The Yokogawa Philosophy

As a company, our goal is to contribute to society through broad-ranging activities in the areas of measurement, control, and information.

Individually, we aim to combine good citizenship with the courage to innovate.

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Value provided by Yokogawa

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1915</td>
<td>Tamisuke Yokogawa, Doctor of Architectural Engineering, established an electric meter research institute in Shibuya, Tokyo with Ichiro Yokogawa and Shin Aoki</td>
</tr>
<tr>
<td>1917</td>
<td>First to produce and sell electric meters in Japan</td>
</tr>
<tr>
<td>1920</td>
<td>Incorporated as Yokogawa Electric Works Ltd.</td>
</tr>
<tr>
<td>1933</td>
<td>Started research and manufacture of aircraft instruments and flow, temperature, and pressure controllers</td>
</tr>
<tr>
<td>1935</td>
<td>Completed the Kichijoji factory and relocated the head office</td>
</tr>
<tr>
<td>1948</td>
<td>Made public offering of the Company’s stock</td>
</tr>
<tr>
<td>1950</td>
<td>Developed Japan’s first electric recorder</td>
</tr>
<tr>
<td>1955</td>
<td>Signed a technical assistance agreement for industrial instruments with Foxboro, USA</td>
</tr>
<tr>
<td>1957</td>
<td>Established Yokogawa Electric Works, Inc. as North American sales office</td>
</tr>
<tr>
<td>1964</td>
<td>Made a full-scale entry to the industrial analyzer market</td>
</tr>
<tr>
<td>1973</td>
<td>Established a Brazilian sales office</td>
</tr>
<tr>
<td>1974</td>
<td>Established a Singapore plant</td>
</tr>
<tr>
<td>1974</td>
<td>Completed and began operating the Kofu plant</td>
</tr>
<tr>
<td>1975</td>
<td>Established a European sales office in the Netherlands</td>
</tr>
<tr>
<td>1975</td>
<td>Released CENTUM, the world’s first distributed process control system</td>
</tr>
</tbody>
</table>

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Social issues/needs

<table>
<thead>
<tr>
<th>Year</th>
<th>Social issue/need</th>
</tr>
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<tbody>
<tr>
<td>1915</td>
<td>Increasing demand for electricity</td>
</tr>
<tr>
<td>1920</td>
<td>Post-war recovery and economic growth</td>
</tr>
<tr>
<td>1920</td>
<td>Factory automation and safety improvement</td>
</tr>
</tbody>
</table>

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Quality first

Pioneering spirit

Contribution to society

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The Founder’s Aspirations

In his instructions to Ichiro Yokogawa and Shin Aoki, Dr. Tamisuke Yokogawa said, “You don’t need to worry about profits. Just learn and improve our technology. You must make products that earn us the respect of our customers.” This is the origin of the founding principles that have been handed down for more than a century as the pioneering spirit.

Although first set into words in 1988, the Yokogawa Philosophy is based on these founding principles, and is embodied in the code of conduct that guides employees in the performance of their daily tasks and in all pronouncements on our corporate objectives.

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Value Creation Story

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The History of Yokogawa

- Social issues/needs
- Value provided by Yokogawa
- Quality first
- Pioneering spirit
- Contribution to society

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Founding Principles

Quality first

Pioneering spirit

Contribution to society

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Value Creation Story

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Globalization of sales, engineering, and service networks

- 1983: Formed Yokogawa Hokushin Electric Corp. through merger with Hokushin Electric Works, Ltd.
- 1985: Jointly established Xyi Yokogawa Co., Ltd. in Xian, China, with Xian Instruments Factory
- 1986: Changed the Company name to Yokogawa Electric Corporation
- 1987: Established a system product manufacturing and sales company in India
- 1990: Established Yokogawa Middle East E.C. in Bahrain
- 1996: Released a confocal scanner and entered the biotechnology business
- 1997: Established a local subsidiary in Russian Federation

Transformation to solutions business

- 2002: Acquired all the shares of Ando Electric Co., Ltd.
  Orders received for the Nanhai petrochemical complex project by CNOOC and Shell Petrochemicals Company Limited
- 2003: Orders received for the Sakhalin II large-scale crude oil and natural gas development project
- 2006: Established a local subsidiary in Saudi Arabia
  Orders received for the Rabigh Project, promoted by Saudi Aramco and Sumitomo Chemical Co., Ltd.
- 2008: Entered the drug discovery support market with a new bio test system

Comprehensive solutions and services

- 2012: Orders received for the Ichthys LNG Project
- 2013: Formed Yokogawa Solution Service Corporation to handle sales, engineering, and services for the Japan industrial automation business
- 2015: 100th anniversary anniversary of the Company’s founding Announced Transformation 2017 mid-term business plan
- 2016: Acquired KBC Advanced Technologies

Overseas expansion of Japanese manufacturing industry and maturing of Japanese market

Open innovation

Increase in large-scale projects outside Japan

Effective use of energy, cost reduction, enhanced value of existing facilities

Net sales outside Japan ratio

- 1980: 784
- 1990: 2,478
- 2000: 3,526
- 2010: 3,256
- 2015: 4,137
- 2019: 4,037

*Consolidated accounting from FY1990