

Selected for the Second Consecutive Year on CDP's "A List," Highest CDP Ratings for both 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. (Headquartered in Kitakyushu City, Fukuoka Prefecture; President: Shinya Tamura) has been selected for the highest rating, the "A List," by CDP^{※1}, an international non-profit organization that operates a global environmental information disclosure system, for its efforts in climate change and water security. This marks the third consecutive year that the company has been selected for climate change and the second consecutive year that the company has been selected for water security, making it the second consecutive year that the company has been selected for both the A List.

CDP is a non-profit organization that works to encourage companies and local governments to address and disclose information on environmental issues such as climate change, water resource protection, and forest conservation, based on requests from institutional investors around the world who are highly concerned about environmental issues. It collects, analyzes, and evaluates information on the environmental activities of major companies around the world, and annually certifies the most outstanding companies as part of its "A List."

In the area of climate change, we have set a 2030 target for reducing CO₂ emissions, which has been certified by the SBT initiative, and are working toward achieving carbon neutrality by 2050. In fiscal year 2024, CO₂ emissions from our business sites (Scope 1 and Scope 2) totaled 246,000 tons, a reduction of approximately 31% compared to fiscal year 2021, the base year for the SBT initiative. Furthermore, for our Scope 3, Category 11 product groups^{※2} that directly consume energy, our actual results in fiscal year 2024 were approximately 10% reduced compared to fiscal year 2021, compared to our 2030 target of a 25% reduction compared to fiscal year 2021. In the area of water security, we conduct risk assessments of flooding and water pollution, and in particular, we are gaining a detailed understanding of the situation regarding water stress. At our production sites, we separate, recover, and reuse water contained in raw materials, and also reuse it in wastewater treatment using sand filtration and reverse osmosis (RO) membranes.

TOTO Group is promoting sustainability management by identifying the key issues (materiality) it must address as "Cleanliness, Comfort, and Wellness," "Environment," and "Relationships" in its shared value creation strategy, TOTO WILL2030, which aims to achieve cleanliness, comfort and wellness and contribute to society and the global environment. Through these initiatives, the Group aims to resolve social issues, achieve economic growth, and contribute to the United Nations' Sustainable Development Goals (SDGs).



※1: CDP is 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).

※2: Products that directly consume energy, such as electricity (e.g. WASHLET and hand dryers)

Sustainability Initiatives

Integrated Report - Company Information <https://jp.toto.com/en/company/profile/library/>

TOTO Group's sustainability activities <https://www.toto.com/en/purpose/>

Water, Earth and a Better Tomorrow <https://www.toto.com/en/purpose/environment/>

Shared Value Creation Strategy TOTO WILL2030

Cleanliness and Comfort; Wellness



Environment



Relationships



The 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; Wellness, Environment, and Relationships, that we will strengthen sustainability management and contribute to the achievement of the United Nations' Sustainable Development Goals (SDGs).

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