

TOTO Selected for Double "A List" Highest CDP Ratings for Climate Change and Water Security

Selection reflects recognition of TOTO's CO₂ emission reductions to combat climate change and water usage reductions to address water risks

TOTO LTD. (Headquarters: Kita-Kyushu-shi, Fukuoka Prefecture; President: Noriaki Kiyota) **has been selected in the A List in the area of climate change and water security initiatives, the highest rating given by CDP*1 an international non-profit organization that operates a global environmental disclosure system.** TOTO has been selected for the second consecutive year for its efforts to combat climate change, and for the first time for its efforts in water security, making it a double A List selection.

CDP is a non-profit group that drives companies and local governments to disclose information about their action on environmental issues such as climate change, water resource conservation and forest preservation, based on requests from global institutional investors who are very interested in environmental issues. Every year, CDP collects, analyzes and rates information about the environmental activities of major companies around the world, and certifies those companies with the most exemplary performance as A List.

In the area of climate change action, TOTO has set 2030 targets for CO₂ emission reductions, and received certification from the SBT Initiative. CO₂ emissions for FY2023 in terms of total CO₂ emissions from business sites (Scope 1 and Scope 2) were 254,000 tons, a reduction of approximately 28% from FY2021 levels, while CO₂ emissions during product use (Scope 3, Category 11) were 15.612 million tons, marking a reduction of around 5% from FY2021 levels. TOTO is advancing efforts to achieve carbon neutrality by 2050.

In the field of water security, TOTO conducts risk assessments for flooding and water pollution risks, and is making particular efforts to gain a detailed understanding of water stress. In particular, at production bases in regions assessed as having extremely high water stress (Mexico, mainland China, India, and Thailand), TOTO separates, recovers, and reuses water contained in raw materials. Wastewater is treated using sand filtration and ion exchange equipment, etc., and then reused. Through these measures, TOTO has been able to reduce its water usage and ensure sufficient water supplies for its business activities while making efficient use of water.

In TOTO WILL2030, the TOTO Group's shared value creation strategy that aims to contribute to society and the global environment, provide cleanliness, comfort and wellness and realize healthy lifestyles, the Group has positioned cleanliness and comfort, the environment and relationships as key materiality issues to be addressed as it promotes sustainability management. Through these initiatives TOTO will also solve social issues and achieve economic growth while contributing to the United Nations' Sustainable Development Goals (SDGs).



*1. CDP: A non-profit organization that operates a global system to facilitate environmental information disclosures by companies and municipalities. Since its establishment in 2000, CDP has worked with over 700 financial institutions with assets in excess of 142 trillion dollars (USD), and has led efforts to encourage companies to disclose details of their environmental impact, reduce greenhouse gas emissions, and protect water resources and forests by leveraging capital markets and the purchasing power of companies. In 2023, over 23,000 companies, constituting around two-thirds of the global market capitalization, and around 24,000 organizations (including at least 1,100 municipal and provincial authorities) disclosed environmental data through CDP questionnaires. CDP has the world's largest environmental database based on questionnaires based completely on the Task Force on Climate-related Financial Disclosures (TCFD), and CDP scores are widely used in making investment and procurement decisions to build net zero, sustainable, and resilient economies. CDP is a founding member of the Science Based Targets Initiative (SBTI), the We Mean Business Coalition, The Investor Agenda (a climate change initiative for institutional investors), and NZAMI (the Net Zero Asset Managers Initiative).

Sustainability Initiatives

Integrated Report 2024

<https://jp.toto.com/company/profile/library>

The TOTO Group's sustainability activities

<https://jp.toto.com/company/csr>

Water, Earth and a Better Tomorrow

<https://jp.toto.com/company/csr/csreactivity>

New Shared Value Creation Strategy TOTO WILL2030

Cleanliness and Comfort; Wellness



Environment



Relationships



The New Shared Value Creation Strategy, TOTO WILL 2030, will simultaneously realize environmental, social and economic value. In it, we have established the materiality issues of cleanliness and comfort, the environment and relationships, that we will work on to integrate management and CSR and contribute to the achievement of the United Nations' Sustainable Development Goals (SDGs).

<https://www.toto.com/en/corporate/>