

The Idea Concerning the TOTO Group Human Rights Policy (Full Text)

The TOTO Group
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The TOTO Group wants to be an entity that constantly assumes a leading role in the realization of a sustainable society by creating added value, which is useful for society, and employment, as well as by autonomous and responsible actions through fair and free competition. To realize that, all people working for the TOTO Group strive to play an active role with a strong sense of duty based on the concepts indicated in the corporate motto and philosophy, and to fulfill their social responsibilities.

Deploying its business activities that respect the human rights of all people in each country and region and contributing to the development of such activities are stipulated in the Charter of TOTO Group Corporate Behavior, which is the basic stance of behavior of all people working for the TOTO Group, and the Human Rights Policy stipulates the policy to fulfill responsibility to respect human rights as a company based on the Charter of TOTO Group Corporate Behavior.

Based on the United Nation's Guiding Principles on Business and Human Rights, the TOTO Group supports and respects international norms of human rights, such as the International Bill of Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, Children's Rights and Business Principles, and similar declarations and standards.

1. Responsibility for respecting human rights and legal compliance

The TOTO Group shall comply with the laws and regulations in each country and region, as well as international norms. If internationally recognized human rights and the laws and regulations in each country and region contradict, the TOTO Group shall pursue ways to respect the principles of international human rights while complying with local laws.

2. Assessment and review of the risks related to human rights (Human rights due diligence)

The TOTO Group has stipulated the key issues (Annex 1) concerning the human rights risks in its business activities and been working on the reduction of such risks through the due diligence process. The key issues will be regularly assessed and reviewed according to the changes in social circumstances and its business activities.

To fulfill the responsibility to respect human rights, the TOTO Group shall build a mechanism of human rights due diligence* and continuously implement this.

*Human rights due diligence: To identify adverse impacts on human rights in corporate activities, prevent and mitigate such impacts, and transmit information.

3. Correction and remedy

If it has become clear that the TOTO Group's business activities caused, contributed to, or resulted in adverse impacts on human rights, the TOTO Group shall work on the correction of such impacts through the appropriate means.

The TOTO Group shall work on the building of the system to be able to receive concerns and complaints from stakeholders through the internal and external whistleblowing desks where those to whom adverse impacts on human rights have occurred or are likely to occur can consult and strive to solve the problems or implement remedial measures. The TOTO Group shall also accept anonymous whistleblowing and confidentiality, such as the name, of the whistleblower, shall be strictly observed.

4. Dialogues with stakeholders

The TOTO Group shall evolve a series of initiatives of the Human Rights Policy through dialogues and discussions with stakeholders. The TOTO Group shall also disclose the status of the initiatives of respecting human rights through its website and other means of communication.

5. Human rights education

In order for the Policy to be established in the entire corporate activities and effectively implemented, the TOTO Group shall provide the appropriate education and training to all people working for the TOTO Group and encourage its suppliers and the persons concerned who are involved in its businesses, products, or services.

6. Continuous initiatives for respecting human rights

To enhance the initiatives for human rights, the TOTO Group shall regularly review and improve the Human Rights Policy.

[Scope of Application]

The Human Rights Policy shall be applied to all people* working for the TOTO Group.

*The Policy shall be applied among consolidate subsidiaries.

*All people include directors, contract employees, part-time employees, and temporary employees.

The TOTO Group shall also require its suppliers and the persons concerned who are involved in its businesses, products, or services (including business partners) to understand and support the content of the Human Rights Policy and continuously encourage them to respect the Human Rights Policy.

[Structure/Governance]

As the mechanism to implement and supervise fair and equitable management, the TOTO Group has built the corporate governance structure. With regard to the sustainability issues including human rights, the policy has been formulated by the Sustainability Committee in which the president, representative director is the chairperson and deployed to the relevant divisions and the Group companies at home and abroad, and cross-functional activities have been conducted.

[Annex 1] Key Human Rights Issues

	Item	Details
1	Prohibition of forced labor	The TOTO Group shall not be involved in any forced labor, such as labor by slaves or human trafficking.
2	Prohibition of child labor	The TOTO Group shall not be involved in any child labor.
3	Infringement of freedom of association / Infringement of the right to collective bargaining	The TOTO Group shall respect the basic rights for all the working people, such as freedom of association and the right to collective bargaining.
4	Prohibition of discrimination	The TOTO Group shall respect the basic human rights and prohibit discrimination based on the race, belief, sexuality, social status, nationality, disability, employment status, age, and religion.
5	Prohibition of harassment	The TOTO Group shall strive for the eradication of any harassment, such as sexual harassment, power harassment, harassment of pregnancy, childbirth, childcare leave, and long-term nursing care leave.
6	Realization of a safe and healthy working environment	The TOTO Group shall create a comfortable working environment that promotes the physical and mental health of its employees through daily health and safety programs.
7	Management of working hours	The TOTO Group shall manage working hours in each country and region where the Group deploys its business activities so that the respective working hours shall not exceed the limits stipulated by the local applicable laws
8	Payment of decent wages	The TOTO Group shall pay wages that comply with all applicable laws on wages in each country and region where the Group deploys its business activities, which include the laws related to the minimum wage, overtime work, and legally obliged employee benefits.
9	Acquisition and handling of personal information	The TOTO Group shall observe the laws and regulations related to personal information protection and international norms and respond to the standards in each country and region. The Group shall also protect it from leakage, falsification, destruction, and other damage through the appropriate protective measures.
10	Rights of Foreign Workers (including migrant workers)	We understand the vulnerability of the position of foreign workers (including migrant workers) and respect their human rights and internationally recognized labor rights.
11	Business Operations in Countries in Conflict or Pre/Post-Conflict Situations	We deepen our understanding of the situations of the areas affected or potentially affected by conflict, and other reasons and work to prevent adverse effects on human rights.