluation of power conversion and energy flow, supporting improvements in the performance of key components for xEVs. Toward technological innovation in the mobility industry and the realization of a sustainable society, we are advancing the practice of value creation.



Market Environment

Slowing in the US, but xEVs continue to spread and evolve globally

The spread of xEVs (electric vehicles such as BEVs, PHEVs, HEVs, and FCEVs) is an important theme for realizing a sustainable society. Decarbonization efforts currently vary from country to country: in the US, a partial review of policy has brought a short-term slowdown and differences in the pace of adoption from region to region, while in China the spread of low-priced xEVs is advancing. In Europe, related legislation is entering its enforcement phase, and the introduction of low-priced xEVs is progressing. Market expansion is also expected going forward in emerging countries such as India, Southeast Asia (especially Thailand and Indonesia), and Brazil.

As governments develop xEV infrastructure and manufacturers roll out a diverse range of xEV models, the price competitiveness of xEVs is improving. In addition, expansion into new areas such as eVTOL (flying cars), autonomous driving, and digital twins is underway.

2025 Results

Mobility sales grew year on year in 2025

Sales in mobility in 2025 grew from the previous year. The main factors were stronger promotion in response to the recovery of the xEV market and the launch of new products compatible with next-generation technology. Although the European market was somewhat sluggish, R&D investment by local manufacturers continued, and demand for evaluation and testing products held firm.

In addition, by strengthening promotion to railways and research institutions, the railway field has seen a rising trend in equipment-renewal and new-installation projects. In Japan as well, we are opening up new markets through the use of measurement instruments for maintenance and through collaboration with educational and research institutions.



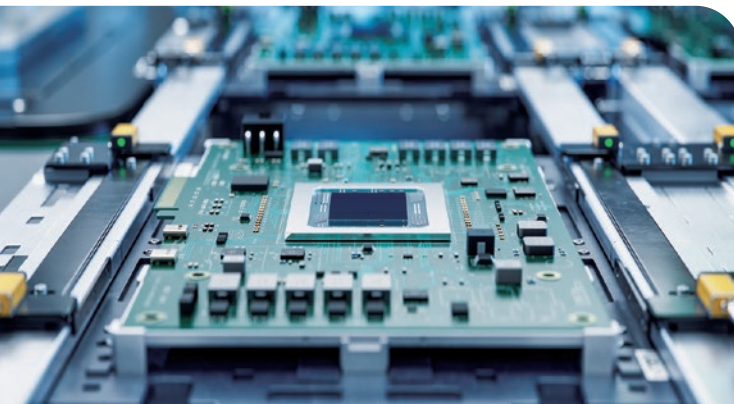
Analyzing power conversion efficiency in driving tests of finished vehicles

Growth Opportunities

With high levels of investment expected, centered on the xEV field, expansion into new areas is creating new growth opportunities.

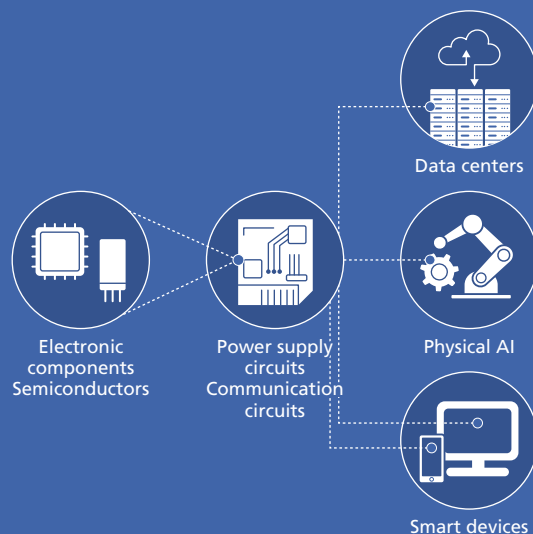
From 2026 onward, development investment in the xEV field is expected to remain at a high level, and the global expansion of Chinese xEV manufacturers is likely to intensify. Although the European market remains somewhat sluggish, R&D investment by automakers continues, and demand for evaluation and testing products is stable. In addition, the mobility domain is expanding, driven by rising aftermarket demand as early xEVs age, the electrification of agricultural and construction vehicles, and the growth of the low-altitude economy (drones and flying cars). In particular, we forecast that growing motor demand from expanded production of hybrid vehicles and PHEVs, along with advances in inverter technology, will further drive future market growth.

By strengthening the fusion of software and measurement technology and our partnerships, we will expand measurement solutions and data services in the xEV field and emerging mobility domains, responding flexibly to changes in the global market and aiming for sustainable growth.



Components

Precision measurement technology for electronic components and semiconductors is used across a wide range of settings, from design to manufacturing, quality control, and R&D. Through the measurement of electronic components and semiconductors, we contribute to advancing the technology behind every kind of product.



Market Environment

The market expands in line with the increasing sophistication of semiconductors and electronic components

As the spread of AI technology and the advance of semiconductor technology accelerate, new growth fields such as AI-ready data centers, autonomous driving, physical AI, IoT, and 5G/6G communications are expanding worldwide. Because AI servers require immense data-processing capacity and a stable power supply, demand for high-performance semiconductors and passive components is increasing. In addition, as electric vehicles (xEVs) and autonomous-driving technology evolve, onboard electronic components are becoming more sophisticated and diverse, and demand for components that emphasize durability and safety is also growing.

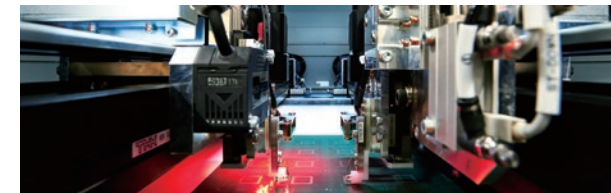
Furthermore, with the spread of IoT and next-generation communications infrastructure, there is demand for compact, high-performance, low-power electronic components, and manufacturers are actively pursuing technological innovation such as greater functionality and miniaturization. The components market is strongly expected to continue expanding.

2025 Results

Orders for measurement instruments related to inspection equipment and probe cards rise on growing demand for AI and xEV applications

In 2025, orders for our new bare-board inspection equipment grew steadily, driven by rising inspection demand for high-frequency components for AI servers and high-withstand-voltage components for xEVs. The adoption of our LCR meters and flying-probe testers in particular advanced, leading growth across the market as a whole.

The semiconductor industry for AI was buoyant: orders for measurement instruments related to probe cards and inspection equipment increased in step with new factory startups and capacity expansion among customers supplying data-center products such as GPUs, HBM, and DRAM, while inquiries from probe-card manufacturers



Quality inspection of high-density IC boards through precise probing

in Japan and abroad also rose. Passive-component manufacturers were sluggish owing to the capital-investment cycle, but demand for medical devices and communications-related boards held firm.

Growth Opportunities

Providing high-precision, high-efficiency measurement technology to meet needs for miniaturization and higher performance, and proposing optimal solutions

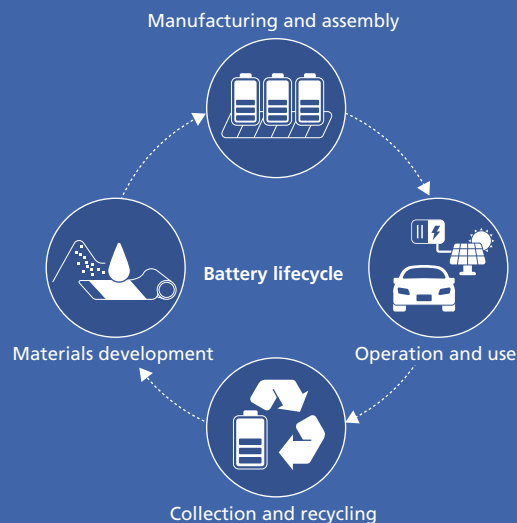
In advanced fields such as the sophistication of AI technology, the spread of IoT, the practical adoption of autonomous driving, and the expansion of 5G/6G communications infrastructure, high-performance, highly reliable components are indispensable. The spread of AI-ready data centers, autonomous vehicles, and xEVs in particular is further heightening the need for components that are smaller, more precise, and more durable. By region, the mass production of AI- and xEV-related components is advancing, centered on Taiwan, China, and the ASEAN region, and investment in quality control and automation is becoming more active.

Against this backdrop, we grasp the issues at customer sites and propose optimal, customized measurement solutions that combine high-precision, high-efficiency measurement technology with measurement automation, digital integration, and data analysis, thereby pursuing opportunities for new value creation and market expansion in advanced fields. Furthermore, growth is also expected in product groups for which there is strong societal demand, such as green devices energy-saving components, and components that comply with environmental regulations, and we will strive to capture sustainable growth opportunities.



Batteries

From visualizing the electrical characteristics of materials to safety inspections in cell production and module-pack assembly and condition inspections during use, we provide electrical measurement technology and diagnostic solutions across the entire battery lifecycle, contributing to the realization of a sustainable society.



Market Environment

The market expands, centered on ESS, whose demand is rising against the backdrop of growing power demand

Against the backdrop of rising power demand from AI, the expansion of data centers, and the spread of renewable energy, the adoption of energy storage systems (ESS) is accelerating as a means of stable power supply and peak-shift management. Accordingly, demand for batteries for ESS is increasing rapidly.

In addition, BaaS (Battery as a Service), which makes use of the entire battery lifecycle, is emerging, and the reuse and recycling market is also expanding from the standpoint of tighter environmental regulations and the effective use of resources. In Asian and emerging markets, the expansion of production sites and the introduction of new technologies are advancing, and the market as a whole is expected to grow in scale and competitiveness.

2025 Results

Growth is driven by rising demand for xEV and ESS batteries and by increased measurement aimed at improving reliability

In the 2025 battery market, demand for measurement instruments expanded, centered on ESS, and sales of battery testers and DC voltmeters were solid. In addition, an increase in battery fire incidents drove higher demand for reliability and safety testing, which also contributed to higher sales.

In the Chinese market, our high measurement performance in meeting the requirements of battery manufacturers was well received, and collaboration with system integrators expanded. The strengthening of production lines by battery manufacturers and investment in next-generation batteries and new-material research further energized the market. Moreover, as demand for battery safety and reliability rises globally, tighter regulations in Europe have expanded demand for test solutions, and an improvement in our product share is expected going forward.



Evaluating the performance of slurry, a raw material for batteries

Growth Opportunities

Expanding measurement solutions by responding to technological innovation and market change

The battery market offers diverse growth opportunities. In recent years, measurement technology for the R&D of battery materials has evolved, and technology development toward the introduction of solid-state batteries is now in full swing. In light of this, we are advancing proposals for measurement methods suited to the evaluation of solid-state batteries and next-generation batteries.

In addition, as battery diagnosis and reuse and recycling grow in importance, demand for related technologies and services is also expanding. We are working to expand solutions that support the battery lifecycle.

Furthermore, measurement demand is also increasing in the battery field for the low-altitude economy (drones and flying cars) and robotics, and we are focusing on expanding high-precision battery evaluation solutions.

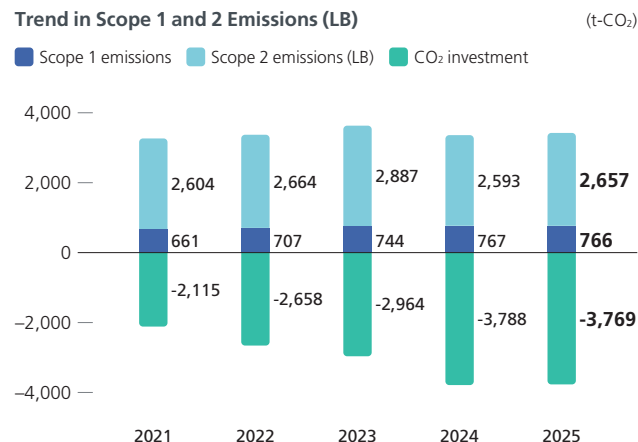
Achieve Carbon Neutrality in Scope 1 and Scope 2

Achieving Carbon Neutrality through Investment-based Measures

To balance sustainable corporate management with social contribution, Hioki has set out the Hioki Sustainability Declaration and is accelerating company-wide efforts toward achieving carbon neutrality. As climate change grows more serious and business activities that take the global environment into account are called for, we have clearly positioned *carbon neutrality* as one of our management growth strategies, fostering awareness and changing behavior to reduce greenhouse gas emissions. In addition to converting company vehicles to EVs and promoting energy conservation, which we have continued since 2023, we are also investing in energy generation, an effort we began that same year.

As a result of this series of initiatives, in 2025 we achieved investment-based carbon neutrality in both Scope 1 (direct emissions) and Scope 2 (indirect emissions from purchased electricity and the like / market-based).* Our gross emissions were compensated in full

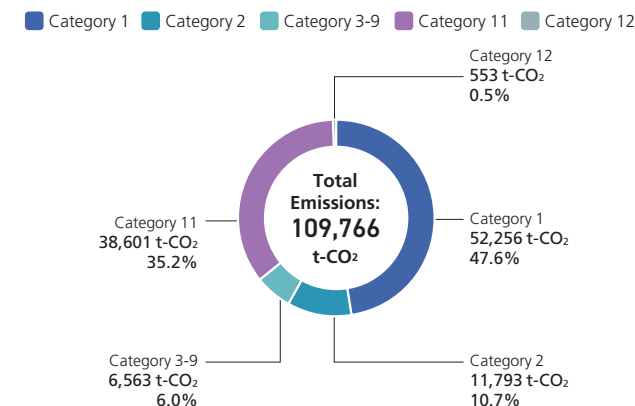
through the purchase of credits and non-fossil certificates equivalent to our total greenhouse gas emissions (Scope 1 and 2).



In addition, in 2025 we conducted third-party verification across all of Scope 1 (including non-energy sources), Scope 2, and Scope 3.

* If our use of renewable energy in Japan is also regarded as investment, we have achieved carbon neutrality on a location basis (LB) as well.

2025 Scope 3



Initiatives toward Achieving Scope 1

Investment in Forests and Carbon-neutral Gas

To achieve carbon neutrality in the Scope 1 domain (direct emissions associated with our own business activities), we purchase forest-derived credits in Japan and abroad and have introduced carbon-neutral gas.

Purchased forest-derived credits

- J-Credits derived from forests in Nagano Prefecture: 130 t-CO₂
- Carbon-neutral gas (covering the full gas volume): 465 t-CO₂
- Indonesian forest credits VCS1477: 58 t-CO₂; VCS674: 429 t-CO₂



Certificate of purchase for Verra VCS (VCU) 674

Initiatives toward Achieving Scope 2

Operating Solar Carports and Investing in Non-fossil Certificates

To reduce Scope 2 (indirect emissions from our own business activities), we are actively investing on both a location basis and a market basis.

Examples of initiatives

(LB: location-based, MB: market-based)

- Solar carport: supplying about 40% of the electricity used at the headquarters (LB)
- Renewable energy contracts: 2,362 t-CO₂ (MB)
- Non-fossil certificates: investment in the renewable energy portion at tenant buildings in Japan and abroad: 739 MWh / 317 t-CO₂ (MB)



Solar carport on the headquarters grounds

Foundation for Value Creation

We have built the foundation of our business on our corporate philosophy of Respect for Humanity and Contribution to Society, and have continued to reinforce that foundation.

This year, as part of these efforts, we held a roundtable discussion with Outside Directors and Outside Audit & Supervisory Board Members.

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Message from the Chief Sustainability Officer

Through electrical measurement, Hioki contributes to creating the future, and we are committed to sustainability management out of a sense of responsibility for running a business that supports society, together with a conviction that we must help nature recover. In 2025, an encounter with the artist Mago Nagasaka, who is working to regenerate a disadvantaged area in Ghana known as a graveyard for electronic waste, prompted us to begin designing in earnest a circular approach that keeps our products from becoming waste, and we positioned the year as the first year of our circular economy. As a first step, we launched a product trade-in service in January 2026. On the nature-positive front as well, Hioki Forest Hills was certified as a Nationally Certified Sustainably Managed Natural Site under the new Act on Promoting Activities to Enhance Regional Biodiversity. We will continue to accelerate these efforts in the years ahead.

Yoshikazu Suyama

**Managing Director
Senior Managing
Executive Officer
Director of Administration
Division and
Manufacturing Management**



Sustainability Management Approach and Policy

Guided by our corporate philosophy of respect for humanity and contribution to society, the Company is committed to sustainable practices. In 2025, to advance activities aligned with the 10 principles across four areas set out in the UN Global Compact, which we endorsed in 2024, we established the Hioki Group Policy. This policy is made up of 17 principles across five areas: Basic Stance, Corporate Social Responsibility, Stakeholders, Business, and Asset Management, and all Group employees are to comply with it in their conduct.

WE SUPPORT**UN Global Compact**

**Compliance with the 10 Principles
across Four Areas: Human Rights,
Labor, Environment,
and Anti-Corruption**

Sustainability Promotion Framework

Starting in 2025, the responsibility for promoting sustainability has been assigned to the managing director and senior managing executive officer who also serves as director of the Administration Division. Within the Administration Division, the Corporate Planning Department has been designated as the department in charge of sustainability promotion. Under this framework, the entire Administration Division is leading various sustainability initiatives, including environmental management at group companies.

New Sustainability Initiatives

We have carried out a wide range of sustainability activities over the years, but we positioned 2025 as the first year of our circular economy and began working on resource circulation across the entire product lifecycle. We take responsibility for products that customers have used for many years, partnering with them toward the next round of value creation. Through this, we aim to achieve both reduced environmental impact and sustainable business growth.

Basic Sustainability Policy

The Hioki Group will contribute to the realization of a sustainable society through business activities 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 customers' safe and efficient use of energy through electrical measurement.
- We will build relationships 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 preservation of the environment.

Sustainability Management Timeline

1986	The Hioki Corporate Philosophy of "Respect for Humanity" and "Contribution to Society" is adopted.
1989	Forest Hills Scholarship Fund, a public-interest trust, is launched.
1990	The headquarters and main factory are relocated to a newly completed facility at Hioki Forest Hills in Ueda, Nagano Prefecture.
1991	The "Ueda Minami League" youth baseball program is launched.
1993	Construction of the Hioki Lodge I (employee dormitory) is completed.
1994	HIOKI FOREST PLAZA CORPORATION is established.
1997	Earns ISO 14001 certification.
1998	Hioki Forest Plaza project "Minami Junior Sports Club" is launched.
2005	The Hioki Scholarship and Greening Foundation is established.
2006	Solution Factory adjacent to the Headquarters Factory is completed.
2010	The Hioki Scholarship and Greening Foundation is transitioned to a public-interest incorporated foundation.
2015	The Hioki Innovation Center (Research Building) is completed.
2020	Announces Vision 2030, the long-term management policy.
2021	The headquarters factory switches to CO ₂ -free power.
2022	Formulates the Basic Sustainability Policy and the Sustainability Declaration. Green Procurement Guidelines are revised. H ₂ Energy Solution Team is assembled.
2023	Installs a solar carport with a generating capacity of 2 MW. Creative Collaboration Laboratory is newly set up in the Innovation Center.
2024	Joins the UN Global Compact. Joins Circular Partners.
2025	Internal carbon pricing is established. Circular economy targets are announced.
2026	The product trade-in service is launched.



Akiko Kobayashi

Executive Officer
Director of Global Human Resources
Department and DE&I Promotion,
Administration Division

Grounded in Individual Dignity, Turning *Challenge* into Opportunities for Global Growth

Rooted in our corporate philosophy of Respect for Humanity, the Hioki Group has worked to build an organization where each of our diverse employees worldwide can pursue their own personal purpose—their will to do, achieve, take on challenges, and contribute—with passion, through the work they do. We are now making a decisive shift toward people-driven management, moving beyond a headquarters-led framework to one in which every group company worldwide is truly unified, turning each entity's individual challenges into growth for the Group as a whole, in pursuit of the overseas sales ratio target of 75% set out in Vision 2030. What we are aiming for is not incremental growth along a familiar trajectory, but an acceleration of transformation and the creation of new value across the entire Group.

In 2025, we formulated the Hioki Leadership Competency (HILC) framework, a set of shared leadership requirements that serves as a common behavioral guide across the Group. The framework was developed through discussion at our twice-yearly global management conference, which brings together management-level employees from around the world. By connecting the values set out in HILC to their daily actions, each individual contributes to maximizing both personal and organizational capability. With clear KGIs and KPIs established for every department and individual, the entire company is aligned in working toward the achievement of our medium-term business plan, the realization of Vision 2030, and further growth beyond.

A shared identity as *One Hioki* is central to how we pursue our global management and human capital strategy. In our recruitment activities, we place emphasis on alignment with our corporate philosophy, and at each of our locations we regularly create opportunities during training programs to deepen understanding of that philosophy, fostering a sense of unity that transcends national borders and cultural differences. As a result, a culture is taking hold in

which employees of all ages, nationalities, and locations proactively raise their hands to take on new postings and roles. Through our internal recruitment system, the HI-Challenge System, and our intrapreneurship support system, the HI-Jump System, we are creating an environment where employees with diverse backgrounds can step forward to shape their own careers—reflected in cases such as locally hired employees at our Chinese subsidiaries actively forging their own career paths within the Group. Going forward, we will continue to evolve an environment where everyone can pursue what they want to do, supported by psychological safety.

A culture of respect for diversity is also a source of pride for our Group and a driver of our growth. True diversity goes beyond differences in nationality, gender, and age: it means embracing different values and ways of thinking, and genuinely recognizing one another. When employees with diverse backgrounds and from different generations come together, differences of opinion inevitably arise. Rather than avoiding friction through deference or restraint, engaging in frank debate is precisely what we believe generates the creative energy and transformative power that an organization needs. We will continue to cultivate a culture in which each person brings their own convictions and values to the table in service of society and our customers, and through constructive discussion, turns diversity into a source of energy for growth.

The Hioki Group will continue to support every employee's aspirations and diverse ways of life across its global operations. As a company where everyone can work with confidence and be themselves, a *great place to work*, we will translate the *challenges* of employees around the world into Group growth, and continue striving to be a truly global company that contributes to the advancement of society.

S Strengthening Human Capital: Toward Achieving an Overseas Sales Ratio of 75%

Formulating a Strategic Talent Portfolio

We are advancing the formulation of a *talent portfolio* that identifies the roles and functions required to realize Vision 2030 and makes visible the skills and headcount needed for each. Working backward from our future management targets, this portfolio is designed to systematically clarify what kind of people are needed, where, and in what numbers, and to determine optimal talent placement through an appropriate combination of recruitment, development, and reassignment.

Through extensive discussion with department heads conducted in 2025, it became clear that growth plans across departments remain anchored to a *projection of current conditions*. A gap exists between where we are and where we need to be, and *discontinuous growth* is essential to achieving our management targets. In 2026, we will share this awareness as an organization-wide challenge and accelerate the building of a robust talent foundation by thoroughly embedding backcasting thinking across the company.

Building a Language Foundation

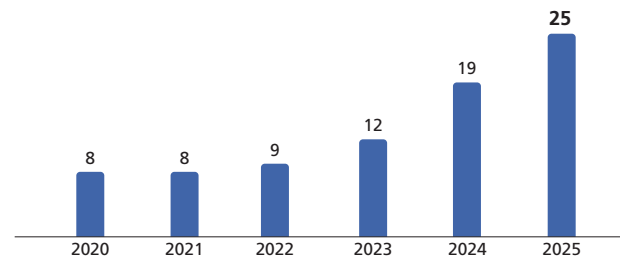
Achieving an overseas sales ratio of 75% requires that the organization as a whole raise its practical ability to communicate smoothly with customers and partners around the world and to carry out work across national borders. In 2025, we administered a CEFR (Common European Framework of Reference for Languages)-aligned test to all employees, giving each person the opportunity to objectively assess their own English proficiency. The initial participation rate reached 96%, and going forward we will administer this assessment on a regular basis as our *English Health Check*, with the aim of further cultivating a company-wide culture of learning. We are also working to enhance learning support with the goal of having a set proportion of headquarters employees reach CEFR level B1 or above by 2030.

Strengthening the Recruitment of Non-Japanese Employees

At our headquarters, we are actively recruiting non-Japanese employees and steadily expanding our acceptance of diverse talent. In addition to running internship programs in partnership with universities in India

and Indonesia, our new graduate recruitment efforts involve participation in targeted events, proactive scouting, and numerous individual interviews, with a dedicated selection process and retention activities that have delivered consistent recruitment results.

Number of Non-Japanese Employees (Headquarters Only)



From Recruitment to Retention: Supporting the Integration of Non-Japanese Employees

In recruiting non-Japanese employees, we have developed distinctive initiatives focused on fostering understanding of our corporate philosophy and supporting retention after joining. At our headquarters, we bring forward the timing of activities between offer acceptance and the start date, giving new hires the opportunity to become familiar with Japanese culture and Hioki's ethos from an early stage. We have also developed the One Hioki On-Boarding Program as a retention support initiative for locally hired employees at our overseas sales subsidiaries.

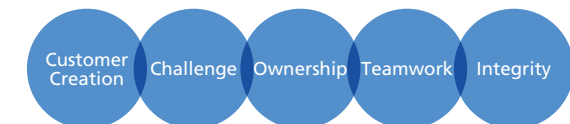
The One Hioki On-Boarding Program is a reorganized version of training content originally designed for headquarters new graduates, adapted for overseas subsidiaries. By having headquarters lead training that would be difficult for individual local entities to conduct on their own, we are creating a framework in which employees throughout the world, at both our headquarters and group subsidiaries, can deepen their understanding of our corporate philosophy, our business, and our products. In 2025, the program was held in September and December, with 54 participants from group companies across a total of eight locations in the United States, Europe, Asia, and elsewhere. We are committed to creating an environment where employees in every part of the world can learn on equal terms, including by holding sessions across three time zones to accommodate differences in language and time.

Initiatives Toward Establishing a Global Human Resources System

All of our overseas sales subsidiaries are wholly owned (100% equity), and close collaboration and active talent mobility across the Group are among our strengths. At the same time, attitudes toward compensation and evaluation vary from country to country, making it essential to design our systems with care, in alignment with local thinking and customs.

In 2025, we formulated the Hioki Leadership Competency (HILC) framework, which sits at the heart of this effort. Drawing on our corporate philosophy, management principles, and company history, HILC is a set of five keywords that systematically articulates the standards of conduct Hioki requires of all Group employees, developed by consolidating input from all 150 managers across the Group. At our headquarters, HILC is applied in our performance evaluation system. We are also in the process of formulating a Global HR Policy that will serve as the foundation of our global human resources system, and will use this as a common reference point as we proceed to design human resources systems in each country. We will build a framework that ensures fair evaluation and compensation regardless of where in the world an employee works, and further promote the contributions of global talent.

HILC: The Five Values Hioki Requires of All Group Employees



Centralized Management of HR Information and Security Measures

Making our global human resources system function in practice also requires the development of infrastructure for the centralized management of information. We are establishing a framework for the unified global management of personal information across the entire Group, and working to improve the efficiency and pace of institutional operation through the introduction of an HR system. We are also implementing measures to address the security risks associated with information management, and advancing the development of a safe and reliable HR platform.

S Strengthening Human Capital: Connecting Individual Growth to Company Growth

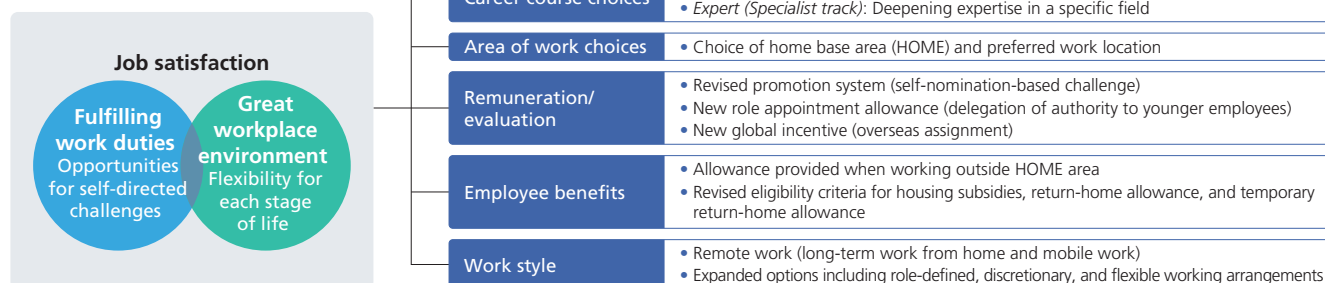
HR Framework: HI-Career System

In 2025, we introduced the new HI-Career System, designed to align each employee's personal purpose—their will to do, achieve, take on challenges, and contribute—with the Company's management policies at the highest level, enabling employees to realize that purpose through their work. Specifically, in addition to creating opportunities for challenge through *reassignment* to new fields and *role-based appointments* to carry out specific missions, the system also confirms each employee's medium-to-long-term direction, including whether they wish to develop their career along a *specialist* or *management track*. Furthermore, choices regarding work location, flexible work styles such as remote work and reduced working hours, the promotion and pay raise system, and employee benefits have all been integrated into a unified framework.

Conducting Talent Reviews

To enhance the effectiveness of career development, we conduct a *talent review* for all employees once a year. This is a forum in which division heads, department managers, section managers, and HR personnel jointly review and consider the achievements, experience, and future aspirations of each individual employee. By deepening understanding of each employee's personal purpose from the perspectives of both management and front-line staff, we are strengthening the support framework that enables the company and its employees to continue growing together, taking into account each person's career and life plans.

HI-Career System

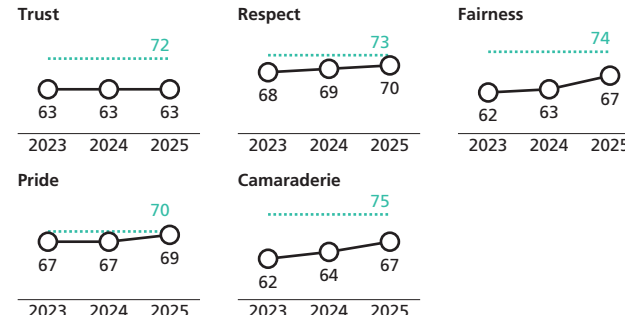


Employee Awareness Surveys: Nurturing Individuals and the Organization

To gain an objective understanding of organizational challenges, we participate in the Great Place To Work® (GPTW) survey, one of the world's largest employee awareness surveys, conducted in approximately 150 countries. In the most recent survey, which covered all 1,157 Group employees and achieved a high response rate of 95.3%, scores improved in four of the five categories assessed: *Trust*, *Respect*, *Fairness*, *Pride*, and *Camaraderie*. In particular, scores relating to *Fairness* showed marked improvement, indicating that the results of the HI-Career System are beginning to translate into a genuine sense of satisfaction among employees. In addition to GPTW, we also utilize the evaluation indicators of the D&I AWARD. Once a year, all management-level

Trends in Survey Results

○— Hioki Headquarters Only (%) Benchmark Companies (%)



employees discuss the gap between the organization's current state and its aspirational state using data, and formulate action plans. We continue our efforts in talent and organizational development along two axes: growing individuals and building a vibrant organization.

Internal Recruitment System: HI-Challenge System

The HI-Challenge System is our proprietary internal recruitment system, giving employees the freedom to choose the roles they want and to proactively shape their own careers around their personal purpose. Through themed recruitment initiatives, the system offers a wide range of opportunities that extend well beyond existing departmental boundaries, including postings to overseas sales subsidiaries, participation in strategically important projects, the launch of internal ventures, and secondments to other companies. In fiscal 2025, we conducted six such internal recruitment campaigns.

Intrapreneurship Support System: HI-Jump System

In fiscal 2025, five themes were entered into the HI-Jump System, our proprietary intrapreneurship support system for addressing social challenges and generating new business. Themes that pass a rigorous screening process gain opportunities such as placement in external incubation programs and joint research initiatives. Hands-on support then helps individuals develop their ideas into concrete business ventures, accelerating the development of next-generation talent.

Promoting the Active Contribution of Senior Employees: The HI-Career II System

With the aim of passing on the expertise and knowledge cultivated over many years to the next generation and making this a source of sustained value creation, we launched the HI-Career II System in April 2026 for employees between the ages of 65 and 70. The system allows employees to choose a flexible retirement date suited to their individual life plans, and for those who wish to continue working, HI-Career II provides matching and redeployment based on internal job postings from each department.

S Strengthening Human Capital:

Building an Environment Where Everyone Can Challenge Themselves with Confidence and Thrive Over the Long Term

Certified as *Best Workplace* for the Second Consecutive Year at D&I AWARD 2025

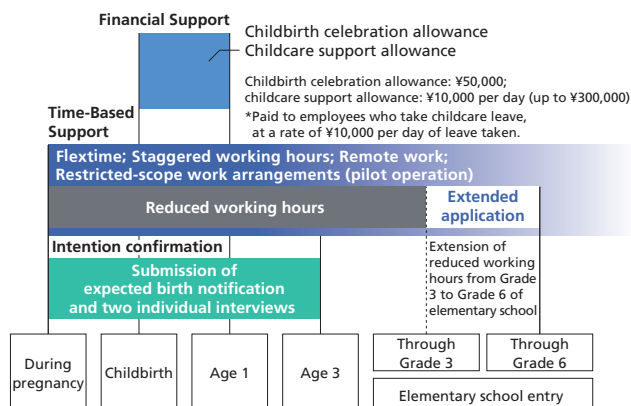
Guided by our corporate philosophy of *Respect for Humanity*, we are working to create an environment where each of our employees, with their diverse backgrounds, can perform at their best and continue to take on challenges with peace of mind. The effectiveness of these efforts has been objectively recognized: at the D&I AWARD 2025, one of Japan's largest corporate D&I certification programs, we achieved a score of 87 points, surpassing our previous score of 83, and were certified for the second consecutive year at the highest rank of *Best Workplace*.

Below we introduce the principal initiatives undertaken in 2025 that received particularly high marks in the certification process. By strengthening not only the expansion of our programs but also practical support tailored to employees' day-to-day work and personal lives, we have further strengthened the foundation that enables diverse individuals to combine their strengths in new ways.

Childcare and Caregiving: Creating an Environment Where Employees Can Raise Children with Peace of Mind

To enable employees with childcare responsibilities, regardless of gender, to thrive in the workplace, we have established support programs that address both time-related and financial needs. Through the provision of a childcare support allowance of up to ¥300,000, we encourage

Childbirth and Childcare Support Programs



employees to take childcare leave. We have also established a framework that enables flexible working arrangements, including reduced working hours and remote work, which may be utilized until a child graduates from elementary school. Through this well-balanced system design, we are fostering a workplace where employees can continue their careers with peace of mind even during the child-rearing years.

Disability: Building an Environment That Supports the Success of Employees with Disabilities

Rather than limiting ourselves to meeting the statutory employment rate, we have set a target of hiring two employees with disabilities each year, and are working continuously to create employment opportunities. In addition, taking into account the individual characteristics of employees with disabilities, we have established a limited employee appointment system that allows employees to work under limited employment conditions. Through this system, we provide all employees who have the desire to take on new challenges with opportunities to pursue career advancement.

LGBTQ+: Implementing the Partnership Recognition System

We operate a system that extends to employees whose partnerships have received official recognition the same treatment afforded to spouses under our internal regulations. By not only eliminating disparities in compensation and benefits, but also explicitly stipulating the protection of privacy and the prohibition of unfair treatment, we ensure psychological safety and foster an environment where everyone can be themselves and perform at their best with peace of mind.

Multicultural Inclusion: Providing Vegetarian Menu Options

To welcome diverse talent from across the globe, we promote multicultural inclusion starting with employees' daily lives, including their food. In addition to regular daily menus at our employee restaurant and dormitories, we offer vegetarian options at company events such as entrance ceremonies and social gatherings. Rather than simply preparing a separate menu, we use alternative ingredients such as soy-based meat substitutes to provide dishes that are



Standard menu



Vegetarian menu

indistinguishable in appearance from standard menu items. We are building a workplace where everyone, regardless of religion or personal beliefs, can enjoy meals at the same table and interact naturally.

Occupational Health and Safety

At Hioki, we operate a unique occupational health and safety management system through specialized committees focused on safety promotion, electrical safety, chemical substance management, traffic safety, health promotion, the 5Ss, and in-house fire prevention. Each committee takes the lead in activities such as policy development, risk assessment, workplace patrols, and employee training and education. The initiatives of these committees are reported monthly to the Health and Safety Committee, where the PDCA (Plan-Do-Check-Act) cycle is used to implement continuous improvement.

Health Management

Based on our Health Management Strategy Map, we are advancing initiatives in *health literacy enhancement*, *prevention of lifestyle disease progression*, and *mental health care*, with the aim of reducing absenteeism and presenteeism and improving work engagement.

Human Rights

Guided by our corporate philosophy of *Respect for Humanity*, and in addition to our participation in the United Nations Global Compact as an internationally recognized standard, in October 2025 we formulated the Hioki Group Policy as a set of concrete behavioral guidelines for the entire Group. Through these efforts, we are building a governance framework aimed at respecting human rights across all our global operations and realizing a sustainable society free from discrimination.

Hioki Group Policy

<https://www.hioki.com/corporate/vision/group-policy.html>



S Supply Chain Management

Basic Approach

The Hioki Group sources a diverse range of components from suppliers around the world and delivers high-quality electrical measurement solutions by the deadlines our customers request. Through these efforts, we aim to contribute to the security of people around the world and to the development of society. To that end, we are strengthening win-win relationships in which we grow and develop together as partners, through close communication with our business partners, including not only suppliers but also distributors. We collaborate with our business partners in materials procurement, focusing on not only quality and supply stability but also social aspects, such as human rights, occupational safety, and the environment. In so doing, we help realize a sustainable society with an integrated supply chain.

Basic Procurement Policy

We have established a Basic Procurement Policy to build and maintain strong relationships with our suppliers and to ensure fair and honest procurement practices. In addition, our Green Procurement Guidelines set forth provisions to promote environmental conservation, manage chemical substances including avoiding the use of environmentally hazardous materials, and prohibit the use of conflict minerals. In cooperation with our business partners, we are working together to help build a sustainable society.

Procurement Policy Briefings and Supplier Surveys

Since 2009, we have held annual procurement policy briefings for our business partners and provide updates on various matters, including recent developments within the Group, key priority initiatives, and the status of parts quality in addition to the importance of our procurement policy. Beginning in 2023, we have also hosted a sustainability seminar alongside the procurement policy briefings.

In addition, we conduct a questionnaire survey of our existing business partners once a year, through which we identify risks relating to social issues such as human rights violations, including child and forced labor, and occupational health and safety issues, as well as

environmental issues such as CO₂ emissions and waste. The 2025 survey revealed that many of our business partners have made progress in their efforts on occupational safety and human rights and have a strong interest in environmental conservation and governance. On the calculation of CO₂ emissions, we found that interest is high but that getting started presents challenges, which reaffirmed for us the need to share approaches across the entire supply chain.

Supplier Questionnaire Survey Response Rate

Year conducted	2021	2022	2023	2024	2025
Response rate	68.0%	88.3%	95.3%	98.0%	96.6%

Stable Supply and Quality Improvement

Through precise planning based on product demand forecasts and strategic procurement, we maintain appropriate inventory levels and reliably meet delivery deadlines. At regular meetings with our business partners, we share and negotiate information such as part usage quantities and scheduled delivery dates, working to secure a stable supply of materials and components. On quality, we carry out joint



Quality Collaboration Center

verification with our business partners, centered on the Quality Collaboration Center opened in 2025. By raising one another's technical capabilities, we will achieve a quality standard that leads the industry.

Human Rights

We respect the human rights of all stakeholders involved in our businesses, including our employees and business partners. Our Employee Code of Conduct, established in accordance with the philosophy of respect for humanity, clearly states that we do not discriminate on the basis of race, gender, nationality, creed, physical condition, and the like in our recruitment and employment activities.

In addition, we also promote awareness of human rights among all employees through various education programs. In our Basic Procurement Policy, we declare that we will strive to realize a safe and hygienic working environment in which all people can demonstrate their full potential. We will continue emphasizing respect for human rights as a key management issue that is an important foundation for business continuity.

Occupational Safety

Fulfilling our corporate social responsibility (CSR) requires us to consider the occupational safety of our business partners and to act responsibly toward society. To promote fair and equitable transactions with our business partners, in January 2026 we established a whistleblowing contact point for external parties. We actively make this contact point known to relevant parties on occasions such as our procurement policy briefings.

Environment

We place great importance on the procurement of environmentally conscious parts as part of our corporate social responsibility and sustainability initiatives. At our in-house parts exhibitions, held twice a year, our business partners propose recycled materials and biomass materials. Through the reuse of cushioning materials and the use of recyclable materials, we are working to reduce environmental impact across the entire product life cycle.

Being a Supplier of Choice Ourselves

While promoting collaboration with our business partners, we also hold ourselves to strict self-discipline as a responsible supplier. In recognition of these efforts, we earned an A rank in the CDP's Supplier Engagement Assessment 2025 and were awarded a Bronze Medal by EcoVadis.

S Stakeholder Engagement

Communication with Shareholders and Investors

We actively create opportunities for communication to enhance understanding of our Company and build trust with our stakeholders.

Appropriate information disclosure

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 and trust, so that the Company's operations can be evaluated fairly by all stakeholders, including shareholders and investors." We comply with the Timely Disclosure Rules put in place by the Tokyo Stock Exchange regarding information disclosure. We also work to disclose information quickly and accurately based on considerations of fairness and timeliness when we believe it might be of use to stakeholders or the general public even if it does not technically fall under the rules.

Status of dialogue with shareholders and other investors

We also hold second-quarter and year-end financial results briefings for institutional investors and securities analysts. These briefings have been conducted in a hybrid format, combining both web-based and in-person sessions. At the same time, we aim to engage in direct interaction with top management whenever possible. We also hold one-on-one meetings and small-group meetings as needed, deepening understanding of our Company through dialogue.

After every General Meeting of Shareholders, we hold current-status briefings for shareholders as a forum for open dialogue

Key communication activities in 2025

- One-on-one meetings with institutional investors: 160
- Briefings for analysts and institutional investors: 2
- Holding of guided tours of the 90th Anniversary New Technology Exhibition
- Holding of General Meeting of Shareholders and current-status briefing

General Meeting of Shareholders



<https://www.hioki.com/ir/stock/shareholder.html>



annually. We actively encourage shareholders in attendance to ask questions and share their opinions. In this way, we strive to address shareholders' concerns.

Strengthening our IR structure

In autumn 2025, we appointed an employee with experience as a financial-institution analyst to oversee IR, strengthening our IR structure to better reflect the investor's perspective. In tandem, we are advancing the sophistication of our IR work, drawing on advice from outside experts and advisors, with the aim of raising corporate value through dialogue with the capital markets. For dialogue with shareholders and investors, members of management and the Board of Directors take part according to requests and areas of interest, building communication through ongoing engagement.

Expanding our disclosure

In response to investors' interests and requests, we are expanding the disclosure of business and performance information in our financial results reports and at our results briefings. We refine how we present this information so that the background to the figures and our business structure are easier to understand, and we are accelerating English-language disclosure to provide timely, accessible information to investors in Japan and overseas. Institutional investors have recognized these efforts as progress in our disclosure.

Communication with Local Communities

Following our corporate philosophy of contribution to society, we actively support the development of local culture and education. By growing alongside our local community, the Hioki Group aims to achieve a prosperous society with the people living in that community.

Hioki Scholarship and Greening Foundation

In 1989, with the aim of supporting the development of engineers and contributing to the local community, we began providing scholarships to students from our local area (Ueda and Sakaki) who were entering science and engineering departments at four-year universities (we established an incorporated foundation for this in 2005). The program has expanded steadily over the years, and in 2025, its

scope was extended to include students in master's and doctoral programs. We continue to support the advancement of academic research and study.

Celebrating the 90th Anniversary Hioki Festival:

Gratitude and the Future

Held in 2025, the year of our 90th anniversary, the 22nd Hioki Festival drew large crowds under clear autumn skies. New features included a Kids' Park, a chance to chat with an AI version of our President, and a Food Stall King Contest. In the *Me and the Hioki Festival* countdown poster campaign, local residents who have supported the Hioki Festival shared their thoughts on their ties to the event and their hopes for its future. All Hioki Group employees, including those from our overseas sales companies, enjoyed interacting with the visitors who attended.



Opening ceremony of the Hioki Festival

Record of the 22nd Hioki Festival

<https://youtu.be/bBY1OfL1QTQ?si=Nct2zhXXIOWUaunW>



Sustainability exchange through our *Learning Consortium* partnerships

We have entered into *Learning Consortium* agreements with Nagano Nihon University School and with Hiki Junior High School in Shirahama Town, Wakayama Prefecture. With Nagano Nihon University School, we have continued collaborative learning and research aimed at developing next-generation talent and solving local issues, and in March 2026 we held the fourth annual report meeting. Hiki Junior High School, which is active in environmental conservation such as seagrass (*Zostera*) restoration, also took part, and the three parties presented and shared their sustainability practices and results.

The meeting became a place for children and the company to interact and gain new learning and insights.



A scene from the report meeting

E Environmental Management

Basic Approach

In 2022, Hioki established our Basic Sustainability Policy based on our corporate philosophy and publicly announced it alongside the Hioki Sustainability Declaration, which outlines our targets for decarbonization. Under our environmental policy, we are actively engaged in environmentally conscious initiatives. Contributing to the realization of a sustainable society through our business activities is a vital responsibility for us, and each employee is committed to thoroughly reducing environmental impact at every stage of our operations. Furthermore, by expanding the global reach of our measurement solutions, we aim to contribute to achieving a sustainable society for our customers.

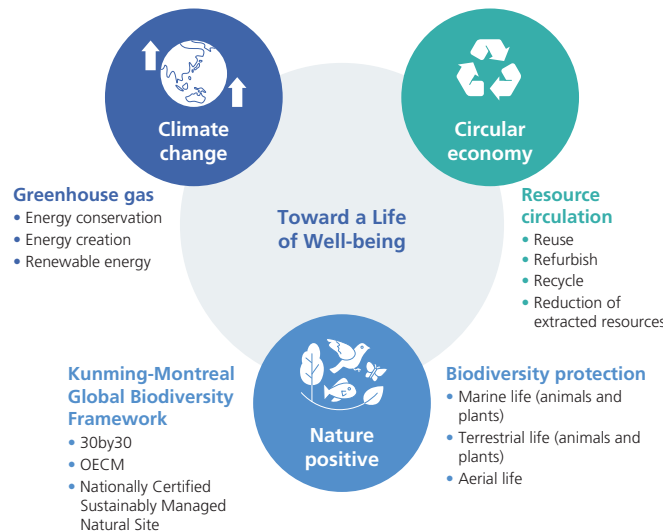
Environmental Activities to Date

In our environmental activities to date, Hioki has pursued initiatives along three axes: responding to climate change, promoting a circular economy, and achieving nature-positive outcomes (the regeneration and conservation of nature).

By addressing these three axes at once, we are strengthening our environmental management and working toward a sustainable society

and greater corporate value. Through ongoing improvement and new challenges, we will continue to advance environmental management that moves forward together with society.

Three Axes of Hioki's Environmental Activities



Reducing Environmental Impact Through Business Activities

Hioki regards contributing to the reduction of society's overall environmental impact, through our business activities, as one of its missions. In particular, we use measurement technology to support fields that form the pillars of a sustainable energy society, such as the battery market and hydrogen energy sector.

To help realize a hydrogen energy society, Hioki concluded an agreement on comprehensive partnership in the hydrogen energy field with Shinshu University in August 2025. The conventional path to putting hydrogen energy into practical use rests on three elements: *making* (production), *transporting and storing* (transportation and storage), and *using* (utilization). By incorporating the perspective of *measuring* (measurement), Hioki is now fully advancing its efforts to maximize the value of hydrogen energy. Drawing on the measurement technology we have cultivated over the years, Hioki will *measure* the properties and usage conditions of hydrogen with high precision, contributing to the optimization of energy infrastructure, technological development, and the assurance of a high level of safety.

Overview of Activities to Reduce Environmental Burden



*1 3Rs: short for reduce, reuse, and recycle

*2 Site activities at factories and offices

Examples of Environmental Activities and Improvements

1988	All employees planted 60,000 trees at the factory construction site
1992	Received Japan Greenery Research and Development Center Chairman's Award
1995	Launched our Local Afforestation program, a tree-planting initiative Received Greenery Promotion Prize in 15th Urban Green Awards
1998	Received Kanto Bureau of Economy, Trade and Industry Director General's Award for outstanding factory-greening efforts
2005	Obtained 1st Social and Environmental Green Evaluation System (SEGES) certification Received METI Minister's Award for outstanding factory-greening efforts
2007	Participation in Kenya vegetation restoration project
2009	Hioki headquarters factory received the Prime Minister's Commendation for its contribution to greenery initiatives
2010	Hioki Scholarship and Greening Foundation transitioned to public interest incorporated foundation in line with Japan's public interest corporation system reforms

2014	Overseas sales subsidiaries launched tree-planting efforts
2021	Signed "Forestation Support Agreement" under Nagano Prefecture's "Forest Foster Parent Promotion Project" (Hioki Scholarship and Greening Foundation)
2022	Endorsed TCFD recommendations
2023	Participated in the Nigiyaka Forest Project Launched the Learning Consortium Sea Forest Project
2024	Certified as Nationally Certified Sustainably Managed Natural Site (OECM) of the Ministry of the Environment Endorsed the TNFD (Taskforce on Nature-related Financial Disclosures) recommendations
2025	Joined the Shinshu Grassland Restoration NPO Adopted bio-polyethylene for cushioning material Adopted recycled plastic in products Concluded comprehensive partnership agreement on hydrogen energy with Shinshu University Concluded partnership agreement on sustainability with Hatarakuri Joined the Nagano Prefecture Shinshu Industrial Hydrogen Promotion Network
2026	Made TNFD-aligned disclosures in the Annual Securities Report Achieved investment-based carbon neutrality in fiscal 2025 (Scope 1 and 2)

E Information Disclosure in Accordance with TCFD

Basic Approach

In working toward a sustainable society, Hioki endorsed the TCFD (Task Force on Climate-related Financial Disclosures) in 2022 and is committed to proactive disclosure that emphasizes the environmental and social impact of our business activities as well as dialogue with stakeholders. Addressing climate change in particular is positioned as one of Hioki's key management priorities. Climate change-related disclosure standards are expected to transition going forward to IFRS S1 and S2 issued by the International Sustainability Standards Board (ISSB). Hioki will monitor international disclosure trends and continue preparing for the new standards.

Governance

At least once a year, Hioki deliberates on its sustainability roadmap at the Management Meeting and the Board of Directors, confirming the progress and direction of climate change and nature-related issues. In addition, each area (climate change, the circular economy, and nature positive) is discussed as needed at the Management Meeting, and the results are regularly reported to the Board of Directors. In this way, Hioki meets both of the requirements set out by the TCFD: clear roles and division of responsibility in governance, and a system of regular oversight and reporting.

Strategy

Scenario analysis

To visualize the risks and opportunities associated with climate change and natural capital, Hioki conducted a scenario-based assessment of environmental risks at both domestic and international sites, utilizing Weathernews for business from Weathernews Inc. The analysis concluded that while direct financial risks remain limited, greater attention must be given to potential indirect impacts, particularly those related to reputation and supply chain disruptions.

Scenarios used

- Climate: RCP 4.5 (moderate risk), RCP 8.5 (high risk)
- Water/nature: Predictive models related to future water stress and biodiversity loss

Opportunities

Hioki is also focused on the new business opportunities that climate change brings. Rising societal demand for reducing greenhouse gas emissions and adopting renewable energy is an opportunity to expand the measurement and verification technologies as well as energy management solutions in which Hioki excels. Growing needs for energy saving and higher efficiency are likewise expected to increase demand for environmentally responsive products and to create new markets. Furthermore, to meet decarbonization requirements across the entire supply chain, needs are also expanding for the *visualization* of customers' CO₂ emissions and for comprehensive energy optimization solutions.

Business, Strategic, and Financial Impacts of Climate-Related Risks and Opportunities

Risks/ Opportunities	Main impacts	Responses at Hioki	Degree of impact
Transition risks	• Introduction of carbon tax and soaring raw material costs	• Promote consumption of electricity generated in-house • Promote greenhouse gas reduction across the supply chain • Develop products and services that do not rely on underground resources • Promote the circular economy	Large
	• Changes in purchasing behavior driven by Growing energy-saving needs Decrease in net sales	• Improve the energy efficiency and connectivity of products • Adopt long-life and low-power-consumption components	Medium
Physical risks	• Natural disasters such as typhoons and floods Lost opportunities from suspended operations and losses associated with restoration	• Select low-risk locations when relocating or newly establishing branches and overseas sites • Investigate risks in the supply chain	Small
Opportunities	• Promotion of energy saving and wider adoption of renewable energy Higher efficiency and electrification of equipment	• Develop products and provide services that help solve environmental issues • Respond to market needs by leveraging electrical measurement expertise	Large
	• Establishment of new technologies and creation of new markets	• Established H2ES (Hydrogen Energy Solution) Section and joined the Japan Hydrogen Association	Medium
	• Enhanced resilience through diversified power supply sources	• Generate electricity equivalent to 40% of the in-house electricity consumption to strengthen resilience through the installation of solar carports at headquarters	Medium

Indicators and Targets

Hioki Sustainability Declaration

As a key environmental indicator, Hioki measures and discloses its greenhouse gas emissions (Scopes 1, 2, and 3) annually. We achieved carbon neutrality for Scope 1 and Scope 2 emissions by 2025 through investment-based measures, and aim to complete carbon neutrality including Scope 3 by 2035.

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

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

E Information Disclosure in Accordance with TNFD

Basic Approach

Aiming to realize a sustainable society and enhance corporate value, Hioki endorsed the TNFD (Taskforce on Nature-related Financial Disclosures) in 2024, and from 2025 we have disclosed the related information in our securities report. Using the LEAP (Locate, Evaluate, Assess, Prepare) approach recommended by the TNFD together with the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) analysis tool, Hioki identifies and analyzes our dependencies on natural capital and our areas of impact across the value chain.

Governance

For biodiversity conservation, Hioki formulates an annual protection plan, which we submit to the Ministry of the Environment. Habitat surveys of endangered species and protection activities are reported regularly to the Board of Directors. Hioki also proactively discloses our participation in external projects, such as reforestation and the Sea Forest Project, an industry-academia collaboration with a junior high school in Wakayama Prefecture. With respect to the TNFD requirement to identify impacts and dependencies related to natural capital and to govern them, Hioki is developing systematic, quantitative initiatives as an organization.

Strategy

Through the LEAP approach, Hioki assesses, both quantitatively and qualitatively, the areas where our business *depends* on natural capital and the areas where we have an *impact*, leading to the identification of risks and opportunities and the extraction of priority issues. By addressing these issues, Hioki aims to achieve both the sustainability of natural capital and the enhancement of corporate value.

Risk and Impact Management

From the results of the ENCORE analysis, Hioki extracts the effects (risks) and impacts (opportunities) that our business activities have on natural capital, and formulates management guidelines based on priority. At present, Hioki judges the risks to natural capital to be small.

Indicators and Targets

In consideration of resource circulation and depletion, and guided by the perspectives of both TCFD and TNFD, Hioki is strengthening its commitment to a circular economy. In 2024, we joined an industry-government-academia partnership for the circular economy. Going forward, under the targets we set in 2025, which we positioned as the First Year of the Circular Economy, Hioki aims to use resources effectively and reduce our environmental impact. We will also promote an increase in rare plants at Hioki Forest Hills, certified in 2024 as Nationally Certified Sustainably Managed Natural Site (OECM) of the Ministry of the Environment.

Circular Economy Targets

Target:

Convert 50%* of products using plastic to those using recycled plastic.

*The numerator represents the number of model names of main products (main units) using recycled plastic; the denominator represents the number of model names of main products (main units) that use plastic.

Period: March 25, 2025 to January 1, 2030

Conditions for achievement:

- (1) Applies only to main products (main units) that use plastic.
- (2) Recycled plastic must be produced using offcuts generated during the manufacturing process of plastic parts used in Hioki products.

Risks and Opportunities Linked to Items Rated Medium, High, or Very High in Importance in the ENCORE Analysis

Risks/ Opportunities	Main impacts	ENCORE dependency and impact items	Hioki's responses	Degree of impact
Transition risks	• Policy and regulation	Emissions of toxic substances that cause soil and water pollution	Hazardous substances are collected and properly treated by specialized contractors	Small
		Non-GHG air pollutants	There are no production processes that emit hazardous substances, and emissions of air pollutants are limited	
	• Market	GHG emissions	Total emissions across the entire Group are approximately 120,000 t-CO ₂ e (2025; Scopes 1, 2, and 3 combined), a limited scale	Small
		Disturbances (noise, light, etc.)	No production steps generate significant noise or light, so the impact is limited	
Physical risks	• Acute	The occurrence of short-term, specific events that alter the state of nature	No forest fires or outbreaks of pests affecting harvests have been observed	None
	• Chronic	Gradual changes in the state of nature	Impacts from pesticide use or climate-change-induced pollution are limited	
Opportunities	• Market	Technological innovation and nature conservation	Measurements using illuminance meters are conducted to assess the light environment within the forest	Small
	• Evaluation	Social impact and engagement	Donated saplings through the Hioki Scholarship and Greening Foundation, and tree-planting volunteer activities conducted by employees	Medium
			Promote the Learning Consortium Sea Forest Project, involving seagrass (<i>Zostera</i>) seedling-cultivation research with Hiki Junior High School in Shirahama Town	Small
	• Conservation and regeneration of ecosystems	Activities that support the protection, regeneration, and recovery of habitats and ecosystems	38 years of continuous growth of Hioki Forest Hills Monitor and propagate rare species at Nationally Certified Sustainably Managed Natural Site	Medium
			Contribute to the conservation of the Kan River water system by taking part in nature-conservation activities in Sugadaira led by the NPO Shinshu Grassland Restoration	Small
			Take part in the <i>Nigiyaka</i> Forest Project in the area around headquarters and contribute, through tree planting, to local forestry and the conservation of satochi-satoyama landscapes	Small

E Environmental Preservation Activities

Hioki Product Trade-In Service

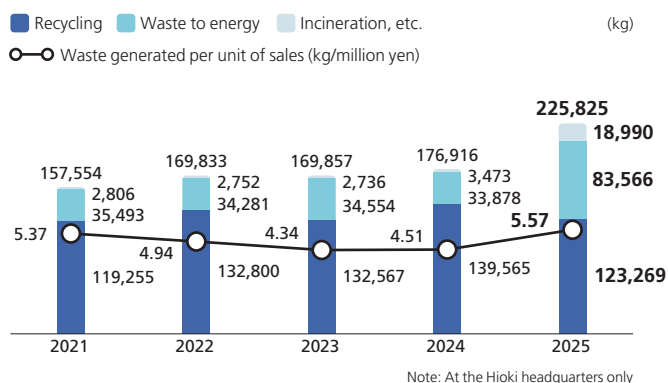
From an environmental conservation standpoint, we launched the Hioki Product Trade-In Service in 2026. Through this initiative, we take in Hioki products that customers have used with care and channel them into material recycling or an appropriate recycling process. We offer this service with a clear intention: to convert products into new value as *resources* rather than discarding them as *waste*.

One aim of the trade-in service is to give used products new value through the effective use of resources. We are currently also exploring the use of these materials as feedstock for returnable containers in our supply chain.

Waste Reduction

Aiming to reduce waste and realize a recycling-oriented society, we promote a range of recycling activities. In particular, we focus on recycling the air-bubble cushioning material (bubble wrap) used in packaging and shipping. Working with specialized contractors, we recycle the collected used bubble cushioning into recycled-plastic feedstock for new cushioning material.

Amount of Waste Discharged



Chemical Substance Management and Pollution Prevention

Hioki has established a rigorous management system to minimize the environmental and health impacts of chemical substances used in our research, development, and manufacturing activities. While complying with domestic and international regulations and customer requirements, we aim to ensure both product safety and environmental responsibility. For chemical substances in particular, we have established a dedicated committee and carry out strict management based on internal guidelines, including the Chemical Substance Management Procedures, Designated Chemical Substance Control Procedures, Local Exhaust System Management Standards, and Storage Procedures for Hazardous Materials and Similar Substances.

Water Resources

Our production sites—headquarters, Ueda Factory II, and Sakaki Factory—are all located in the Chikuma River basin in Nagano Prefecture. Blessed with the water system of the Chikuma River, the area is rich in water resources. The water used at our factories is for everyday purposes only, and our TNFD analysis likewise confirmed that the risk is low.

Local Forest Creation

Recognition as a Nationally Certified Sustainably Managed Natural Site (OECM)

Hioki Forest Hills, the site of Hioki's headquarters, was certified as a Nationally Certified Sustainably Managed Natural Site in 2024 and, in 2025, was newly certified as a Nationally Certified Sustainably Managed Natural Site under the Act on Promoting Activities to Enhance Regional Biodiversity. Hioki Forest Hills coexists with the reservoir ponds on and adjacent to its grounds, where rare plants grow.



Certificate under the Act on Promoting Activities to Enhance Regional Biodiversity

Our employees volunteer in reservoir-pond conservation and vegetation-management activities, contributing to the maintenance and improvement of the local environment. In addition, the NPO Shinshu Grassland Restoration, in whose activities we also take part, was highly recognized for its reservoir-pond conservation work and received the Selection Committee's Special Award at the Japan Nature Conservation Grand Prize 2025.

Greenification activities

Through the Hioki Scholarship and Greening Foundation, a public interest incorporated foundation, we promote local forest conservation and cultivation activities. The Foundation has signed an agreement under the Forest Foster Parent Promotion Project, supporting forest creation through donations of saplings and contributing to local greening and biodiversity conservation. We ourselves also take part in the *Nigiyaka* Forest Project, carried out in the area around our headquarters.

In all of these, our employees take part in tree-planting as volunteers, devoting their efforts to regenerating the local natural environment and creating new green spaces. These activities do more than grow forests: they also serve as occasions for collaboration with the local community and for environmental education for the next generation.



Activities to protect rare species in the reservoir ponds

Activities of Overseas Subsidiaries

As part of its local community-contribution activities, our subsidiary HIOKI TAIWAN takes part in the Old Shoes Save Lives campaign. In this effort, it collects shoes, clothing, bags, and other items that are no longer used and donates them to children in Africa. With every employee actively cooperating, the donations gathered reached 330, far exceeding the target of 100. We see activities like these as an important social contribution, one that makes effective use of resources through recycling while also supporting children around the world.

Directors, Audit & Supervisory Board Members, and Executive Officers (As of July 1, 2026)

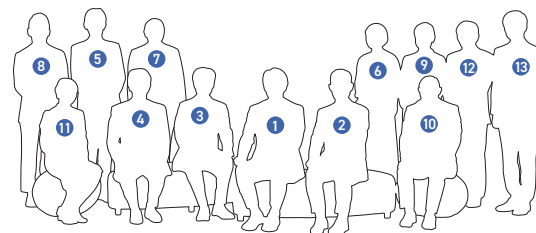


Directors

President 1 Takahiro Okazawa	Outside Director 5 Yoshiharu Tamura
Director 2 Yoshikazu Suyama	Outside Director 6 Yukari Maruta
Director 3 Kunihisa Kubota	Outside Director 7 Osamu Mawatari
Director 4 Yasunao Takano	Outside Director 8 Tatsundo Maki
	Outside Director 9 Hiromi Watase

Audit & Supervisory Board Members

Full-time Audit & Supervisory Board Member 10 Hidenori Murata
Full-time Audit & Supervisory Board Member 11 Kotomi Tomiyama
Outside Audit & Supervisory Board Member 12 Akira Yuba
Outside Audit & Supervisory Board Member 13 Hitoshi Takahashi



Executive Management Board

President	Takahiro Okazawa Quality Assurance Management
Managing Director, Senior Managing Executive Officer	Yoshikazu Suyama Director of Administration Division and Manufacturing Management
Managing Director, Senior Managing Executive Officer	Kunihisa Kubota Director of Research & Development Division and Chief Information Officer
Managing Director, Managing Executive Officer	Yasunao Takano Director of Global Sales Division and Director of European & American Market
Executive Officer	Koichi Yanagisawa Director of Technology Development and Manager of Metrology Laboratory, Research & Development Division
Executive Officer	Hajime Yoda Director of Product Development and Manager of Sensing & Storage Unit, Research & Development Division
Executive Officer	Takayuki Terashima Director of Global Development and Manager of Source & Measure Unit, Research & Development Division
Executive Officer	Toshihiko Tsuchiya Director of Factory II
Executive Officer	Tsutomu Mandai Director of Manufacturing Division
Executive Officer	Tsutomu Yamaguchi Director of Quality Assurance
Executive Officer	Pan Dongyun Director of Asia-Pacific Market, Global Sales Division and President of HIOKI SINGAPORE PTE. LTD.
Executive Officer	Manabu Watanabe Director of Domestic Sales, Global Sales Division
Executive Officer	Kenneth Soh Director of Product & Marketing Division
Executive Officer	Masayuki Yamabe Group Governance Promotion, Administration Division
Executive Officer	Akiko Kobayashi Director of Global Human Resources Department and DE&I Promotion, Administration Division

**Yoshiharu
Tamura**

Outside Director
Chairperson of
the Remuneration
Committee

**Osamu
Mawatari**

Outside Director
Chairperson of
the Nominating
Committee

**Akira
Yuba**

Outside Audit &
Supervisory Board
Member

**Hitoshi
Takahashi**

Outside Audit &
Supervisory Board
Member

Strengthening Hioki's Governance through Diverse, External Perspectives

What challenges does Hioki face in pursuing integrated Group management, and what is required to reinforce the corporate governance framework by improving the effectiveness of the Board of Directors and the Audit & Supervisory Board? Four Outside Directors and Outside Audit & Supervisory Board Members took part in a candid discussion on current challenges and their expectations for the future, each offering their own perspective.

From your perspective as an outside officer, what would you say are Hioki's strengths and challenges?

Mawatari: I believe Hioki is a highly unique company that has steadily grown its business by effectively utilizing its advanced technology and distinctive corporate culture to expand overseas within the niche market of electrical measurement. That said, the Company has not yet reached the point where it can fully support its overseas business. The homogeneity that comes from having a headquarters workforce composed predominantly of long-serving Japanese employees is a strength, but in an unpredictable era, it can also become a constraint. In that sense, I see Hioki as currently at a turning point in its transition toward becoming a *diverse company* geared toward innovation and new challenges. At meetings of the Board of Directors as well, we often discuss the importance of incorporating diverse talent and diverse ways of thinking in order to reach the next level as a global company.

Tamura: Hioki has grown as a research and development-oriented company through an in-house approach, under which everything, from technology development and product commercialization to the sales

structure, is created internally from the ground up. That is Hioki's strength and has also given employees confidence. However, to become the "solution creator" the Company aspires to be, I believe it will be necessary to move beyond the in-house approach and incorporate and utilize external technologies and organizations as well. Otherwise, it will be difficult to see the concrete substance of what a solution business actually is.

Takahashi: When I assumed the position of Outside Audit & Supervisory Board Member a year ago, my first impression was that this is a company with a very high degree of integrity. Rooted here in Ueda, the Company has pursued sound manufacturing while valuing the local community, and has expanded its business overseas while contributing to communities in various regions. The Company is now advancing organizational reform and infrastructure development in an effort to become a truly global company, and the results are gradually beginning to emerge. From a governance perspective, however, during a period of transformation like this, there is a risk of being caught off guard unless the Company strengthens its *defense* at the same time as its *offense*. As an Outside Audit & Supervisory Board Member, I make it a point to keep both perspectives in view.

Yuba: Having watched the Company's development for nearly 20 years, what I have come to believe is that Hioki is a company that consistently

maintains an openness to outside perspectives. Even when the business was still small in scale, the Company invited outside specialists to provide technical guidance. That tradition continues today, and those of us from outside the Company have many opportunities to offer various suggestions and advice, not only at meetings of the Board of Directors and the Audit & Supervisory Board, but also in day-to-day situations. I believe this is very significant for the Company's sustainable growth.

What themes are you most focused on as members of the Board of Directors?

Mawatari: The Board of Directors addresses a wide range of agenda items, and topics such as the *succession plan* currently under consideration by the Nominating Committee, which I chair, are regarded as important medium- to long-term growth themes. That said, what has left a particularly strong impression in recent discussions is the organizational restructuring implemented in 2024. In order to shift from a product-oriented to a market-oriented approach, the marketing and product planning functions were established as an independent Product & Marketing (P&M) Division. As this was a very significant reform, the Board of Directors discussed the objectives of the new organization and the associated risks from a variety of perspectives, and we also invited the head of the P&M Division to give a presentation. The three-axis structure of marketing, sales, and development has now

Not only applying the brakes, but sometimes giving cautious execution the push it needs.

Hitoshi Takahashi

Outside Audit & Supervisory Board Member

begun operating, and I believe we should continue to monitor closely the extent to which it delivers results.

Takahashi: A large-scale organizational restructuring such as this changes decision-making processes and employee awareness, so it is not enough to simply create a new structure and leave it at that. For that reason, I pointed out that it is necessary to establish policies and proceed systematically, including with respect to how management should operate after the restructuring and how employee awareness should be shaped. I believe the Hioki Group Policy announced at the end of last year reflects management's strong commitment to developing global talent under the new organizational structure.

Tamura: As chairperson of the Remuneration Committee, I also have a strong interest in building an executive remuneration system that takes share price into account. However, what I am paying the closest attention to right now is the digital transformation (DX) strategy, which is being advanced at a rapid pace, including at overseas sales subsidiaries. Until now, I would not say that the Company's management has been data-driven. While various matters have been discussed qualitatively, I felt that data-based decision-making and course correction were weak. However, over the past one to two years, improvements have been made toward aligning efforts based on shared data. Monthly reports to the Board of Directors have also become much clearer, with what has been accomplished and what remains to be done organized chronologically. Large systems such as enterprise resource planning (ERP) and customer relationship management (CRM) tend to create a sense of satisfaction simply through implementation, but it is important to follow through and assess how the results of implementation are reflected in management. As an outside officer, I intend to keep a close watch on this.

Mawatari: As I mentioned earlier, the development of the global business infrastructure remains insufficient. That said, with respect to the IT infrastructure, the Company has rapidly caught up over the past one to two years, accelerating its evolution into a global company. We have also made strong recommendations regarding the promotion of DX, and I am pleased that management has taken them seriously.

Yuba: As an Audit & Supervisory Board Member, one area in which I have a strong interest is the *internal whistleblowing system*. While the system itself has existed at the Company for some time, reforms are being advanced to further strengthen its function. In addition to the

Osamu Mawatari

Outside Director
Chairperson of the
Nominating Committee

Going forward, I want the Board to devote more time to discussing medium- to long-term growth strategy.

public-interest whistleblowing channel mandated by the Consumer Affairs Agency, the Company is establishing diverse reporting channels, including for business partners and overseas locations, in order to broadly gather information, carefully examine its contents, and put it to use in management. In fact, companies in Japan that gather information this broadly and consider how to respond are quite rare.

Takahashi: There are quite a few companies that simply set up a reporting channel and leave it at that. As Hioki's global expansion progresses further and employee diversity increases, the variety of management risks is also likely to expand. What becomes important in that context is a so-called risk-based approach. I highly value the shift to a system design that properly evaluates and identifies the diverse information received from within the organization, distinguishes between matters that require a response and those that do not, and addresses higher-risk issues on a priority basis.

How would you assess Hioki's Board of Directors?

Yuba: In fact, when I first participated in the Company's Board of Directors meetings about 20 years ago, the atmosphere was not particularly free and open. Along with changes in management, however, it has become a forum where discussions can be held freely, and I believe this is due in large part to President Okazawa's own stance.

Preparations prior to meetings are also very thorough. Two days before Board meetings, a wealth of information, including consolidated monthly financial results and management reviews, is provided, which I highly value as an Audit & Supervisory Board Member.

Tamura: I was also surprised at my first Board of Directors meeting, thinking, "Can people really say what they think so openly?" It is also very positive that about 30 minutes at the end of each Board meeting is set aside for a free discussion session in which Outside Directors, Outside Audit & Supervisory Board Members, and Full-time Audit & Supervisory Board Members can raise issues for discussion. More recently, President Okazawa has presented the content of those discussions at the following Management Meeting, where the executive team discusses them further, and we also receive feedback along the lines of: "As a result of discussions at the Management Meeting, we have incorporated your views into operational activities in this way." I think this is truly remarkable.

Takahashi: Indeed, I think it is rare to find a company that incorporates the points raised by outside officers into discussions at the Management Meeting and then promptly feeds back to the Board of Directors on the discussion process and how the executive side responded. I think the Company's approach of earnestly taking outside opinions into account, distinguishing between what can and cannot be done, and passing those matters on to the executive side for implementation is excellent.

Mawatari: I agree with what everyone has said, but in order to further enhance the effectiveness of the Board of Directors, I believe it is also necessary to create more time for discussion. At present, there are

Expectations for the DX strategy. I will be watching to see how the results of system implementation are reflected in management.

Yoshiharu Tamura

Outside Director
Chairperson of
the Remuneration
Committee

many agenda items, making it difficult to have in-depth discussions. It is also unfortunate that Board discussions tend to focus on exchanges with the executive side, leaving limited time for discussion among Board members themselves, including outside officers. At a foreign-affiliated company where I previously worked, all Board members gathered quarterly and spent roughly one night and two days engaging in thorough discussions on a wide range of topics.

Yuba: Wanting more discussion among Board members themselves is something that comes up every time the outside officers get together. Agenda items that are legally mandated as matters for resolution cannot be avoided, but I have also recommended that non-mandatory items be simplified as much as possible so that greater focus can be placed on discussions from a longer-term perspective.

Takahashi: To create more time for in-depth discussion of important themes such as medium- to long-term management strategy and organizational restructuring, some measures are needed, such as handling routine reporting items in writing and avoiding explanations for matters that have already been explained beforehand. There is no doubt that we are moving in that direction, but I believe there is still significant room for improvement.

What would you most like to focus on going forward as an outside officer?

Mawatari: As I mentioned earlier, I would like the Board of Directors to devote substantial time going forward to discussions on *medium- to long-term growth strategy*. I believe Hioki's growth strategy needs to become something that shareholders can clearly understand and find persuasive. At the same time, it is necessary to set out more clearly the Company's direction with respect to capital policy and financial strategy. As a result of business growth to date, the Company's assets, including cash and deposits, have expanded, and the capital markets are also questioning how those assets will be used efficiently.

Tamura: I agree. In its Vision 2030, the Company disclosed quantitative targets along with the vision it aims to achieve. To make these targets a reality, concrete measures need to be implemented without delay. Of course, I believe the Company will continue to grow sustainably, but the targets that have been set are at a very high level and will require,

Akira Yuba

Outside Audit &
Supervisory Board
Member

Preserving the independence of the Audit & Supervisory Board. Participating in Board discussions from an independent standpoint.

as the President says, *discontinuous growth*, rather than simply an extension of the current trajectory. I hope that this year, or by next year at the latest, we will be able to engage in concrete discussions on achieving *discontinuous growth*.

Yuba: As an Outside Audit & Supervisory Board Member, I place importance on preserving the independence of the Audit & Supervisory Board. My perspective on the issues surrounding the Company's development is entirely aligned with that of the two Outside Directors. I believe it is necessary to clarify the path toward growth from a medium- to long-term perspective while also improving the efficiency of capital utilization. As these issues are likely to be discussed at future Board of Directors meetings, I intend to participate in those discussions from the independent standpoint of an Audit & Supervisory Board Member.

Takahashi: As I am also an Outside Audit & Supervisory Board Member, my basic stance is the same as Mr. Yuba's. In general, Outside Audit & Supervisory Board Members are expected to serve as a *brake* to prevent management from going too far. However, in the case of the Company, there is also a tendency, often seen in traditional manufacturing companies, to be cautious about new initiatives. For that reason, I believe that, as an Audit & Supervisory Board Member, it is important not to focus solely on serving as a brake, but at times to encourage the executive divisions to move forward. I would like to fulfill a role in which I encourage hesitant executive divisions when necessary, while also raising cautions and offering observations based on my professional expertise.

G Corporate Governance System

Basic Approach

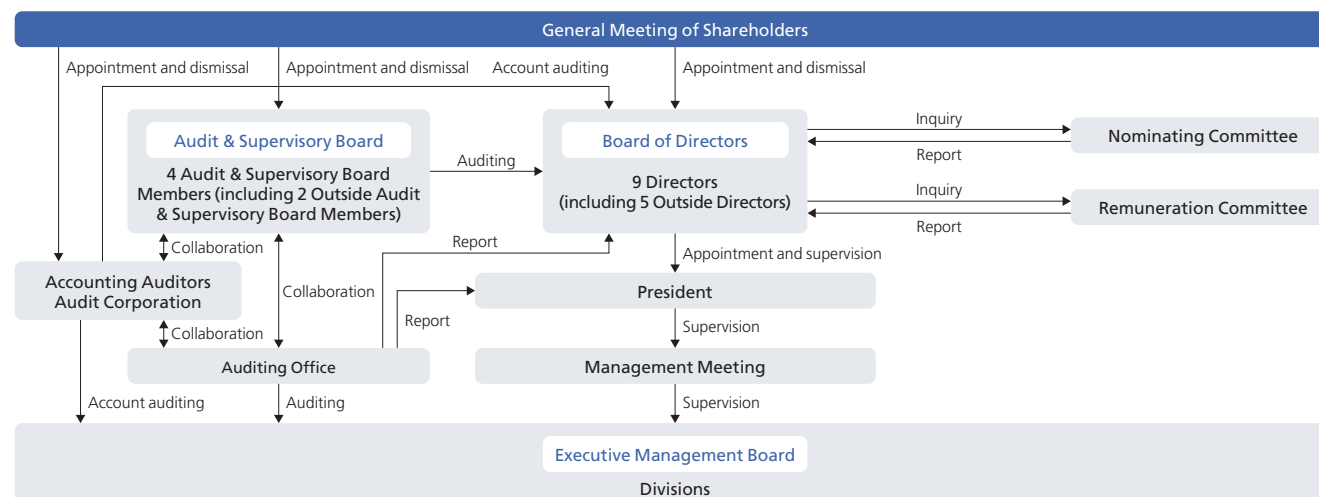
We recognize corporate governance as a management system whose goal is to increase corporate value. Our highest priority is legal compliance.

We work to: • Streamline business management • Ensure appropriate profit • Increase the transparency of leadership by actively disclosing management information • Fulfill our responsibilities to society and to shareholders, investors, customers, employees, and all other stakeholders.

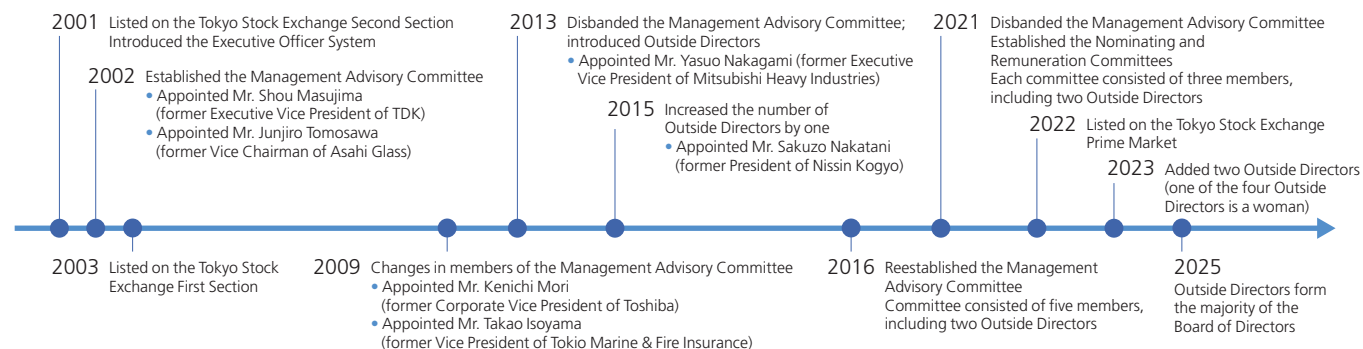
Our Journey to Strengthen the Governance System

Guided by the belief that a company is a public institution that serves society, we have long sought to incorporate the perspectives of external experts into our management. In 1973, we appointed Dr. Miyaji Tomoda, former President of Yokogawa Electric Works Ltd. (currently Yokogawa Electric Corporation), as an advisor to the Company to provide guidance in both technical and managerial aspects. This tradition has been passed down over the years. In 2002, we established a Management Advisory Committee and invited experts with management experience at other companies to join. In response to the growing emphasis on corporate governance, we appointed our first outside director in 2013. Since then, we have steadily increased the number of Outside Directors. Following the General Meeting of Shareholders held in February 2025, Outside Directors now make up the majority of the Board of Directors, strengthening oversight on behalf of shareholders and ensuring that expert perspectives are reflected in our management. By strengthening oversight of executive management and incorporating expert perspectives into corporate decision-making, we aim to further enhance our corporate value. In the same year, based on a proposal from the Outside Audit & Supervisory Board Members, and in order to safeguard the independence of Audit & Supervisory Board members, we discussed the processes for determining candidates for Audit & Supervisory Board members at both the Board of Directors and the Audit & Supervisory Board meetings, and revised the relevant internal regulations. Furthermore, as a step toward realizing integrated group management, effective July 1, 2026, we appointed a company executive officer in charge of group governance promotion within the Administration Division.

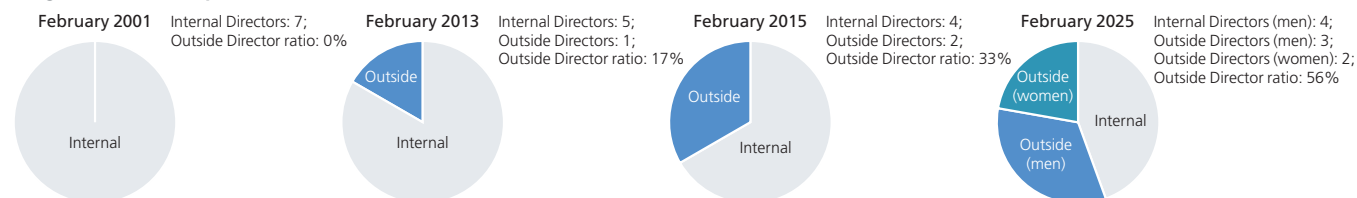
Corporate Governance Organization



Milestones in Strengthening the Governance System



Changes in Board Composition



G Corporate Governance System

Management Structure

Board of Directors

The Board of Directors meets once a month as the body responsible for deciding important matters relating to management, with extraordinary meetings held as necessary.

Hioki's Articles of Incorporation set the maximum number of Directors at ten; currently, nine Directors have been appointed. By keeping the Board of Directors relatively small, we aim to ensure prompt management decision-making, while strengthening management oversight through the appointment of independent Outside Directors (five members) with no vested interest in Hioki. Our Outside Directors have management experience at other companies or are qualified as attorneys or certified public accountants; drawing on these external perspectives, we strive to enhance the transparency and soundness of our management and to improve its effectiveness. Of the nine Directors, two are women. In this way, we are working to ensure diversity within the Board of Directors.

The lead independent Outside Director is determined through mutual selection by independent Outside Directors who meet the independence criteria established by the financial instruments exchange. Currently, the lead independent Outside Director is Director Osamu Mawatari, whose role includes coordinating and communicating with senior management, as well as collaborating with the Audit & Supervisory Board Members and the Audit & Supervisory Board.

Key Agenda Items Discussed by the Board of Directors for 2025

- Formulation of the Hioki Group Policy
- Specific measures for growth strategy
- Measures to promote management with a focus on capital cost and share price
- Progress on information security measures and digital transformation (DX) initiatives
- Status of investment in intellectual property
- Measures to strengthen compliance
- Audit & Supervisory Board audit policy

Executive Officer System

We have adopted an executive officer system in which the responsibilities for each Director's supervising function and the

management decision-making on the Board are separated from their management duties. Executive officers are responsible for business execution and promptly carry out decisions made by the Board of Directors, thereby ensuring swift execution of operations based on management decisions.

Audit & Supervisory Board

Hioki is a company with an Audit & Supervisory Board, which has adopted the Audit & Supervisory Board system under the Companies Act. The Articles of Incorporation provide for up to five Audit & Supervisory Board Members, and currently four members have been appointed. Of these, two are independent Outside Audit & Supervisory Board Members with no vested interest in the Company. Audit & Supervisory Board Members attend important meetings, including the Board of Directors, the Management Meeting, and the Growth Strategy Meeting, and conduct audits of Directors' execution of duties through the Audit & Supervisory Board.

With regard to the diversity of Audit & Supervisory Board Members, the Company appoints individuals with sufficient expertise in finance and accounting, including individuals qualified as certified public accountants, as well as individuals with broad professional expertise in commercial law, the Companies Act, the Financial Instruments and Exchange Act, and corporate legal affairs, together with practical experience in corporate auditing. The Company also appoints individuals with extensive experience, insight, and deep familiarity with its operations. Of the four Audit & Supervisory Board Members, one is a woman.

Key Agenda Items Discussed by the Audit & Supervisory Board for 2025

- Audit policy, audit plan, audit methods, and allocation of audit duties
- Results of examination into the appropriateness of proposals and documents submitted to the General Meeting of Shareholders
- Reports from the Full-time Audit & Supervisory Board Members on meetings (as needed) with the President
- Reports from the Outside Audit & Supervisory Board Members on meetings (as needed) with the President and with the Outside Directors
- Receipt of reports from the internal audit division (monthly)
- Reports on risk management response status from the division responsible for risk management
- Monthly review reports from each division and from sales subsidiaries

Nominating Committee and Remuneration Committee

We have established a Nominating Committee and a Remuneration Committee as advisory bodies to the Board of Directors, ensuring transparency and fairness in management decision-making. Both committees consist of six members, five of whom are Outside Directors designated as independent Officers. Both committees are chaired by an Outside Director, ensuring the independence of their composition. The Nominating Committee meets as necessary as an advisory body to the Board of Directors, reports to the Board of Directors on the recommendation of candidates for Directors, changes in officers, and other matters, including the selection of candidates for President (Chief Executive Officer). In addition, where the Audit & Supervisory Board does not notify the Nominating Committee of its recommendation for Audit & Supervisory Board Member candidates, the Nominating Committee recommends candidates for Audit & Supervisory Board Members to the Audit & Supervisory Board, and recommends those candidates approved by the Audit & Supervisory Board to the Board of Directors. The Committee met 10 times in 2025.

The Remuneration Committee meets as an advisory body to the Board of Directors and reports, as necessary, to the Board of Directors on remuneration systems, decision policies, amounts of remuneration, and other matters concerning the remuneration of Directors while considering trends in other companies. The Remuneration Committee is entrusted by the Board of Directors to calculate the amount paid to each Director within the range approved at the General Meeting of Shareholders in accordance with the policy for determining the remuneration of Directors. The Committee met four times in 2025.

Meetings Held Exclusively for Outside Directors and Outside Audit & Supervisory Board Members

All Outside Directors and Outside Audit & Supervisory Board Members who meet the qualifications for independent officers are designated as independent officers. We hold quarterly meetings exclusively for Outside Directors and Outside Audit & Supervisory Board Members. No internal directors, officers, or employees of the Company participate, ensuring that the meetings are independently conducted by outside members only.

G Corporate Governance System

In these meetings, Outside Directors engage in discussions with Outside Audit & Supervisory Board Members, who maintain regular communication with the Full-time Audit & Supervisory Board Members with extensive knowledge about the Group. These discussions allow for the effective sharing of valuable information among outside officers. By exchanging views on the challenges facing the Company, these outside officers are able to form a shared understanding that they bring to the Board of Directors. By having Outside Directors and Outside Audit & Supervisory Board Members discuss issues facing the Group, we can identify risks and opportunities at an early stage. We will continue to hold these meetings to enhance the sustainability of the Company.

Remuneration for Executives

The basic policy for the remuneration of each Director is designed to encourage Directors to aim for the continuous increase of corporate value over the medium and long term, align remuneration more closely with financial results and shareholder value, and maintain a highly transparent remuneration system. The amount of remuneration for each Director is determined by the Board of Directors after consultation with the Remuneration Committee, in which Outside Directors are the majority, for greater transparency.

The remuneration of Directors (excluding Outside Directors) is composed of a fixed remuneration (salary and stocks) and performance-linked remuneration. Outside Directors receive fixed remuneration (salary) only in view of their independence and neutrality. With regard

to stock remuneration, based on a resolution of the General Meeting of Shareholders held in February 2025, Directors (excluding Outside Directors) are granted performance-linked stock remuneration with deferred share delivery.

In addition, since the 73rd Annual General Meeting of Shareholders held on February 27, 2025, the Remuneration Committee has been examining the appropriate metrics to apply in determining individual Director remuneration. In response to feedback that incentives should place greater emphasis on share price performance than before, the Committee carefully deliberated the matter and resolved on a proposed revision to adopt Total Shareholder Return (TSR) as one of the metrics used in determining individual remuneration, submitting this recommendation to the Board of Directors.

Succession Plan

The Company deliberates on its succession plan, including the process for selecting candidates for the next management team, through the Nominating Committee. In these deliberations, drawing on the insights of Outside Directors based on their management experience, the Company has worked to clarify the skill sets and potential of successor candidates. The areas for development identified through the clarification process are then reflected in subsequent development efforts. Through this process, the Company also seeks to enhance the effectiveness of deliberations by the Nominating Committee regarding candidates for the next management team.

Since the 73rd Annual General Meeting of Shareholders held on February 27, 2025, the Nominating Committee has strengthened its initiatives toward implementing the succession plan. Each committee member selected candidates for the next President, Directors, and Executive Officers, and conducted one-on-one interviews with more than 10 of these candidates. As of July 2026, the final officer candidates have been narrowed down to multiple individuals.

Furthermore, recognizing the need to focus on developing personnel in their thirties and forties who may become officer candidates in the future, the Nominating Committee is also discussing measures for early-stage development and appropriate approaches to personnel rotation.

To further strengthen these initiatives, the structure was changed in January 2026 so that the Director of the Global Human Resources Department serves as the secretariat of the Nominating Committee.

Senior Management Appointments and Criteria

The appointment of the President and other Directors is made by the Board of Directors. The Board makes appointments by first nominating individuals using selection criteria. Candidates are then deliberated by the Nominating Committee, and the appointment is decided by the Board based on their input.

[Appointment criteria]

In considering candidates, we select those who fully understand and respect Hioki's corporate philosophy and business principles, have a wealth of knowledge and experience in corporate management, possess capabilities to enhance the Group's corporate value, and have the following additional qualities:

- (1) Good character, deep insight, and integrity
- (2) Ability and willingness to embrace challenges with innovative ideas, unbound by precedent
- (3) Ability to conceptualize and execute strategies from global and Groupwide perspectives
- (4) Extensive knowledge and deep insight into corporate governance, sustainability, and compliance
- (5) Good health and abundant energy and stamina

Total Remuneration for 2025

Category	Total Remuneration (Thousands of yen)	Total Remuneration by Type (Thousands of yen)			Number of Officers Covered
		Fixed Remuneration	Performance-Linked Remuneration	Non-Monetary Remuneration	
Directors (of which Outside Directors)	299,735 (56,000)	179,280 (56,000)	50,800 (—)	69,655 (—)	9 (5)
Audit & Supervisory Board Members (of which Outside Audit & Supervisory Board Members)	68,389 (18,000)	61,200 (18,000)	— (—)	7,189 (—)	5 (3)
Total (of which Outside Officers)	368,125 (74,000)	240,480 (74,000)	50,800 (—)	76,845 (—)	14 (8)

G Corporate Governance System

Skills Matrix

The skills matrix for the Board of Directors is shown in the table below. The Company has established Vision 2030 as its long-term management policy. As the global shift from fossil fuels to renewable

energy sources progresses, the Company's policy is to leverage the expertise in electrical measurement cultivated over many years and, with overseas sales subsidiaries serving as a core driver, deploy customer-centric solutions globally to support decarbonization and the shift toward electrification across a wide range of industries. Based on

Vision 2030, the Board of Directors discussed, examined, and identified the skills required of a globally operating manufacturing company.

Skills Matrix of the Board of Directors (as of February 27, 2026)

Position	Name	Number of Shares Held in the Company (as of the end of December 2025)	Years in Position	Attendance at Board of Directors Meetings (January–December 2025)	Membership in Voluntary Committees		Skills							
					Nominating Committee	Remuneration Committee	Corporate management	Global, overseas assignments	Finance and accounting	R&D, business development, DX	Manufacturing and production technologies	Sales and marketing	Legal affairs, compliance, internal controls	Human resources, labor
President Quality Assurance Management	Takahiro Okazawa	33,164	15 years	14 out of 14 meetings	○		●	●			●	●		
Managing Director, Senior Managing Executive Officer Director of Administration Division and Manufacturing Management	Yoshikazu Suyama	29,248	15 years	14 out of 14 meetings		○	●		●		●		●	●
Managing Director, Senior Managing Executive Officer Director of Research & Development Division and Chief Information Officer	Kunihisa Kubota	10,905	8 years	14 out of 14 meetings			●			●				
Managing Director, Managing Executive Officer Director of Global Sales Division and Director of European & American Market	Yasunao Takano	14,012	5 years	14 out of 14 meetings			●	●	●			●	●	●
Outside Director	Yoshiharu Tamura	464	3 years	14 out of 14 meetings	○	◎ (Committee Chair)	●	●		●	●	●		
Outside Director	Yukari Maruta	–	3 years	14 out of 14 meetings	○	○							●	
Outside Director	Osamu Mawatari	764	3 years	14 out of 14 meetings	◎ (Committee Chair)	○	●	●				●		
Outside Director	Tatsundo Maki	–	1 year	11 out of 11 meetings	○	○	●	●	●				●	
Outside Director	Hiromi Watase	137	1 year	11 out of 11 meetings	○	○	●			●		●		

Note: The above table lists our Directors' principal areas of expertise and experience. It does not represent all areas of the expertise and experience of each Director.

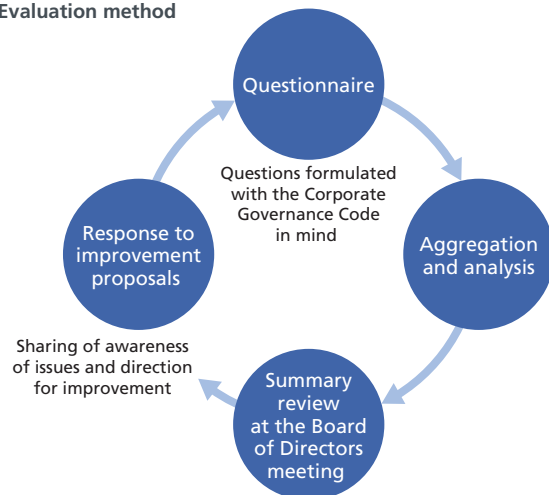
As Outside Directors Tatsundo Maki and Hiromi Watase assumed their positions at the 73rd Annual General Meeting of Shareholders held on February 27, 2025, the figures for their attendance at Board of Directors meetings reflect only the period following their appointment.

G Effectiveness of the Board of Directors

Evaluating the Effectiveness

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 enable self-evaluation. We have established a system for Directors and Audit & Supervisory Board Members to share management information and customer information, the status of internal audits, the minutes of important meetings, and other documents on a daily basis. All Directors and Audit & Supervisory Board Members attend meetings of the Board of Directors and have discussions based on the information they receive. Directors concurrently serving as an Executive Officer report the status of their performance of duties to the Board of Directors. The Outside Directors and Outside Audit & Supervisory Board Members comment on the performance of the Directors' and Executive Officers' duties. In these ways, we aim to make Board of Directors meetings more effective and productive.

Evaluation method



Main questionnaire content

- Size and composition of the Board of Directors
- Operations and support structure of the Board of Directors
- Roles and responsibilities of the Board of Directors, and related matters

Overview of the Effectiveness Evaluation of the Board of Directors in 2025

1. Evaluation Method

In December 2025, a questionnaire survey was conducted with nine Directors and four Audit & Supervisory Board Members.

The questions covered 12 topics, including:

- Roles and responsibilities of the Directors and the Board of Directors
- Review of agenda items submitted to the Board of Directors
- Frequency and duration of the Board of Directors meetings
- Materials submitted to the Board of Directors
- Structure and composition of the Board of Directors and other governance bodies
- Meeting facilitation by the Chair of the Board of Directors

2. Summary of Evaluation Results

Through the initiatives described below, which were informed by past evaluation results, the 2025 questionnaire responses were broadly positive across all questions, and the evaluation concluded that these efforts have produced meaningful outcomes. As a strength, it was confirmed that appropriate education and training are being provided to both Directors and Audit & Supervisory Board Members.

On the other hand, some challenges remained, such as the nature of agenda items submitted to the Board of Directors, the proactive use of written resolutions, and the early distribution of materials, and the evaluation concluded that further improvements are necessary to ensure the effectiveness of the Board of Directors. In addition, given the heightened awareness of issues relating to shareholder and investor relations and to compliance and risk management, these themes will be deliberated as appropriate at the Board of Directors in 2026.

[Main improvements implemented in 2025]

- The pre-meeting briefing held the day before each Board of Directors meeting was expanded to include the Full-time Audit & Supervisory Board Members in addition to the Outside Directors and Outside Audit & Supervisory Board Members, and operations were revised so that agenda item explanations are delivered in full at the prior-day briefing.
- The schedule was revised so that the Management Meeting is held immediately following each Board of Directors meeting.

3. Future Initiatives

Based on the above evaluation results and subsequent discussions at the Board of Directors, the Company will pursue the following improvements to further enhance the effectiveness of the Board of Directors.

Key Issues/Strengths	Planned Improvements in 2026
Improving Board of Directors operations to enable discussion of medium- to long-term management strategy and corporate value enhancement within the time available	(1) Based on the effects of the revision to the Rules of Administrative Authority, and taking into consideration the regulations of the Companies Act, we will re-examine whether additional matters can be delegated from the Board of Directors to the Management Meeting and other bodies. (2) We will review whether any agenda items currently reported to the Board of Directors can instead be handled through written reporting, while also considering more proactive use of written resolutions. (3) We will continue initiatives aimed at earlier provision of materials. On an ongoing basis throughout the month, the Secretariat of the Board of Directors will proceed with organizing and reviewing agenda items while strengthening schedule management for those responsible for preparing materials. (4) In response to feedback that the monthly materials submitted to the Board of Directors are lengthy and difficult to understand, we will accelerate development of the management dashboard currently underway.
Increasing opportunities for open discussions that contribute to corporate value	(1) Based on questionnaire results and discussions at Board of Directors meetings during the fiscal year ended December 2025, shareholder and investor relations as well as compliance and risk management were identified as areas of heightened concern. Accordingly, initiatives in these areas and their progress will be deliberated by the Board of Directors as appropriate during the fiscal year ending December 2026. (2) Opportunities will also be established to discuss other medium- to long-term issues and related matters.
Providing opportunities for education and training for Directors and Audit & Supervisory Board Members	(1) Provide education and training opportunities such as online seminars

G Activities of the Audit & Supervisory Board

Audit & Supervisory Board Audit Status

Audit & Supervisory Board Structure

Our Audit & Supervisory Board consists of four members: two Full-time Audit & Supervisory Board Members and two Outside Audit & Supervisory Board Members. Outside Audit & Supervisory Board Member Akira Yuba holds qualifications as a CPA and CTA and possesses extensive expertise in finance and accounting. Outside Audit & Supervisory Board Member Hitoshi Takahashi possesses broad expertise in commercial law, the Companies Act, the Financial Instruments and Exchange Act, and corporate legal affairs, as well as practical experience in corporate auditing.

Audit & Supervisory Board Activities

Each Audit & Supervisory Board member attends Board of Directors meetings and provides appropriate recommendations and advice based on professional expertise, including confirming progress on Vision 2030, our long-term management policy; understanding important decision-making such as annual budgets and medium-term business plans; monitoring management execution; and confirming the status of risk management. Prior to each Board of Directors meeting, all Audit & Supervisory Board members attend advance briefing sessions on agenda items, where they ask questions and thoroughly review agenda items, enabling them to provide more effective recommendations and advice during Board meetings. In 2025, all Audit & Supervisory Board members attended every Board of Directors meeting.

Full-time Audit & Supervisory Board members attend the following important meetings and provide proposals and advice as needed:

- Management Meetings attended by Executive Officers (24 meetings in total)
- Growth Strategy Meetings (12 meetings in total)
- Review report meetings for each division and overseas sales subsidiaries (4 meetings in total)

Full-time Audit & Supervisory Board members review important approval documents, minutes of subsidiary Board of Directors meetings, and weekly and monthly reports submitted by divisions and overseas subsidiaries. They also actively participate in regular divisional meetings to understand the Company's status, including management systems, business execution, and performance progress. Furthermore, they actively engage in direct dialogue not only with managers but also with operational staff, in order to maintain a timely understanding of

the Company's circumstances. When issues are identified, they promptly provide recommendations and advice.

In light of the accounting auditor's selection of *the existence and valuation of inventories held by the Company* as a Key Audit Matter (KAM) for 2025, Full-time Audit & Supervisory Board members attended interim and year-end physical inventory counts and confirmed that inventory valuation was conducted appropriately.

In 2025, on-site audits were conducted at two overseas sales subsidiaries and two domestic sales offices. Outside Audit & Supervisory Board members accompanied the audits at the domestic sales offices. Identified issues were promptly shared with directors and executive divisions, together with recommendations for corrective action, while identified strengths were recommended for rollout across other divisions and offices.

Outside Audit & Supervisory Board members hold regular exchanges of views with the President and conduct quarterly coordination meetings with the Outside Directors to strengthen audit effectiveness. They also worked to share information with full-time Audit & Supervisory Board members, including examples of best practices at other companies.

Furthermore, based on a proposal from Outside Audit & Supervisory Board members, and to safeguard the independence of Audit & Supervisory Board members, we discussed the processes for determining candidates and for setting remuneration for Audit & Supervisory Board members at both the Board of Directors and the Audit & Supervisory Board meetings, and revised the relevant regulations. It was decided that the Audit & Supervisory Board would notify the Nominating Committee regarding whether it recommends candidates for its members. Remuneration for Audit & Supervisory Board members is to be deliberated and determined by the Audit & Supervisory Board, in consideration of remuneration levels at other companies and the balance with Director remuneration and employee salaries.

Coordination with the Internal Audit Division

Once a month, all Audit & Supervisory Board members, including Outside Audit & Supervisory Board members, receive regular reports from the Internal Audit Office. Full-time Audit & Supervisory Board members exchange information and views with the Internal Audit Office. In addition, through feedback, advice, and exchanges of opinion on internal audits conducted by the Internal Audit Office, they work to ensure the effectiveness of audits.

Role of the Audit & Supervisory Board at Hioki

Audit Activities of the Audit & Supervisory Board and Contributions to Enhanced Corporate Value

Hidegori Murata

Chairperson of the Audit & Supervisory Board
Full-time Audit & Supervisory Board Member



Our Audit & Supervisory Board has established basic audit priorities: confirming compliance with laws and regulations and the Articles of Incorporation, preventing individual risks, and strengthening internal controls, including at overseas subsidiaries. The Board seeks to strengthen routine operational audits and on-site inspections, deepen dialogue with overseas subsidiaries and divisions, and conduct focused audits by narrowing subjects and items from a risk-based perspective.

In 2025, one matter requiring particular audit attention was monitoring progress in reviewing the internal reporting system. The Audit & Supervisory Board raised issues at Board of Directors meetings regarding coordination between internal reporting and other consultation channels, the post-reporting process for Group employees, and the appropriate structure of the compliance framework, while also providing timely advice to the Administration Division, which oversees operation of the system. The importance of the internal reporting system continues to grow within the Group, and the Audit & Supervisory Board will continue to monitor this closely.

Furthermore, recognizing the growing importance of the independence of Audit & Supervisory Board members, we discussed the processes for determining candidates for Audit & Supervisory Board members and for setting remuneration for the members at both the Audit & Supervisory Board and the Board of Directors meetings, and revised the relevant regulations. It was decided that the Audit & Supervisory Board would notify the Nominating Committee regarding whether it recommends candidates for its members. Remuneration for Audit & Supervisory Board members is to be deliberated and determined by the Audit & Supervisory Board, in consideration of remuneration levels at other companies and the balance with director remuneration and employee salaries.

In 2026, the Audit & Supervisory Board will conduct audits aimed at preventing individual risks, including monitoring progress in replacing core systems and enhancing corporate value through sustainability promotion activities. At the same time, it will continue audits focused on strengthening internal controls, including at overseas subsidiaries, thereby enhancing our corporate value.

G Risk Management and Compliance

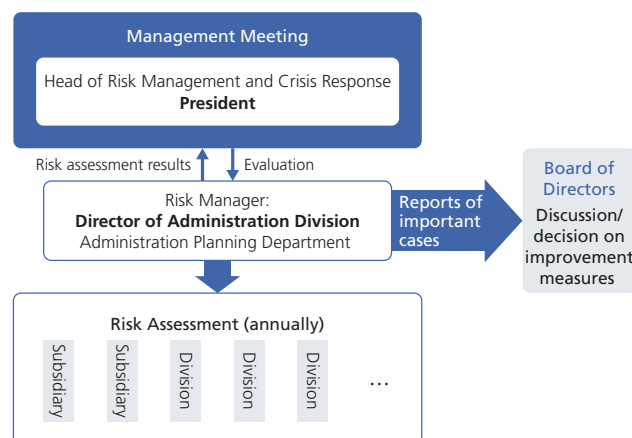
Risk Management System

We have organized a risk management system for the Group, establishing regulations and other systems for managing risks for the Company and its subsidiaries. Hioki and its subsidiaries have established "Risk Management Regulations" and "Crisis Response Regulations," which stipulate risk assessment and prevention procedures for various risks, as well as measures to take when risks materialize.

As the head in charge of risk management and crisis responses for Hioki and its subsidiaries, the President oversees measures in those two areas. Every division and subsidiary of the Company conducts annual risk assessments, and based on the results, the Administration Planning Department, which is in charge of risk management, conducts interviews with division managers and the presidents of subsidiaries to confirm whether any risks have been overlooked and to verify the response to each risk, taking appropriate measures as necessary.

The results of risk assessments for each department and subsidiary are assessed annually at our Management Meeting. The Director of the Administration Division reports the details of these assessments to the Board of Directors, which then deliberates and decides on improvement measures for important matters. In addition, we have established Company-wide committees for health and safety,

Risk Management System



environmental measures, export control, and other areas, and have developed related regulations and guidelines on a Company-wide basis, thereby building a system capable of responding to various risks.

Compliance

Hioki Group Policy

We have formulated the Hioki Group Policy with the aim of promoting integrated Group management. This policy articulates in writing the fundamental management stance and basic thinking of the Group as a whole, grounded in Hioki's corporate philosophy, and covers areas including human rights, labor, anti-corruption, compliance, business ethics, and finance and taxation.

Employee Code of Conduct

In line with Hioki's corporate philosophy, we have formulated the Employee Code of Conduct to comply with laws and regulations, the Articles of Incorporation, and social norms. Directors and executives in managerial positions within the Group are proactively complying with and practicing the Code of Conduct to serve as role models for the employees.

Initiatives to protect personal information

The Hioki Group has established provisions to appropriately handle private information and is working to build a system to protect the rights and interests of individuals while operating businesses appropriately and efficiently within the entire Group. 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 whistle-blowing system through which employees can report suspected violations directly to Outside Directors, external organizations (available in nine languages), and other designated contacts. Depending on the nature of the report, an investigative committee consisting of Audit & Supervisory Board Members and other members can be formed to conduct an investigation. The findings are then reported to the Board of Directors to determine corrective actions and disciplinary measures, if needed.

In addition, we have also established an external reporting channel

that accepts reports from outside the Company, including from business partners and other third parties.

Insider trading prevention rules

We have established regulations to prevent insider 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 also provide regular compliance training for employees working in Japan to raise awareness of compliance.

Anti-Corruption

In May 2024, we joined the United Nations Global Compact and are actively advancing initiatives aligned with its principles, including anti-corruption efforts. As part of our business principles, we are committed to maintaining noble ethics, in which employees are expected not only to follow the Employee Code of Conduct and comply with relevant laws and regulations in each country and region where we operate, but also to demonstrate strong personal integrity and act according to their own values.

Information Security

As part of our basic policy on internal control system development, the Global DX Planning Department is responsible for establishing our information management framework. Recognizing that information security risks can significantly impact our business performance, the department has worked on implementing and supporting IT tools across the Company and its subsidiaries, building a comprehensive security infrastructure, conducting on-site investigations into overseas subsidiaries, and taking steps to enhance information security based on the issues identified in these investigations. Reports on these activities are regularly submitted to the Company's Board of Directors by the department.

Financial and Corporate Information

We provide an overview of the financial and non-financial data that the Hioki Group places particular importance on.

You can also find stock information and basic information about the Hioki Group.

- 62 Financial Data
- 63 Non-Financial Data
- 64 Stock Information and Corporate Data

Eleven-Year Financial Data

(Millions of yen)

	2015/12	2016/12	2017/12	2018/12	2019/12	2020/12	2021/12	2022/12	2023/12	2024/12	2025/12
Net sales	19,432	18,131	20,891	23,288	22,810	21,664	29,322	34,371	39,154	39,270	40,531
Operating profit	2,892	1,677	2,503	3,314	2,853	2,469	5,750	7,070	7,955	7,525	6,791
Ordinary profit	2,914	1,682	2,630	3,403	2,967	2,646	5,999	7,287	8,236	7,990	7,106
Profit attributable to owners of parent	2,126	1,167	1,998	2,774	2,197	2,071	4,521	5,330	6,329	6,187	5,457
Earnings per share (yen)	156.03	85.67	146.67	203.63	161.27	151.91	331.35	390.47	463.51	454.83	403.18
Ratio of operating profit to net sales (%)	14.9	9.3	12.0	14.2	12.5	11.4	19.6	20.6	20.3	19.2	16.8
Ratio of ordinary profit to net sales (%)	15.0	9.3	12.6	14.6	13.0	12.2	20.5	21.2	21.0	20.3	17.5
Ratio of profit to net sales (%)	10.9	6.4	9.6	11.9	9.6	9.6	15.4	15.5	16.2	15.8	13.5
Return on equity (%)	10.7	5.6	9.1	11.8	8.9	8.1	16.3	17.1	18.1	16.1	13.0
Return on assets (%)	12.5	7.3	10.8	12.8	10.7	9.1	18.0	18.9	19.2	17.1	14.3
Ratio of overseas sales (%)	45.9	44.0	45.8	48.3	49.3	50.7	58.6	63.9	63.3	63.1	63.6
Profit before income taxes	2,906	1,668	2,609	3,601	2,975	2,707	6,006	7,283	8,233	8,034	7,138
Total assets	23,177	23,200	25,650	27,365	27,963	30,440	36,391	40,605	45,250	48,159	51,492
Net assets	20,721	21,035	22,786	24,216	25,122	26,012	29,454	32,779	37,122	39,820	43,956
Net worth	20,670	21,035	22,786	24,216	25,122	26,012	29,454	32,779	37,122	39,820	43,956
Net assets per share (yen)	1,516.91	1,543.68	1,672.18	1,777.17	1,843.68	1,907.33	2,158.34	2,401.01	2,718.23	2,942.32	3,246.70
Cash flows from operating activities	2,560	2,333	3,499	3,845	3,282	4,207	4,695	1,241	8,438	8,874	7,521
Cash flows from investing activities	(3,241)	(1,827)	(1,166)	(121)	(1,199)	(1,018)	(826)	(1,475)	(3,353)	(3,746)	(4,726)
Cash flows from financing activities	(476)	(680)	(612)	(884)	(1,293)	(885)	(1,434)	(2,455)	(2,320)	(3,602)	(2,706)
Free cash flow*1	(681)	506	2,333	3,724	2,083	3,189	3,869	(234)	5,085	5,128	2,795
Cash and cash equivalents at end of period	4,278	3,999	5,768	8,504	9,223	11,542	14,237	11,836	14,745	16,507	16,723
Capital investment	1,894	1,942	1,222	832	1,078	909	913	1,870	3,341	3,441	4,749
R&D expenses	2,409	2,466	2,293	2,420	2,419	2,327	2,725	3,081	3,745	3,709	5,693
Depreciation	1,034	1,249	1,239	1,185	1,231	1,180	1,121	1,152	1,437	1,634	1,897
Dividend payout ratio (%)	28.8	46.7	40.9	39.3	55.8	39.5	49.8	41.0	38.8	44.0	49.6
Annual dividends per share (yen)	45	40	60	80	90	60	165 ^{*2}	160	180	200	200
Total amount of dividends	613	545	817	1,090	1,226	818	2,251	2,184	2,458	2,719	2,706
Price-to-book ratio (times)	1.46	1.37	1.72	2.02	2.06	2.19	4.07	2.64	2.33	2.56	1.88

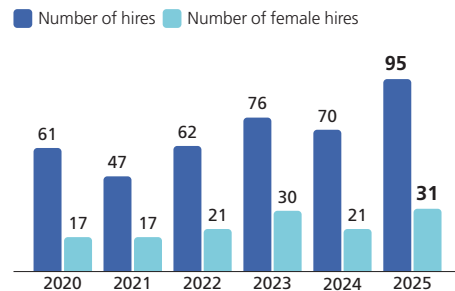
*1 Total of cash flows from operating activities and cash flows from investing activities

*2 Including 30 yen of commemorative dividend

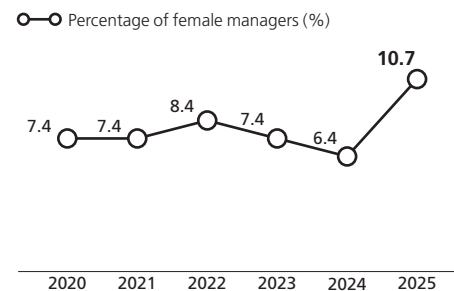
Non-Financial Data

	2020/12	2021/12	2022/12	2023/12	2024/12	2025/12	Remarks
Number of employees	965	983	1,009	1,048	1,098	1,153	Entire Group
Percentage of employees stationed overseas (%)	19.5	21.6	23.3	24.9	26.7	28.7	Entire Group
Average length of employment (years)	17.0	17.1	17.2	17.3	17.1	16.8	Entire Group (as of Jan. 1)
Number of hires	61	47	62	76	70	95	Entire Group
Number of female hires	17	17	21	30	21	31	Entire Group
Retention rate of new graduates (%)	98.4	98.4	98.4	96.7	96.6	96.6	Hioki E.E. Corporation only, retention rate after three years of employment (as of Apr. 1)
Percentage of female managers (%)	7.4	7.4	8.4	7.4	6.4	10.7	Hioki E.E. Corporation only (as of Jan. 1)
Number of non-Japanese employees	8	8	9	12	19	25	Hioki E.E. Corporation only
Percentage of employees with disabilities (%)	2.0	1.9	2.2	2.5	2.5	2.7	Hioki E.E. Corporation only, including part-timers (as of June 1)
Percentage of childcare leave taken by male employees (%)	12.9	26.7	50.0	63.3	73.5	56.6	Hioki E.E. Corporation only
Percentage of childcare leave taken by female employees (%)	100.0	100.0	100.0	100.0	100.0	100.0	Hioki E.E. Corporation only
Post-childcare-leave reinstatement rate (%)	100.0	100.0	100.0	100.0	100.0	100.0	Hioki E.E. Corporation only
Number of annual paid holidays taken (days)	11.7	13.1	14.7	13.3	15.0	14.6	Hioki E.E. Corporation only (as of Mar. 31)
Number of HI-Challenge events (cases)	—	13	12	9	8	6	Hioki E.E. Corporation only
Industrial property rights (cases)	1,155	1,133	1,031	1,041	1,111	1,100	Hioki E.E. Corporation only
Percentage of rights registered outside Japan (%)	16	18	22	23	29	33	Hioki E.E. Corporation only
Directors and Audit & Supervisory Board Members	11	10	10	12	11	13	Hioki E.E. Corporation only
Ratio of Outside Directors (%)	28.6	33.3	33.3	50.0	42.9	55.6	Hioki E.E. Corporation only
Ratio of Outside Audit & Supervisory Board Members (%)	50.0	50.0	50.0	50.0	50.0	50.0	Hioki E.E. Corporation only

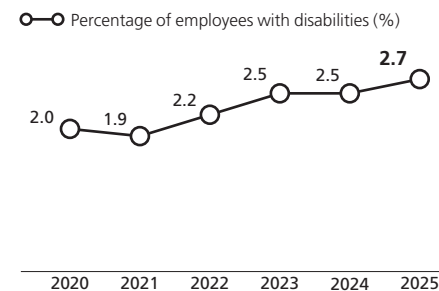
Number of Hires/Number of Female Hires



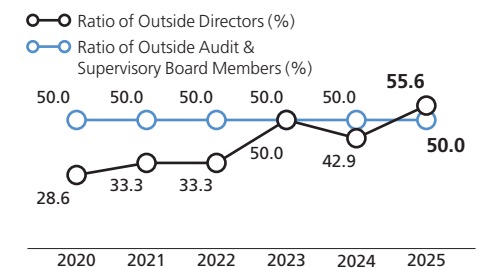
Percentage of Female Managers



Percentage of Employees with Disabilities



Ratio of Outside Directors/ Ratio of Outside Audit & Supervisory Board Members



Stock Information (as of December 31, 2025)

Stock Information

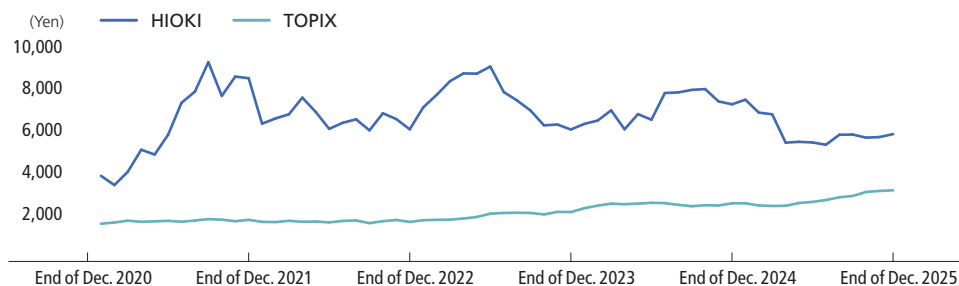
Number of authorized shares	40,514,000
Number of shares issued	14,024,365
Number of shareholders	8,641

Major Shareholders

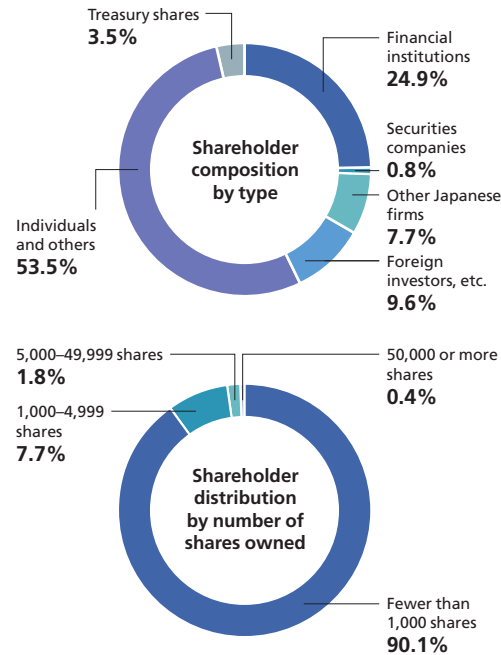
Shareholder's name	Number of shares (thousands)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	1,428	10.55
Hioki Employee Shareholding Association	837	6.18
Tsuneaki Hioki	790	5.84
The Hachijuni Bank, Ltd.	661	4.89
Hioki Scholarship and Greening Foundation	601	4.44
Taeko Hioki	573	4.24
Custody Bank of Japan, Ltd. (trust account)	569	4.21
Meiji Yasuda Life Insurance Company	510	3.77
Yuji Hioki	419	3.10
Hideo Hioki	340	2.51

- Notes:
1. The Hachijuni Bank, Ltd. merged with The Nagano Bank, Ltd. in January 2026, and changed its trade name to Hachijuni Nagano Bank, Ltd.
 2. The Company holds 485,000 treasury shares that are excluded from the list of major shareholders above.
 3. The shareholding ratio is calculated excluding treasury shares.

Stock price



Shareholder Information



Corporate Data (as of February 26, 2026)

Company Profile

Company Name	HIOKI E.E. CORPORATION
Founded	June 1935
Incorporated	January 1952
Trademark	HIOKI
Capitalization	¥3,299 million
Employees	1,153 (consolidated) (as of December 31, 2025)
Main Business	Development, manufacture, sale, and servicing of electrical measuring instruments
Headquarters	81 Koizumi, Ueda, Nagano 386-1192 Japan

Group Companies	HIOKI FOREST PLAZA CORPORATION
	HIOKI USA CORPORATION
	HIOKI (Shanghai) MEASUREMENT TECHNOLOGIES CO., LTD.
	HIOKI SINGAPORE PTE. LTD.
	HIOKI KOREA CO., LTD.
	HIOKI INDIA PRIVATE LIMITED
	HIOKI EUROPE GmbH
	HIOKI TAIWAN CO., LTD.
	PT. HIOKI ELECTRIC INDONESIA
	HIOKI ELECTRIC (THAILAND) CO., LTD.
Group Companies	HIOKI MEA FZCO
	HIOKI ELECTRIC VIETNAM COMPANY LIMITED

External Evaluations



Minister of Health, Labour and Welfare
"Platinum Kurumin certification"



Great Place to Work Japan Certified
"Great Place to Work in 2026"



D&I AWARD 2025
"Best Workplace"



CDP 2025, Achieved a rating of A in the Supplier Engagement Assessment



Minister of Health, Labour and Welfare
"Eruboshi certification"



Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi
"Certified Health & Productivity Management Organizations 2026"



Ministry of the Environment, Nationally Certified Sustainably Managed Natural Sites, 30by30 (OECMs)



EcoVadis 2026, Awarded Bronze Medal

Participation in Global/Corporate Responsibility Programs



UN Global Compact



Task Force on Climate-related Financial Disclosures (TCFD)



Taskforce on Nature-related Financial Disclosures (TNFD)



Circular Partners Industry-Government-Academia Partnership for the Circular Economy



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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 innovation and contributes to the development of society.