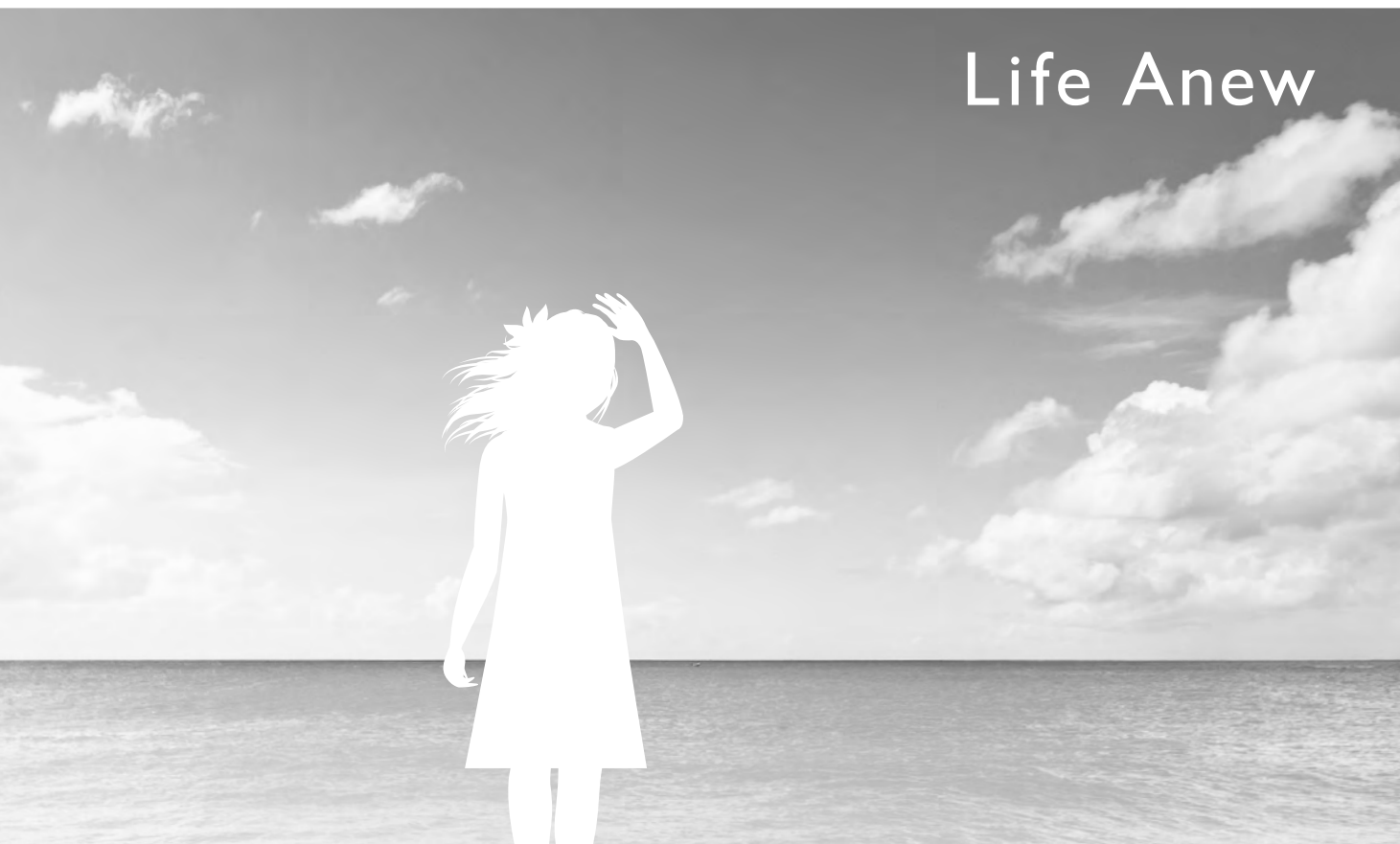


TOTO

Life Anew



TOTO GROUP

Integrated Report 2021

Financial and Non-Financial Data

10-Year Summary of Selected Financial Data

(Unit: Million yen)

	FY2011 (March 31, 2012)	FY2012 (March 31, 2013)	FY2013 ^{*3} (March 31, 2014)	FY2014 ^{*3} (March 31, 2015)	FY2015 ^{*3} (March 31, 2016)
Net sales ^{*4}	452,686	476,275	544,309	528,771	570,716
Cost of sales	286,803	303,231	336,574	328,046	354,187
Cost of sales ratio ^{*4}	63.4%	63.7%	61.8%	62.0%	62.1%
Selling, general and administrative (SG&A) expenses	147,102	149,667	163,122	167,377	170,829
SG&A ratio ^{*4}	32.5%	31.4%	30.0%	31.7%	29.9%
Operating profit ^{*4}	18,779	23,376	44,611	33,346	45,699
Operating margin ^{*4}	4.1%	4.9%	8.2%	6.3%	8.0%
Profit attributable to owners of parent ^{*4}	9,270	16,956	43,097	22,486	36,360
Profit attributable to owners of parent ratio ^{*4}	2.0%	3.6%	7.9%	4.3%	6.4%
Capital investment	32,253	19,934	34,575	40,264	40,674
Depreciation and amortization	18,348	19,508	14,922	17,227	18,397
Research and development (R&D) costs	16,643	15,983	17,428	18,466	19,098
R&D cost ratio ^{*4}	3.7%	3.4%	3.2%	3.5%	3.3%
Total assets	377,072	408,454	476,387	516,995	536,265
Current assets	181,554	205,485	258,800	266,637	279,383
Non-current assets	195,518	202,969	217,586	250,357	256,882
Total liabilities	191,491	195,043	219,790	236,412	250,743
Net assets	185,580	213,410	256,596	280,582	285,522
Operating cash flow	19,678	44,498	48,015	34,713	58,695
Investing cash flow	(22,446)	(22,971)	(4,033)	(30,040)	(29,952)
Financing cash flow	(12,164)	(2,178)	(23,328)	(11,393)	(15,053)
Free cash flow ^{*1}	(2,768)	21,527	43,982	4,673	28,742
Dividends per share ^{*2} (Yen)	10.00	14.00	23.00	26.00	—
ROE (Net profit base) ^{*4}	5.2%	8.8%	19.0%	8.7%	13.3%
ROA (Operating profit base) ^{*4}	5.0%	6.0%	10.1%	6.7%	8.7%
EPS ^{*2,4} (Yen)	27.1	49.5	127.2	66.9	215.8
BPS ^{*2} (Yen)	525.6	602.2	737.7	802.8	1,631.9
Total asset turnover ^{*4} (Times)	1.20	1.21	1.23	1.06	1.08
Equity ratio	47.7%	50.6%	52.0%	52.3%	51.5%
Number of shares outstanding (excluding treasury stock/period average) ^{*2}	342,013,603	342,892,129	338,911,922	336,233,556	168,480,574

*1 Free cash flow = Operating cash flow + Investing cash flow

*2 We have changed the number of shares constituting one unit to 100 shares from 1,000 shares and also consolidated its shares (consolidated two shares to one share) on October 1, 2015. The amount for the total annual dividends per share in FY2015 is omitted and shown as a dash (-) as the 2nd quarter-end dividends per share and the fiscal year-end dividends per share cannot be simply added. In addition, the amount for the dividends per share are 15.00 yen (before share consolidation) for the 2nd quarter-end dividends and 34.00 yen (after share consolidation) for the fiscal year-end dividends.

(Unit: Million yen)

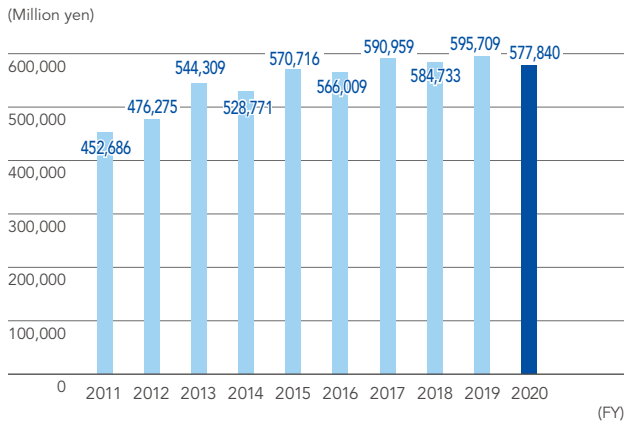
	FY2016* ³ (March 31, 2017)	FY2017* ³ (March 31, 2018)	FY2018* ³ (March 31, 2019)	FY2019* ³ (March 31, 2020)	FY2020* ³ (March 31, 2021)
Net sales* ⁴	566,009	590,959	584,733	595,709	577,840
Cost of sales	348,407	368,148	371,565	383,562	367,242
Cost of sales ratio* ⁴	61.6%	62.3%	63.5%	64.4%	63.6%
Selling, general and administrative (SG&A) expenses	171,451	171,550	174,354	176,331	170,940
SG&A ratio* ⁴	30.3%	29.0%	29.8%	29.6%	29.6%
Operating profit* ⁴	46,150	51,260	38,814	35,816	39,656
Operating margin* ⁴	8.2%	8.7%	6.6%	6.0%	6.9%
Profit attributable to owners of parent* ⁴	32,960	36,798	32,380	23,921	26,978
Profit attributable to owners of parent ratio* ⁴	5.8%	6.2%	5.5%	4.0%	4.7%
Capital investment	26,776	38,180	57,329	60,556	25,301
Depreciation and amortization	18,994	21,357	23,347	25,343	25,231
Research and development (R&D) costs	19,388	20,594	21,528	21,467	22,395
R&D cost ratio* ⁴	3.4%	3.5%	3.7%	3.6%	3.9%
Total assets	553,996	564,319	574,960	582,482	646,011
Current assets	282,076	277,845	287,630	289,535	326,383
Non-current assets	271,920	286,473	287,329	292,946	319,628
Total liabilities	247,942	222,099	228,301	241,653	272,838
Net assets	306,053	342,219	346,658	340,829	373,173
Operating cash flow	62,604	45,489	14,593	63,843	59,551
Investing cash flow	(35,257)	(36,374)	(26,928)	(36,705)	(42,622)
Financing cash flow	(18,905)	(11,244)	14,562	(20,878)	22,702
Free cash flow* ¹	27,347	9,115	(12,335)	27,138	16,929
Dividends per share* ² (Yen)	68.00	72.00	90.00	90.00	70.00
ROE (Net profit base)* ⁴	11.5%	11.7%	9.6%	7.1%	7.7%
ROA (Operating profit base)* ⁴	8.5%	9.2%	6.8%	6.2%	6.5%
EPS* ^{2,4} (Yen)	194.9	217.5	191.3	141.3	159.2
BPS* ² (Yen)	1,756.0	1,968.6	2,000.4	1,971.6	2,160.7
Total asset turnover* ⁴ (Times)	1.04	1.06	1.03	1.03	0.94
Equity ratio	53.6%	59.1%	58.9%	57.3%	56.7%
Number of shares outstanding (excluding treasury stock/period average)* ²	169,146,109	169,187,042	169,300,355	169,349,269	169,418,598

*³ Starting from FY2017, the currency conversion method for overseas Group companies' profit and loss was changed from the method using rates on the last day of each term to the method using average rates during each term. In accordance with this change, the figures for FY2013 onward in this report have been revised retroactively.

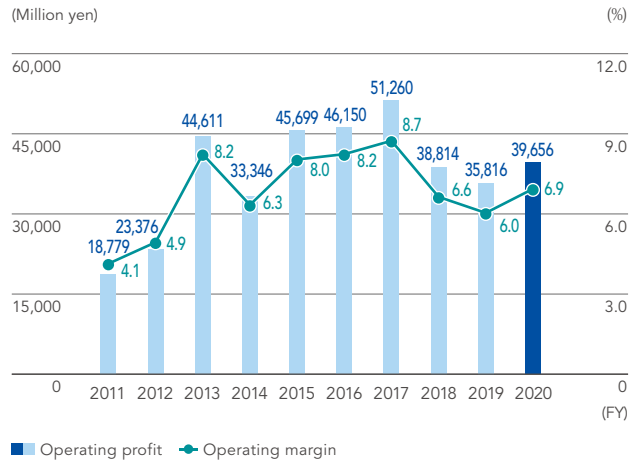
*⁴ We have adopted new standards for revenue recognition from FY2021. In accordance with this change, figures from FY2013 onward in this report have been revised retroactively.

Financial Highlights

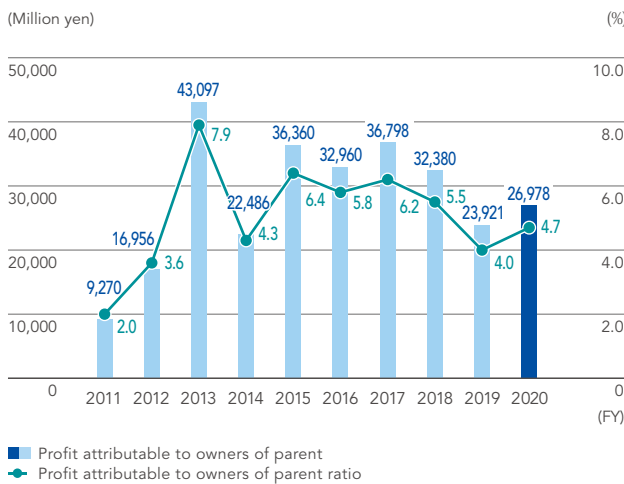
Net Sales



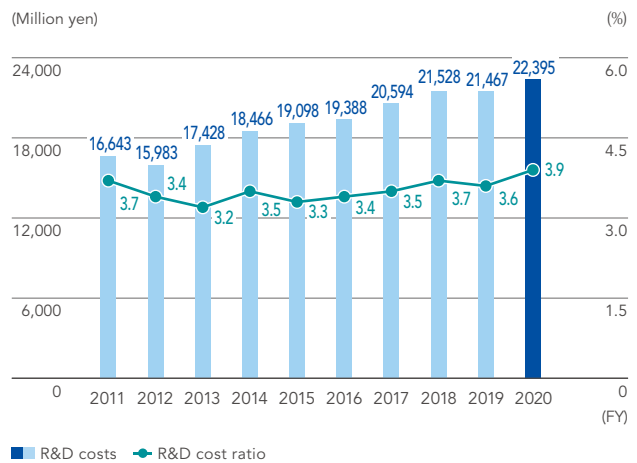
Operating Profit / Operating Margin



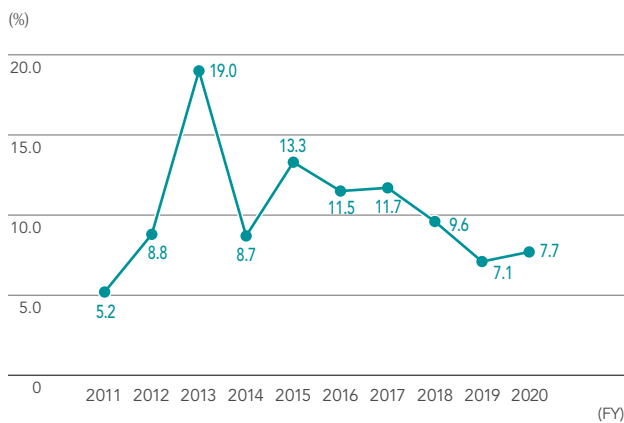
Profit Attributable to Owners of Parent / Profit Attributable to Owners of Parent Ratio



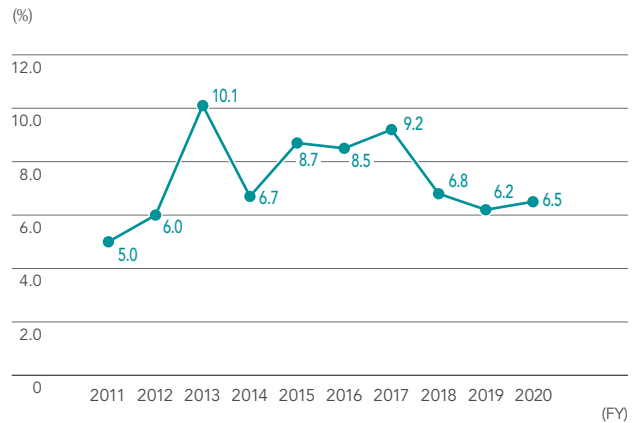
R&D Costs / R&D Cost Ratio



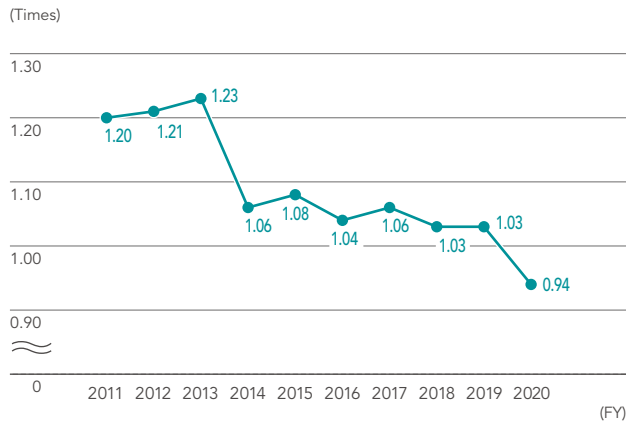
ROE (Net profit base)



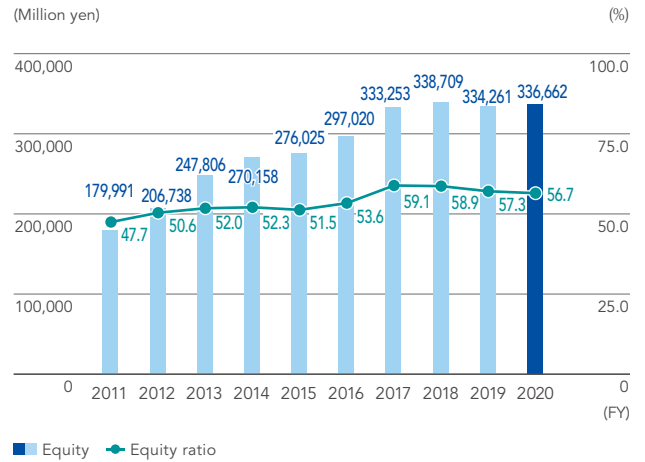
ROA (Operating profit base)



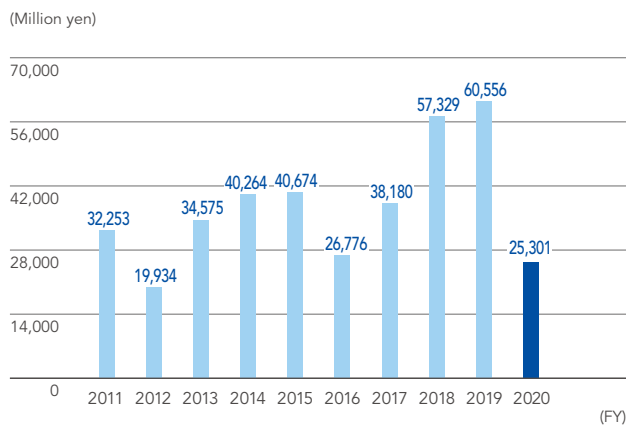
Total Asset Turnover



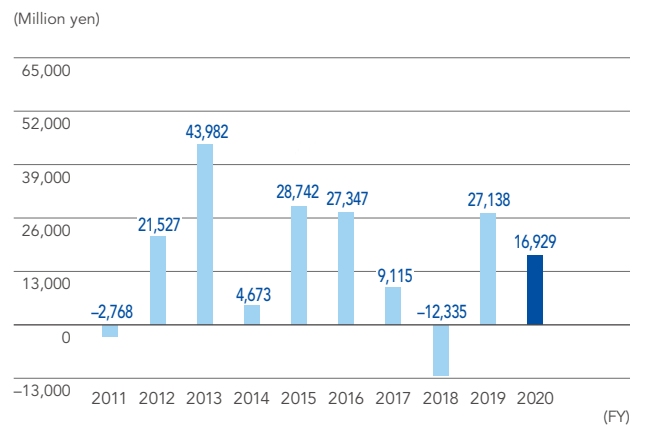
Equity / Equity Ratio



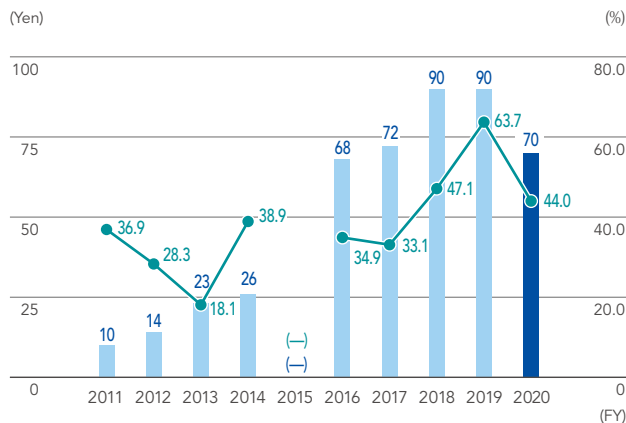
Capital Investment



Free Cash Flow

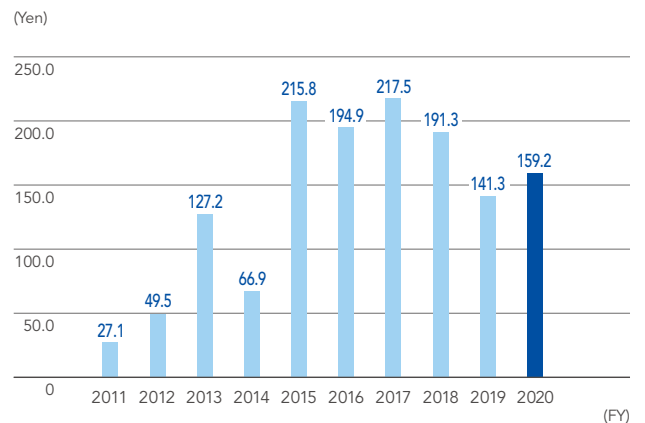


Dividends per Share* / Payout Ratio*



* We have changed the number of shares constituting one unit to 100 shares from 1,000 shares and also consolidated its shares (consolidated two shares to one share) on October 1, 2015. The amount for the total annual dividends per share in FY2015 is omitted and shown as a dash (-) as the 2nd quarter-end dividends per share and the fiscal year-end dividends per share cannot be simply added. In addition, the amount for the dividends per share are 15.00 yen (before share consolidation) for the 2nd quarter-end dividends and 34.00 yen (after share consolidation) for the fiscal year-end dividends.

EPS



Global Environmental Goals

In the TOTO Global Environmental Vision, we focus on the three themes of Cleanliness and Comfort, Environment and Relationships, and are committed to promoting these themes on a global scale. We aim to achieve the following goals.

Targets of FY2023

Goals	Main Initiatives	Indicators	Cat.	FY2020 (Results)	FY2023 (Targets)	SDGs Themes
Cleanliness, comfort and the environment	Rolling out clean, comfortable and eco-friendly products	Percentage of sustainable products	◆	69% (Japan) 74% (Overseas) 56%	73% (Japan) 80% (Overseas) 61%	
Cleanliness and Comfort	Global expansion of clean and comfortable toilets	Percentage of TORNADO FLUSH units shipped (overseas)		46%	56%	
		Number of WASHLET units shipped (overseas)		0.77 million units	1.34 million units	
		EWATER+ WASHLET rollout percentage (overseas)		35%	62%	
Environment	Alleviating water stress through the widespread adoption of water-saving products	Reduction in water consumption during product use*1	◆	0.9 billion m ³	1.1 billion m ³	
		Total CO ₂ emissions from business sites	◆	307 thousand tons	294 thousand tons	
	Achieving carbon neutrality	Reduction in CO ₂ emissions due to implemented measures		38 thousand tons	42 thousand tons	
		Reduction in CO ₂ emissions during product use*1		3.21 million tons	3.6 million tons	
Social contribution activities entrenched in local communities	Number of projects that help solve local issues (cumulative number from FY2018)		96 cases	150 cases		
Relationships	Improved customer satisfaction	Customer satisfaction in after-sales service*2	◆	92 pt	94 pt	
		Showroom satisfaction (Japan)	◆	73 pt	75 pt	
	Promotion of employee volunteer activities	Percentage of employees taking part in volunteer activities (total number of participants / number of consolidated employees = participation rate)		67%	100% or more	
		Employee satisfaction (Japan)	◆	74 pt	76 pt	
	Become a company that is pleasant to work at	Percentage of female managers (Japan)		14%	21%	
		Employee turnover rate due to life events (Japan)*3		2.1%	0%	

*1 Reduction effect when compared with the case where products of 2005 continue to be used. ◆ : WILL2030 long-term goals

*2 Scope: Japan, Americas, Europe, Mainland China, Taiwan, India, Thailand, Vietnam

*3 Job turnover rate for employees raising children or providing nursing care but still wish to work.

Results from FY2018 to FY2020

Goals	Main Initiatives	Indicators	FY2018	FY2019	FY2020
Cleanliness and Comfort	Global expansion of clean and comfortable toilets	CEFIONTECT shipment ratio (overseas)	71%	79%	83%
		Percentage of TORNADO FLUSH units shipped (overseas)	36%	44%	46%
		Number of WASHLET units shipped (overseas)	0.58 million units	0.63 million units	0.77 million units
Environment	Widespread adoption of water-saving products	Reduction in water consumption during product use*1	860 million m ³	940 million m ³	930 million m ³
		Total CO ₂ emissions from business sites	351 thousand tons	344 thousand tons	307 thousand tons
	CO ₂ emission reductions	Reduction in CO ₂ emissions due to implemented measures	9 thousand tons	24 thousand tons	38 thousand tons
		Reduction in CO ₂ emissions during product use*1	3.23 million tons	3.46 million tons	3.21 million tons
Social contribution activities entrenched in local communities	Number of projects that help solve local issues (cumulative number from FY2018)	38 cases	77 cases	96 cases	
Relationships	Improved customer satisfaction	Customer satisfaction in after-sales services (Japan)	91.5%	91.3%	91.6%
		Ratio of repairs completed within two days of reception (overseas)	75.7%	78.4%	84.8%
	Promotion of employee volunteer activities	Percentage of employees taking part in volunteer activities (total number of participants / number of consolidated employees = participation rate)	100% or more	100% or more	67%
		Annual paid leave usage rate (Japan)	80.8%	89.8%	89.1%
	Become a company that is pleasant to work at	Percentage of female managers (Japan)	10.9%	12.3%	14.0%
Employee turnover rate due to life events (Japan)*2		3.4%	2.9%	2.1%	

*1 Reduction effect when compared with the case where products of 2005 continue to be used.

*2 Job turnover rate for employees raising children or providing nursing care but still wish to work.

Global Environmental Action Plan

Global Environmental Action Plan was established in line with the Global Environmental Targets to help resolve environmental issues.

11th Global Environmental Action Plan

Evaluation Index (KPI)	Scope	Base Year	FY2023 (Targets)
Reduction in water consumption during product use*1	Japan/overseas	—	1.1 billion m ³
Reduction in CO ₂ emissions during product use*1	Japan/overseas	—	3.6 million tons
Total CO ₂ emissions from business sites	Japan/overseas	—	294 thousand tons
Reduction in CO ₂ emissions due to implemented measures	Japan/overseas	FY2020	42 thousand tons
Quantity of water consumption	Japan/overseas	—	3.29 million m ³
Reduction in water use per unit	Japan/overseas	FY2018	5.0%
Reduction of fuel used for transportation per unit	Japan	FY2013	10.0%
Reduction rate of the use of packaging materials	Japan	FY2013	10.0%
Reduction rate of waste at the production sites (reduction of production output intensity)	Japan	FY2017	3.0%
Recycling rate at the production sites	Japan	—	99% or more
	Overseas	—	98% or more
Usage rate of legal and recycled materials for wood-based materials used in products	Japan/overseas	—	100%
Violations of related environmental laws	Japan/overseas	—	0 cases

*1 Reduction effect when compared with the case where products of 2005 continue to be used.

10th Global Environmental Action Plan (Results)

Evaluation Index (KPI)	Scope	Base Year	FY2018	FY2019	FY2020
Reduction in water consumption during product use*1	Japan/overseas	—	860 million m ³	940 million m ³	930 million m³
Reduction in CO ₂ emissions during product use*1	Japan/overseas	—	3.23 million tons	3.46 million tons	3.21 million tons
Total CO ₂ emissions from business sites	Japan/overseas	—	351 thousand tons	344 thousand tons	307 thousand tons
Reduction in CO ₂ emissions due to implemented measures	Japan/overseas	FY2017	9 thousand tons	24 thousand tons	38 thousand tons
Quantity of water consumption*2	Japan/overseas	—	2.97 million m ³	2.90 million m ³	2.63 million m³
Reduction in water use per unit*2	Japan/overseas	FY2018	—	—	9.4%
Reduction of fuel used for transportation per unit	Japan	FY2013	6.2%	6.4%	7.6%
Reduction rate of the use of packaging materials	Japan	FY2013	7.3%	8.1%	8.7%
Reduction rate of waste at the production sites (reduction of production output intensity)	Japan	FY2017	8.4%	8.0%	8.6%
Recycling rate at the production sites	Japan	—	99.9%	99.9%	99.7%
	overseas	—	98.1%	94.7%	99.5%
Usage rate of legal and recycled materials for wood-based materials used in products	Japan/overseas	—	100%	100%	100%
Violations of related environmental laws	Japan/overseas	—	1 case	0 cases	1 case

*1 Reduction effect when compared with the case where products of 2005 continue to be used.

*2 Implementation of goal management from FY2020.

Report Policy

Boundary

TOTO LTD. and all 48 of consolidated subsidiary companies in Japan and overseas. However, with respect to data for which the boundary of calculation is different, notes are described individually.

Period covered by this report

FY2020 (Japan: April 1, 2020 to March 31, 2021 / Overseas: January 1, 2020 to December 31, 2020)

Per unit of sales

As noted on page 2, net sales figures have been retroactively revised due to the adoption of the new standards for revenue recognition. However, as the impact on figures per unit of sales of each environmental performance is insignificant, the figures per unit of sales have not been retroactively revised.

Independent assurance

The Environmental Performance Data and Social Performance Data indicated with for FY2020 have been assured by KPMG AZSA Sustainability Co., Ltd. However "per unit of sales" of each data is not covered.

Environmental Performance Data

GHG Emissions

(FY)

Indicators	Unit	2016	2017	2018	2019	2020	
Scope 1 + 2 + 3	thousand tons CO ₂	20,038	21,213	19,573	20,957	19,839	
Scope 1 + 2	thousand tons CO ₂	334	363	357	350	307	
Scope 1	thousand tons CO ₂	173	181	179	182	167	<input checked="" type="checkbox"/>
Direct GHG emissions from non-energy processes	thousand tons CO ₂	5	4	5	5	4	
(per unit of sales)	tons CO ₂ /million yen	0.30	0.30	0.30	0.30	0.29	
Scope 2	thousand tons CO ₂	161	182	176	168	140	<input checked="" type="checkbox"/>
(per unit of sales)	tons CO ₂ /million yen	0.28	0.30	0.30	0.28	0.24	
Scope 3 total	thousand tons CO ₂	19,704	20,850	19,216	20,608	19,532	
Category 11	thousand tons CO ₂	18,789	19,925	18,293	19,650	18,562	<input checked="" type="checkbox"/>
Other categories	thousand tons CO ₂	915	925	923	958	970	

Energy Consumption

(FY)

Indicators	Unit	2016	2017	2018	2019	2020	
Quantity of energy consumption	PJ	6.2	6.5	6.6	6.7	6.4	<input checked="" type="checkbox"/>
(per unit of sales)	GJ/million yen	10.8	11.0	11.26	11.23	10.97	
Quantity of non-renewable energy consumption	MWh	1,197,390	1,261,489	1,259,844	1,249,313	1,151,624	<input checked="" type="checkbox"/>
Quantity of fuel consumption	MWh	883,164	930,311	930,511	928,797	851,679	<input checked="" type="checkbox"/>
(per unit of sales)	MWh/million yen	1.56	1.57	1.59	1.56	1.47	
Quantity of electric power consumption	MWh	304,169	322,186	320,632	312,166	291,868	<input checked="" type="checkbox"/>
(per unit of sales)	MWh/million yen	0.54	0.54	0.55	0.52	0.50	
Quantity of other types of energy consumption	MWh	10,057	8,992	8,701	8,351	8,077	<input checked="" type="checkbox"/>
(per unit of sales)	KWh/million yen	17.73	15.18	14.85	14.00	13.90	
Quantity of renewable energy consumption	MWh	185	182	14,888	33,457	47,181	<input checked="" type="checkbox"/>
(per unit of sales)	KWh/million yen	0.32	0.30	25.40	56.09	81.22	
Energy cost	million yen	7,610	8,449	8,928	8,852	7,774	

Water Consumption and Wastewater

(FY)

Indicators	Unit	2016	2017	2018	2019	2020	
Quantity of water consumption	thousand m ³	2,866	2,855	2,968	2,899	2,631	☑
(per unit of sales)	m ³ /million yen	5.05	4.82	5.06	4.86	4.53	
Groundwater consumption	thousand m ³	435	476	474	438	387	
Wastewater	thousand m ³	1,832	1,796	1,714	1,592	1,904	
(per unit of sales)	m ³ /million yen	3.22	3.03	2.92	2.67	3.28	
Reused water	thousand m ³	1,728	1,711	1,773	2,028	1,844	

Waste

(FY)

Indicators	Unit	2016	2017	2018	2019	2020	
Waste generated* ¹	thousand tons	125.2	123.2	130.8	134.3	128.1	☑
(per unit of sales)	kg/million yen	220.6	208.0	223.3	225.1	220.5	
Hazardous waste generated	thousand tons	0.3	0.3	0.3	0.2	0.1	☑
(per unit of sales)	kg/million yen	0.55	0.47	0.51	0.34	0.17	
Final disposal* ¹	thousand tons	25.8	24.3	22.0	28.3	24.8	☑
(per unit of sales)	kg/million yen	45.4	41.1	37.5	47.4	42.7	
Recycling amount* ¹	thousand tons	99.4	98.9	108.8	106.0	103.3	☑
(per unit of sales)	kg/million yen	175.2	167.0	185.7	177.7	177.8	
Recycling rate* ^{1,2}	%	97.5	99.2	98.6	96.2	99.5	
(Japan)	%	100.0	100.0	99.9	99.9	99.7	
(Overseas)	%	96.3	98.9	98.1	94.7	99.5	

*1 The amounts of Waste generated, Final disposal, Recycling amount and Recycling rate for the period from FY2018 to FY2019 have been retroactively revised for the improvement of accuracy.

*2 To calculate the recycling rate, does not include quantity of waste for which disposal by sanitary landfill is required by laws and regulations in areas where TOTO factories are located. Also does not include waste that cannot be recycled due to lack of disposal technology and equipment by waste treatment vendors in the areas where business sites are established.

Atmospheric Emissions

(FY)

Indicators	Unit	2016	2017	2018	2019	2020	
Chemical substance emissions	tons	32.6	30.7	32.5	26.6	22.0	
(per unit of sales)	kg/million yen	0.06	0.05	0.05	0.04	0.04	
SOx emissions	tons	65.1	68.4	92.5	99.4	65.3	☑
(per unit of sales)	kg/million yen	0.11	0.12	0.16	0.17	0.11	
NOx emissions	tons	253.6	220.2	255.2	192.3	163.1	☑
(per unit of sales)	kg/million yen	0.45	0.37	0.44	0.32	0.28	
Dust emissions	tons	49.8	60.2	99.1	56.5	48.6	☑
(per unit of sales)	kg/million yen	0.09	0.10	0.17	0.09	0.08	
VOC emissions	tons	30.4	28.4	29.4	26.5	21.9	
(per unit of sales)	kg/million yen	0.05	0.04	0.05	0.04	0.04	

ISO 14001 Certification Acquisition

(FY)

Indicator	Unit	2016	2017	2018	2019	2020
Percentage of ISO 14001 certification acquisition	%	72.6	73.2	71.4	75.4	75.9

Social Performance Data

Customers

(FY)

Indicators	Unit	2016	2017	2018	2019	2020
Customer satisfaction surveys (Japan)						
After-sales service satisfaction rate	%	89.6	90.7	91.5	91.3	91.6
Total satisfaction index of the showrooms	%	68.1	69.9	71.0	72.0	73.4
Ratio of customers impressed with bath module assembly	%	51.2	57.5	64.1	67.9	69.6
Evaluations on customer response quality*	points	(65.6)	(69.0)	(70.3)	(68.8)	76.3
Ratio of repairs completed within two days of reception (overseas)	%	—	—	75.7	78.4	84.8

* Evaluations on customer response quality: Evaluation method was changed from FY2020. (FY2016 to FY2019 are listed as reference values because they are evaluation points under the previous evaluation method.)

ISO 9001 Certification Acquisition

(FY)

Indicator	Unit	2016	2017	2018	2019	2020
Percentage of ISO 9001 certification acquisition	%	75.0	74.9	71.8	76.3	76.4

Status of Employment

(FY)

Indicators	Unit	2016	2017	2018	2019	2020
Group total number of employees	(no. of personnel)	32,455	34,208	35,498	35,329	35,613 <input checked="" type="checkbox"/>
Full-time employees	(no. of personnel)	26,543	28,669	29,995	30,254	30,839
Contract employees	(no. of personnel)	4,308	3,483	3,448	3,237	2,927
Temporary employees	(no. of personnel)	1,604	2,056	2,055	1,838	1,847
Number of graduate recruits (Japan)	(no. of personnel)	305	305	317	252	214
Average number of years of continuous service*1	years	(Male) 19.5 (Female) 11.8	(Male) 19.9 (Female) 12.1	(Male) 16.2 (Female) 11.0	(Male) 16.5 (Female) 11.4	(Male) 16.9 (Female) 11.9
Voluntary employee turnover rate (Japan)	%	1.9	2.0	2.3	2.3	1.8
Employee turnover rate due to life events (Japan)*2	%	8.0	6.1	3.4	2.9	2.1
Employee satisfaction (Japan)	pt	73.0	73.3	72.3	73.0	74.4

*1 Covers full-time employees/contract employees of TOTO LTD. up until FY2017. From FY2018, covers full-time employees/contract employees of the TOTO Group (Japan).

*2 Job turnover rate for employees raising children or providing nursing care but still wish to work.

Diversity

(FY)

Indicators	Unit	2016	2017	2018	2019	2020
Percentage of female managers*	%	10.5	13.8	14.4	15.6	17.0 <input checked="" type="checkbox"/>
(Japan)	%	7.6	9.2	10.9	12.3	14.0 <input checked="" type="checkbox"/>
(Overseas)	%	27.9	28.1	26.5	26.6	26.6 <input checked="" type="checkbox"/>
Ratio of employees with disabilities (Japan)	%	2.57	2.60	2.61	2.58	2.63

* Up to FY2017, the number of managers seconded from domestic group companies to overseas group companies was totaled under the category of "Japan." From FY2018, the method was changed to totaling it under the category of "overseas" in order to calculate according to the work location of the management staff.

Work-Life Balance

(FY)

Indicators	Unit	2016	2017	2018	2019	2020
Work hours (Japan)						
Average hours actually worked per year	hours per person	1,994.2	1,991.1	1,969.8	1,936.6	1,910.4
Average hours of overtime per month	hours per person	16.4	16.0	15.1	14.2	11.7
Percentage of paid holidays taken*	%	78.8	74.6	80.8	89.8	89.1 ✓
Number of people using reduced work hour and leave systems (Japan)						
Childcare leave	(no. of personnel)	165	150	130	137	160
Reduced work hours for childcare	(no. of personnel)	219	272	298	289	294
Nursing care leave	(no. of personnel)	7	3	4	7	3
Reduced work hours for nursing care	(no. of personnel)	2	4	9	10	10

* Actual results for full-time/contract employees of TOTO LTD. for the period from FY2014 to FY2016. Actual results for full-time/contract employees of the entire TOTO Group (Japan) for FY2017 and thereafter. Since FY2018 to realize a percentage of paid holidays taken that better reflects actual conditions, the Company carried out such measures as changing the scope of calculation for full-time employees (e.g. employees seconded to positions overseas have been excluded).

Human Resource Development

(FY)

Indicator	Unit	2016	2017	2018	2019	2020
Average training time per employee (Data for full-time employees of TOTO Group)	hours per person	—	11.4	9.3	10.0	9.3

Occupational Safety and Health

(FY)

Indicators	Unit	2016	2017	2018	2019	2020
Lost time injury frequency rate						
TOTO Group employees		0.23	0.29	0.19	0.19	0.13 ✓
TOTO Group contractors (in-plant cooperative firm)		0.13	0.00	0.15	0.15	0.00 ✓
Occupational illness frequency rate						
TOTO Group employees		0.00	0.00	0.00	0.03	0.00 ✓

Suppliers

(FY)

Indicator	Unit	2016	2017	2018	2019	2020
Achievement rate of compliance with the TOTO standards*	%	100	99	100	100	100

* Covers domestic suppliers up until FY2016. From FY2017, covers both domestic and overseas suppliers.

Social Contribution

(FY)

Indicators	Unit	2016	2017	2018	2019	2020
Amount spent on social contribution	billion yen	1.42	1.38	1.39	1.30	1.27
Percentage of employees taking part in volunteer activities	%	100% or more	100% or more	100% or more	100% or more	67

TOTO Water Environment Fund

Indicators	Unit	11th (2016)	12th (2017–2019)	13th (2018–2020)	14th (2019–2021)	15th (2020–2022)
Organizations	no. of organizations	24	35	10	10	10
Grant assistance	million yen	15.5	95.3	17.5	24.7	26.6

Calculation Method of Environmental Performance Data

Indicators	Calculation Method
Scope 1	CO ₂ emissions from the use of fuel + Non-CO ₂ and Non-energy CO ₂ sources. Till FY2016 [CO ₂ emission coefficients] "Guidelines for Calculation of Greenhouse Gas Emissions (Version 2.4)" published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry of Japan. From FY2017 [CO ₂ emission coefficients] "Guidelines for Calculation of Greenhouse Gas Emissions (Version 4.3.1)" published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry of Japan.
	CO ₂ emissions from purchased electricity and heat. Till FY2016 [CO ₂ emission coefficients from electricity (Japan)] "Guidelines for Calculating Corporate Greenhouse Gases Emissions (draft Version 1.6)" published by the Ministry of the Environment of Japan. [CO ₂ emission coefficients from electricity (overseas)] GHG Protocol, Calculation Tools, "Indirect CO ₂ Emission from Purchased Electricity (Version 3.0)." [CO ₂ emission coefficients from steam] "Guidelines for Calculation of Greenhouse Gas Emissions (Version 2.4)" published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry of Japan. From FY2017 [CO ₂ emission coefficients from electricity] CO ₂ emission coefficients from electricity purchased based on TOTO Group contracts. [CO ₂ emission coefficients from steam] "Guidelines for Calculation of Greenhouse Gas Emissions (Version 4.3.1)" published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry of Japan.
Scope 2	CO ₂ emissions from purchased electricity and heat. Till FY2016 [CO ₂ emission coefficients from electricity (Japan)] "Guidelines for Calculating Corporate Greenhouse Gases Emissions (draft Version 1.6)" published by the Ministry of the Environment of Japan. [CO ₂ emission coefficients from electricity (overseas)] GHG Protocol, Calculation Tools, "Indirect CO ₂ Emission from Purchased Electricity (Version 3.0)." [CO ₂ emission coefficients from steam] "Guidelines for Calculation of Greenhouse Gas Emissions (Version 2.4)" published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry of Japan. From FY2017 [CO ₂ emission coefficients from electricity] CO ₂ emission coefficients from electricity purchased based on TOTO Group contracts. [CO ₂ emission coefficients from steam] "Guidelines for Calculation of Greenhouse Gas Emissions (Version 4.3.1)" published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry of Japan.
Scope 3 Category 11 (Use of Sold Products)	Lifetime* ¹ CO ₂ emissions* ² per unit from major products* ³ × Sales quantity. *1 Duration of use by product classification (defined by TOTO). *2 CO ₂ emissions from consumption of water and energy based on specifications and usage models (based on the information published by industry associations and research articles, etc.) by sales areas. *3 Toilets, WASHLET, faucets, urinals (only in Japan) and bathtubs (only in Japan). [CO ₂ emission coefficients from electricity (Japan)] Average for 5 years (from FY2009 to FY2013) of CO ₂ emissions coefficients (adjust basis) indicated in "Environment Action Plan by the Japanese Electric Utility Industry" by the Federation of Electric Power Companies of Japan. [CO ₂ emission coefficients from electricity (overseas)] IEA (International Energy Agency), "CO ₂ Emissions from Fuel Combustion 2017." [CO ₂ emission coefficients from water (Japan)] Japan Sanitary Equipment Industry Association, "CO ₂ Conversion Coefficients from Water." [CO ₂ emission coefficients from water (overseas)] The figures are based on the factors of CO ₂ emissions from plumbing equipment in China and other Asian countries, which are described in reports from the Ministry of the Environment, the Ministry of Economy, Trade and Industry and other research reports. They are set from 0.39kg-CO ₂ /m ³ to 1.11kg-CO ₂ /m ³ by sales areas. Some of the figures are based on their neighboring or similar countries. [CO ₂ emission coefficients from gas] "Guidelines for Calculation of Greenhouse Gas Emissions (Version 4.3.1)" published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry of Japan.
Scope 3 Other categories	Total from categories 1, 2, 3, 4, 5, 6, 7, 9, 12 and 14, excluding either the Company's business activities or the totals from categories 8, 10 and 13. Calculated based on the "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (Version 2.3)" published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry of Japan.
Quantity of energy consumption	Total quantity of energy consumption of electricity, fuel and heat consumption at offices and factories. Till FY2016 [Heating value per unit] "Guidelines for Calculation of Greenhouse Gas Emissions (Version 2.4)" published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry of Japan. From FY2017 [Heating value per unit] "Guidelines for Calculation of Greenhouse Gas Emissions (Version 4.3.1)" published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry of Japan.

Quantity of non-renewable fuel consumption	Total quantity of non-renewable fuel (city gas, natural gas, diesel gas, etc.) consumed within the quantity of energy consumption.
Quantity of non-renewable electric power consumption	Total quantity of non-renewable electric power consumed within the quantity of energy consumption.
Quantity of other types of non-renewable energy consumption	Total quantity of non-renewable steam and other types of energy consumed within the quantity of energy consumption.
Quantity of renewable energy consumption	Total quantity of renewable energy consumed that was generated at business sites and renewable energy that was purchased from outside the TOTO Group. Until FY2017, quantity of renewable energy consumption included only renewable energy which was generated at business sites.
Energy cost	Total amount of energy purchased that was used at business sites.
Quantity of water consumption	Total quantity of water intake (municipal water, groundwater and industrial water) into offices and factories.
Groundwater consumption	Total quantity of groundwater intake into offices and factories.
Wastewater	Total quantity of wastewater from business sites to sewage and public waters.
Reused water	Total quantity of reused water in offices and factories.
Waste generated	Total quantity of waste generated in offices and factories (including valuable resources). However, general waste other than waste paper and corrugated cardboard generated at non-manufacturing sites is not included because the amount is small.
Hazardous waste generated	Total quantity of specially controlled industrial waste generated at business sites in Japan.
Final disposal	Total quantity of final disposal without recycling in offices and factories.
Recycling amount	Total quantity of recycled waste within the overall waste generated at business sites.
Recycling rate	$(\text{Quantity of waste recycled} / \text{Quantity of waste generated}) \times 100$. Does not include quantity of waste for which disposal by sanitary landfill is required by laws and regulations in areas where TOTO factories are located. Also does not include waste that cannot be recycled due to lack of disposal technology and equipment by waste treatment vendors in the areas where business sites are established.
Chemical substance emissions	Amount of chemical substance emission based on the PRTR Law at business sites in Japan.
SOx emissions	Total amount of each emission from facilities in each country subject to regulations regarding soot and smoke emissions.
NOx emissions	It was calculated by multiplying the amount of exhaust gas (actual measured value) by the concentration in exhaust gas (actual measured value).
Dust emissions	Until FY 2019, one consolidated subsidiary calculated its atmospheric emissions based on the maximum amount of exhaust gas of its facilities. Since FY 2020, however, the calculation has been revised to reflect the actual emissions based on actual volume of exhaust gas in order to appropriately represent actual conditions. As a result of this change, SOx emissions, NOx emissions, and Dust emissions in FY 2020 were reduced by 8.6 tons, 33.2 tons, and 52.5 tons, respectively, compared to previous calculation methods.
VOC emissions	Total air emissions related to the use of volatile organic compounds (VOCs) at business sites in Japan.
Percentage of ISO 14001 certification acquisition	Percentage of employees at ISO 14001 certificated locations among all employees.

* Information on "Substances Subject to the Total Effluent Control System" and "Substances Subject to the PRTR Law" by business site in Japan can be viewed on our website.
<https://jp.toto.com/en/company/csr/environment/clean/risk.htm>

Calculation Method of Social Performance Data

Indicators	Calculation Method
After-sales service satisfaction rate	Proportion of customers rating services of the TOTO Group (Japan) as "satisfactory" or better.
Total satisfaction index of the showrooms	Measure of overall satisfaction with recommendations received from the TOTO Group (Japan).
Ratio of customers impressed with bath module assembly	Proportion of customers rating service representative behavior and workmanship of the TOTO Group (Japan) as "excellent."
Evaluations on customer response quality	Results of scores given by in-house evaluation specialists regarding the response quality of call center services of the TOTO Group (Japan), with 100 being a perfect score. Evaluation method was changed from FY2020. (FY2016 to FY2019 are listed as reference values because they are evaluation points under the previous evaluation method.)
Ratio of repairs completed within two days of reception (overseas)	Ratio of requests for repairs from overseas customers in major countries where TOTO products are sold that were completed within two days among all requests from overseas customers in major countries.
Percentage of ISO 9001 certification acquisition	Percentage of employees at ISO 9001 certificated locations among all employees.
Group total number of employees	Number of full-time/contract/temporary employees in companies of which the parent company is a TOTO Group company. Includes employees seconded to positions outside the Group; does not include employees seconded from outside the Group.
Number of graduate recruits	Data for full-time employees of the TOTO Group (Japan).
Average number of years of continuous service	Data for full-time/contract employees of the TOTO Group (Japan). Data for full-time/contract employees of TOTO LTD. until FY2017.
Voluntary employee turnover rate	Data for full-time employees of the TOTO Group (Japan).
Employee turnover rate due to life events	Data for full-time employees of the TOTO Group (Japan). Rate of employees who left their position due to giving birth, raising children, getting married and providing nursing care, among total number of employees who left for personal reasons.
Employee satisfaction	Data for full-time/contract/temporary employees of the TOTO Group (Japan). Calculated based on the overall score (average value of comparable items for 3 years) from TOTO Group Awareness Survey of employees.
Percentage of female managers	Percentage of women among all managers in the TOTO Group. Positions calculated as managerial posts indicate the level of section chief and above, among full-time and contract employees. Calculated based on data as of April 1 of the following year (of each fiscal year) for Japan and the end of December for overseas companies. Up to FY2017, the number of managers seconded from group companies in Japan to these outside Japan was totaled under the category of "Japan." Since FY2018, the method was changed to totaling it under the category of "overseas" in order to calculate according to the work location of the management staff.
Ratio of employees with disabilities	Data for the TOTO Group (Japan). Calculated based on the calculation standard for the mandatory proportion of jobs for people with disabilities established in Japan.
Average hours actually worked per year	Data for full-time/contract employees of the TOTO Group (Japan).
Average hours of overtime per month	Data for full-time/contract employees of the TOTO Group (Japan).
Percentage of paid holidays taken	Percentage of paid holidays actually taken by employees among paid holidays newly granted to them every year (excluding carry-over ones). Actual results of full-time/contract employees of TOTO LTD. until FY2016. Since FY2017, actual results of full-time/contract employees of the TOTO Group (Japan).
Number of people using reduced work hour and leave systems	Data for full-time/contract employees of TOTO LTD.
Average training time per employee	Data for full-time employees of the TOTO Group.
Lost time injury frequency rate	Number of lost time injuries per 1 million hours worked. The data covers manufacturing and research & development sectors. Two equity-method affiliated companies (Voreto (Xiamen) Plumbing Technology Co., Ltd. and P.T. Surya TOTO Indonesia) that are subject to the TOTO Group's management for safety and health, are included. "TOTO Group contractors" cover the TOTO Group's overall contractors. Considering the Japanese way of thinking about the Industrial Safety and Health Act, contractors in the areas of company cafeteria, cleaning and security have been excluded.

Occupational illness frequency rate	<p>Number of incidences of illness in the course of employment per 1 million hours worked. (It was calculated based on the number of employees applicable to work-related accidents.) Covers illnesses determined by Article 35 of the Ordinance for Enforcement of the Labor Standards Act.</p> <p>The data covers manufacturing and research & development sectors.</p> <p>It covered employees in Japan until FY2016 and has covered the whole TOTO Group (in Japan and other countries) since FY2017.</p>
Achievement rate of compliance with the TOTO standards	Rate of suppliers who have cleared standards for compliance items determined by the TOTO Group among all suppliers surveyed each year (includes completion of corrective actions).
Amount spent on social contribution	Includes cash donations, donated products and services, and management and administrative fees for independent programs, etc.
Percentage of employees taking part in volunteer activities	Ratio of the number of employees who participated in volunteer activities to the total number of employees on a consolidated basis.
Organizations	Number of organizations selected based on Company standards.
Grant assistance	<p>Determined based on matching contribution from TOTO, which is the same amount as the contribution based on relations between each stakeholder (customer, shareholder and employee).</p> <p>In FY2017, as the commemorative event of the 100th anniversary, the amount was increased.</p>

Independent Assurance Report



Independent Assurance Report

To the President, Representative Director of TOTO LTD.

We were engaged by TOTO LTD. (the “Company”) to undertake a limited assurance engagement of the environmental and social performance indicators marked with “☑” (the “Indicators”) for the period from April 1, 2020 to March 31, 2021 (with the exception of the Indicator “Ratio of female managers (Japan)” which is as of April 1, 2021) included in its TOTO GROUP Integrated Report 2021 Financial and Non-Financial Data (the “Data”) for the fiscal year ended March 31, 2021.

The Company’s Responsibility

The Company is responsible for the preparation of the Indicators in accordance with its own reporting criteria (the “Company’s reporting criteria”), as described in the Data.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Indicators based on the procedures we have performed. We conducted our engagement in accordance with the ‘International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information’ and the ‘ISAE 3410, Assurance Engagements on Greenhouse Gas Statements’ issued by the International Auditing and Assurance Standards Board. The limited assurance engagement consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the Data, and applying analytical and other procedures, and the procedures performed vary in nature from, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:

- Interviewing the Company’s responsible personnel to obtain an understanding of its policy for preparing the Data and reviewing the Company’s reporting criteria.
- Inquiring about the design of the systems and methods used to collect and process the Indicators.
- Performing analytical procedures on the Indicators.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company’s reporting criteria, and recalculating the Indicators.
- Making inquiries and reviewing materials including documented evidence of two of the Company’s subsidiaries selected on the basis of a risk analysis, as alternative procedures to a site visit.
- Evaluating the overall presentation of the Indicators.

Conclusion

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Indicators in the Data are not prepared, in all material respects, in accordance with the Company’s reporting criteria as described in the Data.

Our Independence and Quality Control

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Control 1, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

KPMG AZSA Sustainability Co., Ltd.
Osaka, Japan
June 29, 2021



TOTO

Life Anew