

TOTO

Life Anew



TOTO Group

**Integrated Report
2025**

Inherited Spirit



1903

TOTO's first president, Kazuchika Okura, traveled to Europe to research hard white porcelain. There, he came into contact with Western-style sanitary bathroom culture, and became convinced sanitary ware would eventually become a necessity in Japan.

1912

Kazuchika and his father, Magobei Okura, invested their own funds to establish a porcelain manufacturing laboratory inside the Nippon Toki Gomei kaisha (now NORITAKE CO., LIMITED) plant.



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Providing a healthy and civilized way of life



©NORITAKE CO., LIMITED

1914

After much struggle and approximately 17,280 mixing and test firing attempts, Kazuchika finally succeeded in creating the first domestically produced ceramic seated flush toilet, and subsequently launched sales on a trial basis.

1917

Established Toyo Toki Company, Limited
Kazuchika became the first president, and in his cornerstone speech, expressed his desire to supply quality products that meet global standards.



Kindness Must Always Come First

Words of Our Founder

Kindness must always come first.
Bring the concept of service to your work.
Your goal should be to provide good products and
satisfy the customer.
Accomplish that, and profit and
prosperity will follow.
Many in this world chase after the shadow of profit.
But, in the end, they never capture the real thing.

A letter titled "Words of Our Founder" from the first president, Kazuchika Okura, to his successor, Saburo Momoki, has been passed down to successive presidents. The philosophy system for TOTO Group management, including the Company Mottos and Corporate Philosophy, is based on the idea that "Kindness must always come first. Your goal should be to provide good products and satisfy the customer. Accomplish that, and profit and compensation will flow." This philosophy system has been instilled in all employees, and acting in accordance with this philosophy has become the corporate culture of the TOTO Group.



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1917, first president

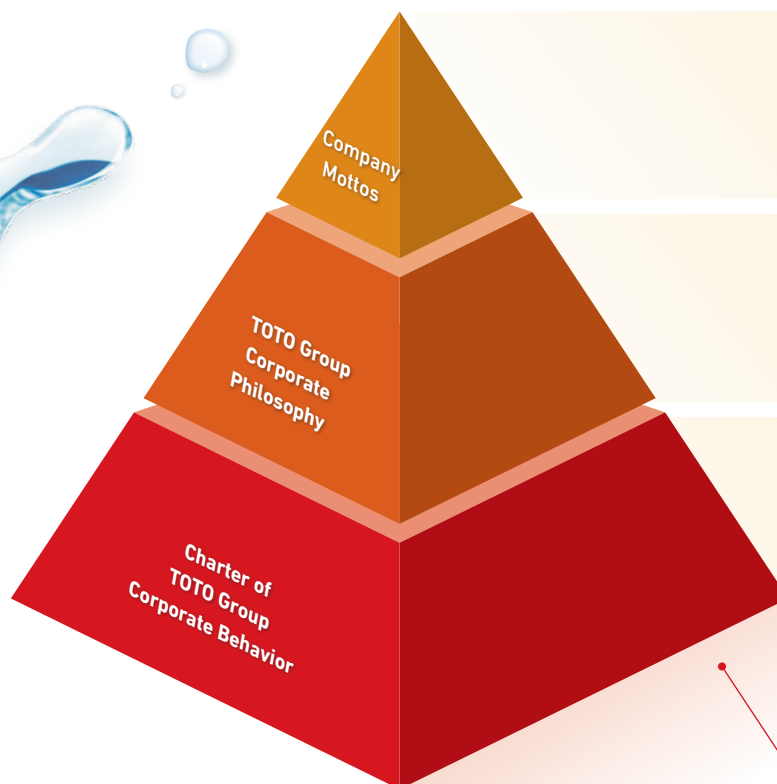
Kazuchika Okura

Kazuchika Okura was captivated by the profound appeal of ceramics and embarked on a relentless pursuit of his ideals. His efforts laid the foundation for the modern Japanese ceramics industry, including becoming the first president of Nippon Toki Gomei Kaisha (now NORITAKE CO., LIMITED), which he founded with his father, Magobei Okura, as well as founding TOTO LTD. and NGK Insulators, Ltd., and encouraging the founding of Niterra Co., Ltd.

Philosophy System for TOTO Group Management

The Spirit of TOTO Unchanging for 100 Years

Philosophy System for TOTO Group Management



Common Group Philosophy

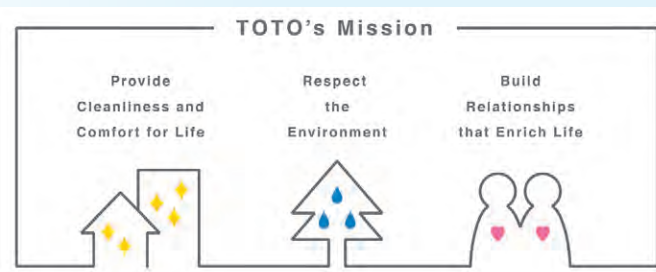
The Common Group Philosophy represents the inherited values of TOTO that are shared among employees and will be carried forward into the future.

Vision

Toward a Dynamic, Vibrant and Excellent TOTO

Mission

TOTO
Life Anew



Mid- or Long-Term Management Plan

Shared Value Creation Strategy TOTO WILL2030

Company Mottos

The Company Mottos represent the thoughts of the founder to be passed down through the generations.

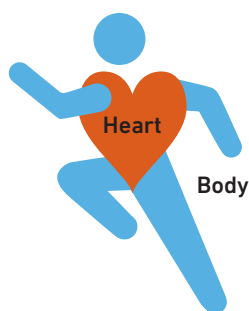
TOTO Group Corporate Philosophy

Our Corporate Philosophy, based on the thoughts of the founder to be passed down through the generations, communicates to all of our stakeholders the purpose for which our company exists, our business domains, and the type of company we aim to be.

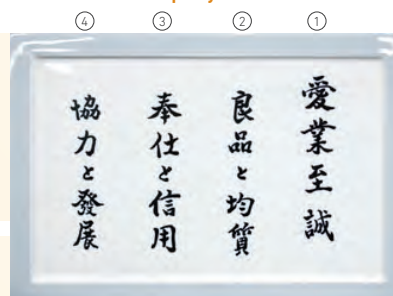
Charter of TOTO Group Corporate Behavior

The Charter of TOTO Group Corporate Behavior stipulates the basic stance of behavior of all people working for the TOTO Group to realize all stakeholders' satisfaction.

Details are published on the TOTO Group website.
<https://jp.toto.com/en/company/profile/philosophy/group/>



Company Mottos



- ① Take Pride in Your Work, and Strive to Do Your Best
- ② Quality and Uniformity
- ③ Service and Trust
- ④ Cooperation and Prosperity

TOTO Group Corporate Philosophy

The TOTO Group strives to be a great company trusted by people all around the world, and contributing to the betterment of society.

To achieve our Corporate Philosophy, TOTO will:

- > Create an enriched and more comfortable lifestyle and culture built on our plumbing products.
- > Pursue customer satisfaction by exceeding expectations with our products and services.
- > Provide high-quality products and services through ongoing research and development.
- > Protect the global environment by conserving finite natural resources and energy.
- > Create an employee friendly work environment that respects the individuality of each employee.

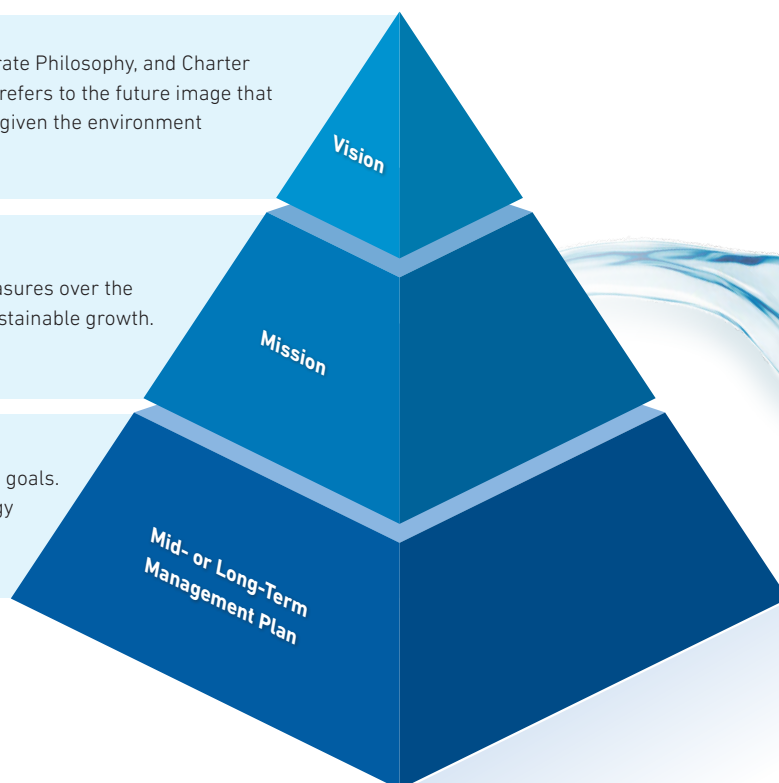
Vision for Business Activities

Our vision and mission are positioned as the course of our business activities that change in accordance with the demands of the times.

Based on the Company Mottos, TOTO Group Corporate Philosophy, and Charter of TOTO Group Corporate Behavior, this statement refers to the future image that TOTO Group senior management seeks to achieve given the environment surrounding the Company at the time.

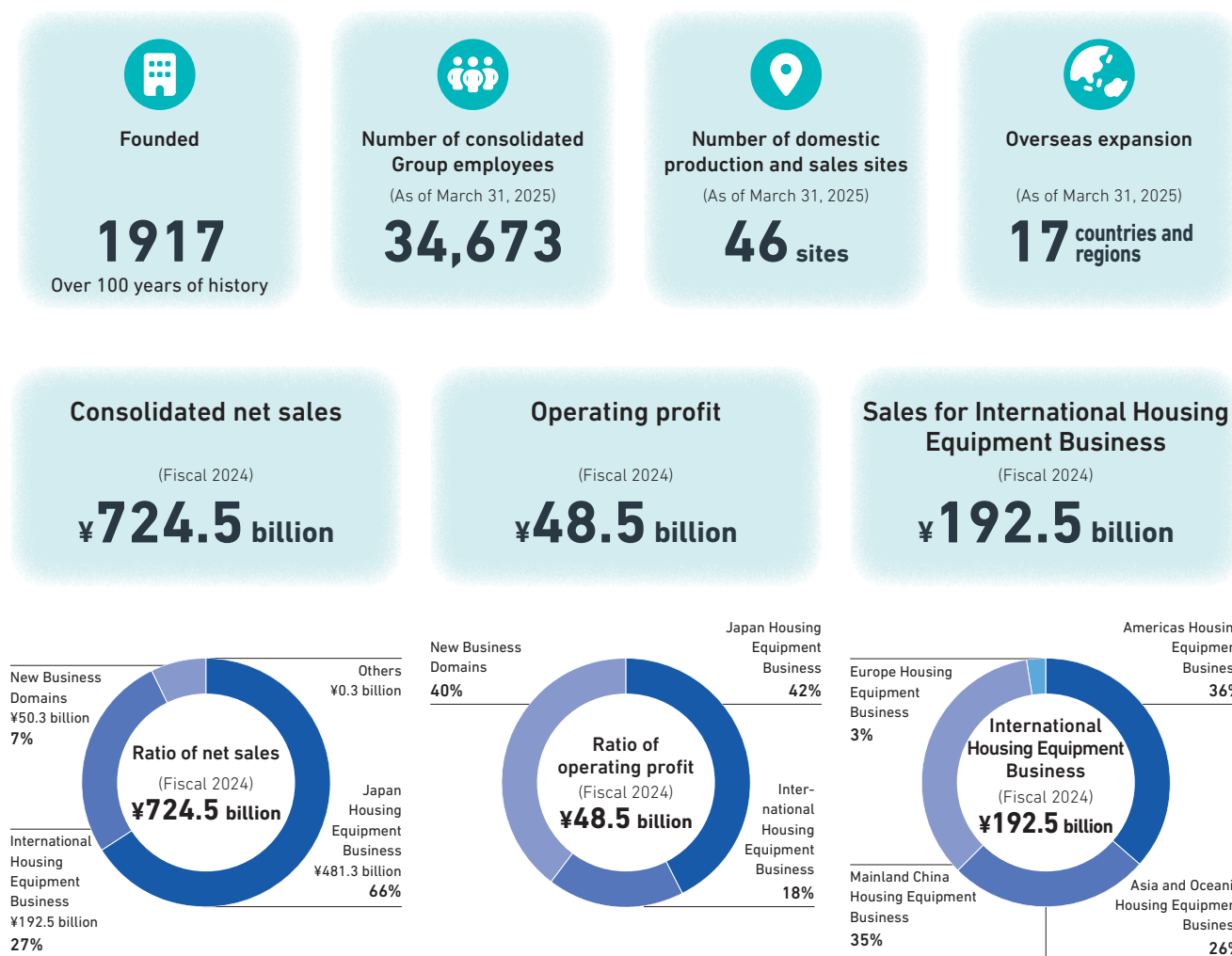
This statement expresses the most important measures over the medium to long term for achieving TOTO Group sustainable growth.

Refers to the TOTO Group's ideal state and specific goals. We will promote the Shared Value Creation Strategy TOTO WILL2030.



About the TOTO Group

Business Overview



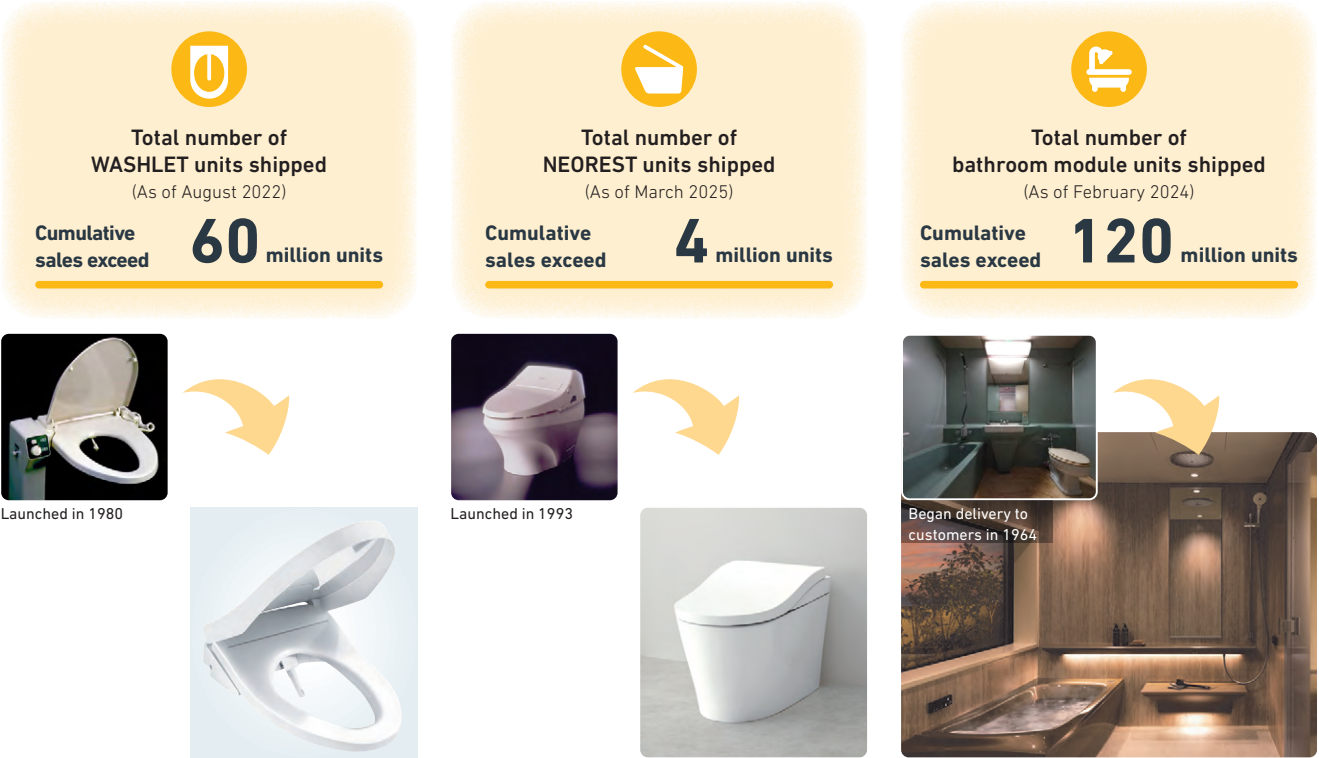
■ Main housing-related products



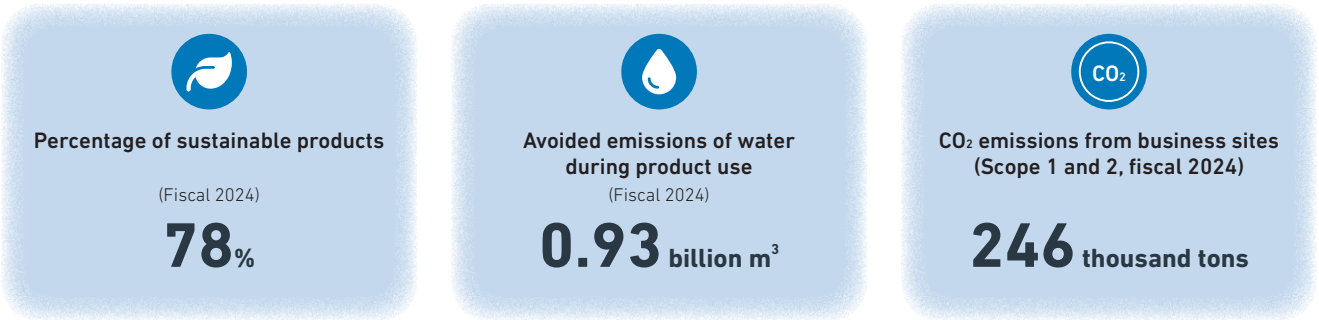
■ Main ceramic products



Products



Environment



Stakeholder satisfaction



HIGHLIGHTS

P. 1–4



Inherited Spirit and Philosophy System

This section conveys the aspirations of our predecessors cherished by the TOTO Group for more than 100 years, and the Corporate Philosophy based on those aspirations that we will pass down to future generations.

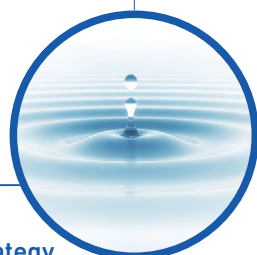
P. 9–16



Message from the President

President, Representative Director Shinya Tamura explains TOTO Group efforts to become a company that serves and is needed by customers and society as a whole, reviews issues in need of improvement and achievements through fiscal 2024, and discusses growth strategies to further enhance corporate value.

P. 47–70



Shared Value Creation Strategy WILL2030 STAGE 2

This section explains the business strategies that will drive overall TOTO Group growth led by the Americas Housing Equipment Business, the Advanced Ceramics Business, and other growth segments.

P. 73–75



Financial Strategy

This section explains initiatives aimed at increasing profitability and efficiency centered on ROIC to ensure management is conscious of capital costs and stock price.

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Mid- or Long-Term Management Plan Shared Value Creation Strategy TOTO WILL2030

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Editorial Policy

The TOTO Group Integrated Report 2025 has been published as an integrated communication tool for all our stakeholders. This report introduces information such as the origins of the TOTO Group and business activity topics in addition to business and sustainability policies and strategies. In addition, it communicates TOTO's corporate stance to remain committed to linking its past and present performance with its initiatives designed to further enhance corporate value for the future.

Period of Reporting

Fiscal 2024
(April 1, 2024 to March 31, 2025)

* This report includes some information pertaining to before or after the period.

Scope of Reporting

TOTO LTD. and Group companies

WILL2030 Social and Environmental	
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Statement of Results

Results and plans are based on the new accounting standards for revenue recognition.

Guidelines

- International Integrated Reporting Framework
- Guidance for Collaborative Value Creation, Ministry of Economy, Trade and Industry
- Sustainability Reporting Standards, Global Reporting Initiative (GRI)

 Reference guidelines are available on the TOTO Group website.
<https://jp.toto.com/en/company/csr/gri>

Financial and Non-Financial Data

Financial and non-financial data can be found at the end of this report and published as a separate document on the TOTO Group website.

 Financial and Non-Financial Data
<https://jp.toto.com/en/company/profile/library>

Integrated Report Editorial Team

The TOTO Group Integrated Report 2025 was created through collaboration between divisions across the entire Company, with a focus on the editorial team in the Management Planning Division.



Message from the President



Shinya Tamura

President, Representative Director

With “All for the customer” as our shared goal, we strive to bring greater kindness to the world.

Every action we take is for the customer and for society as a whole.

Guided by this approach, we aim to be a corporate group in which all Group employees around the world take pride in the TOTO Group Corporate Philosophy, find fulfillment in their work, engage in honest dialogue, and feel empowered to take on new challenges.

With this aspiration, we will seek to deliver an enriched future to the next generation while co-creating new value with our stakeholders.

Valuing “Kindness Must Always Come First” as the Unbreakable Bond at the Heart of TOTO

On April 1, 2025, I was appointed as the 18th president of the TOTO Group. Since then, I have visited our offices across Japan to communicate our management policies to Group employees. In my conversations with employees, I gained a greater sense of the pride they take in the words, “Kindness Must Always Come First,” which were written by TOTO’s first president Kazuchika Okura in a letter to the second president Saburo Momoki. These Words of Our Founder are ingrained in the heart of TOTO and serve as the source for the Company Mottos and Corporate Philosophy, forming an unbreakable bond that unites the Group’s roughly 35,000 employees. Seeing our Group employees across the globe embrace the Corporate Philosophy and engage in passionate discussion with each other on a daily basis, I feel that this is something that is truly unique to TOTO. The essence of this message is in the one simple word—“kindness.” Being kind means that we are useful to people. In my office visits, I repeatedly asked employees what they felt kindness means for TOTO in today’s world. As a company, we have defined the areas in which we want to demonstrate kindness as the three material issues adopted under Shared Value Creation Strategy TOTO WILL2030 (WILL2030): Cleanliness and Comfort; Wellness, Environment, and Relationships. Serving people and society as a whole—this is our *raison d’être*.

The Words of Our Founder go on to stress the importance of providing good products that satisfy the customer and that profit is merely something that comes as a consequence of doing so. To that end, it is crucial to determine how we will invest this profit in new ways to serve society. For example, one pressing issue for us to focus on is reducing the CO₂ emitted during the ceramic firing process through research into kilns powered by hydrogen. In my policy briefing sessions with Group employees, before discussing our business performance, I talked about the results of our efforts to reduce CO₂ and conserve water. I did so in order to share the true purpose of our business activities and to align all parts of our operations with the Corporate Philosophy.

Ensuring Employees Find Joy in Their Work with a Foundation for Their Personal Growth

My first task after being appointed president was overseeing the entrance ceremony for new employees. In my speech at the ceremony, I shared a message of encouragement, urging new employees to establish a personal foundation from which they can grow their own branches. If each employee can find their own area in which they, as a professional, can demonstrate their best possible performance, that becomes the foundation on which they can pursue personal growth. Looking back on my career, my first such foundation was developing products for people with disabilities as an engineer in the WASHLET Production Division. In collaboration with a woman in her twenties who was left paralyzed after a traffic accident and could no longer use the toilet without assistance, I helped develop an easy-to-use remote control that featured four buttons: wash, flush, stop, and dry. When testing the prototype for this product, this woman shed tears of joy, stating that she could finally use the toilet on her own again. Although this was just one person, I felt that I had been of use to her and that her life had changed for the better. This experience brought me joy and made me realize the great responsibilities I had in my work. It also ingrained in me the importance of “Kindness Must Always Come First.”

Another foundation for me in my career was working as president of TOTO Vietnam Co., Ltd. At that time, employee retention rate and production capacity at the company were low—as was morale. Wanting to create a new team spirit under the concept of “working is more fun when we work as one,” I suggested we organize a group choreography to spell out TOTO in celebration of the 10th anniversary of TOTO Vietnam’s founding. Around 2,000 people arrived at the national stadium in Vietnam via 40 buses, and within 10 minutes we made a formation spelling out TOTO. Our performance received a booming applause from the roughly 2,000 employee family members who came to watch. Through the detailed communication we built up from the early planning stages, this successful experience helped employees realize that bringing joy to others can be a source of their own happiness. I believe it also gave them a true sense of accomplishment that comes from working together to achieve something as one team. Following this, they began to take pride in being a part of the TOTO Group and feel a sense of belonging, and started to work with more enthusiasm on the front lines. I also decided to express the TOTO Group Corporate Philosophy in simpler terms, “All for the customer,” to encourage employees to thoroughly consider if they are truly being of use to the customer and who exactly their customer is. By doing so, we started to see improvement in employee both retention rate and production capacity. When it came time for me to return to Japan, all employees of TOTO Vietnam surprised me by lining up to send me off. It was then I thought to myself how lucky I was to work with such a great team. Now, in my position as leader of the TOTO Group, I will strive to communicate the joy and excitement that comes from working for the sake of others to all Group employees around the world.



Event to celebrate TOTO Vietnam’s 10-year anniversary



Becoming a Stronger Organization by Enhancing Ideas and Speed Through Honest Dialogue

Fiscal 2025 marks the halfway point of TOTO WILL2030. At this juncture, we are starting to see clearly which areas are progressing well in each business and which are still facing challenges. Through an investigation and analysis of our success and failures, we have discovered that the speed at which we respond to change has been the underlying factor. Our goal of achieving over ¥1 trillion in sales by fiscal 2030 is not simply an idealistic target. Rather, it is a number that represents the collective satisfaction of TOTO fans around the world—and I firmly believe that it's a goal we are fully capable of achieving. While remaining committed to this ultimate goal, we will make changes flexibly to our approach without hesitation, taking steps to reform our business structure as we push forward with efforts at full speed. To do so, we must identify needs with an awareness of who we want to enjoy our products and how we want them to do so, proactively preparing a variety of approaches in advance. Although the speed required for the Housing Equipment Business and the Advanced Ceramics Business differs greatly, they both share the same key to success: anticipating needs and responding promptly. To that end, we must accelerate the speed at which we make proposals in these businesses by drawing on the advancements of AI. However, our people, who possess insight and bold ideas, serve as the lifeblood of TOTO. We can make our organization stronger by empowering employees as individuals to engage in honest dialogue and close communication based on a conviction to "Kindness Must Always Come First." Recently, we have revamped our executive team, who determines the direction of our organization. While I am still relatively young compared to other members, I will not hesitate to voice my opinion or take action. I believe that executives, regardless of age or career history, should speak openly from the heart, as doing so helps accelerate decision-making and strategic execution, thereby strengthening the TOTO Group as a whole. I personally have seen many dramatic organizational changes at both our domestic and overseas locations. Based on this experience, I believe the TOTO Group has limitless potential if we can enable our employees to leverage their insight and generate ideas freely.

To truly accelerate our operations and realize open discussion, we must also pursue efficiency to deliver the best possible results with the least possible investment. To that extent, we will step up efforts to increase profits through Groupwide ROIC improvement activities, in which each employee pursues improvements with an awareness of capital efficiency.

Defining the Vision for the Japan Housing Equipment Business—the Core of TOTO

I believe that rebuilding the Japan Housing Equipment Business and the Mainland China Housing Equipment Business is our most pressing issue. By boldly restructuring our position and establishing a foundation that supports Groupwide growth in both these regions, we will aim to achieve the targets of WILL2030.

In the core Japan Housing Equipment Business, we have steadily delivered results through ongoing cost reductions and flexible price adjustments. However, the impact of various cost increases has led to a decline in profits. We will therefore seek to reverse this trend by working to enhance profitability. To that end, we are promoting the sales of sustainable high-value-added products, advancing our “*Anshin*” Remodeling Strategy, and accelerating efforts to bolster productivity, thereby shifting to a highly profitable business structure resilient to changes in the external operating environment. In 1993, after Japan’s market for new housing had already peaked, TOTO made a bold commitment to its visionary Remodeling Declaration, shifting to a growth strategy focused on the market for existing housing. We take pride in the fact that we drove expansion in remodeling demand by doing so. As a company with the leading brand in Japan, we will continue to deliver new, untapped value to customers ahead of the curve, thereby making a lasting impact on society.

Building a Future of “Daily Wellness” with Our New Products

As a major step toward realizing the material issue Cleanliness and Comfort; Wellness, we launched NEOREST LS-W and NEOREST AS-W, two new products in our WASHLET integrated toilet bowl series, in Japan in August 2025, which are garnering a great amount of attention from the market. Equipped with the new Stool Scan function, the product automatically analyzes stool data and offers new proposals for daily wellness that can be confirmed through the TOTO Wellness smartphone app. If the habit of gaining health insights through daily toilet use becomes established, it will redefine the role and meaning of the bathroom space itself. This type of easily accessible health solution that can be pursued through daily living is a perfect example of the kindness that is unique to TOTO. Delivering new and exciting experience-based value to our customers is the essence of what we aim for under WILL2030. Guided by this aim, we will continue to explore the potential of daily wellness with a view to expanding solutions in kitchen and bathroom settings.

Restoring the Mainland China Housing Equipment Business through the Trust of TOTO Fans

We have reflected deeply on the fact that our delayed response to rapid market changes in the Mainland China Housing Equipment Business has led to a decline in profitability. As our first step in rectifying the situation, we will focus our resources on areas in which we can leverage our strengths, centered on remodeling. In addition, we will reorganize our production structure by closing two of our four sanitary ware plants. Looking ahead, we will transition to a business model that generates stable profits through reforms to our production, sales, and product structures. As part of this process, we will aim to return to profitability in fiscal 2026, with the goal of significantly increasing profitability by 2030.

We have no intention to withdraw from the business due to the prolonged market stagnation and poor performance. Based on the desire to draw on the insight we cultivated in Japan to be of use to an even greater number of customers, we expanded into Mainland China in 1985. For the past 40 years since entering the region, we have taken great pride in the growth of our brands and businesses, which we have built up with the support of local governments, business partners, and outstanding local employees. Throughout the years, we

have continued to refine our quality, functions, and services together with local employees who passionately uphold the ideal of “Kindness Must Always Come First.” By doing so, we have fostered a brand that is wholeheartedly trusted by customers across Mainland China. Our business in the region has been nurtured by the positive feedback we have received from many customers who have used our products for a long period of time, including “I really just love TOTO” and “I am so glad to be using TOTO products.” The trust and support we receive from our customers will be the driving force behind our efforts toward business restoration. Moving forward, we will undertake dramatic reforms so that we can continue to be a company loved by our customers.

Turning the Americas Housing Equipment Business into a Growth Engine by Making Our Dreams a Reality

Meanwhile, the Americas Housing Equipment Business has been on a growth trajectory, gaining strong momentum. There are many who believe that this rapid growth was the result of increased demand for WASHLET toilets during the COVID-19 pandemic, but this success is not something that happened overnight. When we first entered into the Americas, we faced issues with promoting marketing activities and building customer contact points. It also took an extremely long time for WASHLET to gain traction in the market. Even amid these challenges, we continued to invest manpower and capital and steadily planted seeds for the business by continuously communicating the value of our brands. Through this persistence, we began to see success. An increasing number of customers began to use social media to convey their experience using WASHLET, and this helped spur an increase in demand. In addition, during the holiday season, our products began ranking among the top sellers on major e-commerce platforms. When I was serving as president of TOTO USA, Inc., I was surprised to see that WASHLET products were being purchased not only as part of new home purchases but also as gifts—signaling a new purchasing motivation.

For us at TOTO, customers purchasing our products is not the end but rather the beginning of a long-lasting relationship. Our service people, who embody the Corporate Philosophy of “Kindness Must Always Come First,” play a crucial role on the front lines in protecting the trustworthiness of our brand. In 63 metropolitan areas with populations exceeding 300,000, we have not only established customer contact points through showrooms and retail stores but also expanded our network for after-sales services. In these ways, we have been working to provide comprehensive support—from product selection to installation and repairs—and create an environment in which customers can rely on TOTO at any time. After-sales services are a crucial element for achieving growth—not only in the Americas—as we strive to prevail amid increasingly fierce competition. In 2025, we held the 2nd World Service Masters competition at our headquarters in Kitakyushu. At the competition, outstanding service staff from around the world, including representatives from the Americas, gathered after advancing through regional qualifying rounds. By competing against one another, these staff members inspired each other to further improve their own skills and customer service capabilities. Looking ahead, we will continue to enhance the quality of our products and services with the aim of accelerating our growth. By doing so, we will better establish the Americas Housing Equipment Business as an engine for growth in the Global Housing Equipment Business.

Americas Housing
Equipment Business
P54–56

Capitalizing on the Latent Growth Potential in Each Market

Following the Americas, our Asia and Oceania Housing Equipment Business is also gaining strong momentum. It spans a diverse set of regions, including high-growth markets with young populations such as India and Vietnam, developed markets like the Taiwan Region and Australia, and Middle Eastern countries such as Saudi Arabia, where numerous large-scale projects are underway. We are therefore confident in the continued growth potential of this business moving forward.

Asia and Oceania Housing
Equipment Business
P57–58

In fiscal 2024, the Europe Housing Equipment Business finally achieved the milestone of achieving profitability as a local subsidiary. At International Sanitary and Heating (ISH) 2025, one of the world's largest international trade fairs, held in Frankfurt, Germany, we held exhibits alongside some of Europe's most distinguished, long-standing manufacturers. In Germany, we have strengthened collaboration with plumbing professionals, and in the United Kingdom and France, we have been growing our track record of supplying five-star hotels. These efforts have helped us enhance our presence as trendsetters in Europe.

Bolstering Profitability in the Advanced Ceramics Business by Anticipating Future Needs and Reforming Production Structure

The Advanced Ceramics Business has grown into a solid pillar of TOTO's operations, with a rapid 85% year-on-year increase in operating profit in fiscal 2024. By leveraging the technologies cultivated through the production of bathroom and kitchen plumbing products and refining our advanced ceramic technologies over the past 40 years, we have built a unique and unmatched presence in the Advanced Ceramics Business. In this business, we offer a broad range of products for semiconductor manufacturing equipment, including electrostatic chucks, aerosol deposition (AD) components, and structural components, and have maintained stability in growth within the highly volatile semiconductor market. This market has a unique cycle of volatility, and we are facing intense competition in terms of the speed of development and production. To overcome these circumstances, it is essential that we prepare solutions for our customers that we can propose in a timely manner. For this reason, promoting technological development and products that anticipate needs well into the future is vital to our success. Also, facilitating honest discussion between members of the product and development divisions and fostering close collaboration with our customers are efforts that are directly linked to accelerating the speed of innovation. To that end, we will aim to achieve further growth by actively investing resources to bolster our R&D structure and evolve our smart factories, with a view toward the promising future of the semiconductor market.

Executing Investments for an Enriched Future and the Further Expansion of TOTO

Our financial strategy prioritizes investments based on their underlying purpose. Specifically, we aim to concentrate investments in growth segments in order to enhance TOTO's economic value.

To that end, we remain committed to proactively investing in future business growth, such as introducing highly efficient sanitary ware production equipment in the Americas Housing Equipment Business, expanding



production capacity in the Advanced Ceramics Business domain to keep pace with market growth, and developing next-generation products. Meanwhile, in consideration of our aim to enhance our social and environmental value, investments to reduce CO₂ to achieve carbon neutrality by 2050 are indispensable. This kind of investment approach is rooted in sustainability management. The profits we generate by addressing our three material issues and delivering unique value through our business activities will be reinvested in initiatives that help build a more sustainable society and a healthier planet for future generations. As we celebrate our 108th anniversary, we will continue to pursue growth by setting in motion a cycle of value creation, so that we remain a company that is needed by society well into the future.

Bringing Greater Kindness to TOTO Fans around the World

Our business activities are made possible through the support of our stakeholders, who act as our “fans.” In Relationships, one of our key material issues, we will sincerely work with stakeholders and strive to enhance value for each of them.

For customers, we will provide products that offer Cleanliness and Comfort; Wellness to create lifelong fans of the TOTO brand. For our stakeholders and other investors, we will not only seek to return profits through the issuance of dividends but also acquire treasury stock while taking into consideration capital costs, Stock price levels, and other factors. Furthermore, we will promote appropriate cash allocation that contributes to improvement in earnings per share, alongside the execution of growth investments. In fiscal 2025, we have decided to repurchase and cancel a portion of our treasury stock in consideration of such factors as the level of cash on hand and share price at the start of the period.

We aim to build even stronger partnerships with our business partners by sharing goals related to environmental and human rights initiatives, working together toward mutual growth and prosperity. For local community members, we will continue efforts to create enriched local communities while ensuring an understanding of our business activities.

Our people represent the source of the TOTO Group’s value creation. Accordingly, we will create an environment that ensures employees can take pride and find joy in their work, encourages teamwork among them, and helps them build long-term careers. As the leader of the TOTO Group, I will lead by example under the slogan, Pursue your dreams, never give up in the face of challenges, and persevere until your goals are achieved. By doing so, I hope to create and pass on to the next generation an environment where all employees can take on challenges without hesitation. With our roughly 35,000 Group employees working together under our Corporate Philosophy, we will seek to increase the number of TOTO fans in each country and region around the world, while delivering greater kindness to them. As a global organization comprising diverse and strong individuals united through an unbreakable bond, we pledge to give our all for our customers and help create a more prosperous and comfortable future society.



President, Representative Director

TOTO Group Value Creation Model

Corporate Philosophy Rooted

Sustainability

Inputs

Financial capital

P.73-75

Improving profitability and efficiency through the optimal investment of management resources

Invested capital	¥508.5 billion
Net assets	¥530.4 billion
Equity ratio	64.1%

Human capital

P.71-72

Promoting the active role of diverse human assets sharing our Corporate Philosophy

Consolidated Group employees	34,673
Overseas Group employees	16,854

Intellectual capital

P.76

Strategically utilizing R&D capabilities and intellectual capital to create TOTO "Only One" technologies

R&D costs	¥25.1 billion
Number of patents held globally (as of March 31, 2025)	4,683
Number of patent applications submitted globally (fiscal 2024)	709

Manufacturing capital

Promoting the global expansion of our manufacturing and service sites

Manufacturing bases:	Japan: 20 sites
	Overseas: 26 sites
Showrooms	Japan: 94 locations
	Overseas (directly operated): 11 locations

Social and relationship capital

Building relationships of trust with stakeholders cultivated through our rich history

Natural capital

Utilizing resources with care for a sustainable society

Quantity of energy consumption	983 GWh
Quantity of renewable energy consumption	119 GWh
Total amount of water withdrawals	1,785 thousand m ³
Water recycling rate	49.7%
Amount of raw materials used	452.0 thousand tons

TOTO Group Strengths



TOTO Water Environment Fund



Volunteer activities

Corporate Governance

P.77

Enhance value creation to strengthen the business foundation

The TOTO Group promotes sustainability management based on its Corporate Philosophy, with the aim of continuing to provide greater contributions to society and the environment. To achieve this goal, we are moving forward with TOTO WILL2030 and creating value for our stakeholders while leveraging our strengths in the value chain. We will work to resolve social issues by way of our social contribution activities.

In Our Founding Spirit

P.1-4

Management

Outputs

Housing Equipment Business

P.49-60



Housing-related products

Proposals to customers

Quality of construction work

After-sales services

Advanced Ceramics Business

P.61-63



Ceramic products



Proposals to customers

Synergies

Cleanliness and Comfort; Wellness



Environment



Relationships



P.29-44

Outcomes

2050

New Value Creation

(Results from fiscal 2024)

Social Value and Environmental Value

Percentage of sustainable products	78%
Avoided emissions of water during product use	0.93 billion m ³
CO ₂ emissions from business sites (Scope 1 and Scope 2)	246 thousand tons
Stakeholder satisfaction	
Customer satisfaction in after-sales service	95.1 pt
Showroom satisfaction (Japan)	81.9 pt
Employee satisfaction (Japan)	77.8 pt

Economic Value

Net sales	¥724.5 billion
ROIC after adjustments	6.5%
ROE	2.4%

Stakeholder value creation

Customers	Offer product and service value and lifestyles that go beyond expectations
Employees	Work lively and utilize individuality
Business partners	Coexist and grow together while contributing to society and the environment
Society	Achieve a sustainable society
Shareholders	Long-term trust and returns

Achieve a sustainable society and carbon neutrality
Provide wellness and comfortable lifestyles to all

Mid- or Long-Term
Management Plan
Shared Value
Creation Strategy
TOTO
WILL2030



TOTO GALLERY-MA



TOTO Museum

TOTO Group Strengths

Promoting business in global markets based on
Achieving numerous innovations, building



Advanced Fusion of Design and Technology

TOTO creates products by placing design at the core of its business strategies, along with the manufacturing technologies we have been developing since our foundation. TOTO's ideal designs are beautiful spaces where people can spend time comfortably and experiences that are pleasing to the senses. TOTO has adopted a basic approach to design of "understated presence" to further enhance the appeal of the products we create. Furthermore, continuing to pursue research and development (R&D) to deliver high-quality, functional products to customers around the world through designs that stay in our customers' lives forever has become a TOTO Group strength.



Providing High-Quality Products and Services

TOTO's products are used in the daily lives of our customers over a long period of time. For that reason, we operate 94 directly managed showrooms across Japan and 11 locations overseas to be a close part of our customers' lives and provide them with optimal plans so that they can select products by actually seeing, feeling, and touching them. Furthermore, many of our products involve construction, and we therefore have developed a domestic and international sales and installation network, together with our local agencies and installers, that reassures customers and enables them to make use of our products. It is also important to provide after-sales services to customers, who have chosen TOTO and use our products for a long time, when malfunctions occur. In this way, we will contribute to enriching the lives of our customers by not only providing high-quality products but also by providing a range of services that aim to satisfy them.



Strength 4
Providing high-quality products and services

Logistics and Sales to After-Sales Services

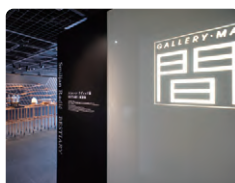
Strength 5
Advanced production and global supply

Strength 6
Relationships with stakeholders



Relationships with Stakeholders

We will continue to generate social and economic value while building our relationships with various stakeholders that exceed the boundaries between countries and regions. The TOTO Water Environment Fund provides grants based on stakeholder involvement in environmental contribution and supports environmental activities connected to water, which we place great importance on as a company that provides bathroom and kitchen plumbing products that are deeply rooted in local communities. Furthermore, we are fostering culture and developing the next generation by sharing bathroom culture and holding exhibitions and lectures about architectural culture at the TOTO Museum and TOTO GALLERY-MA. These activities are implemented by employees who are well-versed in the TOTO Group Corporate Philosophy. We will further refine the strengths of the TOTO Group and increase engagement through direct talks with the president and directors.

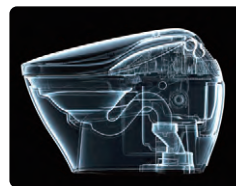


The TOTO Group has been building its competitive advantage and brand for more than 100 years.

We will further refine the strengths we have developed thus far and grow our business over the medium to long term, focusing on the International Housing Equipment Business, the Advanced Ceramics Business, and other growth segments. This will lead to the creation of economic value, as well as social and environmental value.

Based on the principles of quality and uniformity
Creating competitive advantages and brands

One result of this is that TOTO has received numerous internationally acclaimed awards. Going forward, we will create new value in the lives of our customers by integrating design and technology.



Strength 1
Design and technology

R&D

Strength

2

Creating Value Through Independently Developed Technologies

Since introducing the first domestically produced ceramic seated flush toilet in 1914, TOTO has continued to swiftly create groundbreaking products that contribute to society with the spirit of service in mind and with a focus on providing good products and satisfying customers. These products include prefabricated bathroom modules, which have improved installation efficiency, and WASHLET, which has helped create new lifestyles. Our proprietary technologies are not limited to plumbing products but also include ceramic technologies cultivated over many years. By applying these technologies in cutting-edge technological areas such as components for semiconductor production equipment (electrostatic chucks), we are creating unique value in new business domains. Furthermore, we are taking on the challenge of creating value for the future that TOTO could not accomplish alone by collaborating with other companies, including start-ups. We also contribute to the development of the industry and technology by protecting and disclosing the value we have created with intellectual property rights, leading to a cycle of further value creation.



Strength 2

Creating value through
independently developed
technologies

Procurement to
Production

Strength 3
Production technology and
supply system

Strength

3

Advanced Production Technology and Global Supply System

The advanced ceramic technologies that we have cultivated through sanitary ware, including precision shaping and firing of clay-like materials down to the millimeter, are now being leveraged in the production of our fine ceramics for advanced fields that require a high level of precision. These technologies serve as the foundation of TOTO's craftsmanship that realizes "quality and uniformity." We also seek to inherit and improve manufacturing skills that have been passed down globally over more than 100 years through initiatives such as a sanitary ware technical championship. At the same time, we are promoting the transition to smart factories through the utilization of AI and other digital technologies. In terms of our global supply system, we place importance on making TOTO a company that caters to different characteristics in each country and region. To that end, by supplying high-quality products that improve hygiene and comfort and support a sustainable environment, we strive to be a company that customers are truly grateful to have in their lives.



Strength 5
Collaboration with stakeholders

TOTO Group Value Creation History

1917–

Established goal to popularize ceramic seated flush toilets

1950–

Evolved into a comprehensive bathroom and kitchen manufacturer

1980–

Created lifestyle culture through new technologies and value proposals

Company History ■
Business Promotion
Resources ■

1917 Established Toyo Toki Company, Limited

1962 Formulated Company Mottos

1970 Changed corporate name to TOTO KIKI LTD.

1977 Established TOTO's first overseas joint venture company for ceramic sanitary ware production, in Indonesia

1993 Remodeling Declaration

1985 Opened GALLERY-MA, now TOTO GALLERY-MA

1989 Founded TOTO Publishing

1993 Established Sunaqua TOTO Ltd. to provide a comfortable work environment for people with disabilities

History of Products
and Technology

Toilets and faucets

1914
Successfully developed Japan's first Ceramic seated flush toilet



1946
Began faucet production

1976
Launched CS Series water-saving, noise-reducing toilet

1980
Launched WASHLET®



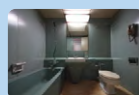
1993
Launched SMART TOILET NEOREST EX



Bathrooms, washrooms, and kitchens

1958
Launched FRP bathtub

1963
Developed Japan's first prefabricated bathroom module (based on JIS provisions)



1968
Launched bathroom vanity units



1981
Launched modular kitchen design



1984
Launched auto faucets activated by hand movement



1985
Launched the Shampoo Dresser (bathroom vanity suited for washing hair)

Ceramics and other products

1918
Commenced production of porcelain tableware



Note: Suspended production in 1969

1981
Commenced production of ceramic products

1982
Established production line for large-scale ceramic components

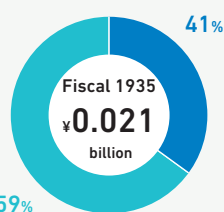
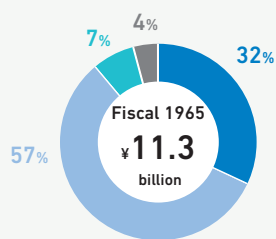
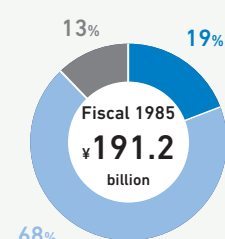


1988
Started mass production of electrostatic chucks in the ceramics business



Ratio of Net Sales

Ratio of Net Sales by Product Category



■ Sanitary ware ■ Tableware ■ Housing-related products excluding sanitary ware ■ Others

Since its establishment, the TOTO Group has continuously passed on the vision of its founder with the ambition to create new lifestyles through challenges and innovations.

In addition, since the announcement of the Remodeling Declaration in Japan in 1993, the Group has established a business structure that does not rely on new housing demand.

At the same time, the Group has been actively expanding globally. The Advanced Ceramics Business, which began mass production of electrostatic chucks in 1988, has grown to become the Company's third largest mainstay business, leveraging the technologies and know-how that we have cultivated for many years in the fields of sanitary ware and plumbing products.

2000–

Pursued the challenge of global expansion and entry into new domains

2020–

Established goal to realize a sustainable society

- 2002** Entered into operational agreement between TOTO, DAIKEN, and YKK AP
- 2003** New Remodeling Declaration
- 2004** Established the Philosophy System for TOTO Group Management
- 2006** Established TOTO Universal Design Research Center
- 2007** Changed corporate name to TOTO LTD.
- 2017** Established new company mission. Announced TOTO WILL2022 Mid-Term Management Plan. Introduced materiality.

- 2018** Remodeling "Anshin" Declaration
- 2004** Established the CSR Committee (now the Sustainability Committee)
- 2005** Established the TOTO Water Environment Fund
- 2011** Participated in the United Nations (UN) Global Compact
- 2015** Opened TOTO Museum
- 2019** Announced endorsement of the Task Force on Climate-related Financial Disclosures (TCFD)

- 2021** Announced Shared Value Creation Strategy TOTO WILL2030
- 2024** Announced TOTO WILL2030 STAGE 2
- 2021** Joined RE100
- Received SBT Validation for our 2°C Target
- 2023** Selected for inclusion in CDP A List for climate change
- 2024** Received SBT Validation for our 1.5°C Target
- 2024** Selected for inclusion in CDP A List for climate change and water security

- 1999** Developed CEFIONTECT technology, which achieves ultra-smooth finish of ceramic surfaces



- 2002** Launched NEOREST EX Series with built-in TORNADO FLUSH



- 2010** Launched AIR-IN SHOWER showerhead



- 2011** Launched WASHLET® apricot with EWATER+ electrolyzed water (containing hypochlorous acid)

- 2017** Launched NEOREST NX globally



- 2025** Launched NEOREST LS-W and NEOREST AS-W equipped with Stool Scan function



- 2001** Launched Furopia modular bathroom with quick-drying KARARI floor

- 2001** Launched Aqua Auto Faucet, a self-powered auto faucet that makes use of hydro-electric power



- 2004** Launched Furopia insulated thermal pot MAHOBIN Bathtub Series



- 2010** Launched SAZANA HB Series featuring Hokkarari flooring and AIR-IN SHOWER showerhead

- 2016** Launched OCTAVE bathroom vanity unit with EWATER+

- 2016** Launched THE CRASSO modular kitchen unit with EWATER+

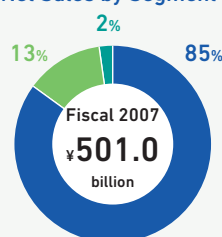
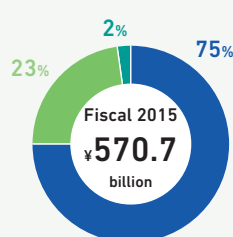
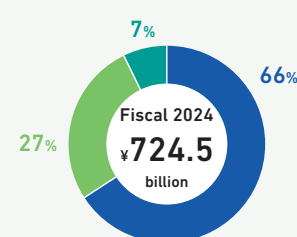
- 2018** Launched SYNLA modular bathroom unit with EWATER+

- 1998** Launched HYDROTECT treatment, which makes use of photocatalysis technology

- 2012** Started production of semiconductor manufacturing equipment using the AD method



Ratio of Net Sales by Segment



■ Japan ■ Overseas ■ New Domains

* The fiscal 2007 figures for new domains include components and lifestyle products for housing equipment and therefore differ in composition from figures for fiscal 2015 and fiscal 2024.

Awareness of Opportunities and Risks

Awareness of Opportunities and Risks

Amid changes in the market environment and social climate surrounding TOTO, we consistently analyze and understand the opportunities and risks for the TOTO Group, striving to connect them to value creation.

Regarding risks in particular, we are working to create preventive measures and minimize damage during disasters by utilizing a risk management system to continue to be a corporate group that is needed by our customers and society.

Based on this awareness, we recognize and are adopting the following response to (1) opportunities and risks related to sustainability and (2) opportunities and risks related to business continuity.

(1) Opportunities and Risks Related to Sustainability

We recognize climate change as an important issue facing society and are working from a long-term perspective to help achieve a sustainable society and carbon neutrality by 2050, based on the Shared Value Creation Strategy TOTO WILL2030. At the same time, we are actively working to disclose information on these efforts.

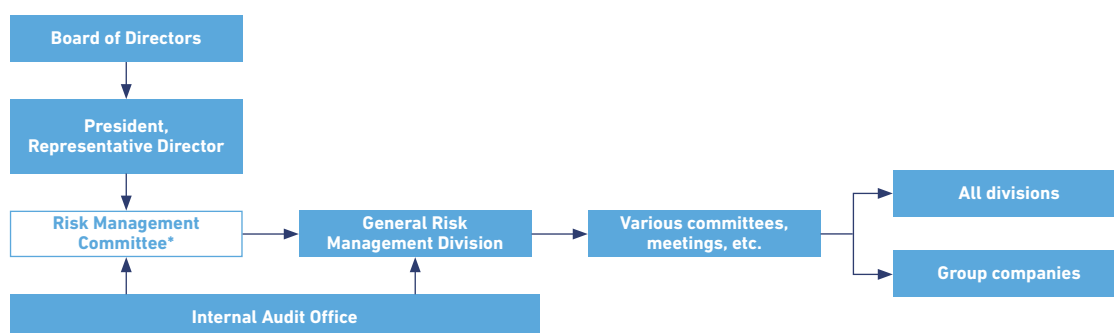
Also, the agenda for our sustainability activities, which includes long-term efforts toward climate change, is deliberated and executed by the Sustainability Committee, chaired by the President, Representative Director. In addition, these activities are supervised by the Board of Directors.

(2) Opportunities and Risks Related to Business Continuity

As a risk management promotion structure, the Risk Management Committee is chaired by a Senior Managing Executive Officer, Director. The committee comprises division heads who oversee major risks. Every year, major risks that could have a significant impact on stakeholders are identified, and a general manager of the General Risk Management Division is appointed for each risk in order to take preventive measures. Each major risk is mapped out on a matrix evaluating the degree of impact of residual risk and frequency of occurrence from the viewpoints of damage to the brand, impact on personnel, and financial consequences in accordance with an assumption scenario. These risks are monitored by the Risk Management Committee, which meets four times a year, and risk mitigation activities are promoted throughout the entire Group. The risk assessment for fiscal 2025 remains unchanged from fiscal 2024.

Additionally, we view events occurring within the market environment and social climate that could support current or future business expansion as opportunities, and work to capture these opportunities through promotion of the Shared Value Creation Strategy TOTO WILL2030.

Risk Management Promotion Structure



* Chairperson: Senior Managing Executive Officer, Director Vice Chairperson: Executive Officer in Charge of General Affairs Members: General Manager of each division

Top Management Roles and Responsibilities

- 1 Building and penetration of the risk management system
- 2 Confirming and evaluating the validity of the risk management system
- 3 Providing the needed management resources to achieve the above

Risk Management Committee Roles and Responsibilities

Promotion of Risk Management

- 1 Discussing and determining goals and direction of risk management system
- 2 Progress and follow-up on risk management
- 3 Risk detection and evaluation, creating a risk map and prioritizing risk, and external disclosure approval
- 4 Improving risk awareness and knowledge
- 5 Promoting monitoring and audits
- 6 Risk Management Report to the Board of Directors

Major Opportunities and Risks

Factors for Major Opportunities and Risks		Details of Opportunities and Risks for the TOTO Group	The TOTO Group's Response	
Climate change and large-scale earthquakes	Risk	Risk to the continuity of business activities due to large-scale earthquakes, wind and water damage and droughts from abnormal weather, and fires	<ul style="list-style-type: none"> Implement risk examinations and risk simulations regarding large-scale earthquakes 	P.85
	Risk	Reduction in tax following a decrease in greenhouse gas emissions and increase in raw material and energy procurement costs	<ul style="list-style-type: none"> Respond to issues by promoting environmental activities Carry out long-term scenario analysis based on the TCFD and respond to risks and opportunities identified through the analysis accordingly 	P.35 P.39
	Opportunity	Increase in opportunities to contribute to the environment by offering water-saving products in regions with water shortages	<ul style="list-style-type: none"> Contribute to achieving a sustainable society and carbon neutrality by 2050 through the Shared Value Creation Strategy TOTO WILL2030 	P.27
Raw material and component procurement	Risk	Inability to procure raw materials and components due to large-scale earthquakes and other natural disasters	<ul style="list-style-type: none"> Formulate business continuity plan (BCP) in consideration of the impact of large-scale disasters on the supply chain and bolster response capabilities 	P.67
	Risk	Cost increases due to foreign exchange rate fluctuations, etc.		
	Risk	Accidents or bankruptcies occurring within the supply chain	<ul style="list-style-type: none"> Implement on-site inspections of major suppliers 	P.67, 114
Tightening of laws, regulations, and systems	Opportunity	Expanded selection of suppliers due to the Group's global business expansion	<ul style="list-style-type: none"> Strengthen global supply structure through Demand Chain Innovation Activities 	P.67
	Risk	Relocation or stoppage of factory operations and additional capital investment due to the tightening of environmental and climate change regulations	<ul style="list-style-type: none"> Promote the environmental management system 	P.108
	Risk	Insufficient response to laws and regulations	<ul style="list-style-type: none"> Reinforce structure to respond to laws and regulations, including those overseas 	P.85
Compliance	Risk	Damage to intellectual property rights	<ul style="list-style-type: none"> Prevent infringement of third-party intellectual property rights through anti-counterfeiting and other measures, and research and analysis when formulating business strategies 	P.76
	Opportunity	Tightening of regulations regarding water- and energy-saving features, growth in demand for highly functional products due to an increase in purchasing support systems, etc.	<ul style="list-style-type: none"> Develop and launch industry-leading products through Marketing Innovation Activities 	P.65
	Opportunity	Increased purchasing motivation resulting from a heightened consumer awareness toward water and energy conservation		
Human resources	Risk	Occurrence of compliance violations, including within the supply chain, and subsequent loss of social trust	<ul style="list-style-type: none"> Reinforce operation of management systems centered on the Compliance Committee 	P.85
	Risk	Filing of lawsuits	<ul style="list-style-type: none"> Implement compliance-related educational activities, including on human rights, to ensure strict adherence 	P.85, 87
	Risk	Risk of financial damage caused by rumors	<ul style="list-style-type: none"> Carry out monitoring activities, including within the supply chain 	P.114
Occupational safety and health	Risk	Intensifying competition to recruit human resources	<ul style="list-style-type: none"> Proactively develop direct recruiting, referral hiring, and other measures 	
	Opportunity	Expansion of human capital through the recruitment and development of outstanding personnel	<ul style="list-style-type: none"> Reform human resource systems through Management Resource Innovation Activities 	P.64, 71
	Opportunity	Increased opportunity to provide peace of mind and fulfilling challenges through workstyle reform		
Quality	Risk	Violation of labor laws	<ul style="list-style-type: none"> Share issues and draft and promote response measures via the Health, Safety and Security Committee 	P.113
	Risk	Workplace accidents and incidents		
	Risk	Occurrence of product recalls and major complaints	<ul style="list-style-type: none"> Improve customer satisfaction through the promotion of "Relationships" materiality 	P.43
Information security and IT innovation	Opportunity	Sophisticated product development and high levels of quality cultivated through rigorous quality management	<ul style="list-style-type: none"> Provide TOTO quality, including after-sales services Promote "Anshin" Remodeling Strategy 	P.43 P.51
	Risk	Occurrence of disruptions to information systems due to computer viruses, etc.	<ul style="list-style-type: none"> Draft and promote medium- to long-term IT strategies and strengthen information security via the IT Strategy Committee 	P.64
	Risk	Leakage of confidential and personal information	<ul style="list-style-type: none"> Offer plumbing solutions that utilize IoT technologies through Marketing Innovation Activities 	P.65, 69
Economy	Opportunity	Social changes due to Digital Transformation		
	Opportunity	Introduction of AI and the Internet of Things (IoT) in housing equipment		
	Risk	Foreign exchange and interest rate fluctuations	<ul style="list-style-type: none"> Execute financial strategies 	P.73
Society	Risk	Intensifying competition from rival companies and rapid declines in product prices	<ul style="list-style-type: none"> Promote the Shared Value Creation Strategy TOTO WILL2030 	P.27
	Risk	Rapid technological innovations	<ul style="list-style-type: none"> Roll out globally strategic products and fortify our financial structure 	P.65, 73
	Risk	Contraction in the market for new housing due to changing demographics in Japan	<ul style="list-style-type: none"> Strengthen business structure to avoid fluctuations in demand trends, including the development of high-value-added products and proposals utilizing digital and AI technologies 	P.65, 69
Society	Risk	Geopolitical risks within our global businesses	<ul style="list-style-type: none"> Improve risk prevention and response capabilities based on the structure of the Risk Management Committee as well as ensure the continuation of production and supply through an adaptive approach to risk response 	P.23
	Risk	Risks to business continuity following the spread of infectious diseases		
	Opportunity	Expansion in the remodeling market due to changing demographics and lifestyles in Japan	<ul style="list-style-type: none"> Promote business strategies under the Shared Value Creation Strategy TOTO WILL2030 as well as cross-organizational innovation activities 	P.27
Society	Opportunity	Increased demand for plumbing products following global economic progress and population increases		
	Opportunity			
	Opportunity			

Value Creation Initiatives and Business Growth Scenarios

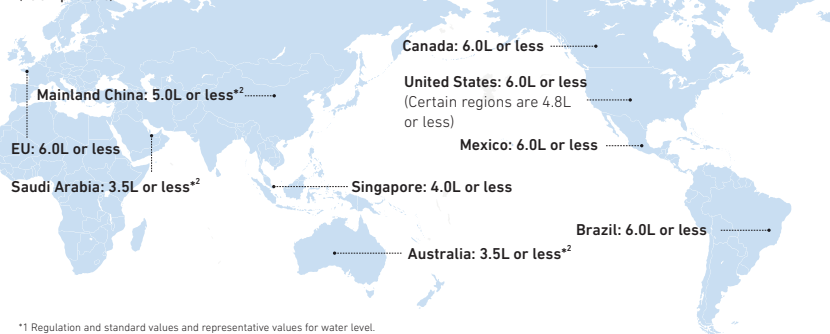
Business Opportunities

Water-Saving Regulations on Toilets

Regulations that limit the amount of water toilets can use per flush are being enacted in a large number of countries and regions. Accordingly, it is vital that we develop products in response to these regulations.

Flush Water Volume Regulations and Standards in Each Country and Region*1

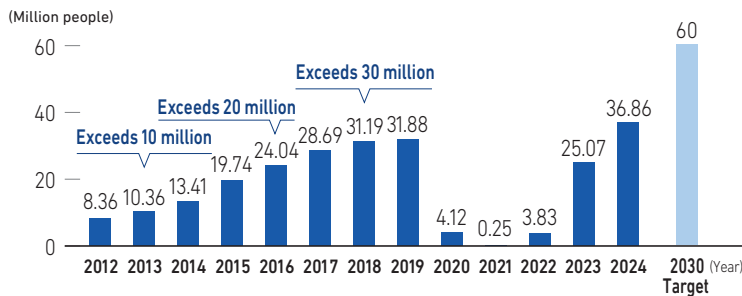
(As of April 2025)



Increase in Visitors to Japan

The number of people visiting Japan exceeded 30 million in 2018 and, while this figure dropped as a result of the COVID-19 pandemic, a record-high number of people visited in 2024. The Japanese government aims to exceed 60 million visitors in 2030.

Trends in Visitors to Japan

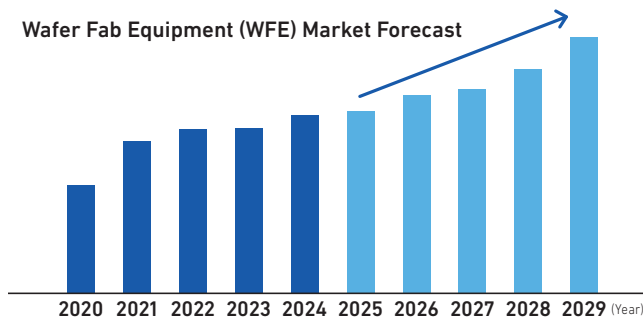


Source: Japan National Tourism Organization

Semiconductor Market Expansion

As the semiconductor market grows on the back of increased demand for AI technologies, the demand for TOTO's electrostatic chucks is also expanding. The majority of electrostatic chuck sales comes from stable replacement demand, which has increased in line with rising capital investment and equipment utilization among our customers. Accordingly, the Advanced Ceramics Business is relatively resilient to short-term market fluctuations, and we thus expect steady growth over the long term.

Wafer Fab Equipment (WFE) Market Forecast



* Source: TechInsights Inc. (as of June 30, 2025)

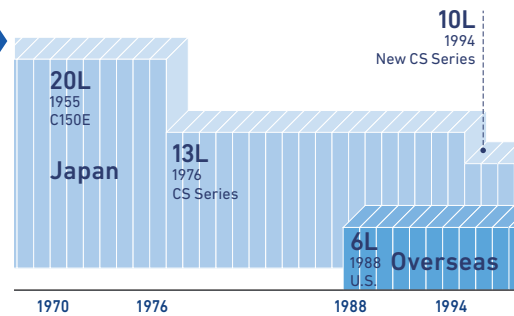


TOTO Group Initiatives

Evolution of Water-Saving Performance

As a value provider for bathroom and kitchen plumbing performance. Today, we offer products that only require 3.8L of water per flush.

Change in the Amount of Water Used in Toilets (per flush)



Transformation of Japan into the World's

We are widely sharing the TOTO Group's technological strength in the installation of toilets that enable visitors to Japan to experience a high-quality stay. We are also supplying products to major facilities at Expo '70.

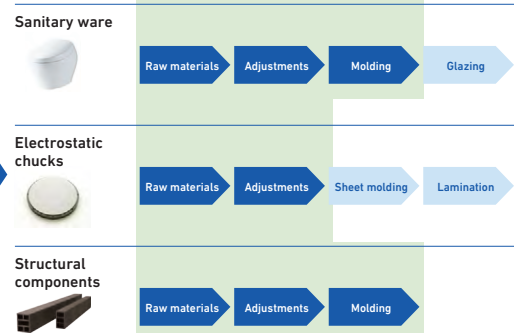


TOTO Miyajima Omotenashi Toilet

Leveraging Synergies with the Housing E

Utilizing technologies and know-how cultivated in the fine ceramics business, TOTO is able to leverage the high-precision performance.

Utilizing the technology a



The TOTO Group views social and market changes as business opportunities and aims to achieve growth by responding to such changes through its unique technological capabilities. In the Housing Equipment Business, we are working to popularize products that both offer Cleanliness and Comfort; Wellness and consider the Environment in response to the rising global awareness of water conservation and growing interest in Japan's toilet culture. By doing so, we contribute to both the creation of economic value and the realization of a sustainable society. We are also working to accelerate growth in the Advanced Ceramics Business to establish it as the third business pillar supporting the foundation for global industries and technological innovation. To that end, we will leverage the precision ceramic technologies we have cultivated in the Housing Equipment Business to respond to the expansion in the semiconductor market.

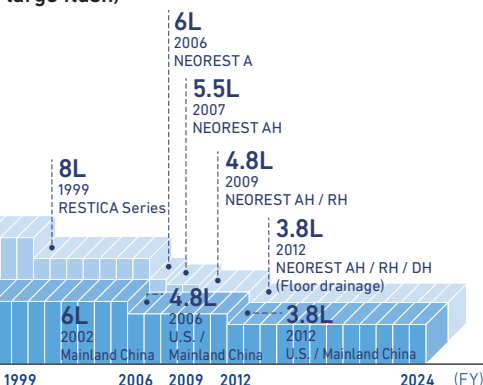


Results

of Toilets

products, we actively pursue water-saving performance of water per flush.

Large flush)



Showroom

strengths both in Japan and overseas by participating to experience the country's culture of clean toilets. Expo 2025 Osaka, Kansai, Japan.

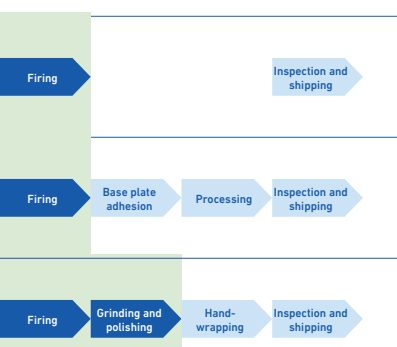


Perspective rendering of the venue ©Expo2025
Provided by Japan Association for the 2025 World Exposition

Equipment Business

fields of sanitary ware and plumbing products for the strengths of its products, which offer high-quality,

and know-how of the Housing Equipment Business



Provide Products that Balance Cleanliness and Comfort; Wellness, and the Environment

As of fiscal 2023, we have become the world's fourth largest manufacturer of sanitary ware, delivering water-saving toilets to customers around the world.

Since seated toilets that use a lot of water to flush are used for a long period of time after installation, they are still widely used. We are promoting contributions to the environment by popularizing water-saving toilets with added value in response to a shift in this demand.

By enhancing the water conservation performance of our water-saving toilets and other products, we have contributed to a total reduction in water usage of 0.93 billion m³ in fiscal 2024 compared with the case where products from 2005 continue to be used.

Global Sanitary Ware Manufacturer Ranking

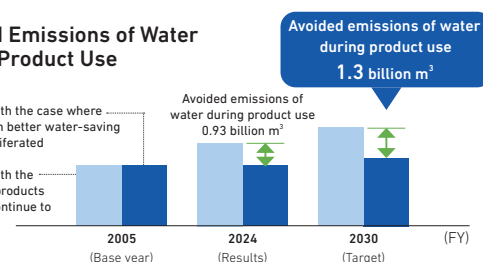
Rank	Company Name	Region
1st	Company A	Europe
2nd	Company B	Americas
3rd	Company C	Europe
4th	TOTO	Japan

Source: CERAMIC WORLD REVIEW
(Italian publication, as of 2023)

Avoided Emissions of Water During Product Use

Compared with the case where products with better water-saving features proliferated

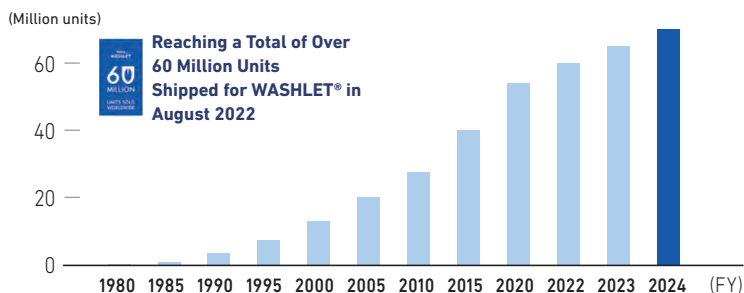
Compared with the case where products from 2005 continue to be used



Cumulative Units Shipped for WASHLET Exceeds 60 Million

Since sales began in June 1980, they have been adopted in homes as well as at numerous public toilets in Japan. We will continue to make proposals overseas that are rooted in local communities for the purpose of spreading this new toilet culture around the world.

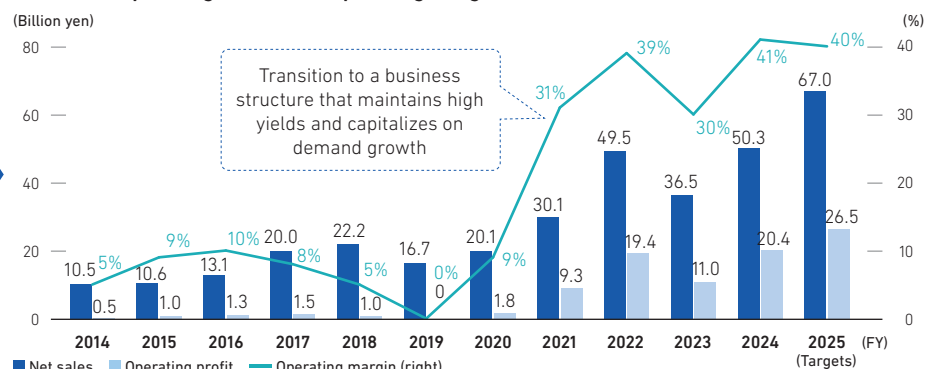
Trends in Cumulative WASHLET® Sales



Growing a Third Business Pillar

Even in the fiercely competitive and rapidly changing semiconductor market, TOTO has established a highly profitable business structure that is growing into a third pillar of our business. Our Advanced Ceramics Business technologies play important roles in the production processes of the semiconductors and other products that we use every day, and supports the foundation of industry and technological innovations around the world.

Net Sales, Operating Profit, and Operating Margin in the Advanced Ceramics Business



Shared Value Creation Strategy

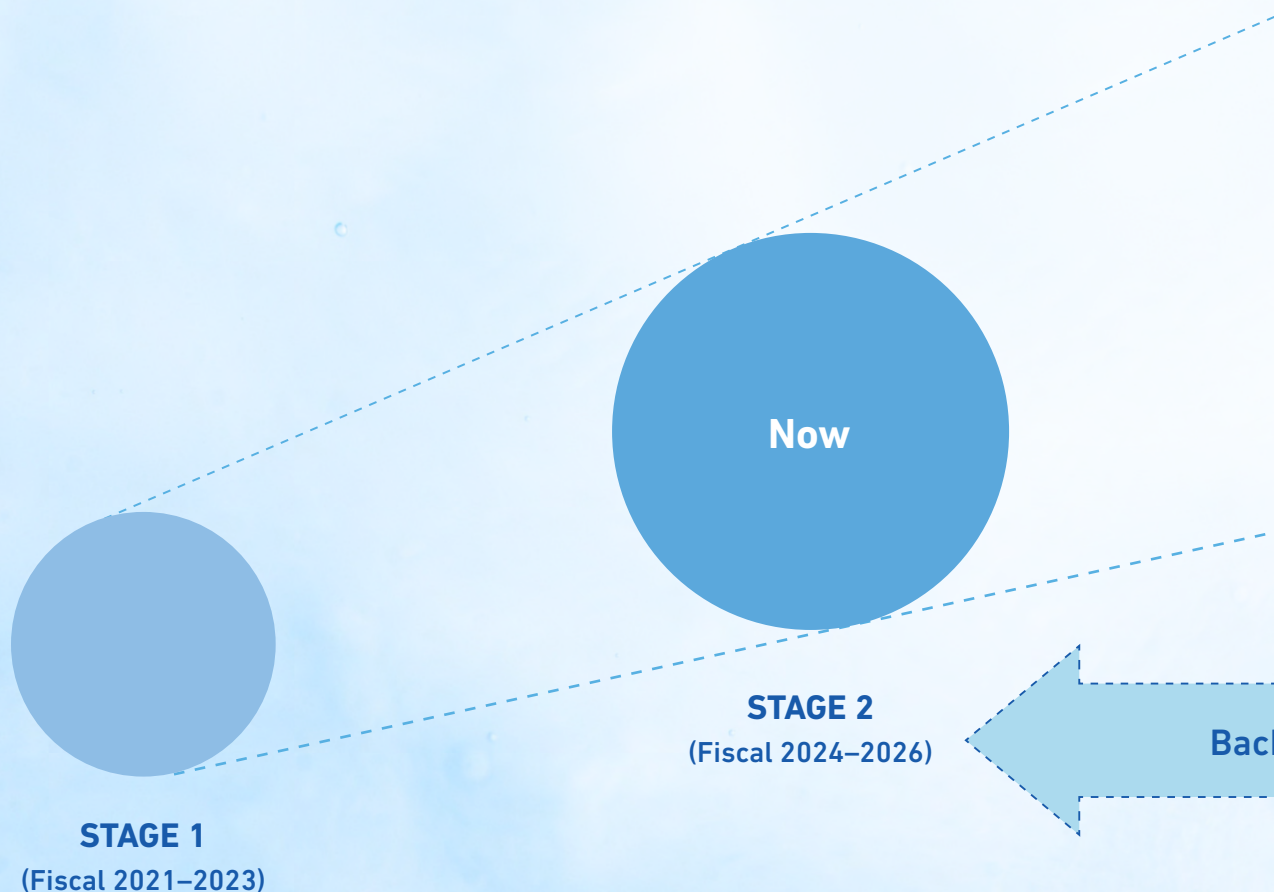
TOTO WILL2030

Sustainability Management

Economic Value ↑

	KPIs	FY2020	FY2030
Economic Value	Sales volume	¥577.8 billion	Over ¥1 trillion
	Operating margin	6.9%	Over 12%
	ROIC*	7.4%	Over 12%
	Overseas sales ratio (Housing Equipment Business)	25%	Over 40%

* Operating profit after tax ÷ (Operating capital + Fixed assets)



The TOTO Group formulated the Shared Value Creation Strategy TOTO WILL2030 (hereinafter, WILL2030) in April 2021, a 10-year Mid- or Long-Term Management Plan that aims to achieve cleanliness, comfort, and wellness and contribute to society and the global environment by 2030 with a focus on achieving a sustainable society and carbon neutrality by 2050. With the important material issues of Cleanliness and Comfort; Wellness, Environment, and Relationships, we are promoting sustainability management, aiming to create an enriched and comfortable future society that has no impact on the global environment and to achieve economic growth. As a result of these efforts, we will contribute to the SDGs through WILL2030.

2030

Achieve clean, comfortable,
and healthy lifestyles

Contribute to society
and the global environment

Cleanliness and
Comfort; Wellness

Environment

Relationships

2050

Achieve a sustainable society
and carbon neutrality

Provide wellness and comfortable
lifestyles to all

Shared Value Creation Strategy TOTO WILL2030

	KPIs	FY2020	FY2030
Social and Environmental Value	Percentage of sustainable products	69%	83%
	Avoided emissions of water during product use* ¹	1.0 billion m ³ * ²	1.3 billion m ³
	CO ₂ emissions from business sites (Scope 1 and 2)	307 thousand tons	185 thousand tons
	Stakeholder satisfaction	Customer satisfaction in after-sales service* ³ 92 pt Showroom satisfaction (Japan) 73 pt Employee satisfaction (Japan) 74 pt	Customer satisfaction in after-sales service 95 pt Showroom satisfaction (Japan) 80 pt Employee satisfaction (Japan) 80 pt



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

*² In case the same calculation conditions are used as in WILL2030 STAGE 2 (approximate value).

*³ Scope: Japan, Americas, Europe, Mainland China, Taiwan Region, India, Thailand, Vietnam

Social and Environmental Value

TOTO Group Materiality

The will of our predecessors has been handed down over generations through the TOTO Group Corporate Philosophy, and will continue to guide the vision our united Group pursues in the future. Materiality reflects the key issues we must address to achieve this.

In WILL2030, we position materiality as an important issue that needs to be addressed in realizing our Corporate Philosophy and engage in sustainability management.

Cleanliness and Comfort; Wellness



By realizing cleanliness, comfort, and wellness through our business activities, we will contribute to the SDGs.



Realize cleanliness, comfort, and wellness throughout the world



To create, is to think about people
TOTO's Universal Design



Proposing new value that supports health



Cleanliness through touchless technologies



Satisfying customers beyond expectations
(remodeling)

Environment



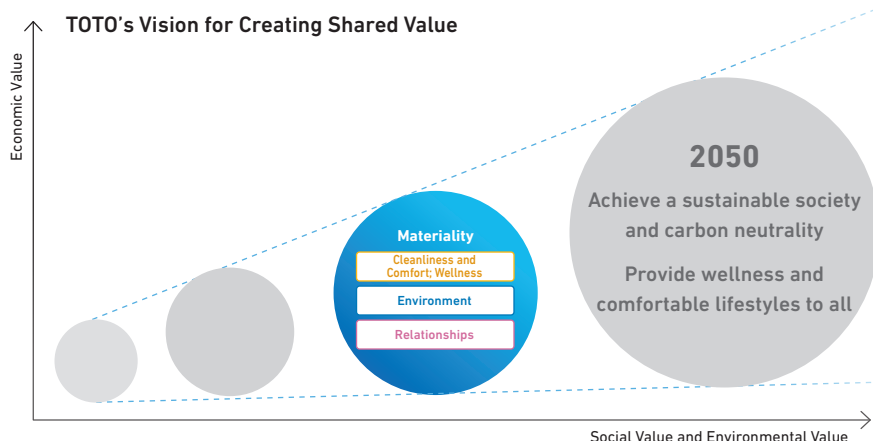
Carbon neutrality initiatives



Mitigating environmental risks

About Materiality Identification

While identifying the TOTO Group's material issues (materiality), we carry out an analysis of themes that lead to the creation of economic value, as well as social and environmental value. In addition, we review our material issues as necessary in consideration of such factors as changes in the social and business environment. We also added "Wellness" to the material issue "Cleanliness and Comfort" in fiscal 2024.



The TOTO Group's Corporate Philosophy and Materiality

TOTO Group Corporate Philosophy

The TOTO Group strives to be a great company trusted by people all around the world, and contributing to the betterment of society.

To achieve our Corporate Philosophy, TOTO will:

- > Create an enriched and more comfortable lifestyle and culture built on our plumbing products.
- > Pursue customer satisfaction by exceeding expectations with our products and services.
- > Provide high-quality products and services through ongoing research and development.
- > Protect the global environment by conserving finite natural resources and energy.
- > Create an employee friendly work environment that respects the individuality of each employee.

Materiality

**Cleanliness and
Comfort; Wellness**

Environment

Relationships

By protecting the environment through our business activities, we will contribute to the SDGs.



Protect our limited water resources and connect with the future



Aim for sustainable development together with local communities



Sustainable procurement that also considers biodiversity

Relationships



Advancing the careers of diverse human resources (employment and retention)



Engagement with shareholders and investors

By building relationships through our business activities, we will contribute to the SDGs.



Consideration of human rights



Build deep, long-lasting relationships with customers



Offer cultural support and contribute to society for the next generation

Process for Identifying Materiality

Step 1

Identify issues

We identified issues based on the UN Global Compact, the SDGs, the Global Reporting Initiative, the International Integrated Reporting Framework, ISO, and other international guidelines, as well as on evaluations of the sustainability activities we have promoted thus far.

Step 2

Analyze issues

We analyzed themes that lead to social and environmental value creation and those that lead to economic value creation.

Step 3

Hold discussions by management

We then formulated our materiality after making reports to and holding discussions in the Sustainability Committee, Management Committee, and the Board of Directors.

Step 4

Develop plans

For each materiality, we have clarified our goals, defined main initiatives, and established indicators and targets to guide our efforts.

WILL2030 Social and Environmental Value Indicators

	Goals	Main Initiatives	Indicators
	Cleanliness and comfort; wellness and the environment	Rolling out clean, comfortable, and eco-friendly products	Percentage of sustainable products
Cleanliness and Comfort; Wellness	<ul style="list-style-type: none"> Realize cleanliness and comfort throughout the world Pursue ease of use for everyone 	Global expansion of clean and comfortable toilets	Percentage of toilets with built-in TORNADO FLUSH shipped Number of WASHLET units shipped EWATER+ WASHLET installation percentage (overseas)
Environment	<ul style="list-style-type: none"> Protect our limited water resources and connect with the future Undertake initiatives to fight global warming and coexist with the earth 	Alleviating water stress through the widespread adoption of water-saving products Achieving carbon neutrality	Avoided emissions of water during product use* ¹ CO ₂ emissions from business sites (Scope 1 and 2) CO ₂ emissions per unit of sales Avoided emissions during product use* ¹
Relationships	<ul style="list-style-type: none"> Build deep, long-lasting relationships with customers Offer cultural support and contribute to society for the next generation Create and share joy in work together 	Improved customer satisfaction Promotion of social contribution activities rooted in local communities Realizing employee-friendly working environments	Customer satisfaction in after-sales service* ³ Showroom satisfaction (Japan) Percentage of employees taking part in volunteer activities, donations offered, etc. Employee satisfaction (Japan) Percentage of female managers (Japan) Percentage of childcare leave taken by male employees (Japan)

Updated according to actual results finalized at the end of June 2025

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

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

*³ Announced in April 2024

The TOTO Group is advancing WILL2030 while engaging in sustainability management. Based on the WILL2030 Social and Environmental Value Indicators for the materiality issues of "Cleanliness and Comfort, Wellness," "Environment," and "Relationships," we have designated goals, main initiatives, and indicators for running the PDCA cycle and increasing social and environmental value.

Targets for FY2030	Cat.	Results for FY2024	Targets for FY2026 ^{*3}	SDGs
83%	◆	78%	80%	
		82%	79%	
		3.06 million units	3.50 million units	
		54%	58%	
1.3 billion m ³	◆	0.93 billion m ³	1.14 billion m ³	
185 thousand tons	◆	246 thousand tons	229 thousand tons	
		0.340 tons / million yen	0.269 tons / million yen	
		2.81 million tons	3.60 million tons	
95 pt	◆	95.1 pt	94.8 pt	
80 pt	◆	81.9 pt	78.2 pt	
		143.9%	100% or more	
80 pt	◆	77.8 pt	77.4 pt	
		21.2%	21.5%	
		72.6%	85.0%	

◆ : WILL2030 long-term goals

Cleanliness and Comfort; Wellness

The TOTO Group has continued to offer products that relate to people's lifestyles, centering on bathroom and kitchen plumbing products. To realize the desire of the Group's founder to provide healthy and culturally rich lifestyles, we have been focusing on enhancing cleanliness, comfort, and wellness within our product development while thinking about the customer first. Going forward, we will deliver clean and healthy lifestyles to people around the world, so that anybody, from a child to the elderly, can have fun, keep healthy, and use our products even if life stages change.

Under our material issue of "Cleanliness and Comfort; Wellness," we will contribute to resolving various issues, including those identified by Goal 3 of the SDGs—Good health and well-being.

By realizing cleanliness, comfort, and wellness through our business activities, we will contribute to the SDGs.



1 Realize Cleanliness and Comfort; Wellness Throughout the World

To create clean and comfortable toilet spaces for our customers, we have developed clean technologies, such as EWATER+, CEFIONTECT, RIMLESS TORNADO FLUSH, and non-contact technology like TOUCHLESS. Based on TOTO CLEANOVATION, derived from the words "CLEAN" and "INNOVATION," we will communicate our three values for the continuation of clean innovation to customers around the world.



The continuation of clean innovation



WASHLET®

The clean lifestyle culture of "washing bottoms"



CLEAN SYNERGY

"Cleanliness and security" achieved with unique technologies and designs



TOUCHLESS

Peace of mind derived from "not touching"

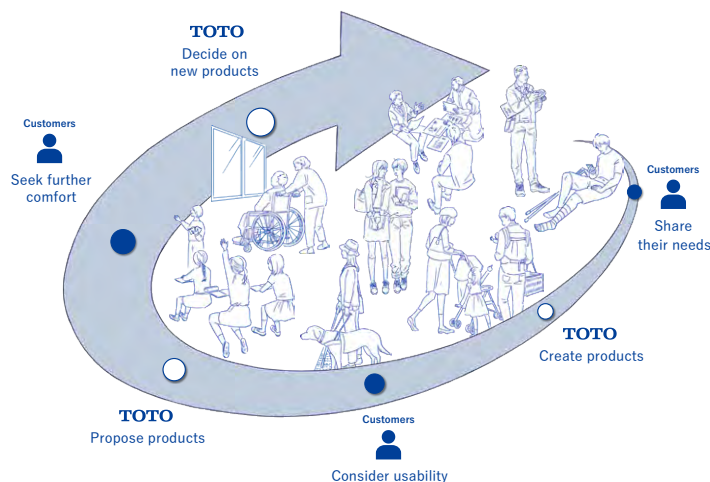


2

TOTO's Universal Design—To Create, Is To Think About People

Inheriting the Words of Our Founder, beginning with “kindness must always come first,” we believe that to create is to think about people. Accordingly, we propose and develop products by considering the livelihood of each and every one of our customers, including their age, physical condition, and lifestyle, in pursuit of craftsmanship that blends seamlessly into everyday life.

To that end, we have continued to evolve TOTO's Universal Design by closely observing the lifestyles of various people and turning a sympathetic ear to their concerns. In the 1960s, we began efforts that take into consideration people with disabilities. In addition to developing and selling products that make use of universal design, we issue reports that survey the questions and concerns that people in wheelchairs, people with infants, sexual minorities, and other groups have when using toilets outside of their homes. Furthermore, we make proposals for toilet spaces that take into account various circumstances, and these proposals have been adopted in numerous locations. By leveraging the insight we have in this regard, we actively suggest recommendations for laws and regulations, thereby helping establish and popularize Japanese Industrial Standards (JIS) and International Organization for Standardization (ISO) standards pertaining to the design and layout of toilet operation equipment installed in public bathrooms.



3

Proposing New Value That Supports Health

Under the concept of new value unique to TOTO that can realize cleanliness and comfort; wellness, the TOTO Group added “Wellness” to the key material issue (materiality) of “Cleanliness and Comfort” in April 2024 with the aim of creating new value. We have been conducting research and development of products that enable our customers to further experience cleanliness and comfort; wellness in their everyday lives.

In March 2025, TOTO exhibited at International Sanitary and Heating (ISH) 2025, the world's largest international trade fair for plumbing equipment, air-conditioning equipment, and other products, held in Frankfurt, Germany. The Group made proposals for “Daily Wellness*,” which promotes easily accessible health habits.

We also launched the new NEOREST LS-W / AS-W in August domestically as an opportunity to propose the new value of supporting health. The toilet provides information in the form of lifestyle insights through our TOTO Wellness app by measuring stool through a stool sensor built into the WASHLET.

TOTO will continue proposing new easily accessible health habits, with our products serving as a gateway to health.



NEOREST LS-W



Example display screen of the TOTO Wellness app



Exhibition at ISH 2025

* For details on Daily Wellness, please see page 66.

Environment

The TOTO Group is committed to contributing to the environment through plumbing products by continuing to implement such initiatives as water-saving and energy-saving measures. In addition to introducing energy conservation to manufacturing processes at business sites and using renewable energy, we are committed to being eco-friendly throughout the product life cycle, including during product use, by creating products with high environmental performance. We have also defined sustainable products as those that bring cleanliness and comfort; wellness and contribute to the environment. By popularizing these products around the world, we will contribute to realizing an enriched, comfortable, and environmentally friendly society.

Under our material issue of “Environment,” we will contribute to resolving various issues, including those identified by Goal 6 of the SDGs—Clean water and sanitation.

By protecting the environment through our business activities, we will contribute to the SDGs.



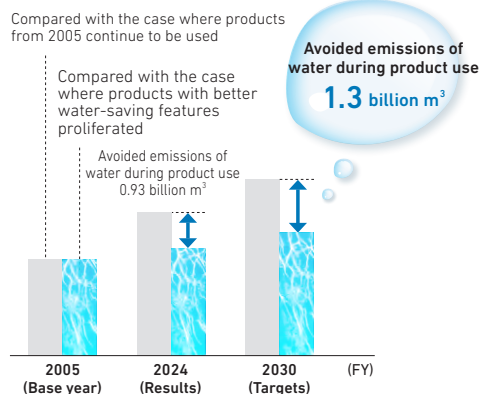
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Protect Our Limited Water Resources and Connect with the Future

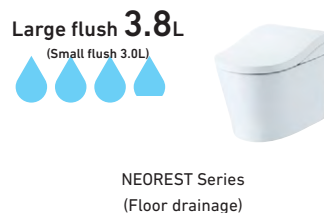
The surface of the earth is mostly covered in water, but in actuality only 0.01% of that is fresh water, such as rivers and lakes, that can actually be used for the livelihood of people.*¹ As a supplier of bathroom and kitchen plumbing products, we believe we have the duty to respond to the issue of depletion of water resources, as it significantly affects the daily lives of everyone.

Avoided Emissions of Water During Product Use

TOTO manages its targets as “Avoided emissions of water during product use,” defined as the reduction effect over the product life cycle compared with the case where products from 2005 continue to be used. In fiscal 2024, our actual avoided emissions of water during product use amounted to 0.93 billion m³. By promoting the global use of products with high water-saving performance while ensuring user comfort, TOTO aims to contribute to further avoided emissions of water during product use. It is said that the amount of water used for living by individuals across different countries and regions ranges from approximately 20 to 500 liters each day*². Assuming that average daily water use per person is 262 liters, the same as in Japan,*¹ our target for avoided emissions of water during product use—1.3 billion m³ by fiscal 2030—is equivalent to the annual water usage of approximately 13 million people.



Evolution of Water-Saving Performance of Toilets



* Calculated based on a family of four (two males and two females) using large flushes one time a day per person and small flushes three times a day per person

We have been working to reduce the amount of water needed to flush toilets and to expel and transport waste while ensuring toilets remain pleasant to use. As such, we are now able to provide customers with a toilet that uses only 3.8L of water per large flush. In addition, we are striving to improve the water-conservation performance of our showers and other water faucets.

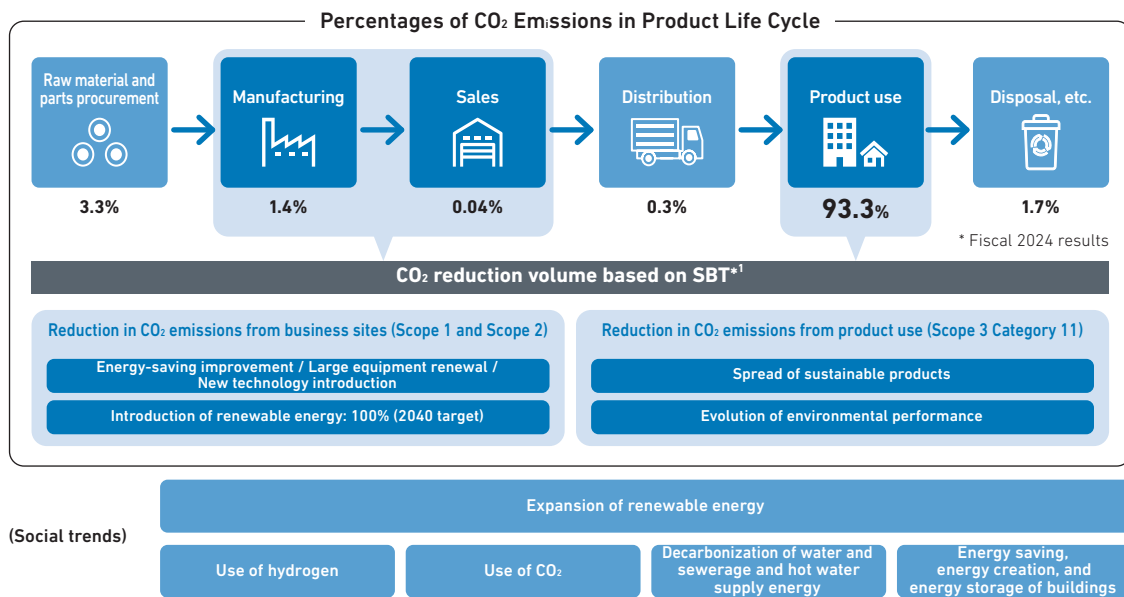
*1 Source: Current State of Water Resources in Japan (2024), Ministry of Land, Infrastructure, Transport and Tourism

*2 Source: Food and Agriculture Organization of the United Nations' AQUASTAT 2022

2 Carbon Neutrality Initiatives

We recognize the impact of climate change as a business risk and work to reduce greenhouse gas emissions based on scientific grounds. On average, our products are used over a period of 10 to 20 years. If analyzed from the perspective of the product life cycle, this means the period of product use accounts for over 90% of our overall CO₂ emissions. By actively working to reduce emissions at the use stage of the product life cycle, we aim to realize both comfortable and eco-friendly everyday lifestyles.

In regard to the volume of CO₂ emissions from our business activities, we are promoting reduction plans that take into account our long-term business growth. Under these plans, we are actively introducing renewable energy sources.



*1 Science Based Targets. Greenhouse gas reduction target for the companies that meet the level of the Paris Agreement.

Efforts in the Life-Cycle Assessment of Products and Acquisition of EPDs

The TOTO Group evaluate the environmental impact during the product planning and design process by referencing guidelines related to Life-Cycle Assessment (LCA), and strive to improve the energy-saving and water-saving performance of our products.

In light of increasing expectations for the highly transparent disclosure of environmental data aimed at achieving carbon neutrality in recent years, we have been objectively assessing the entire value chain for major products.

As part of these initiatives, we have acquired Environmental Product Declarations (EPDs) for representative products such as seated toilets, wall-hung toilets, lever-style faucets, WASHLET, and smart toilets. EPD is a report verified by a third party that quantifies the environmental impact of a product throughout its entire life cycle, from raw material acquisition to manufacturing, logistics, use, and disposal or recycling.

Going forward, we will work to promote the understanding of environmental impact at each stage of the value chain through LCAs and reduce the impact.

Representative Products with EPDs



Seated toilet
(excluding toilet seat)



Wall-hung toilet
(excluding toilet seat)



Lever-style faucet



WASHLET®

Environment

3 Initiatives That Consider Biodiversity

The TOTO Group recognizes that its operations are inherently dependent on and impact various aspects of natural capital.

We view the loss of biodiversity and the collapse of ecosystems as significant business risks and opportunities. In response, we have endorsed the principles of the Taskforce on Nature-related Financial Disclosures (TNFD) and joined the TNFD Forum to support its activities.

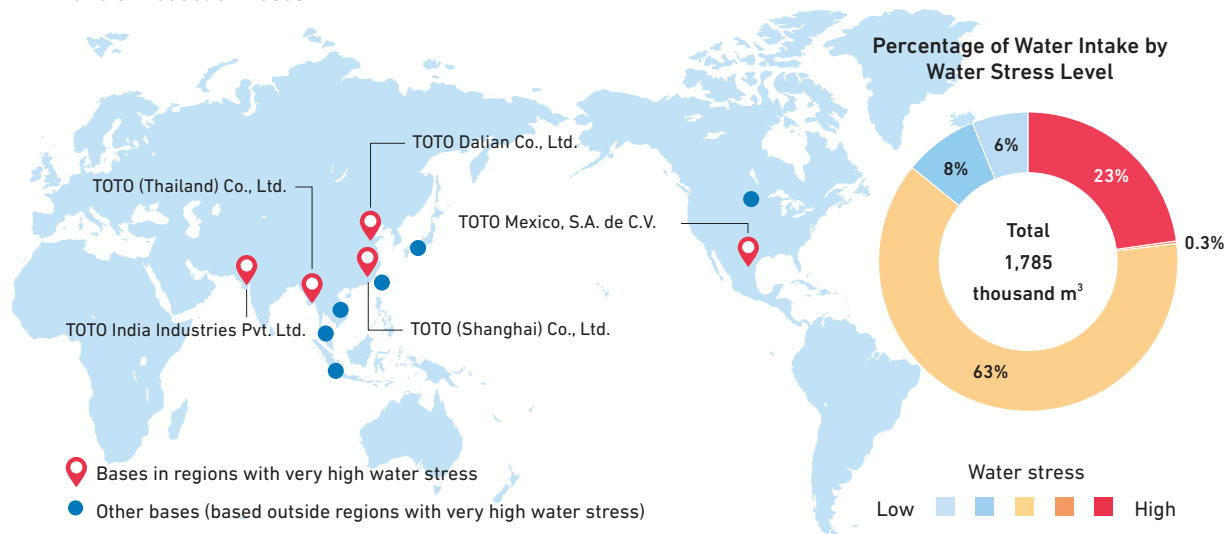
Additionally, we support the Keidanren Declaration for Biodiversity and Guideline, which aims to preserve biodiversity, and participate in the Keidanren Initiative for Biodiversity Declaration.



Efforts in Response to Water Risks

Appropriate management of water, a part of natural capital, is essential for realizing sustainable business activities. The TOTO Group conducts water-related risk assessments to understand the potential impacts and issues that its business activities may cause through water usage. Given that our production processes require substantial amounts of water, we closely monitor water stress conditions in each region where our production sites are located, facilitating the implementation of more effective actions.

TOTO's Production Bases



Countermeasures for Water Risks

We are promoting the reduction of water consumption by introducing water-saving production facilities at all sites and striving to conserve water throughout the manufacturing process. Further, to use water more efficiently, our sanitary ceramic production facilities recycle production wastewater at on-site treatments plants for reuse in the production process and as flushing water in toilets. Similarly, our faucet production facilities have introduced water recycling systems that recycle wastewater from the plating process, and we will continue to expand these recycling efforts.

Additionally, as part of our response to water risks, we construct facilities based on design standards that anticipate emergency situations after carrying out evaluations at each site and selecting regions that are less susceptible to flood damage. In addition to installing emergency equipment, we conduct preparedness drills and other measures, and will continue to advance these initiatives going forward.



Automated backwashing disc filter equipment at TOTO (Thailand)



Sustainable Procurement

We established Sustainable Raw Material Procurement Standards and regard the procurement of earth and stone raw materials and recycled wood materials, from which our staple products are made, as a critical issue to consider.

For earth and stone raw materials, we conduct a questionnaire survey or an interview at all mines at least once every three years and all surveyed mines have met TOTO's standards.

For recycled wood materials, the usage rate of legal and recycled materials for products is used as an indicator and we verify the actual values.



Achievement Rate of Compliance Item
Standards of Mines
Fiscal 2024 results **100%**

Usage Rate of Legal and Recycled Wood Materials
Used in Products
Fiscal 2024 results **100%**

4

Aim for Sustainable Development Together with Local Communities

—20 Years Since the TOTO Water Environment Fund Was Established—

To develop sustainable local communities and a society that uses water effectively into the future, not only are the business activities of corporations important but the role of civic activities is also essential. Accordingly, the TOTO Group established the TOTO Water Environment Fund in 2005 and continues to support groups that are engaging in water-related environmental activities. As we celebrate the 20th year of this fund in 2025, we are supporting the activities of citizens and organizations that work to secure water sources and water quality, protect ecosystems, and plant trees through the fund. At the same time, our employees participate voluntarily in such activities. Additionally, TOTO was certified as a Water Cycle ACTIVE company in 2024 under the Water Cycle Company Registration and Certification System of the Cabinet Secretariat's Headquarters for Water Cycle Policy.



Results to Date

Establishment 2005
Total grant amount ¥499,080,000
Total number of organizations 332
Areas of activity Japan, overseas **18** countries



Supporting Ongoing, Community-Based Activities

In many countries and regions around the world, people are losing their lives due to water scarcity and poor sanitation. These areas face numerous challenges, including environmental conservation, poverty, education, and gender equality. Addressing these challenges requires more than just the one-time provision of water-related equipment or capital. It is essential to establish sustainable systems for the maintenance and management of water-related equipment. With this in mind, we must convey the importance of sanitary living environments while providing ongoing assistance for local communities. The TOTO Water Environment Fund aims to support groups engaged in these activities, with an eye toward fostering sustainable development.

Working Together to Solve Issues as a Member of the Community

The TOTO Water Environment Fund also encourages Group employees to volunteer in the activities of the organizations receiving its grants. Even after the grant period ends, the exchange of information and participation in volunteer activities continue, fostering ongoing relationships with the grant recipients and the local communities, and expanding the scope of these activities each year.



Toilet construction in Myanmar (OISCA JAPAN)



TOTO Group employees participate in cleaning the shoreline in Tokushima Prefecture (Environmental Tokushima Network)



Disclosure of Information Based on TCFD Recommendations

Regarding initiatives for achieving a sustainable society and carbon neutrality, the TOTO Group discloses information based on recommendations by the Task Force on Climate-related Financial Disclosures (TCFD).

Governance

We recognize that the impact of climate change is a serious business risk. The agenda for our sustainability activities, which includes efforts toward climate change, is deliberated and executed by the Sustainability Committee, which is chaired by the President, Representative Director and three times a year. In addition, these activities are supervised by the Board of Directors.

Strategy

We formulated WILL2030 with a focus on achieving a sustainable society and carbon neutrality by 2050. The aim is to create an enriched and comfortable future society that has no impact on the global environment and to achieve economic growth. We engage in sustainability management through our key material issues (materiality) of "Cleanliness and Comfort; Wellness," "Environment," and "Relationships." Additionally, we have been expanding the popularization of our sustainable products—bathroom and kitchen plumbing products unique to TOTO—that balance cleanliness, comfort, wellness, and the environment.

Analysis of Business Risks and Opportunities Caused by Climate Change

We specify the long-term business risks and opportunities caused by climate change based on the classifications as defined by the TCFD (transition risks, physical risks, and opportunities) and carry out scenario analysis.

<Summary of Scenario Analysis>

Analysis referred to projections by the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC) and calculated the impact of business risks and opportunities. This was based on the scenarios* for global average temperature increases of less than 1.5°C or 4°C of preindustrial levels and makes assumptions about social conditions in 2030 with an eye on carbon neutrality in 2050. The results of this analysis confirmed that, under either scenario, there is a risk of increased costs and the impact of natural disasters but also an increase in opportunities through environmental products.

* 4°C scenario: [IEA WEO] STEPS [IPCC AR5] RCP8.5

1.5°C scenario: [IEA WEO] APS, SDS, NZE [IPCC AR5] RCP2.6

<Assumptions about Social Conditions in 2030>

● Social conditions under the 1.5°C scenario

Environmental policies and regulations are widely reinforced, resulting in steep rises in carbon prices due to the introduction of carbon taxes, which accelerates the introduction of renewable energy and expands the construction of environmentally friendly buildings, such as net zero energy buildings. The scale and frequency of natural disasters remain largely unchanged as a result of the controlled impact of temperature increases.

● Social conditions under the 4°C scenario

Environmental regulations to reduce greenhouse gases experience no significant reinforcement. Impacts from natural disasters increase and demand for water expands.

<Degree of Financial Impact and Response>

With 2050 carbon neutrality in mind, we analyzed the risks and opportunities that social conditions in 2030 present to TOTO and considered our medium- and long-term responses to these.

Business Risks and Opportunities for TOTO			Degree of Financial Impact*		Medium- and Long-Term Responses	
		Method of calculating impact	4°C	1.5°C		
Risks	Transition risks	Steep rise in carbon prices	Small	Medium	<ul style="list-style-type: none"> Energy-saving improvement / Large equipment renewal Expansion of renewable energy introduction 	P.41
		Increase in production costs and procurement costs for raw materials and electricity	Small	Large	<ul style="list-style-type: none"> Promotion of platform and modular design Transition to smart factories Sustainable procurement 	P.68 P.38
	Physical risks	Suspension of factory operations and increase in insurance costs due to the impact of natural disasters (water shortages and flooding)	Medium	Small	<ul style="list-style-type: none"> Creation of BCP system -Improvement of water consumption efficiency Strengthening of response to natural disaster risks -Implementation of water risk evaluations and countermeasures at each site 	P.37 P.37
Opportunities		Increase in demand for sustainable products as environmentally friendly building construction expands	Large	Large	<ul style="list-style-type: none"> Spread of sustainable products Evolution of environmental product performance 	P.45

* Small: Less than ¥2 billion, Medium: Between ¥2 billion and ¥5 billion, Large: More than ¥5 billion

<Introduction of Internal Carbon Pricing>

Due to the introduction of internal carbon pricing (ICP), we are promoting capital investment that contributes to reducing CO₂ emissions while analyzing the degree of financial impact brought about by climate change.

- Internal carbon price: ¥20,000/t-CO₂*
- Scope of system: Change in CO₂ emissions and large-scale capital investment
- Adopted method: Cost conversion of change in CO₂ emissions by applying ICP

* Set based on future outlook by the IEA

Risk Management

We are engaged in risk management and have formulated the TOTO Group Risk Management Policy. The Risk Management Committee assesses business-related risks, including climate change, that may have a significant impact on our business and society. The committee identifies and manages serious risks, reporting them to the Board of Directors.

Furthermore, environment-related risks are managed at each business division and business site based on the environmental management system.

Indicators And Goals

We formulated indicators and goals based on the SBT as milestones for 2050 with the aim of achieving a sustainable society and carbon neutrality by 2050.

<2030 Targets>

CO ₂ emissions from business sites (Scope 1 and 2)	47.5% reduction compared with fiscal 2021
CO ₂ emissions from product use (Scope 3 Category 11*)	25% reduction compared with fiscal 2021

* The Company's SBT targets cover products that directly consume energy.

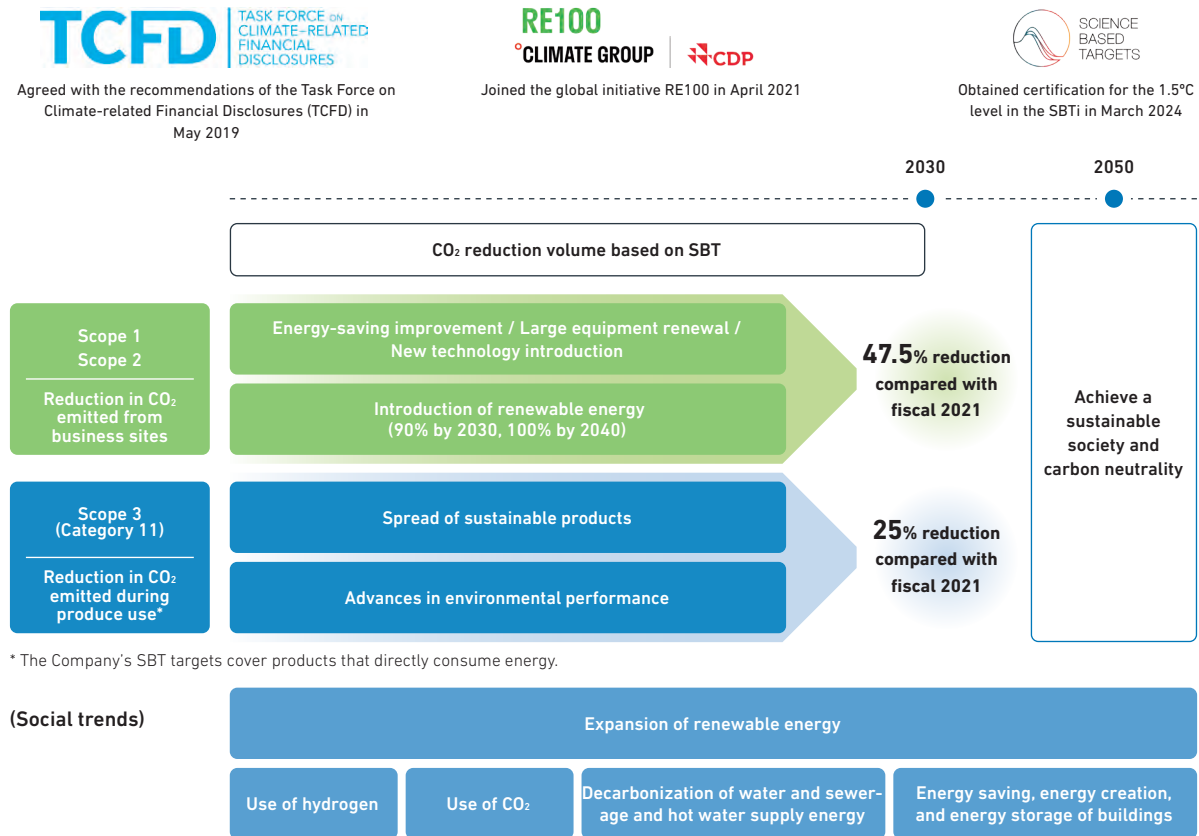
Acquired certification for the 1.5°C level in the SBT in March 2024.



Status of Efforts toward Indicators and Goals

Under the Shared Value Creation Strategy TOTO WILL2030, we set a vision of achieving a sustainable society and carbon neutrality by 2050.

As a milestone for achieving this vision, we have set targets for 2030 and have acquired and are promoting SBTi certification and targets for reducing greenhouse gas emissions based on scientific grounds.



In Scope 1 emissions, sanitary ware manufacturing makes up a high percentage of fossil fuel-based CO₂ emissions. Accordingly, we are promoting the reduction of emissions, such as large equipment renewal for efficient kilns at the same time as improving energy-saving capabilities. In March 2025, we introduced a hydrogen generation device with the aim of establishing new combustion technology through green hydrogen co-firing.

In reducing Scope 2 emissions, we aim to expand the introduction of electricity generated through renewable energy. Going forward, we will continue promoting initiatives for achieving carbon neutrality in line with social trends toward the utilization of hydrogen and CO₂.

In Scope 3 emissions, we have been expanding the popularization of our sustainable products that balance cleanliness and comfort; wellness, and the environment and further advancing their environmental performance.

At the same time, we believe that social trends related to housing and construction, such as expansion of renewable energy; decarbonization of water and sewerage and hot water supply energy; and energy saving, energy creation, and energy storage of buildings, are advancing and, in combination with TOTO initiatives, will lead to achieving carbon neutrality in 2050.



Building housing hydrogen generation device (external view)

TOPICS

Participation of Ministry of Economy, Trade and Industry GX League

The GX League is a forum for companies that aims to realize sustainable growth in the current and future society by taking on the challenge of green transformation (GX) in anticipation of achieving carbon neutrality in 2050 and social reforms. The forum is also for cooperation between a group of companies that are making similar efforts, and includes government agencies, universities, and academic institutions.

TOTO discloses information regarding carbon neutrality, such as details of initiatives for reducing CO₂ emissions in supply chains and amount of contribution to reducing CO₂ emissions, on a shared dashboard that serves as the information infrastructure for communicating the status of initiatives among GX League participants.



<Targets for and Progress in Reducing CO₂ Emissions from Business Sites (Scope 1 and Scope 2)>

We established 2030 targets for reducing CO₂ emissions from business sites and have acquired SBTi certification.

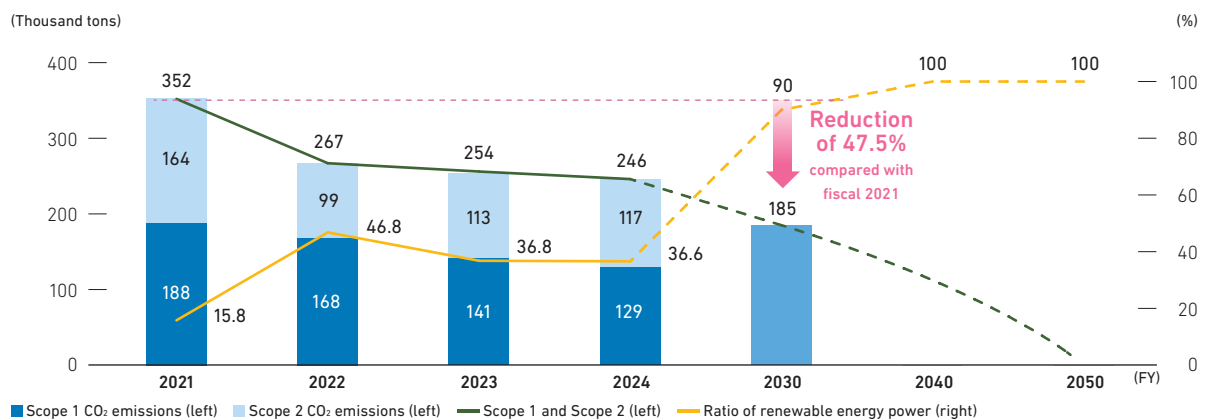
In Scope 1, we have reduced CO₂ emissions by approximately 31% in fiscal 2024 compared with fiscal 2021, the reference year for the SBT, by promoting energy-conserving, high-efficiency manufacturing at production bases around the world.

In Scope 2, the TOTO Group has introduced renewable energy in Japan and overseas in order to continue to reduce Scope 1 and Scope 2 CO₂ emissions. The renewable energy ratio for electricity was 36.6% in fiscal 2024.

Regarding the expansion of electricity generated through renewable energy, we are a member of RE100 and are promoting the plan for achieving 100% by 2040. However, we are also considering the possibility of bringing forward these targets.

As a result of these activities, we emitted 246,000 tons of CO₂ in fiscal 2024 under Scope 1 and Scope 2. Accordingly, in terms of our target of reducing emissions by 47.5% in 2030 (compared with fiscal 2021) based on the SBTi, in fiscal 2024 we achieved an approximately 30% reduction compared with fiscal 2021.

Reduction in CO₂ Emissions from Business Sites: Targets and Progress



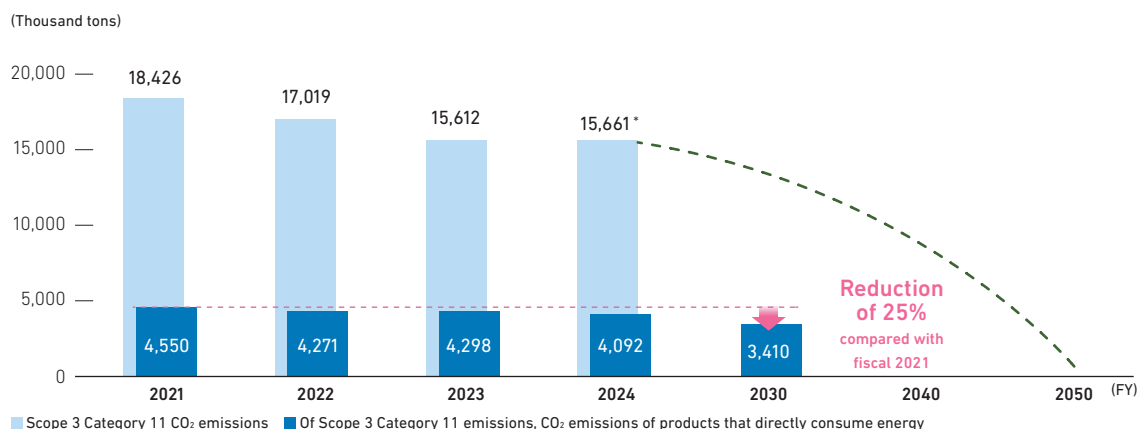
<Targets for and Progress in Reducing CO₂ Emitted When Product Is Used (Scope 3 Category 11)>

In fiscal 2024, we emitted 15,661,000 tons of CO₂ during product usage (Scope 3 Category 11), reflecting expansion in the percentage of sustainable products, improvement of social infrastructure, and other measures.

For products that directly consume energy in Scope 3 Category 11 emissions, TOTO has received SBTi certification for its 2030 targets. In fiscal 2024, TOTO made progress toward its 2030 target of reducing these emissions by 25% compared with the fiscal 2021 level, reducing emissions by approximately 10% compared with fiscal 2021.

Looking ahead, we will engage in advancing environmental performance, including electricity conservation, to reduce CO₂ emissions. Further, through the WASHLET SS Series, launched in August 2025, we were able to reduce annual electricity consumption from 166 kWh to 85 kWh compared to existing products.

CO₂ Emitted When Product Is Used: Targets and Progress

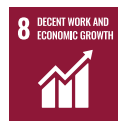


Relationships

Through its business activities, the TOTO Group strives to be a company that contributes to the betterment of society and is trusted by people around the world. Guided by this aim, we continue to treasure the relationships we have with people. We place importance on communication with all stakeholders, including customers, employees, shareholders, business partners, and society at large, and endeavor to develop stronger relationships of mutual trust with them. TOTO also places importance on building relationships of trust with stakeholders and in facilitating cooperation with the aim of improving societies for generations to come.

Under our material issue of “Relationships,” we will contribute to resolving various issues, including those identified by Goal 17 of the SDGs—Partnerships for the goals.

By building relationships through our business activities, we will contribute to the SDGs.



1

Build Deep, Long-Lasting Relationships with Customers

We make proposals at showrooms to ensure that customers can purchase our products with peace of mind. We also make various efforts through our call centers to respond to any questions or concerns our customers may have when using our products. In addition, we provide after-sales services that focus on being fast, reliable, and courteous. In these ways, we will continue to develop strong, long-lasting relationships of trust with our customers.

Initiatives for Showrooms

To enable our customers to experience our products firsthand, we have established 94 directly managed showrooms across Japan and 11 locations overseas. Our Japanese locations include 13 showrooms that are operated in collaboration with DAIKEN CORPORATION and YKK AP Inc., where we exhibit and propose living spaces featuring products from the three companies for our customers to immerse themselves in.

Additionally, we have taken initiatives that align with the needs of the era, such as online showroom experiences where customers can take 360° tours of showrooms on their computers, and online showroom consultations where customers can take part in consultations from their homes.



Initiatives for After-Sales Services

“TOTO quality” refers to the quality of the products themselves in combination with their assembly and maintenance if a problem were to arise. To help improve the quality of these services, we send a postcard questionnaire to or call customers who have applied for after-sales services in order to gather information on customer satisfaction.

Going forward, we will strive to increase the level of satisfaction in after-sales services, including overseas, to keep gaining TOTO fans around the world.





2

Advancing the Careers of Diverse Human Resources

Further Evolution of Diversity

Promotion of Diversity

The TOTO Group respects the individuality of our diverse talent, embracing people of all ages, nationalities, abilities, sexual orientations, gender identities, and gender expressions, etc. We aim to create an enriching and comfortable lifestyle culture by leveraging the fresh perspectives that emerge from this diversity. When people with diverse viewpoints gather, creative ideas are born and customer needs can be understood more accurately. We place importance on promoting horizontal connections, such as training focused on leadership models that leverage individual strengths for the advancement of women, as well as sharing concerns following their promotion to management. We are also promoting the creation of a workplace that enables mutual respect for diverse human resources and allows them to fully demonstrate their abilities.

Development of Senior Managers at Overseas Group Companies

We place importance on global collaboration across countries and regions and on the strengths of local employees to achieve sustainable growth of overseas businesses. We aim to create TOTO fans around the world through the growth and expansion of our overseas operations by implementing joint training with overseas Group companies and by developing and promoting leadership candidates with strong management literacy grounded in our Corporate Philosophy.



Development training for overseas management candidates

Realizing Diverse Workstyles

We promote diverse workstyles that encourage flexible use of time and place and the creation of a workplace that allows employees to take on challenges. We have adopted a location-based employment system that enables employees to temporarily choose a preferred location to work due to reasons including marriage, childbirth, childcare, and caregiving. We also support enhanced workstyle options, such as telework tailored to the nature of an employee's work, to balance work and childcare, caregiving, and personal health treatment, enabling all employees to continue their careers while maintaining a balance between work and life events.

Implementing DX Leading to Results

By reinforcing the training of DX talent, and accelerating the cycle of learning, taking on challenges, and producing results, we aim to maximize work efficiency. We have set targets that are based on the number of division DX implementation ideas.

3

Offer Cultural Support and Contribute to Society for the Next Generations

Supporting the Development of Architectural Culture—40 Years Since the Opening of TOTO GALLERY-MA

In October 2025, we celebrated the 40th anniversary of TOTO GALLERY-MA. Through the activities of TOTO GALLERY-MA and TOTO Publishing, we have been supporting the development of architectural culture, with which our businesses have a deep connection. By holding exhibitions and lectures featuring architects who are active on a global scale, we are introducing the latest developments in the architecture industry to students and others who will oversee the future. Furthermore, we publish books that offer more detailed information on the ideas and works of architects. Our architecture-oriented activities have been highly praised by members of the architectural community around the world.



Kazuo Shinohara: Inscribe Eternity in Space
—A centennial exhibition with 100 questions (TOTO GALLERY-MA)

Promotion of Social Contributions in Local Communities

The TOTO Group uses its management resources effectively in conducting social contribution and community coexistence activities aimed at the resolution of national, local, and global social issues, while respecting the living conditions, cultures, and history of each region. As a corporate citizen, we proactively participate in regions and society while contributing to their development. We support activities that contribute to society, such as through employee volunteering and donations, across a broad range of fields, including tree-planting, community cleanup activities, activities to provide aid to disaster-affected regions, and support for sports.



Sustainable Products that Balance Cleanliness and Comfort; Wellness, and the Environment

Over the last 100 years, TOTO has provided products that bring cleanliness and comfort; wellness, as well as eco-friendly products. Under WILL2030, we defined products that realize both of these requirements as sustainable products. By popularizing sustainable products around the world, we will contribute to realizing an enriched and comfortable society that is environmentally friendly.

Clean

Comfort

UD

Design

Wellness

Cleanliness and comfort; wellness products

Housing Equipment

Toilets

Clean

Wellness

Water saving

WASHLET®

Clean

Electricity saving

Bathroom

Clean

Comfort

Energy saving

Sustainable

Public

Toilets

Clean

Water saving

WASHLET®

Clean

Electricity saving

Otohome / toilet sound masker

Comfort

Water saving

Examples of Standards for Selecting Sustainable Products

Toilets (for homes)

Cleanliness and Comfort; Wellness

• CEFIONTECT

Maintains cleanliness and comfort since dirt does not stick to the smooth ceramic surface and is easily cleaned away.

• TORNADO FLUSH

Maintains cleanliness and comfort since it uses a small amount of water due to flowing in the same manner as a whirlpool.

• EWATER+

Maintains cleanliness and comfort by breaking down microscopic bacteria and dirt through automatic disinfection of the toilet seat and nozzle.

• Stool Scan

Environment

• Water saving: Less than 4.8L per large flush

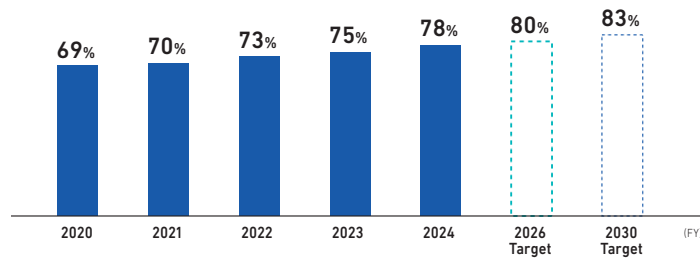
For NEOREST LS, floor drainage is 3.8L and wall drainage is 4.8L)

NEOREST LS-W

45

TOTO GROUP Integrated Report 2025

Percentage of Sustainable Products



We will increase the percentage of sustainable products as part of our vision for 2030.

ms

Bathroom vanity units

Modular kitchens



Comfort

Design

Hot water saving



Clean

Design

Hot water saving



Clean

Design

Hot water saving

Products

Urinals

Auto faucets

IoT support



Clean

Water saving



Clean

Water saving

Hot water saving



Comfort

UD

Water saving

Water saving

Hot water saving

Electricity saving

Reducing CO₂ emissions

Energy saving

Environmental products

Bathrooms

Cleanliness and Comfort; Wellness

• Raku-Raku Hokkarari flooring

Maintains cleanliness and comfort by being easy to clean and quick-drying due to special floor treatment and a regularly engraved pattern.

• Floor wiper cleaning with EWATER+

Maintains cleanliness and comfort of the entire floor with the touch of a button.

Environment

• Energy saving: MAHOBIN heat-retaining bathtubs

Maintains warmth of water by surrounding the bathtub with heat-insulating materials and an insulating lid.

SYNLA G-type



Wash basin faucets

Cleanliness and Comfort; Wellness

• Water temperature adjustment and usability

The single lever allows for comfortable operation.

Environment

• Hot water saving: Eco Single

Enables the reduction of hot water use compared to previous models since the barrier between hot and cold water can be felt with a click.

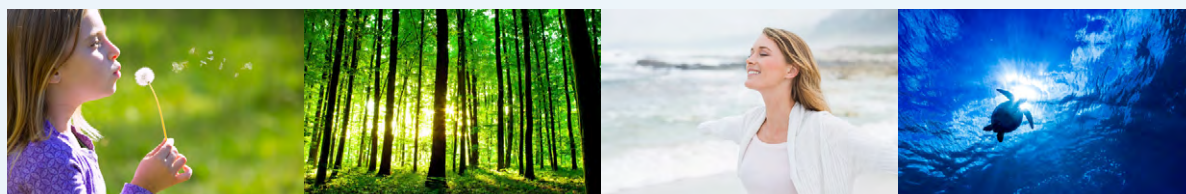
Faucets (single lever)



Mid-Term Management Issues

WILL2030 STAGE 2

The Shared Value Creation Strategy TOTO WILL2030 is a medium- to long-term growth strategy that commenced in fiscal 2021. Under the frameworks of this strategy, in fiscal 2024 TOTO is pursuing Mid-Term Management Issues WILL2030 STAGE 2. To achieve our vision for 2030, we are striving to address our three material issues in an effort to improve our economic value, as well as our social and environmental value.



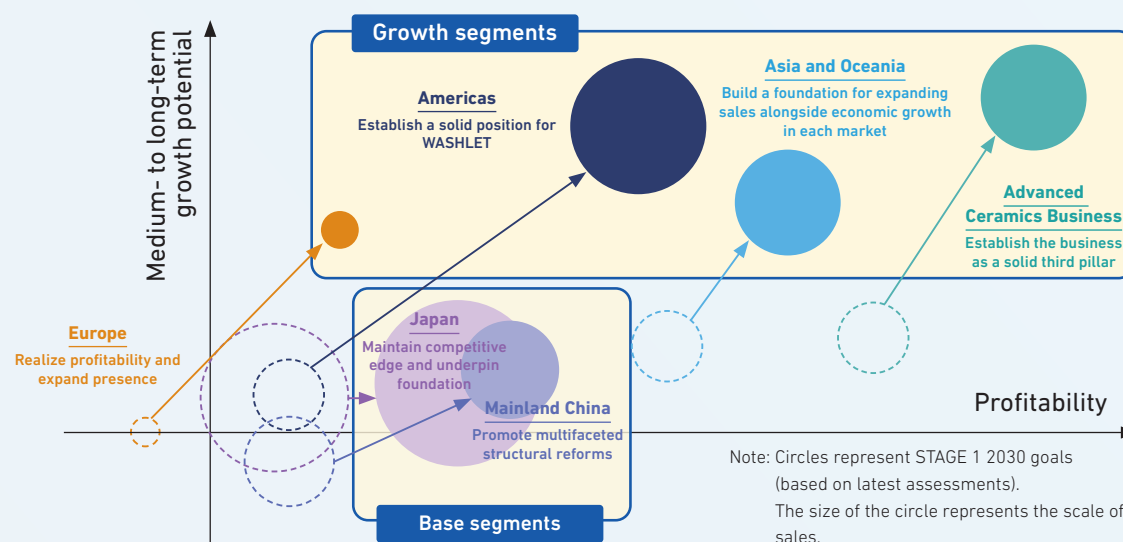
Our Aims for TOTO WILL2030 STAGE 2

In STAGE 2, we will take swift action to address issues pertaining to profitability and efficiency, which became apparent due to our inability to reach the targets for economic value under STAGE 1. At the same time, we will further accelerate efforts to allocate management resources in growth segments, including the Americas Housing Equipment Business, which is entering a period of market expansion for spray seats, and the Advanced Ceramics Business, which is expected to see long-term market growth.

Striving for Growth Focused on 2030

In addition to the Americas Housing Equipment Business and the Advanced Ceramics Business, where we have achieved significant business growth during STAGE 1, we have positioned the Asia and Oceania Housing Equipment Business, which is expected to benefit from economic growth, and the Europe Housing Equipment Business, which is embarking on a trajectory for growth, as growth segments. Moving forward, these four growth segments will drive Groupwide growth. Meanwhile, the Japan Housing Equipment Business and the Mainland China Housing Equipment Business will serve as businesses that underpin the Group's operations.

Although the Mainland China Business has experienced setbacks due to rapid changes in the Chinese market structure, its position has not changed within the TOTO Group's growth strategies. By accelerating growth in these four growth segments, we will aim to achieve our goals for 2030.



Review of Fiscal 2024 and Plans for Fiscal 2025

In fiscal 2024, which was the first year of STAGE 2, net sales increased 3% year on year, to ¥724.5 billion (a record high), and operating profit rose ¥5.7 billion, to ¥48.5 billion. This was a result of the effect of price revisions in the Housing Equipment Business, the recovery of the semiconductor market in line with increased sales of ceramic products, and other factors—despite the impacts of challenges such as worsening real estate market conditions in various regions overseas and rising raw material costs.

In fiscal 2025, net sales are expected to increase 4% year on year, to ¥753.5 billion, and operating profit is projected to rise ¥4.0 billion, to ¥52.5 billion. This is due to expanded global sales of WASHLET and growing demand in the semiconductor market due to increased sales of ceramic products, despite the negative impact of factors including the worsening market environment in the Mainland China Business and U.S. tariff policies.

Results of Major KPIs and Future Plans for the TOTO Group (Consolidated Basis)

(Billion yen)

	Base Year	STAGE 1				STAGE 2		STAGE 2	WILL2030
	Results	Results				Results	Plans ^{*1}	Plans ^{*2}	Plans ^{*2}
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2030	
Net sales	577.8	645.3	701.2	702.3	724.5	753.5	850.0	Over ¥1 trillion	
Operating profit	39.7	52.2	49.1	42.8	48.5	52.5	—	—	
Operating margin	6.9%	8.1%	7.0%	6.1%	6.7%	7.0%	Over 10%	Over 12%	
ROA (Operating profit base)	6.5%	8.1%	7.2%	5.6%	6.0%	6.6%	Over 10%	Over 12%	
ROE (Net profit base)	7.7%	10.4%	9.1%	7.8%	2.4%	6.2%	Over 10%	Over 12%	
ROIC	7.4%	8.9%	7.4%	5.9%	4.8%	7.0%	Over 10%	Over 12%	
(ROIC after adjustments ^{*3})	7.2%	8.8%	7.5%	5.9%	6.5%	7.3%	Over 10%	Over 12%	
Overseas sales ratio (Housing Equipment Business)	25%	28%	29%	29%	29%	28%	35%	Over 40%	
Percentage of sustainable products	69%	70%	73%	75%	78%	78%	80%	83%	
Avoided emissions of water during product use ^{*4}	0.9 billion m ³	1.0 billion m ³	0.95 billion m ³	0.91 billion m ³	0.93 billion m ³	0.97 billion m ³	1.14 billion m ³	1.3 billion m ³	
CO ₂ emissions from business sites (Scope 1 and 2)	307 thousand tons	352 thousand tons	267 thousand tons	254 thousand tons	246 thousand tons	238 thousand tons	229 thousand tons	185 thousand tons	
Customer satisfaction in after-sales service ^{*5}	92.2 pt	93.1 pt	94.0 pt	94.2 pt	95.1 pt	95.2 pt	94.8 pt	95 pt	
Showroom satisfaction (Japan)	73.4 pt	74.7 pt	75.3 pt	76.5 pt	81.9 pt	84.3 pt	78.2 pt	80 pt	
Employee satisfaction (Japan)	74.4 pt	75.2 pt	74.9 pt	75.9 pt	77.8 pt	78.2 pt	77.4 pt	80 pt	

^{*1} Announced in April 2025 ^{*2} Announced in April 2024 ^{*3} Calculated using operating profit after tax and a standard tax effective rate of 30.4%.

^{*4} Reduction effect when compared with the case where products from 2005 continue to be used (calculation conditions change from fiscal 2024).

^{*5} Scope: Japan, Americas, Europe, Mainland China, Taiwan Region, India, Thailand, Vietnam (does not include India in 2020)

WILL2030 STAGE 2—Establishing a Structure for Sustainability Management

For the Japan Housing Equipment Business and the International Housing Equipment Business, we will extend the strengths cultivated in each respective region to other regions in an effort to grow these businesses as one Global Housing Equipment Business while generating positive synergies. Additionally, we will strive to ensure that the Advanced Ceramics Business, where we utilize the sanitary ware and other technologies and know-how cultivated in the Housing Equipment Business in various ways, can further contribute to the growth of the TOTO Group as a third business pillar. We will also seek to strengthen our sustainability management so that we may address our three material issues, while incorporating our three cross-organizational innovation activities of Marketing Innovation, Demand Chain Innovation, and Management Resource Innovation, into our business activities.

Overview of Promotion Structure for Sustainability Management (WILL2030 STAGE 2 Promotion System)



Global Housing Equipment Business

Japan Housing Equipment Business

Since its establishment, the Japan Housing Equipment Business has pioneered Japan's bathroom culture as a market leader. Moving forward, we will continue to provide high-quality products and services that closely cater to new lifestyles and customer needs, thereby underpinning the overall growth of the TOTO Group.



Takehiko Kitazaki

Director,
Managing Executive
Officer

Base segments

Initiatives for WILL2030 STAGE 2

Awareness of the Market Environment

In the field of housing remodeling, which accounts for the highest percentage of sales in the Japan Housing Equipment Business, we expect demand to be strong heading toward 2030, due to an increase in the number of residential properties over 20 years old and the number of households in the optimal age for pursuing remodeling remaining stable. We continue engaging in initiatives that spur demand through support that encourages remodeling tailored to each and every customer. In public domains, there are an abundance of residential properties over 20 years old and, with the increase in inbound demand, we anticipate continued investment in the future. Meanwhile, we predict a continued slump in demand for both residential and public housing in the new construction domain due to the structural causes of the decreasing population and declining number of new housing under construction. As raw material, labor, and other external procurement costs also continue to surge, we have identified margin improvement as a priority issue and are considering the continuous implementation of measures such as flexible price revisions. Based on such circumstances, we plan to shift to a highly profitable business structure resilient to changes in the external operating environment.

Main Initiatives

1. Expand sales of high-value-added sustainable products

Under STAGE 2, we will deliver new experience-based value through "Daily Wellness" that is tailored to the everyday health of our customers. Additionally, we aim to enhance energy-saving features and comfort in WASHLET for residential housing by making a phased shift from tank-based to tankless. We will expand sales of TOTO products that realize cleanliness, comfort, and wellness and feature outstanding environmental performance, and are high-value-added, including other products in both the housing and public domains.

2. Strengthen proposal capabilities at customer contact points

In the housing domain, we continue to promote our "Anshin" Remodeling Strategy and directly address customers with concerns and uncertainties about remodeling through various opportunities for contact. This will support their first step toward remodeling with "anshin" (peace of mind).

We will further strengthen our proposal capabilities in line with the enhanced quality and quantity of our remodeling. Specifically, we will enhance the dissemination of information customers are interested in knowing on our website and strengthen our consultation capabilities through our Support Desk for Remodeling. We are also further enhancing proposal capabilities and response quality in our showrooms by expanding opportunities for consulting, including online.

For public domains, we will collaborate with maintenance divisions and leverage our wealth of knowledge about properties that are the optimal age for remodeling to develop proposal activities that meet the needs of each property. We are also engaging in the development and provision of TOTO CONNECT PUBLIC, a new service aimed at utilizing DX in public toilets, with the aim of enhancing comfort and convenience from the perspective of users and facility managers. Through these activities, we will expand opportunities for visitors to experience Japan's toilet culture and continue spreading it around the world.

3. Bolstering sales and manufacturing productivity

To promote more efficient sales activities, we will leverage digital technologies and the systems developed during STAGE 1 to pursue sales growth and increase the operational efficiency of our showroom advisors. In addition, to respond to the issues of a declining workforce, a shortage of drivers, and restrictions on working hours that are directly impacting the logistics and distribution industries, we will establish a logistics structure that can efficiently handle product shipment and products that require assembly. For manufacturing, we will implement initiatives, such as the expansion of smart factories in the Japan Housing Equipment Business, drawing on the insights we have accumulated in the Advanced Ceramics Business, thereby establishing a highly efficient production structure.

Business Strengths

The TOTO Group has led the way in creating Japan's bathroom culture. We possess sophisticated R&D and production structures, which allow us to consistently deliver innovative, high-quality products that respond to new lifestyles and changing customer needs. One of our major strengths lies in the continued production of new value, namely products including sanitary ware, WASHLET, and bath modules. By repeatedly taking on such challenges, we have built up overwhelming brand power over more than 100 years of business.

Another one of our strengths has been the provision of comprehensive, high-quality services that cover everything from the period before customers purchase a product to the period after customers have used a product for a long time. By continuing to maintain contact with customers over such a long time, from delivery of products to the after-sales services of maintenance and replacement of components, we have built up even more trust and recognition of the TOTO brand.

In the 1990s, when new housing demand was still dominant, we led the industry in promoting a transition to a remodeling strategy. Together with parties such as general contractors and sales agencies, we built a robust foundation for the remodeling business. Thanks to these services, we have maintained a high market share for not just mainstay products such as sanitary ware and WASHLET but also for bath modules, faucets, and bathroom vanity units. By doing so, we have been driving Japan's bathroom culture.

In the public domain, a large number of buildings have installed TOTO products as a result of our proposal capabilities that exceed customer expectations.

Review of Fiscal 2024 and Plans for Fiscal 2025

Fiscal 2024 saw net sales increase 2% year on year, to ¥481.3 billion, and operating profit decrease ¥0.4 billion, to ¥21.9 billion. Despite results decreasing compared to the previous fiscal year due to a dip in the number of new housing under construction, there was an overall increase in sales due to remodeling in both residential housing and the public domain producing results that surpassed the previous fiscal year.

Meanwhile, profits decreased due to an increase in external procurement costs and investments in human resources, despite revising the manufacturer's suggested retail price and implementing cost reductions in August 2024.

In fiscal 2025, as external procurement costs are expected to continue, we anticipate net sales to increase 3% year on year, to ¥495.0 billion, and a rise in operating profit of ¥0.6 billion, to ¥22.5 billion. This is a result of expanding sales of high-value-added sustainable products, focused on new products, and revising the manufacturer's suggested retail price.

Key Activity: Expand sales of high-value-added sustainable products

In August 2025, we introduced new products to our mainstay offerings aimed at residential housing. These include SMART TOILET NEOREST LS-W / AS-W, ESCUA and DRENA bathroom vanity units, and THE CRASSO modular kitchen. Among these products, the NEOREST LS-W / AS-W are equipped with the new Stool Scan function. By relaying data to a smartphone app, users receive daily lifestyle insights based on the condition of their stool.

Furthermore, in new bathroom vanity unit and modular kitchen products, we will meet the lifestyles and preferences of our customers through designs based on the latest trends and the development of diverse items.

The SYNLA modular bathroom, which was launched for sale in August 2024, was simultaneously awarded the internationally acclaimed iF Design Award 2025 and Red Dot Design Award 2025. We will continue to expand sales of such high-value-added sustainable products.

Results of Major KPIs and Future Plans

(Billion yen)

	Base Year	STAGE 1				STAGE 2	
	Results	Results				Results	Plans
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	
Net sales	419.8	440.9	462.8	473.1	481.3	495.0	
Operating profit	22.8	22.9	19.5	22.3	21.9	22.5	
Operating margin	5.4%	5.2%	4.2%	4.7%	4.5%	4.5%	

Fiscal 2023 ⇒ Fiscal 2026

**+3% CAGR* in sales
(plan)**

* Compound annual growth rate

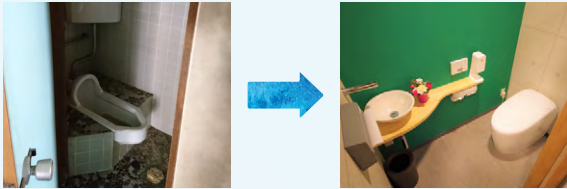
About the Japan Remodeling Business

TOTO Group's Remodeling Strategies

In Japan, housing remodeling is carried out in line with lifestyle changes while living in the same house and usually in different parts of the house at different times. The remodeling is characterized by taking the time and care to create a space that is personally comfortable, based on the assumption that they will continue to live there in the future. Since circumstances vary by property, contractors are required to have comprehensive abilities, such as a high level of construction expertise, accurate planning capabilities, and the communication skills to build a relationship of trust with customers. TOTO has created Japan's remodeling market over approximately 30 years together with contractors who have the technological capabilities required by remodeling, are closely related to local communities, and are quick to respond to remodeling-specific needs. We have also promptly engaged in building a network with contractors, launched the TOTO Remodeling Club system, and strategically placed showrooms across Japan as locations for making remodeling proposals. Further, we have been reinforcing our sales structure by focusing on enhancing our remodeling products.

In 2018, we launched the new "Anshin" Remodeling Strategy. We strive to provide customers with an even clearer image of life after remodeling, such as introducing the Support Desk for Remodeling, which acts as a forum for reform-related consultations, publishing reference pricing and numerous example cases on our website, and developing a network of approximately 5,000 TOTO Remodeling Club shops across Japan that individually established "Anshin" quality standards.

<Differences Between New Construction and Remodeling>

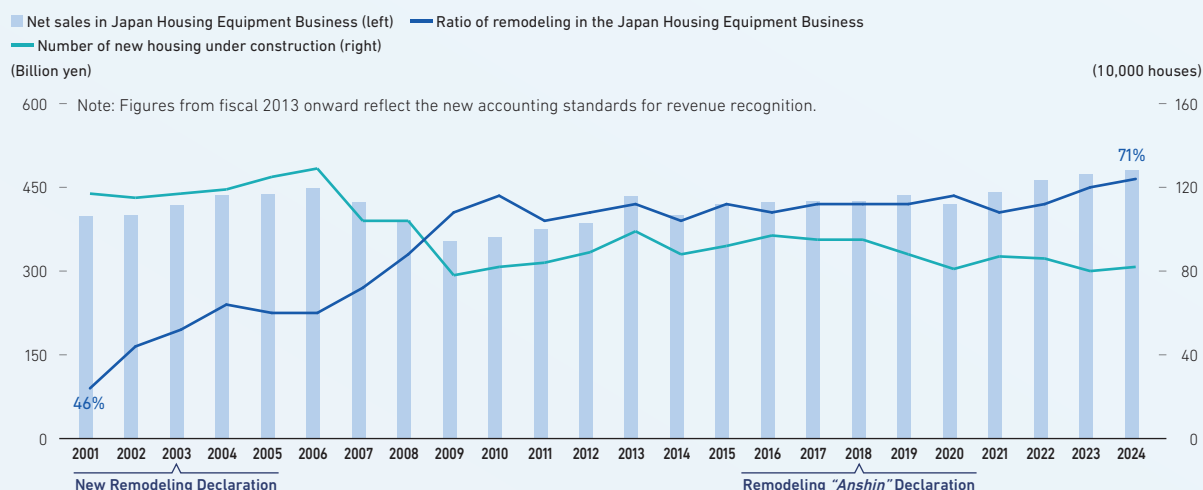
New construction	Remodeling
	
Many restrictions, including budget and time, and difficulties in focusing on plumbing equipment	Focus on specific spaces and budget and time that can be utilized relatively freely

TOTO Group Remodeling Strengths

(Robust Business Structure That Is Not Influenced by the Number of New Homes Being Built)

1. Products that realize ideal lives <ul style="list-style-type: none"> Water-saving toilets that use a small amount of water WASHLET that integrates water and electricity Pursuit of ease of use and visual appeal Ease of assembly and construction during remodeling work 	2. Provision of information that brings us close to customers: Showrooms, corporate website, hotlines <ul style="list-style-type: none"> Launch of suburban showrooms across Japan (94 locations) Advisors expand the dreams of our customers and achieve a high level of satisfaction Provision of comprehensive information on reform not limited to TOTO products
3. Reliable shops that shape customers' dreams: TOTO Remodeling Club <ul style="list-style-type: none"> Voluntary network of roughly 5,000 contractors that are closely connected to local communities Enable search for stores that meet TOTO's "Anshin" quality standards using various criteria Enable viewing of information about actual cases on TOTO's remodeling website, including cost, construction time, and products 	4. Comprehensive proposals for comfortable living spaces: TDY Alliance <ul style="list-style-type: none"> Conclusion of the TDY Alliance with YKK AP Inc. and DAIKEN CORPORATION to provide proposals for comfortable living spaces not limited to bathrooms. Offering of proposals drawing on the strengths of the three companies, including collaborative showrooms

The TOTO Group launched its remodeling business at a time when new housing demand was still predominant, rapidly shifting focus to the remodeling market and developing the business. Spurred by our "Remodeling Declaration" in 1993, we have reinforced points of contact with customers, namely showrooms and TOTO Remodeling Club shops, and created a business structure that is not influenced by the number of new homes being built.



Global Housing Equipment Business

International Housing Equipment Business

We are promoting business in the four areas of the Americas, Asia and Oceania, Europe, and Mainland China.

At the same time, we aim to respect the various cultures and lifestyle customs of each country and region in which we operate and become a necessary part of life there.



Naomiki Takeuchi

Director,
Managing Executive Officer

Initiatives for WILL2030 STAGE 2

In the overseas market, we have been developing our business with differentiated products, WASHLET, and sanitary ware, as our strengths.

We will position the Americas Housing Equipment Business, where we are seeing the widespread adoption of WASHLET; the Asia and Oceania Housing Equipment Business, where economic growth is forecast in each country and region; and the Europe Business, where brand power and awareness are steadily growing despite business still being small-scale, as growth segments. Meanwhile, in the Mainland China Business, which is being directly affected by the slump in the real estate market and intensifying competition, we aim to shift to a stable profit structure by drastically reviewing our strategies, thus becoming a base segment that supports TOTO.

Conveying New Experience-Based Value to the World

At ISH 2025, the world's largest international trade fair, we proposed enriched lifestyle value that only TOTO can realize, supported by technology under the concept of "Life Anew."

In addition to "CLEAN SYNERGY," which realizes the joint "cleanliness and comfort" effect of TOTO's clean technology, we introduced a color exhibition for wash basins with a four-seasons concept, water-related equipment that harmonizes CMF (color, material, finish), and "Daily Wellness," which aims to propose new health habits, starting with toilet habits.



Review of Fiscal 2024 and Plans for Fiscal 2025

In fiscal 2024, the environment surrounding the housing equipment market was not positive, due to factors such as the market slump in Mainland China and Vietnam and interest rate increases in the Americas. In the Mainland China Business in particular, we saw losses. In the International Housing Equipment Business as a whole, net sales remained the same year on year, at ¥192.5 billion, and operating profit fell ¥2.9 billion, to ¥9.0 billion.

In fiscal 2025, the Mainland China Business is expected to remain in the red and we anticipate net sales to decrease 1% year on year, to ¥191.2 billion, and operating profit to decrease ¥2.5 billion, to ¥6.5 billion, in the International Housing Equipment Business as a whole. We will see advancement by steadily implementing strategies in each growth segment. In the Mainland China Business, we are proceeding with structural reforms with the aim of achieving stable operations in the future.

Results of Major KPIs and Future Plans

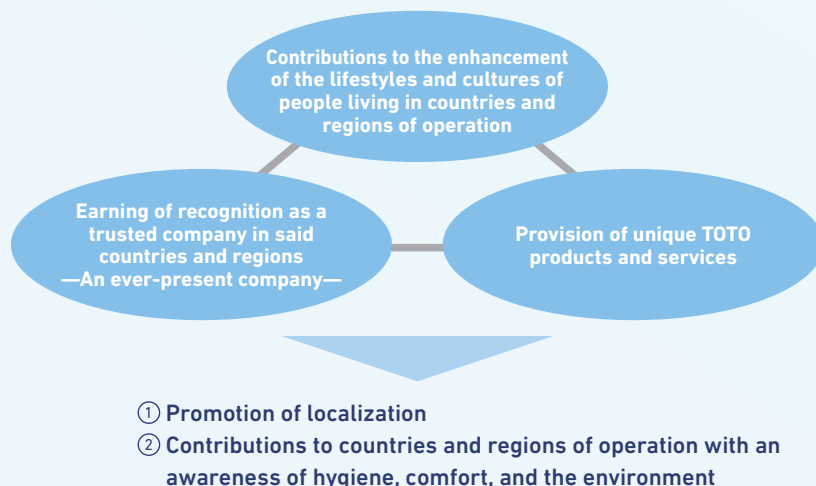
(Billion yen)

	Base Year	STAGE 1				STAGE 2	
	Results	Results				Results	Plans
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	
Net sales	137.7	174.0	188.6	192.4	192.5	191.2	
Operating profit	17.7	22.9	12.9	11.9	9.0	6.5	
Operating margin	12.9%	13.2%	6.8%	6.2%	4.7%	3.4%	

About the International Housing Equipment Business

Basic Approach and Strengths

The International Housing Equipment Business aims to make TOTO a company that caters to different characteristics in each country and region. We place importance on three approaches in our efforts to become a company that is rooted in local communities, develops together with them, and is essential to the people who live in the country or region in which TOTO conducts business.



Commenced operations in fiscal 2022 in response to the growth in global demand for sanitary ware.



We exhibited a matte black NEOREST at ISH 2025, and communicated the “fun of choosing” by expanding the number of features, colors, and designs.

Marketing Stages at Each International Production Site

In the international market, we provide products and services with a quality that has been built up over many years in Japan and align them to countries and regions through three marketing stages.

First, we commence marketing activities to enable people to know the TOTO brand. The brand awareness stage aims to promote the supply of TOTO products to top-class facilities. Next, we increase the contact points for customers to touch and purchase TOTO products (market penetration) through cooperation with local agencies to expand sales networks. Finally, we communicate the value of TOTO products through various customer contact points, such as the establishment of directly managed showrooms and cultivate high-end brands.



Global Housing Equipment Business

International Housing Equipment Business

Americas Housing Equipment Business

Growth segments

Initiatives for WILL2030 STAGE 2

Awareness of the Market Environment

In addition to activities to continuously communicate the value of WASHLET, we have achieved a 70% level of spray seat recognition in part due to the growing influence of social media in recent years. This positive trend has also been driven by increased travel to Japan, a sudden increase in awareness of cleanliness following the spread of COVID-19, and greater attention to issues such as heightened demand for staying at home. We expect that the level will continue to rise moving forward as we enter into a period for the widespread adoption of spray seats.

Main Initiatives

In addition to the existing key channel of construction material stores (Kitchen & Bath Shop), we are enhancing the number of places where WASHLET products are available, such as e-commerce sites and retail chain stores, and aim to expand net unit sales in each channel by more than two-fold over the three-year period of 2024–2026. WASHLET has become a growth segment that drives the TOTO Group's growth through expanding sales as a strategic product that is less affected by demand trends and market conditions.

At the same time as increasing net unit sales, we forecast a gradual increase in inquiries regarding maintenance and repairs. To ensure that TOTO customers can continue to feel satisfied when using our products, we will strive to enhance the quality of our after-sales services by adopting the speed of the process from inquiry to repair completion and enhancing the level of customer satisfaction in our services as KPIs.

• Construction material stores (Kitchen & Bath Shop)

Targeting major cities across the Americas, we will implement the New Showroom Program initiative at our construction material stores. This initiative seeks to establish showrooms at local agencies, increase the number of visitors to these showrooms, and boost the number of quotations and contracts. Specifically, to enhance the demand for remodeling in each region, we are attracting visitors to showrooms by announcing nearby showroom locations and holding events, strengthening strategic product displays in showrooms, reinforcing the communication of value, and training sales staff.

• E-commerce

As the market for spray seats continues to expand, we will maintain a high market share and grow net sales through investment in new products and strategies for communicating value. While there are many competitors in the e-commerce channel, we will remain a step ahead through our comprehensive strengths that include the development of high-quality products, instillation of our products, and expansion of a robust structure for providing after-sales services.

• Retail chain stores

We aim to grow net sales at retail chain stores by expanding the number of stores that handle TOTO products and increasing the lineup of TOTO products offered at these stores. Retail chain stores are also an important channel for raising awareness of WASHLET as an everyday product in customer purchasing behavior.

• Building foundation for business activities

We are working to build a stable supply structure in anticipation of a rise in demand. As well, we are striving to reduce standard inventory levels while also increasing sales. To that end, we are working to reduce procurement lead times and organize item numbers, primarily for products with low shipment volume. In addition, by revamping our production management system, we will be able to provide customers with more accurate delivery dates and better forecast demand. In doing so, we will be able to optimize inventory levels and strengthen collaboration with business partners over the medium to long term. From the perspective of production, we will work to bolster the production capacity of sanitary ware within the United States to meet growing demand. We will thus build a structure that enables the highly efficient and stable production of high-value-added products including smart toilets. While production at sites in Southeast Asia has become a principal axis, mainly for WASHLET, we will examine the optimal supply structure while observing the external environment.



Product exhibition and sale of products at retail chain stores

Business Strengths

In the Americas, which contains many regions with strict regulations on water conservation, our strength is high brand awareness cultivated through sales of water-saving toilets. TOTO's toilets are known as high-quality products that clearly distinguish us from other companies.

At our construction material stores, we commenced transactions with large-scale distributors in 2019 and have since steadily grown our market share.

Moreover, the market for spray seats has been expanding. Amid this expansion, we boast the strength of being able to differentiate ourselves from competitors through our high levels of quality, drawing on the insight and resources we have cultivated from handling the development, production, and sales of WASHLET entirely in-house since the 1980s in Japan.

Furthermore, as we conduct development and production in-house to distinguish ourselves, in the rare event a product breaks down, we are able to offer high-quality after-sales services, thereby providing support to customers even after product purchase. This is another strength that has underpinned TOTO's growth. Our ability to organize sales networks for each channel in major cities across the Americas, providing a comprehensive service from product consideration through to after-sales follow-up, has also become a strength.



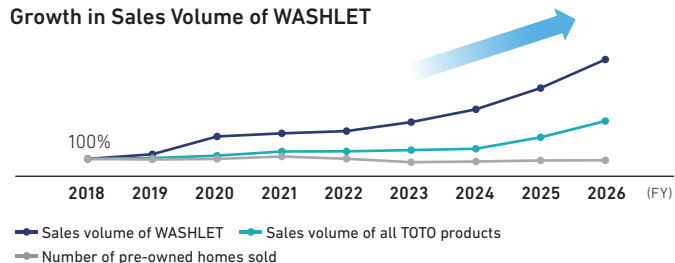
Proposals made at showrooms where customers can compare products

Review of Fiscal 2024 and Plans for Fiscal 2025

Fiscal 2024 saw net sales increase 20% year on year, to ¥70.5 billion, and operating profit rise ¥2.4 billion, to ¥5.2 billion. As mortgage rates rise, the housing market has continued to see a slump for both new construction and existing properties. Furthermore, from the second half of the fiscal year, uncertainty about the future due to a change in government led to an increase in caution across the entire market and a further deceleration of market trends. Under such a market environment, we achieved steady growth in sales of WASHLET and our best-ever net sales and operating profit figures. In fiscal 2025, net sales are expected to increase 14% year on year, to ¥80.0 billion, and operating profit is expected to grow ¥1.3 billion, to ¥6.5 billion, exceeding the previous fiscal year's record high. The surrounding environment is expected to remain challenging for the housing market, and we predict a continuation of the current market disruption due to the tariff policies of the new administration. Regarding the impact of tariff policies, we will respond by reviewing our import structure and implementing price revisions, in addition to promoting measures to reinforce sales centered on WASHLET. We have expanded sales of WASHLET without losing momentum or feeling the impact of the housing market slump due to an increase in awareness and interest in spray seats and expansion of sales channels. This trend is expected to continue this year. We aim to steadily promote measures in each channel and achieve our planned net sales and operating profit for fiscal 2025.

We create demand among customers for spray seats, which has helped us build an operating structure that is less susceptible to fluctuations in the housing market.

Growth in Sales Volume of WASHLET



Results of Major KPIs and Future Plans

	Base Year	STAGE 1				STAGE 2	
	Results	Results				Results	Plans
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	
Net sales	36.0	44.3	53.5	58.9	70.5	80.0	
Operating profit	2.5	2.9	(1.1)	2.8	5.2	6.5	
Operating margin	6.9%	6.5%	—	4.8%	7.3%	8.1%	

(Billion yen)

Fiscal 2023 ⇒ Fiscal 2026

+19% CAGR in sales (plan)



INTERVIEW

E-Commerce Initiatives

William L. Strang Vice President, TOTO U.S.A., INC.

The turning point was in 2016. We established a new in-house e-commerce team to create optimal content that conveys the worldview and story of TOTO products, and strengthened our response to reviews. We continue to show gratitude for reviews from people who have purchased products on the site and sometimes work with the after-sales service division to resolve customer questions and concerns. At the same time, we have successfully developed a place for customers to see and experience the product firsthand when considering buying a WASHLET by strengthening displays at construction material stores and retail chain stores. Each of these initiatives has led to familiarity with and trust in TOTO.



FOCUS

History of the Americas Housing Equipment Business

The Course for Establishing the TOTO Brand

We have been promoting brand awareness in the Americas, beginning with water-saving toilets. As well, we have gradually raised the level of trust among plumbing stores and regular customers with claims such as “a toilet that is completely clean after one flush with a small volume of water” and “a toilet that rarely malfunctions.”

Meanwhile, expanding sales of WASHLET has also been challenging. In addition to a low level of awareness due to no existing culture of using spray seats in the Americas, there was also an issue of a lack of outlets next to toilets, necessitating electrical work. To create a place for customers to experience WASHLET firsthand, we have supplied WASHLET to hotels and restaurants and installed them in toilets of sales staff working at showrooms of local agencies so that they could properly recommend it to customers. Through this firsthand experience of using WASHLET, we have gradually promoted brand awareness and establishment, increased the number of local agencies expressing interest in proposing other TOTO products, aside from toilets, and expanded the products and sales areas. The turning point was the mid-2010s. The number of overseas visitors to Japan increased, and more people had the opportunity to experience WASHLET at prominent Japanese landmarks. The use of social media became widespread, and when tourists began to share their opinions about the product online, this helped further boost the level of recognition. At the same time, e-commerce became increasingly more popular as a means for customers to purchase products. We began to collaborate with sales agencies that boasted major strengths in e-commerce and conducted training for contractors regarding the installation of TOTO products, eventually commencing sales on major e-commerce sites, leading to sales growth.

Expansion of E-Commerce

The scope of the e-commerce market in the Americas is approximately 20% of the global market. Furthermore, roughly 20% of purchases are made through e-commerce, a figure that is expected to rise to 40% by 2030. Purchases of housing equipment, including spray seats, through e-commerce are increasing.

As a result, we have advanced the development of places to buy TOTO products online. For example, we are enhancing the information available to convey our value and address any questions or concerns that customers who are considering a purchase may have, such as setting up a brand page on shopping sites with videos that convey our value—including the cleanliness and comfort of WASHLET—a matching guide for the toilet customers are currently using, and DIY videos on how to attach to their current toilet.

Additionally, for customers who search for key words including “Japan vacation,” “housing remodeling,” and “spray seats,” we are placing advertisements conveying the comfort of WASHLET, transmitting information on showrooms where they can experience products firsthand, and carrying out other activities.

We are implementing sales plans during holiday periods such as Christmas in collaboration with e-commerce sites. An example of this is introducing products as “recommended as a Christmas present that will make someone happy.”



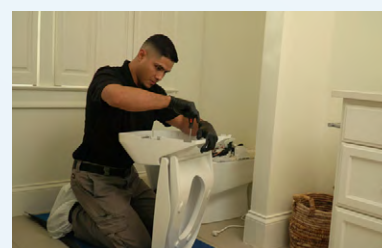
Appeal to customers considering an online purchase that they can fit WASHLET themselves



Online advertisement proposing WASHLET as a Christmas present

Promotion of After-Sales Services That Supported WASHLET Sales

As sales of units continued to increase, we faced the issue of establishing an after-sales service structure similar to the one in place in Japan, so that customers could use our products for a long period of time after purchase. At the time, many spray seats could not be repaired if they broke down and instead had to be replaced. Under these circumstances, TOTO was able to significantly differentiate itself through its maintenance system. Since the mid-2010s, we have been implementing factory repairs and maintenance visits that are handled by a limited number of TOTO employees. However, with the aim of providing industry-leading after-sales services, we expanded the service area for home repairs nine-fold between 2018 and 2023, including areas covered by online sales. In addition, to improve their technical capabilities, we trained and deployed highly skilled technicians and provided remote support.



After-sales service (maintenance visit)

Global Housing Equipment Business

International Housing Equipment Business

Asia and Oceania Housing Equipment Business

Growth segments

Initiatives for WILL2030 STAGE 2

The Asia and Oceania Housing Equipment Business has developed operations in countries including the Taiwan Region, Vietnam, India, and Thailand.

These are areas where the market itself is growing. By engaging in initiatives such as creating demand, enhancing sales networks, and acquiring leading facilities, we are realizing business expansion in line with the economic growth of each country and region.

• Taiwan Region

Up until the mid-2010s, the market in the Taiwan Region centered on new construction. Now, however, the region has become a mature market where we can expect demand for remodeling. As a market that underpins the Asia and Oceania Housing Equipment Business, we will implement educational activities and enhance the content of displays at showrooms. We will also promote activities to thoroughly communicate the value of WASHLET, including its cleanliness benefits and bacterial reduction features. By doing so, we will seek to capture demand from remodeling.

• Vietnam

While the slump in the real estate market has continued, the average age of citizens is young and the market is expected to continue growing over the long term. We will further increase the number of stores that display TOTO products in an effort to improve customer contact points from both a quantitative and qualitative perspective. We will also work to strengthen proposals at properties that provide a key advantage in raising brand awareness, in an effort to increase the rate of orders received. Furthermore, Vietnam serves as a global production base. As our performance grows in other regions, we expect to expand production in Vietnam and increase profits accordingly.

• India

India has the world's largest population and the upper middle class is also expected to increase. This growth will help support the economy in the long term while boosting demand for bathroom products. As global housing equipment manufacturers are gaining attention, we will seek to establish TOTO as a brand so that we can continue to be chosen by customers in the high-end market. In addition, we will work to expand the number of showrooms targeting metropolitan areas. We will also conduct educational activities for our sales staff. In these ways, we will improve customer contact points from both a quantitative and qualitative perspective. In 2024, we celebrated the 10th anniversary of the sanitary ware factory established in 2014. The factory not only produces for the domestic market but also supplies toilets for Europe and Japan, supporting global demand.

• Thailand

In the high-end market in Thailand, which is our target customer base, the number of houses, primarily in metropolitan areas, is increasing and demand is expected to rise as a result. We will increase the number of stores in which our products are sold and strengthen displays of our high-value-added products in showrooms. Furthermore, Thailand serves as a production base for WASHLET units and sanitary ware sold in the Americas and other Asian countries and regions. As our performance grows in other regions, we expect to expand production in Thailand and increase profits accordingly.

• Middle East

Saudi Arabia, where we have a number of mega-projects in the pipeline, is expected to become a market similar to India. Namely, one that is committed to becoming a global housing equipment manufacturer. We are developing a system to strengthen proposals by designers and developers, focusing on supply to notable locations.

Business Strengths

TOTO is recognized as a desirable brand due to the new value not provided by local manufacturers that we offer through our high-quality water-saving toilets and WASHLET, which have been installed in properties including high-end housing and hotels. In addition to our high-quality products, we pride ourselves on providing comprehensive support that includes after-sales services. Factories in Southeast Asia serve as our manufacturing base for global supply, and in the region we boast the same type of advanced production structure as at our mother factories in Japan.



Bathroom in Sofitel Legend Metropole Hanoi (Vietnam)



Distributor Showroom in Thailand

Review of Fiscal 2024 and Plans for Fiscal 2025

In fiscal 2024, growth in the Taiwan Region drove the Asia and Oceania Housing Equipment Business, with net sales increasing 12% year on year, to ¥50.2 billion, and operating profit rising ¥2.1 billion, to ¥8.2 billion. In fiscal 2025, factors including continued growth in the Taiwan Region and market recovery in Vietnam are expected to result in an increase in sales and profits, with net sales increasing 11% year on year, to ¥55.5 billion, and operating profit rising ¥0.5 billion, to ¥8.7 billion.

In the Taiwan Region, there was a focus on sales expansion for products including the NEOREST WASHLET integrated toilet and WASHLET amid favorable market conditions in fiscal 2024. Aside from expanding the product lineup, strengthening the promotion of added value, such as design and antibacterial features, will drive net sales and operating profit in fiscal 2025.

In Vietnam, the market slump continued into fiscal 2024. While sales were not strong within the country, Group exports were sound, leading to increased sales and profit for the business as a whole. Net sales and operating profit are expected to increase in fiscal 2025 through the promotion of expanded points of contact and reinforced proposals as laid out under STAGE 2, in addition to market recovery.

In India, we will continue engaging in marketing activities to boost awareness of WASHLET, expand local agency sales networks, and enhance showrooms.

Results of Major KPIs and Future Plans

	Base Year	STAGE 1				STAGE 2	
	Results	Results				Results	Plans
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	
Net sales	28.2	32.5	44.8	45.0	50.2	55.5	
Operating profit	4.6	5.3	7.1	6.1	8.2	8.7	
Operating margin	16.3%	16.3%	15.8%	13.6%	16.4%	15.7%	

(Billion yen)

Fiscal 2023 → Fiscal 2026

**+16% CAGR in sales
(plan)**

TOPICS

Initiatives in the Middle East, Where Mega-Projects Are in Full Swing

As the development of high-end housing real estate and luxury hotels is in full swing in the Middle East, Saudi Arabia has become an appealing market for TOTO.

Under the local government's "Saudi Vision 2030," there are a large number of large-scale development investment projects. To enable the installation of TOTO products at these sites, we are strengthening initiatives for communicating the TOTO brand and technological capabilities to on-site developers and interior designers, who have the power to choose which products to install. The Riyadh local agency showroom reopened in January 2025 following renovations. At the same time as focusing on activities aimed at expanding sales in the retail market, we will continue to engage in brand-awareness activities.



Showroom in Riyadh

Global Housing Equipment Business

International Housing Equipment Business

Europe Housing Equipment Business

Growth segments

Initiatives for WILL2030 STAGE 2

Our key markets are Germany, the United Kingdom, and France. In Germany, we will continue to build a robust network of plumbers who choose our products based on a thorough understanding of the value they offer. Through such cooperation, we will expand sales of WASHLET by implementing training for plumbers on communicating value and providing support to help increase sales of TOTO products. In the United Kingdom and France, we will build relationships with and strengthen proposals to key interior designers and hotel operators, thereby expanding the number of orders received from local luxury hotels and the number of hotel rooms in which WASHLET is installed. We will also pursue greater sales in the high-end housing market. Additionally, in after-sales services, we seek to establish a system with which other companies cannot compete by enhancing the speed at which we complete home repairs. In this way, we will gain the trust of our customers.



NEOREST WX display at ISH 2025

Business Strengths

One strength we possess in Europe is the fact that the power of the TOTO brand has been recognized by prominent plumbers and interior design studios in the region. As a result of efforts to build our brand, we have expanded the number of units delivered to prominent properties and bolstered our sales network in the European market. Additionally, our firm establishment of the TOTO brand in Europe has helped increase orders received from properties in other regions including hotels with a global presence. We believe that this brand presence in Europe will provide a positive boost for our business development in other countries and regions. In Europe, competition is fierce between long-standing bathroom and kitchen housing equipment manufacturers, and the region is well-known for being a trendsetter in terms of design. We are leveraging the insight we have gained through competing with European housing equipment manufacturers in global product planning. This insight has also helped us earn prestigious international design awards and increase design quality across the TOTO Group.

Review of Fiscal 2024 and Plans for Fiscal 2025

In fiscal 2024, we continued to see losses, but communicating the value of WASHLET to plumbers has progressed steadily and sales of WASHLET have grown. As such, net sales increased 8% year on year, to ¥4.9 billion, and operating profit grew by ¥0.5 billion, to –¥0.8 billion.

Additionally, local operators saw non-consolidated results return to profitability for the first time. In March 2025, we introduced the high-class wall-mounted toilet model, NEOREST WX, starting with presenting at ISH 2025, a global plumbing exhibition held in March, and participating in an exhibition in Germany. We are also continuing to propose WASHLET to hotels in the United Kingdom and France. Through these activities, net sales for fiscal 2025 are expected to increase 6% year on year, to ¥5.2 billion, and operating profit is expected to grow ¥0.1 billion, to –¥0.7 billion.



WASHLET Value Proposition Training for Plumbers

Results of Major KPIs and Future Plans

(Billion yen)

	Base Year	STAGE 1				STAGE 2	
	Results	Results				Results	Plans
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	
Net sales	4.0	4.8	5.3	4.5	4.9	5.2	
Operating profit (loss)	(1.0)	(1.1)	(1.3)	(1.3)	(0.8)	(0.7)	
Operating margin	–	–	–	–	–	–	

Global Housing Equipment Business

International Housing Equipment Business

Mainland China Housing Equipment Business

Base segments

Initiatives for Reforms

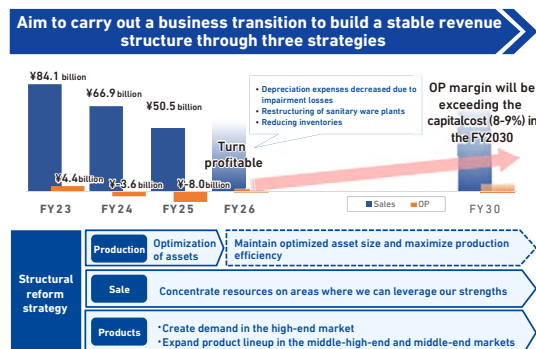
Since announcing WILL2030 STAGE 2, the demand environment has changed significantly in Mainland China.

There has been a continued slump in the real estate market and we have seen changes to customer purchasing behaviors amid a stagnant economy. Performance has worsened due to the general decline in quality of purchased products, intensifying competition (including with local manufacturers), and a slow response to rapid market changes, resulting in losses in fiscal 2024.

Going forward, we will carry out structural reforms aimed at stable business management in the future to enable the Mainland China Business to support the growth of the entire Group as a base segment.

There are three pillars of structural reform. In terms of production, we aim to reorganize sanitary ware production sites, maintain the adjusted size of assets, and maximize production efficiency. In terms of sales, we will implement detailed proposals in line with local styles, such as concentrating resources on regions (areas, uses, contractors) where strengths can be leveraged in remodeling, fully utilizing knowledge cultivated in Japan, and sharing information to respond to construction needs through various online media. In terms of products, we aim to shift to high- to medium-high-end products, ensuring opportunities to connect with a wide range of customers by expanding the product lineup in the growing medium-high-end and medium-end market while continuing to create demand through investment in appealing products in the high-end market.

Through such activities, we aim to achieve profitability in fiscal 2026 and an operating margin that exceeds capital costs (8–9%) in fiscal 2030.

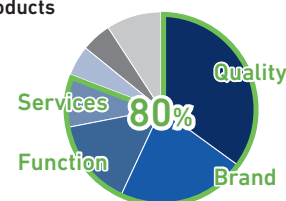


Business Strengths

In the 40th year since expanding into the Mainland China market, we have steadily established trust with customers who have purchased TOTO products. The deciding factors for the purchase were mainly “quality,” “brand,” “function,” and “services,” and we also expect to see high intentions to continue using TOTO products for future purchases.

Our strength lies in the extensive delivery track record that we have built up as our business has progressed. Utilizing the knowledge of remodeling proposals cultivated in Japan, we will advance highly detailed activities aimed at customers who already use TOTO products.

Deciding Factors for Purchasing TOTO Products



Questionnaire for customers who purchased TOTO products (October 2024–November 2024); n=597

Review of Fiscal 2024 and Plans for Fiscal 2025

As a result of a slow response to rapid changes in the market environment, fiscal 2024 saw net sales of ¥66.9 billion, a decrease of 20% year on year, to, and operating profit decrease ¥7.9 billion, to -¥3.6 billion. In fiscal 2025, the real estate market is expected to remain challenging and the effects of structural reforms are taking longer to show. As such, we expect net sales to fall 25% year on year, to ¥50.5 billion, and operating profit to decrease ¥4.4 billion, to -¥8.0 billion. We aim to carry out structural reforms and recover profitability in fiscal 2026.

Results of Major KPIs and Future Plans

(Billion yen)

	Base Year	STAGE 1			STAGE 2	
	Results FY2020	FY2021	Results FY2022	FY2023	Results FY2024	Plans FY2025
Net sales	69.5	92.4	85.1	84.1	66.9	50.5
Operating profit (loss)	11.6	15.8	8.1	4.4	(3.6)	(8.0)
Operating margin	16.7%	17.1%	9.5%	5.2%	—	—

New Business Domains

Advanced Ceramics Business

The Advanced Ceramics Business is rolling out high-quality, high-precision advanced ceramics, including electrostatic chucks and ceramic film formed by the aerosol deposition process (AD components), for semiconductor equipment manufacturing. Through unique technologies that leverage synergies with the Housing Equipment Business, we will create value together with our customers and suppliers.



Ryosuke Hayashi

Director,
Senior Managing
Executive Officer

Growth segments

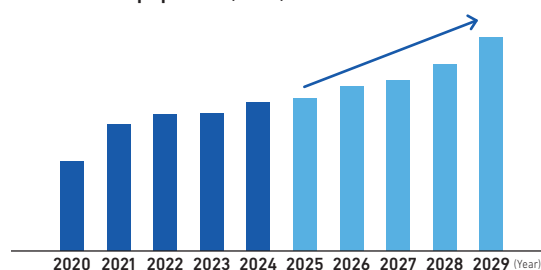
Initiatives for WILL2030 STAGE 2

Awareness of the Market Environment

In fiscal 2024, the adjustment period for the silicon cycle came to an end, with the acceleration of the global digital shift, such as utilization of AI, and growth in demand for semiconductors. In terms of performance, the evolution of factors such as miniaturization and increased capacity accelerated. The TOTO Group's electrostatic chucks and AD components are essential components of semiconductor manufacturing equipment, which is used in the etching process of manufacturing semiconductors. This has led to growth in the semiconductor market and an increase in products shipped.

TOTO's electrostatic chucks are mainly used to manufacture equipment used for NAND flash memory. As demand for generative AI rises, demand for the data centers required to store the necessary data for this technology will increase. At the same time, we expect demand for TOTO's electrostatic chucks to increase. Additionally, ongoing capital investment by device manufacturers will lead to a rise in the number of chambers around the world, and demand for replacement will also increase as device manufacturers' operations expand. While short-term demand fluctuates according to the silicon cycle, we predict an increase in demand for both new and replacement equipment due to long-term market growth.

Wafer Fab Equipment (WFE) Market Forecast



* Source: TechInsights Inc. (as of June 30, 2025)

Main Initiatives

1. Development of and Proposal Activities for Unique Products that Meet Customer Needs

To follow the advancement of semiconductors as the market expands, we will strengthen the development of next-generation products that are unrivaled through our unique raw materials, design and assessment technology, manufacturing process, and knowledge. While sharing information with our customers that manufacture semiconductor manufacturing equipment, we will promote the timely development of new products in alignment with the development plans of our customers. Going forward, we will conduct proposal activities while enhancing our ability to communicate the value of our unique products to customers.

2. Establishment of a Highly Efficient Production and Product Supply Structure Resilient to Fluctuations in Demand

We are enhancing the accuracy of component procurement and budget management by further evolving initiatives to expand the areas utilizing databases built during STAGE 1 to manage quality and production, sharing information from customers and suppliers, and connecting data from across the entire value chain. Furthermore, we have realized short lead times and high yields by advancing initiatives for automation of processes, automated visual inspection using AI, analysis of big data, and other aspects. Through these initiatives, we can respond to rapid changes in demand and build a robust production system. Additionally, we will contribute to enhancing the productivity of the entire TOTO Group by rolling out smart factory initiatives at production sites in the Housing Equipment Business. We will also continue making investments in production to create a structure to increase production of electrostatic chucks in anticipation of medium- to long-term expansion in the semiconductor market and investments in development aimed at acquiring new technology in preparation for future customers.



Business Strengths

Our key products of electrostatic chucks and AD components have both received praise for their high level of durability and quality. As the specifications of semiconductors and manufacturing equipment rise, products are also required to have technology with even higher durability, as well as other relative factors. However, TOTO "Only One" technologies that can follow such trends have garnered us trust from customers. Based on such a strong relationship, we are proceeding with joint development of next-generation products. Being able to realize a highly profitable business structure is a strength that we have achieved through enhancement of productivity by promoting the added value of such products, the ability to develop next-generation products, and the shift to smart factories.

Synergies with the Housing Equipment Business: Analysis of Defects

The R&D Division of the Advanced Ceramics Business at the Chigasaki Plant is home to the Comprehensive Research Institute, which is responsible for TOTO's research and development. It plays a role in solving quality issues that arise in the manufacturing processes of all TOTO's products. High-level technological analysis utilizing the knowledge of the Comprehensive Research Institute contributes to the early discovery of defects in ceramic products, analysis of their causes, and resolving them.

We have made major progress in TOTO's manufacturing technologies through synergy of knowledge cultivated at the Advanced Ceramics Business and Housing Equipment Business.

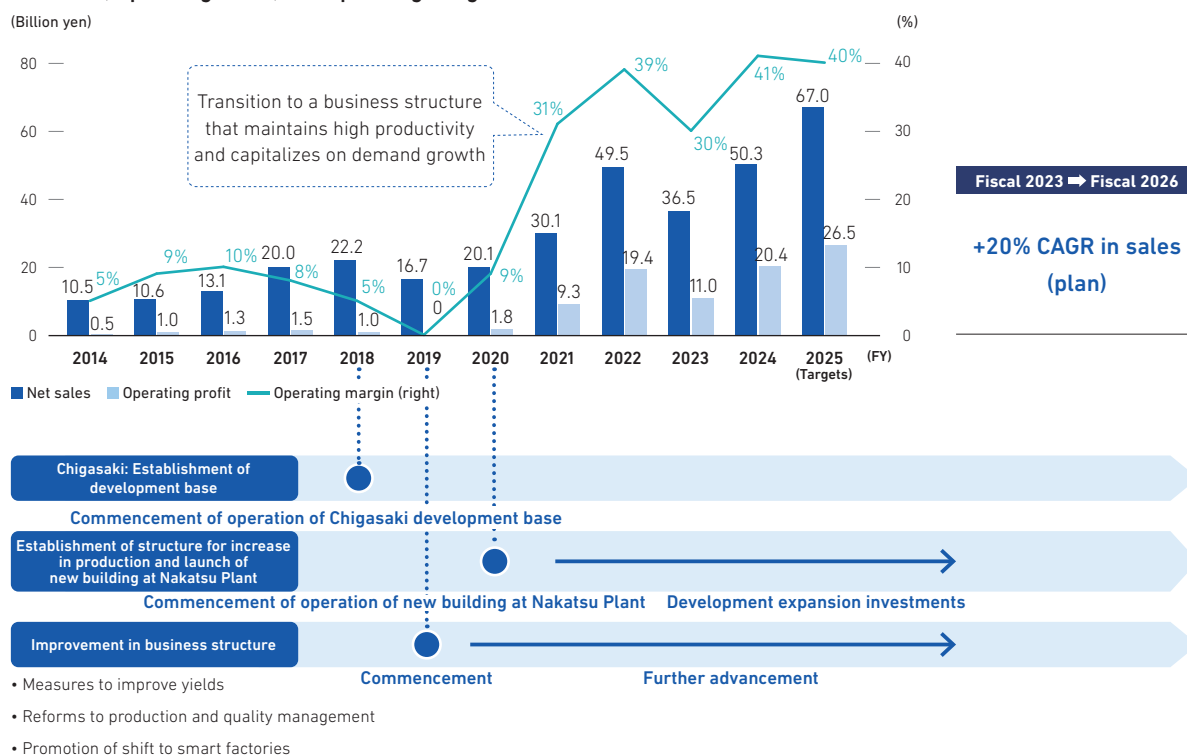


Review of Fiscal 2024 and Plans for Fiscal 2025

In fiscal 2024, we celebrated 30 years since the establishment of TOTO's fine ceramics and 40 years since the launch of our Advanced Ceramics Business. As a result of thoroughly following the recovery of the semiconductor market by engaging in enhancement of value and advancement and development of smart factories through new technology and next-generation products, net sales grew 38% year on year, to ¥50.3 billion, and operating profit increased ¥9.5 billion, to ¥20.4 billion. These were record amounts and enabled us to bring forward and achieve targets for fiscal 2025 that were formulated under STAGE 2.

In fiscal 2025, we expect demand to increase for new and replacement electrostatic chucks due to growing demand for NAND flash memory. We plan to steadily enhance R&D, production capabilities, and other aspects and predict net sales to grow 33% year on year, to ¥67.0 billion, and operating profit to increase ¥6.1 billion, to ¥26.5 billion.

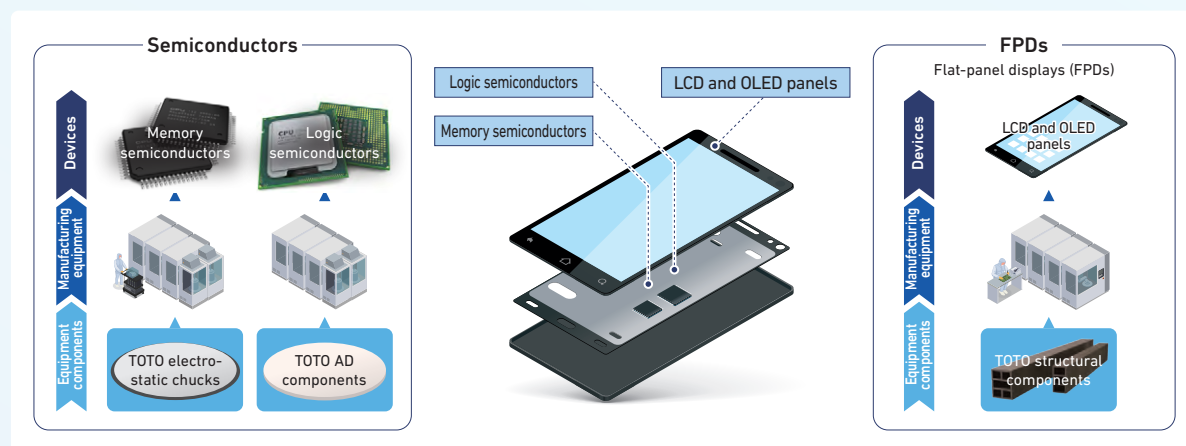
Net Sales, Operating Profit, and Operating Margin in the Advanced Ceramics Business



About the Advanced Ceramics Business

Fields that Utilize the TOTO Group's Fine Ceramics Technologies

TOTO's fine ceramics technologies play a vital role in the manufacturing processes for semiconductors that are used every day, such as in smartphones, computers, and data centers that are essential for the spread of DX and AI.



Strengths of TOTO's Fine Ceramics Technologies

TOTO has been earnestly participating in studies and the research of fine ceramics since 1976. The Advanced Ceramics Business utilizes the various forms of technology and knowledge that TOTO has built up over approximately 100 years in the plumbing domain with a focus on sanitary ware.

<Electrostatic Chucks>

We provide products that meet the advanced specifications for semiconductor manufacturing equipment used in the extremely harsh environment of the etching process. Our strength is our high-purity raw materials, which possess unsurpassed durability. Additionally, their characteristics include superior temperature control and insulation capabilities. A notable aspect of demand is that capital investment by device manufacturers is triggered by demand for new products and device manufacturer operations, which in turn is driven by demand for replacement products.



<AD Film>

Ceramic film formed via the aerosol deposition (AD) process, developed by TOTO as a global pioneer, is a technology for forming highly precise and highly adhesive ceramic film by turning fine ceramic particles into an aerosol (a state in which fine particles are dispensed into the air) and spraying them on a substrate at near-sonic speeds. This technology, which is highly resistant to corrosion caused by plasma and prevents the occurrence of minute particles at the nano level, enables the stable performance of manufacturing equipment and has received high praise from customers. This innovative technology overturns the common belief that ceramics need to be sintered.



<Structural Components>

Structural components are used in manufacturing equipment such as LCD and OLED panels. Metals were previously used, but, following the size increase of screens, ceramics are now used, as they are more rigid, lighter, and have more wear resistance than metals. Structural components are large-scale, precision components and can be made in one piece—something that other companies have been unable to achieve—by combining the firing technique of sanitary ware and the precision manufacturing technologies of faucets.



Exhibition at the 9th CERAMIC JAPAN

In October 2024, we participated in CERAMIC JAPAN, one of the world's largest exhibitions for cutting-edge material technology.

TOTO introduced large, high-rigidity ceramic components and SiSiC ceramics (reference exhibit) and promoted the superiority of our unique technology to many visiting companies, making proposals for expanding their applications.



Cross-Organizational Innovation Activities

Management Resource Innovation Activities

We will create an employee-friendly work environment that respects the individuality of each employee.



Tomoyuki Taguchi

Director, Senior Managing Executive Officer
(Chief Financial Officer)

Our Aims for the Shared Value Creation Strategy TOTO WILL2030

Our 2030 aim for Management Resource Innovation Activities is to create a company that attracts a diverse group of human resources and offers a vibrant, challenging work environment where employees can continue to work over the long term with peace of mind. We are promoting the creation of an environment where all TOTO employees can mutually acknowledge diversity and engage in work with peace of mind and high motivation. Accordingly, we aim for each employee to be able to work autonomously and be proud of working for the TOTO Group. We have set employee satisfaction as a KPI for the progress of initiatives and results of WILL2030, and have all TOTO Group employees complete an awareness survey every year. We then analyze and quantify the results, formulating and implementing measures to address issues. The knowledge gained is then reflected in new measures.

Practicing DX

Under STAGE 2, in addition to enhancing opportunities for IT training and DX human resource development, we have focused on fostering a culture that encourages individual employees to apply what they have learned to divisional and Companywide challenges and to take on even bigger issues.

In fiscal 2024, we raised the level of DX literacy through e-learning for all employees and training for divisional DX promoters, and promoted individual support and visualization of example initiatives for resolving divisional issues. In fiscal 2025, we will enhance generative AI training that utilizes in-house data and reinforce an open environment for consultation and a system to support issue resolution. Furthermore, we will create a mechanism for sharing best practices throughout the Group.

Going forward, by accelerating the cycle of learning, taking on challenges, and achieving results, we aim to transform on a continuous basis.

Further Evolution of Diversity

Under STAGE 2, we have been developing a system and providing support to enable employees from all generations to play an active role for a long time, to realize diverse workstyles.

In fiscal 2024, in response to various issues that have occurred in employee's private lives, we promoted male employees taking childcare leave, created a support system for income during leave, and developed a mechanism for dividing workload. Furthermore, we focused on creating a job-matching mechanism, such as revising our in-house open recruitment system and putting out video guides for deciding career paths.

Development of a Robust Business Foundation

We are striving to further reinforce our business foundation to respond to changes in the internal and external environment with the aim of achieving sustainable growth for the Group.

Under STAGE 2, we have positioned the realization of an environment where employees can work with peace of mind as a key issue and will continue initiatives that "prioritize safety over anything else." In fiscal 2025 in particular, we will select latent risks found outside of the regular working hours of plant facilities, consider countermeasures, and support and implement autonomous initiatives at each site. We will strengthen safety countermeasures for production facilities and promote unique safety activities tailored to specific issues, led by each site, in order to create an organization that can sustainably achieve zero accidents.

In terms of finance, we will establish a PDCA cycle for maximizing capital efficiency based on ROIC, thereby improving profitability and efficiency.

Cross-Organizational Innovation Activities

Marketing Innovation Activities

We will pursue the products that global customers truly want and deliver new lifestyle value unique to TOTO through research and development, product design, and promotional activities.



Takehiko Kitazaki

Director, Managing Executive Officer

Our Aims for the Shared Value Creation Strategy TOTO WILL2030

Our aim for Marketing Innovation Activities in 2030 is to pursue the products that global customers truly want and deliver new lifestyle value unique to TOTO. The aim is to keep gaining TOTO fans around the world to ensure that customers are impressed by TOTO's products and services and that they think of TOTO the next time they want to make a purchase. In order to achieve this, we must ensure that all aspects of our product strategies, ranging from understanding the market trends in each area to research and development, product design, and promotional activities, evolve. Amid dramatic global changes and the major impact on people's lifestyles and awareness brought about by the acceleration of digitalization, we are constantly considering what forms of new lifestyle value we should provide to customers. We will promote the creation of new experience-based value that will support the next 10 years, such as implementing product planning and value messaging, further accelerating the visualization of the global market, and enhancing daily wellness.

We will thoroughly popularize sustainable products, which achieve a balance of lifestyles with cleanliness, comfort, and wellness while also considering society and the global environment, as set out under WILL2030, through promotional activities by rapidly connecting their research and development with product planning.

From Visualizing the Global Market to Communicating Products and Value

Since customer needs differ in each country and region, we continuously analyze and understand market trends. As more companies continue to enter the spray seat market by creating products with unique designs and characteristics, understanding the market for WASHLET, which TOTO has positioned as a global product, is a major factor in future business growth.

In fiscal 2024, we carried out market research in the ever-expanding spray seat market on topics such as what customers are looking for in Mainland China, which saw significant changes in the market environment, and the Americas, which has seen significant growth of spray seats.

We will continue to analyze and increase our understanding of each market in fiscal 2025. In anticipation of the future, we are reinforcing our surveys on culture, lifestyle conditions, and values that change yearly in the India market, which is expected to be a major market for TOTO going forward. In recent years, dramatic changes have been occurring in the international market at a fast pace and the environment surrounding TOTO is becoming more challenging, such as the rise of local manufacturers. At the same time as releasing products tailored to the characteristics of each market that have been identified through analysis, we are formulating development plans aimed at the future. The Mainland China Business has seen significant shifts in its business strategy and we are developing and launching products aimed at new target customers. To ensure TOTO's continued place at the top of the rapidly expanding spray seat market in the Americas, we will reinforce our product lineup, including new products, in response to market changes and customer requests.

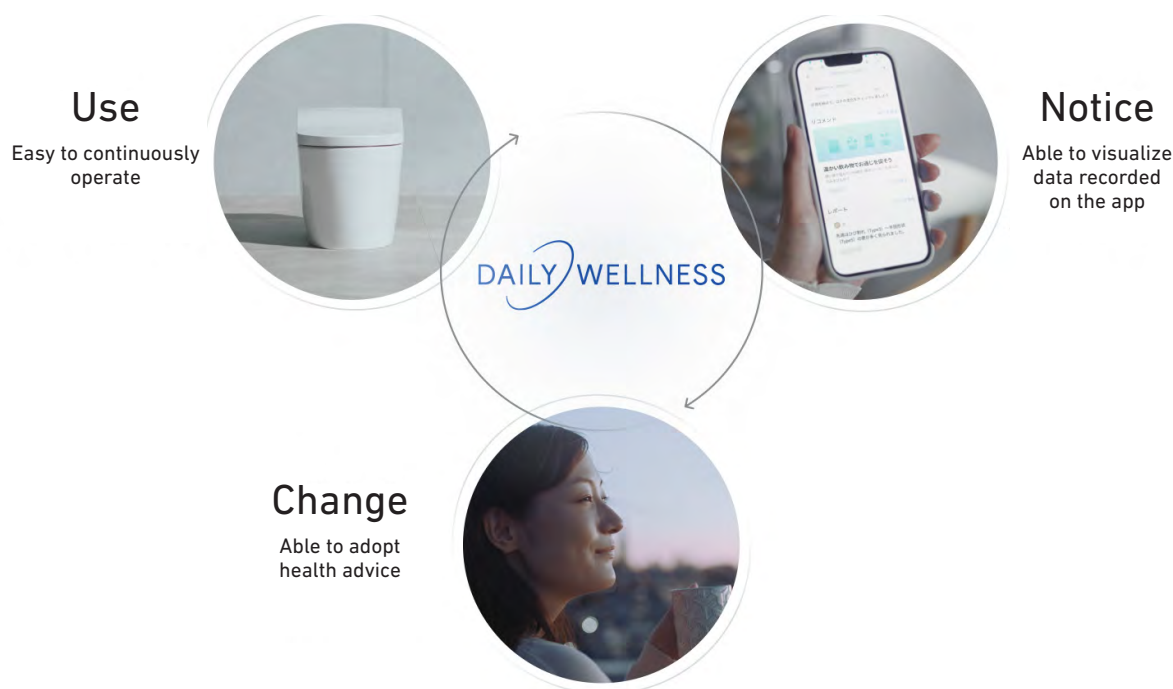
The key issue is how to communicate the value produced to each country and region. We will evolve to ensure that TOTO continues to be chosen in highly competitive overseas markets by communicating the details of our Corporate Philosophy of "create an enriched and more comfortable lifestyle and culture" across the Group and by integrating advertising methods tailored to the characteristics, such as culture and customs, of each region. To remain an industry leader in the global market, which continues to face major changes, TOTO will continue its activities with an eye to the future.

Creating New Experience-Based Value

We are further evolving by adding “Wellness” to TOTO’s strengths of “Cleanliness and Comfort.” At the same time, based on the various requirements of society, we are enhancing the environmental performance of our products themselves as a leader in the plumbing industry, and will commence new efforts aimed at expanding the use of recycled materials and conserving the environment throughout the entire product life cycle. More than anything, we will promote product designs that deliver exciting new experience-based value to our customers.

Establishment of Daily Wellness

In fiscal 2024, we established the concept of “Daily Wellness,” which embodies TOTO’s materiality issue of “Cleanliness and Comfort; Wellness,” and formulated a road map for products and services that deliver this concept. As the first phase, in fiscal 2025 we launched the NEOREST LS-W / AS-W, equipped with the Stool Scan function, in Japan in August 2025. Interest in lengthening healthy life expectancy and adopting lifestyle habits that prevent disease is increasing, and awareness of daily health management is growing year by year. This product utilizes the toilet that everyone uses every day to automatically measure the shape, color, and volume of stools. The data collected is sent to the TOTO Wellness app, which provides personalized health insights based on the latest data. The app provides “daily wellness” health habits that can be easily and naturally continued by using the toilet every day as a form of new experience-based value, and we will continue to support our customers’ desire to remain healthy as they “notice” their own health management through daily toilet “use” and “change” their lifestyles. Going forward, we will expand the concept of “Daily Wellness” to other products, create life-style value from a long-term perspective, and develop products.



Evolution of Cleanliness, Comfort, and Wellness and Environmental Performance

We aim to achieve the SBT 1.5°C targets by 2030 through the advancement of environmental performance, such as making products even more water-saving and energy-saving to reduce the CO₂ emitted when a product is used. For example, we will steadily shift WASHLET for residential properties from tank-style toilets that store hot water in an internal tank to tank-less that heat water to the appropriate temperature upon use. Through this, we can enable customers to use our products without worrying about running out of hot water, while also regulating electric power consumption by reducing standby power consumption. As a result, we can regulate the amount of CO₂ emitted during use, thereby contributing to the further enhancement of environmental performance. In fiscal 2024, we have also promoted the formulation of products that utilize eco-friendly materials. In fiscal 2025, we will expand these initiatives.

Cross-Organizational Innovation Activities

Demand Chain Innovation Activities (Supply Chain Innovation)

By creating a sustainable global supply chain that can quickly and flexibly respond to fluctuations in demand, market changes, and various risks, we reliably deliver products to customers.



Yojiro Taketomi

Director, Managing Executive Officer

Our Aims for the Shared Value Creation Strategy TOTO WILL2030

Under supply chain innovation activities, we have adopted “continuous global stable supply through a robust supply chain” as an aim for 2030. We are promoting initiatives to strengthen the BCP system that is based on geopolitical and economic risks, and to enhance profitability and capital efficiency through the optimization of inventory on hand, with the production and sales divisions working together according to the specific circumstances of each region.

Key Strategies

For STAGE 2, we aim to continue strengthening and enhancing our resilience across the entire supply chain, including procurement, production, and logistics, while maintaining our ability to offer a stable supply. While there were significant impacts in fiscal 2024, such as the prolonged market slump in Mainland China and disruption to transportation caused by conflict in the Middle East, we endeavored to reduce inventory levels in each country and region while strengthening our delivery management system to fulfill our role as a manufacturing company, namely, delivering TOTO products to customers in a timely manner.

In fiscal 2025, we will promote initiatives for issues that have occurred within each business while optimizing inventory that is not bound by existing frameworks and conventions and strengthening the foundation of our supply chain.

The Americas is a market with a large volume of imports from TOTO Group production sites, mainly in Asia, and it therefore faces the highest level of impact from disruption to the logistics network. To minimize such impacts, we strove to reduce overall inventory in fiscal 2024 through methods including revising production and procurement plans from a global perspective, visualizing inventory by product, and managing lead times. We will continue these activities in fiscal 2025. In terms of tariffs, we will consider measures such as promoting the transfer of production in line with circumstances and shifting to multiple production lines while raising the optimal inventory level to the next level. Additionally, we will work to build a new distribution system with an eye to growing demand in the future.

In Japan, we reduced item numbers and BCP inventory based on the policy adopted under STAGE 2 in fiscal 2024 while continuing the existing stable product supply system. In fiscal 2025, we will further promote these activities, strengthen our corporate structure, optimize our product variation, increase the percentage of sustainable products (one of TOTO's strengths), and strive to improve our business performance.

In fiscal 2024, amid a business environment in Mainland China that was challenging due to the prolonged real estate market slump and changes to the demand structure, we were unable to achieve the plans we set out, despite building a mechanism for delivering the products the way customers want and striving to reduce inventory. In fiscal 2025, we aim to strengthen the supply chain in response by rebuilding the production structure based on structural reform strategies.

As sustainability initiatives implemented across the entire supply chain, we will accelerate cooperation with suppliers to continue reducing CO₂ emissions and create a sustainable procurement structure by further enhancing human rights due diligence under the sustainable procurement PDCA cycle.

Cross-Organizational Innovation Activities

Demand Chain Innovation Activities (Manufacturing Innovation)

We will innovate manufacturing that utilizes digital technology to create sustainable products that are unique to TOTO.



Ryosuke Hayashi

Director, Senior Managing Executive Officer
(Chief Technology Officer)

Our Aims for the Shared Value Creation Strategy TOTO WILL2030

Under the 2030 vision for manufacturing innovation activities, we will integrate innovation activities with digital technology in the two areas of development innovation and production and manufacturing innovation; enhance both development productivity and added value productivity; and create and deliver sustainable products that are unique to TOTO to customers around the world.

Key Strategies

We engage in development innovation and production and manufacturing innovation as key innovation activities under Manufacturing Innovation.

In our development innovation activities, we accelerate the development of various technologies with a focus on value-added products. In addition to advancing the technology TOTO has always possessed, utilizing our existing technology externally in new ways will lead to efficient product development. In fiscal 2025, we will continue expanding the applications of existing technology, such as EWATER+ and clean technology, and creating appealing products. Additionally, we aim to further reduce development lead times by actively utilizing AI to enhance the speed and accuracy of development and by coordinating with existing verified technology. Further, in fiscal 2025 we will respond flexibly to the rapid changes in markets such as Mainland China through market-optimized designs, quality standards, and reinforcement of local development structures to respond to local needs.

For our production and manufacturing innovation activities, we will strengthen digital collaboration efforts in addition to the automation of production processes. To that end, we are accelerating the shift to smart factories in our manufacturing activities, such as visualization of big data, data connection, and utilization of analysis and simulation for yield improvement.

In addition to activities in fiscal 2025, such as introducing individual identification information management to housing-related products and expanding areas for automation, such as at the Liaoning sanitary ware plant in Mainland China, we will aim to improve production by utilizing data in the manufacturing process. We also aim to have zero industrial accidents and zero defects by creating a robust foundation through DX at production sites.

In order to deliver products unique to TOTO and continue creating TOTO fans around the world, we aim to create a development and production structure capable of keeping pace with major market changes and adapting flexibly.

TOPICS

Operations at TOTO (Liaoning) Sanitary Ware Plant

In May 2025, we commenced ceramic sanitary ware production with the target of providing high-grade seated toilets to the Mainland China market. We aim to enhance production technology through big data analysis through the installation of the first roller hearth kiln*¹ to a TOTO Group overseas plant and introduction of individual identification through 2D barcodes. Additionally, the plant has state-of-the-art production facilities that maximize production and energy efficiency for seated toilets through the use of the latest high-insulation kilns. The plant strives to minimize its environmental load, such as recycling water resources through the introduction of RO facilities*².



*1 A method of loading products onto a rolling conveyor belt and transferring them to the inside of a kiln

*2 Facilities that do not allow any impurities outside of water to pass through by using reverse osmosis (RO) membranes

Digital Innovation

Under WILL2030, we have adopted the utilization and fusion of digital technologies as an essential component in creating new corporate value and made it the cornerstone of all our business activities.

Digitalization of Products and Services

Since the foundation of the TOTO Group, we have continued to refine our technology (hardware). When integrating this with digital technology, we can connect it to providing new value to society and customers that could not be achieved with hardware alone.

Provision of New Products and Services That Integrate Existing Technologies with Digital Technology

Changes in the social environment have created new needs, such as people wanting to use a free toilet without having to wait in line, users looking for restrooms with essential features such as wheelchair accessibility, and facility managers seeking more effective ways to manage and maintain clean and comfortable toilets.

TOTO CONNECT PUBLIC is a service that enables users to easily check congestion levels and facility information. By receiving real-time alerts about any damage, and adjusting settings across multiple appliances simultaneously, the service acts as a solution to the needs of users, enabling comfortable toilet use and effective maintenance and management support.



TOTO CONNECT PUBLIC

Creation of Value Through Collaboration with Start-Ups and Other Businesses

We are advancing various initiatives, including cultivation of a shared customer base in collaboration with start-ups and joint research and demonstration tests with other companies and experts, to create new value for customers that cannot be accomplished by TOTO alone. One result of these initiatives is the launch of NEOREST LS-W / AS-W, which contain a built-in Stool Scan function. The sensor measures stool condition, determining and displaying the characteristics of the stool on our TOTO Wellness app while also sharing lifestyle insights according to stool condition and any changes from usual. We have created evaluation functions through joint research with experts to provide trustworthy data.



Stool Scan sensor

Digitalization of Human Resource Development

Systematic Development of DX Human Resources

Through training and practice, we are improving IT and DX literacy among all Group employees, and by visualizing and sharing practical examples and results, we encourage further learning and the taking on of challenges, creating a continuous cycle of innovation.

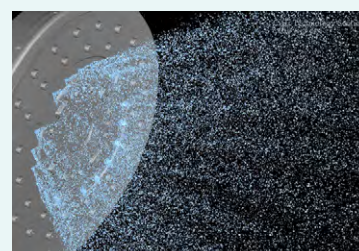
Furthermore, since fiscal 2020 we have made efforts to develop data scientists who can make full use of AI and analyze big data by enabling employees from any department to participate in a temporary transfer to a division that promotes Groupwide data innovation activities.

Digitalization of Manufacturing Processes

TOTO products are prone to numerous variations due to the characteristics of raw materials and manufacturing processes. However, we have safeguarded product quality and uniformity based on the technological capabilities and experience of TOTO employees. By carrying out fluid analyses through various technological simulations in these processes as well as analyses combining AI with data stored on-site, we can further ensure the quality and uniformity of our products.

Creation of Highly Efficient Products Through Precise Fluid Analysis Technology

TOTO has independently developed fluid analysis software, which has been comprehensively utilized in the development of sanitary ware products since the middle of the 2010s, for the purpose of leveraging it in development of bathroom and kitchen plumbing products. Currently, by optimizing our software through the Fugaku supercomputer, we are utilizing it in simulations of water discharge from faucets, such as showers, and drainage of bathroom floors that require significantly more calculations than sanitary ware. Research utilizing the Fugaku supercomputer were evaluated in 2022 by the Research Organization for Information on Science and Technology and were awarded the HPCI Excellent Achievement Award. The ultra-fine bubbles contained in the mist spray from bathroom shower faucets can now be visualized during their generation, enabling the evaluation and verification of their cleaning power in skin crevices.



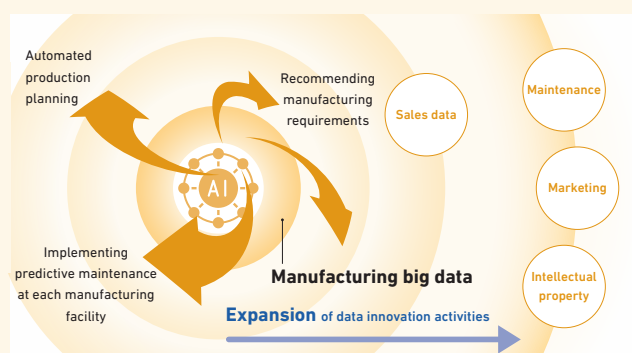
Simulation of a water discharge mist shower

Transition to Smart Factories Through Analysis of Big Data

The manufacturing lead time for electrostatic chucks in the Advanced Ceramics Business is long, and to date a long period of time has been required to observe manufacturing requirements, in which faults can easily occur. Creating measures for regularly monitoring and quickly correcting manufacturing requirements by shifting to unification of manufacturing data has enabled TOTO to maintain a high level of quality. These measures support the growth of the Advanced Ceramics Business by enabling TOTO to stably provide products even amid high demand.

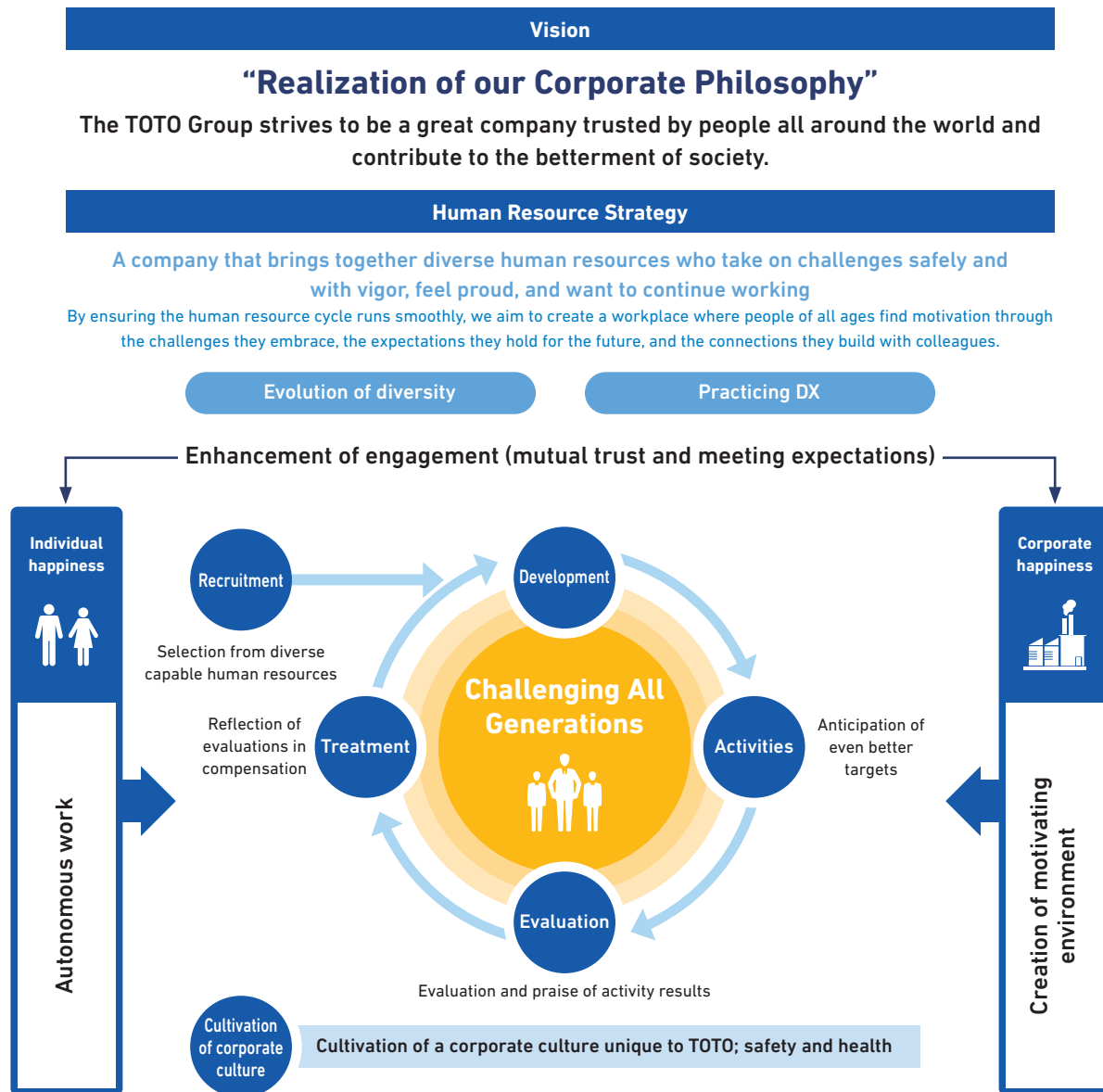


When data scientists return to their respective divisions, they carry out various data innovation activities, such as implementing predictive maintenance at each manufacturing facility, recommending manufacturing requirements during production, and making sales forecasts. This leads to increased efficiency and the creation of new value.



Human Resource Strategy

We refer to all the people working at TOTO as human assets rather than human resources because we believe they are the source of value creation and valuable assets for creating the next generation. We aim to realize our Corporate Philosophy by creating an environment where all generations can take on challenges by thoroughly utilizing a human resource cycle for individual autonomy and growth.

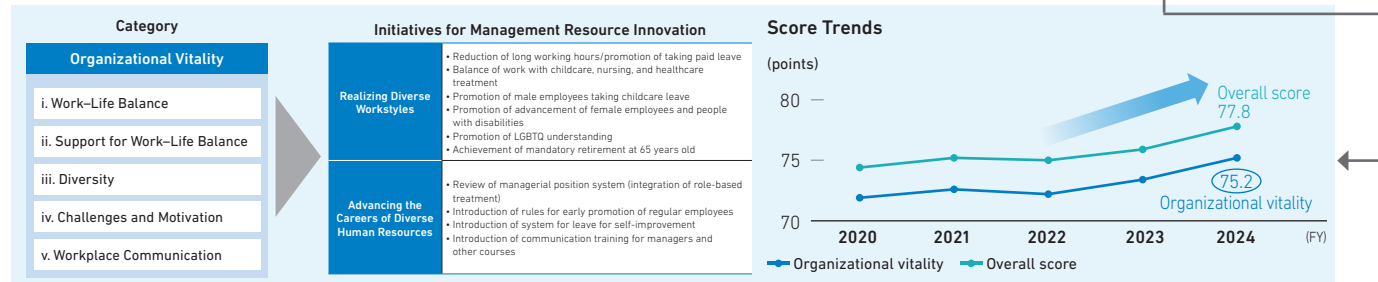


Analysis of TOTO Group Employee Awareness Survey and Reflection in Measures

Analysis of Awareness Survey for Approximately 16,000 TOTO Group (Domestic) Employees

	Instillation of Philosophy	Trust in the Company	Compliance	Risk Management	Customer Satisfaction Activities	WILL2030	Sustainability	Organizational Vitality	Human Resource Development
Five-year growth from FY2020	4.2 pt increase	2.4 pt increase	2.6 pt increase	3.4 pt increase	2.2 pt increase	5.6 pt increase	6.3 pt increase	3.7 pt increase	3.4 pt increase

By enhancing organizational vitality through cooperation between divisions, we have improved employee engagement, which has resulted in increased productivity and added value for customers.



Priority Measures, Indicators, Results, and Targets for Challenging All Generations

Measures	Indicators	FY2024 (Results)	FY2025 (Targets)
TOTO Group Employee Awareness Survey The overall score of a yearly awareness survey of all TOTO Group employees is utilized as an indicator in the progress and results of initiatives, and is quantitatively analyzed and linked to new measures.	Awareness survey peace of mind and satisfaction indicator (TOTO in Japan*)	76.2 pt	76.9 pt
	Awareness survey overall score (TOTO in Japan*)	77.8 pt	78.2 pt

Further Evolution of Diversity

Advancing the Careers of Diverse Human Resources: We respect the individuality inherent in a diverse workforce, including age, nationality, whether or not they have a disability, and sexuality (orientation, gender identity, and gender expression). Through the fresh, new ideas born from this diversity, we aim to create prosperous and comfortable lifestyles.

Measures	Indicators	FY2024 (Results)	FY2025 (Targets)
Promotion of Diversity When people with diverse viewpoints gather, creative ideas are born and customer needs can be understood more accurately. We place importance on promoting horizontal connections, such as training to consider leadership models that leverage individual strengths for the advancement of women, as well as sharing concerns following their promotion to management. We are also promoting the creation of a workplace that enables mutual respect for diverse human resources and allows them to fully demonstrate their abilities.	Percentage of female managers (TOTO in Japan*)	21.2%	21.0%
	Ratio of employees with disabilities (TOTO in Japan*)	2.7%	Over 2.5%
Development of Senior Managers at Overseas Group Companies To achieve the sustainable growth of international business, we must place importance on global cooperation that crosses countries and regions and capabilities of local employees. We aim to create TOTO fans around the world through growth and expansion of overseas business by implementing joint training with overseas Group companies and developing and appointing candidates for senior management with high levels of management literacy.	Number of participants in overseas Group company senior manager development training (concluded)	13	40

Realization of Diverse Workstyles

We are promoting the creation of workplaces that encourage employees to take on challenges through various workstyles that allow flexible use of time and place.

Measures	Indicators	FY2024 (Results)	FY2025 (Targets)
Support for Balance Between Work and Life Events To enable all employees to continue their careers while maintaining a balance between work and life events, we will expand options for flexible workstyles. These include a system that limits employees' workplace location and employment arrangements that allow employees to temporarily choose their place of work due to reasons including marriage, child-birth, childcare, and nursing care. We also offer a telework system that meets operating characteristics, such as maintaining a balance between work and childcare and nursing care responsibilities or healthcare treatment.	Percentage of childcare leave taken by male employees (TOTO Japan*)	72.6%	85.0%

Implementing DX Leading to Results

By reinforcing the development of DX human resources and accelerating a "learning–challenges–achievements" cycle, we aim to maximize business efficiency.

Measures	Indicators	FY2024 (Results)	FY2025 (Targets)
Accelerating DX Human Resource Development To ensure all Group employees understand DX as a personal issue, we are strengthening dialogue-style training to discuss how each employee can incorporate DX into their daily operations at each workplace. Going forward, we will accelerate utilization by sharing promotion knowledge and key points with DX promoters in divisions that have resolved issues similar to those that come up during these dialogues.	Divisional DX practice themes (TOTO Japan*)	264 themes	260 themes
Strengthening a "Learning–Challenges–Achievements" Cycle to Maximize Results To accelerate operational efficiency, we will create a support structure for utilizing workflow development tools, robotic automation processes (RPA), and generative AI, starting with consultations on familiar workplace issues, and work closely with the front lines to promote DX. We encourage the use of DX in each division, leading to tackling even bigger issues, through visualization and sharing of examples and results.			

Creation of an Environment Where All Employees Can Work in a Healthy and Safe Manner

We are promoting health management with the aim of creating good people before creating good products and sustainably developing the Company and society.

Measures	Indicators	FY2024 (Results)	FY2025 (Targets)
Enhancing Work–Life Balance To protect the health of each employee, we aim to realize their well-being by reducing long working hours, promoting a 100% utilization rate for paid leave plans that employees set themselves, and enhancing employee work–life balance.	Comfortable workplace creation index (TOTO Japan*)	80.1 pt	81.1 pt

* TOTO Japan: TOTO Group companies in Japan

Financial Strategy



We are targeting further enhancement of corporate value by promoting capital allocation aligned with increased profit quality and capital costs centered on ROIC.

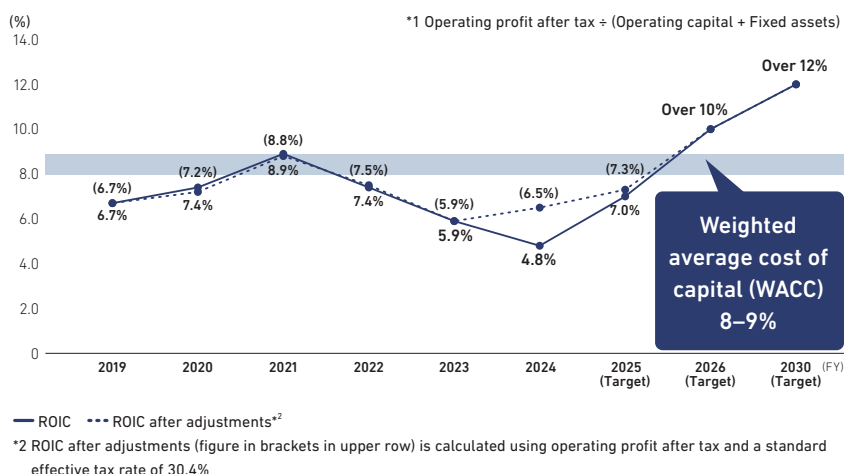
Tomoyuki Taguchi

Director, Senior Managing Executive Officer
(Chief Financial Officer)

Managing with an Awareness of Capital Costs

The TOTO Group's basic policy is to proactively allocate cash to strategic investments aimed at sustainable growth, while promoting a balanced financial strategy that takes into account shareholder returns and overall financial soundness. Under WILL2030 STAGE 2, to further promote management with an awareness of capital costs and stock price, we have established the utilization of ROIC with the aim of improving profit quality, and rules for allocating capital with the aim of improving capital allocation quality have become pillars of our financial strategy. There are striking changes occurring in the economic environment surrounding the TOTO Group, such as increasing growth and investment opportunities in the Americas Housing Equipment Business and New Business Domains and a prolonged economic downturn in the Mainland China Housing Equipment Business. Even under such an environment, we will enhance capital profitability through the improvement activities of each employee and allocate capital in line with rules for capital allocation. In fiscal 2030, the final year of WILL2030, we aim to achieve ROIC of over 12%, exceeding capital costs.

WILL2030 ROIC^{*1}



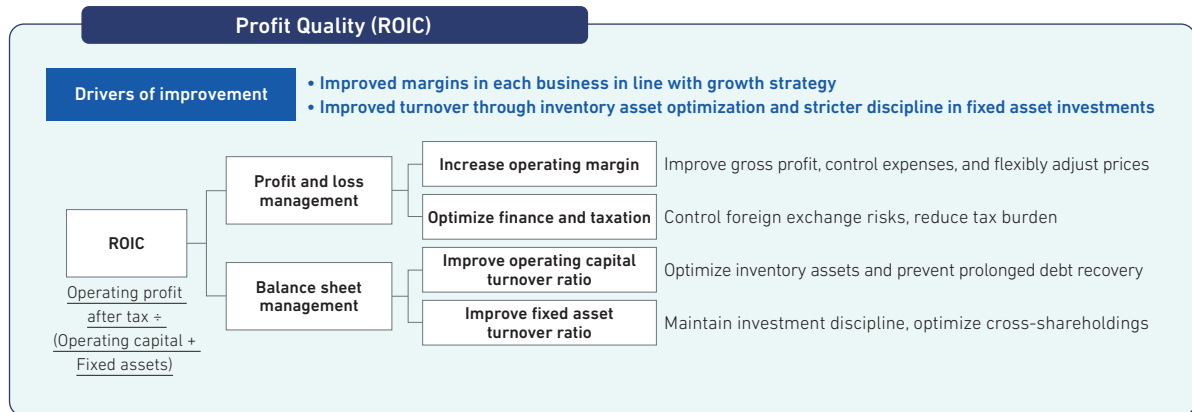
Improving Profitability and Efficiency with ROIC

The TOTO Group has long used ROA and ROE as financial indicators, and has been conducting business with an awareness of invested capital efficiency. Under STAGE 2, we have also newly introduced ROIC as a key indicator for improving "profit quality" and are proceeding with in-house instillation. Specifically, we carry out initiatives to optimize investment capital through daily improvement activities and enhance profitability by breaking down and managing KPIs through an ROIC tree. We also periodically monitor ROIC in each business in line with business plan formulation and, despite changes to the economic environment, are promoting strategies and activities that contribute to increasing corporate value from both a short-term and medium- to long-term perspective. Further, I believe it is vital for each employee to thoroughly understand capital profitability for the purpose of enhancing corporate value. As part of this, we aim to improve corporate value as a united Group by promoting the instilling of awareness in each employee, such as implementing e-learning for ROIC targeted at all domestic employees.

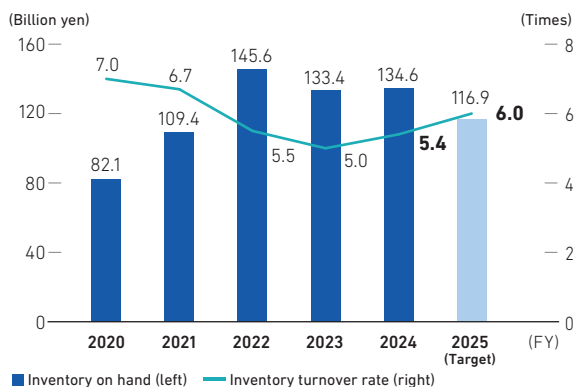
In fiscal 2024, the first year of STAGE 2, we engaged in actions including optimization of inventory on hand through supply chain innovation activities and the reduction of cross-shareholdings. Regarding inventory on hand, there was a slight increase compared to the end of fiscal 2023 due to the impact of calculating foreign currency rates resulting from the weak yen. However, there has been an approximately 4% decrease in terms of local currency, excluding the impact of exchange rates, and we plan to continue this reduction in fiscal 2025. We have adopted a target of cross-shareholdings making up less than 5% of consolidated net assets at the end of fiscal 2030 and will systematically promote their reduction.

ROIC results in fiscal 2024 remained low at 4.8%, but this was due to a rise in the effective tax rate as a result of calculating impairment losses in the Mainland China Housing Equipment Business. ROIC adjusted for standard effective tax rate evaluations rose 0.6 point year on year. I believe this shows the results of improvement activities, namely the previously mentioned optimization of inventory on hand and reduction of cross-shareholdings. Going forward, we aim to achieve ROIC above standard levels of capital costs by maintaining investment capital close to appropriate levels through improvement activities and impairment of non-current assets, recovering profitability through restructuring in the Mainland China Housing Equipment Business, and expanding net sales and profitability in the Americas Housing Equipment Business, Asia and Oceania Housing Equipment Business, and New Business Domains.

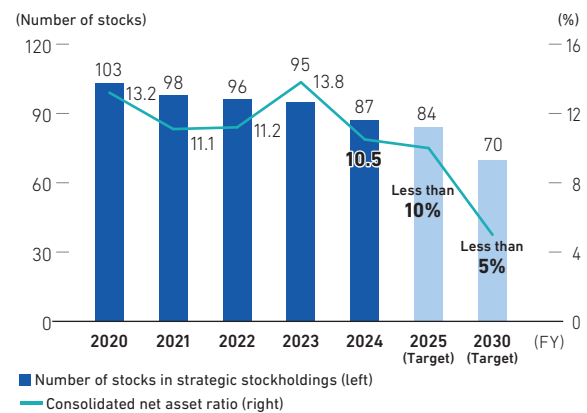
Improving Profit Quality (Profitability and Efficiency) Note: ROIC improvement tree



Inventory on Hand / Inventory Turnover Rate



Number of Stocks in Strategic Stockholdings / Consolidated Net Asset Ratio



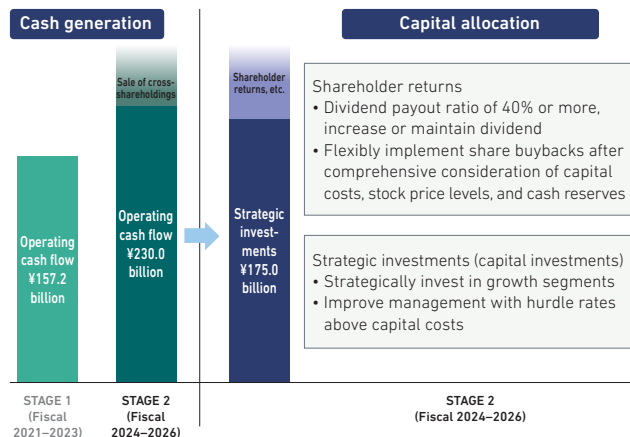
Strategic Investment Through Capital Allocation Rules

With sustainable business growth as a target, we will proactively allocate cash as strategic investments (capital investments) centered on growth segments. During the three-year period between fiscal 2024 and fiscal 2026 corresponding to STAGE 2, we will allocate ¥175.0 billion to strategic investments (capital investments). Global strategic investments amounting to ¥72.0 billion will be allocated mainly to the development of new WASHLET products aimed at expanding sales chiefly in the Americas market, efficiency enhancements at each regional production site, and environmental responses. Advanced Ceramics Business strategic investments amounting to ¥29.0 billion will be allocated to the development of next-generation electrostatic chucks and to increase production capacity in anticipation of the future. Japan Housing Equipment Business strategic investments amounting to ¥32.0 billion will be allocated with the aim of enhancing profitability while focusing on maintenance investments, such as factory efficiencies and showrooms. Companywide investments amounting to ¥42.0 billion will be allocated to primarily IT-related investments aimed at improving productivity. Further, we carried out investments in sanitary ware plants at TOTO (Liaoning) targeting environmental performance and enhancement of productivity in the Mainland China Housing Equipment Business, which is facing a prolonged market slump. At the same time, we are executing restructuring of our productivity structure by suspending operations at two existing sanitary ware plants, thereby increasing productivity while maintaining optimum investment capital.

When implementing these investments, we are also working to generate investment returns that exceed capital costs by strengthening rules for judging investments (hurdle rates).

Capital Allocation (Rules)

Financial discipline	Equity ratio: Over 50% D/E ratio: Below 0.5 times	Cash on hand: 1.5 months of sales
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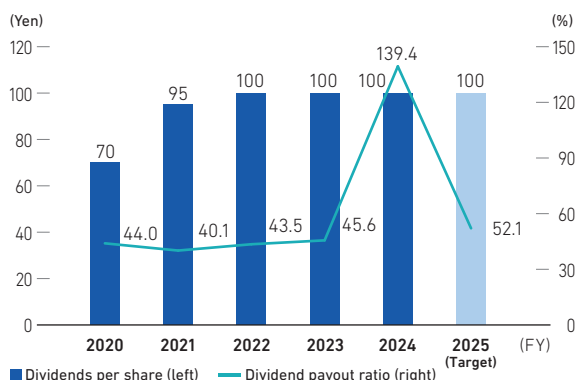
Strategic Investments (Capital Investments) Breakdown

Global strategic investments	<ul style="list-style-type: none"> Global development and sales investments Environmental and production efficiency investments 	¥72.0 billion
Advanced Ceramics Business strategic investments	<ul style="list-style-type: none"> Development and production expansion investments 	¥29.0 billion
Japan Housing Equipment Business strategic investments	<ul style="list-style-type: none"> Environmental and production efficiency investments Showroom-related investments 	¥32.0 billion
Infrastructure enhancement investments	<ul style="list-style-type: none"> IT-related investments Other business infrastructure-related investments 	¥42.0 billion
Total		¥175.0 billion

Shareholder Returns Through Capital Allocation (Rules for Investment Capital Allocation)

We place as much importance on shareholder returns as strategic investments. Our returns policy under STAGE 2 is to “achieve a payout ratio of over 40%, maintaining the dividend or increasing it without decreasing.” We will also implement share buybacks that contribute to enhancing EPS after taking into account capital costs, the stock price levels, and cash

Dividends per Share / Dividend Payout Ratio



reserves. As announced in April 2025, we plan to cancel a maximum of 13.31 million shares, including those previously held after implementing buybacks of a maximum of ¥20.0 billion, revising the standards for owning treasury stock by December 30, 2025.

Total Shareholder Returns (TSR)

	Past Year	Past Three Years		Past Five Years		Past Ten Years	
		Cumulative	Annual interest rate	Cumulative	Annual interest rate	Cumulative	Annual interest rate
TOTO	93.5%	84.9%	94.7%	121.2%	103.9%	132.8%	102.9%
TOPIX	98.5%	147.2%	113.8%	213.4%	116.4%	217.4%	108.1%

Note: This calculation is based on return on investment that takes into account the dividend and stock price as of March 31, 2025.

Financial Discipline

While it is our policy to proactively implement financial strategies, such as these strategic investments and shareholder returns, in order to enhance corporate value, we have also established financial discipline measures in conjunction with these strategies to ensure stable management. Specifically, we have a policy of investing in non-current assets with equity based on a long-term payback period for non-current assets in the Global Housing Equipment Business of over 10 years. In line with this approach, we define financial discipline as an equity ratio of over 50%, a debt-to-equity (D/E) ratio below 0.5 times, and cash on hand equivalent to 1.5 months of sales.

TOPICS

New Challenges in the Advanced Ceramics Business Division: Acceleration of Value Creation Through Visualization of ROIC Tree

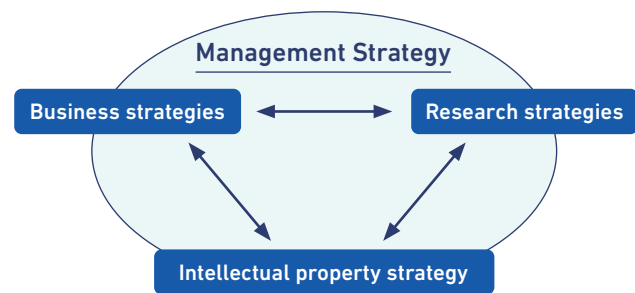
In the Advanced Ceramics Business Division (New Business Domains), which is driving STAGE 2, we are working on the real-time visualization of the ROIC utilizing project management tools to respond to trends in the rapidly changing semiconductor industry. These activities not only enable us to understand the daily progress of operations but also foster a sense of unity across divisions by serving as an axis for sharing ROIC. As a result, each employee is even more aware of the importance of achieving divisional goals.

While establishing an initial goal was difficult, we heard opinions from many who had experienced the effects, such as “I was able to see the connection between my own personal goals and high-level ones, leading to an increased awareness” and “I was able to always check on the progress of goals, enabling even earlier course correction.”

At the same time as instilling ROIC within the Group, we will foster a corporate culture that aims to increase corporate value together by leveraging the ingenuity of each division and employee in such a manner.

Intellectual Property Strategy

The TOTO Group appropriately protects, manages, and utilizes intellectual property (patents, designs, trademarks, technical know-how, etc.) to enhance the value of the TOTO brand and provide products that are unique to TOTO and deliver value to customers. We formulate and promote intellectual property strategies linked to the business and research strategies of each division and research center.



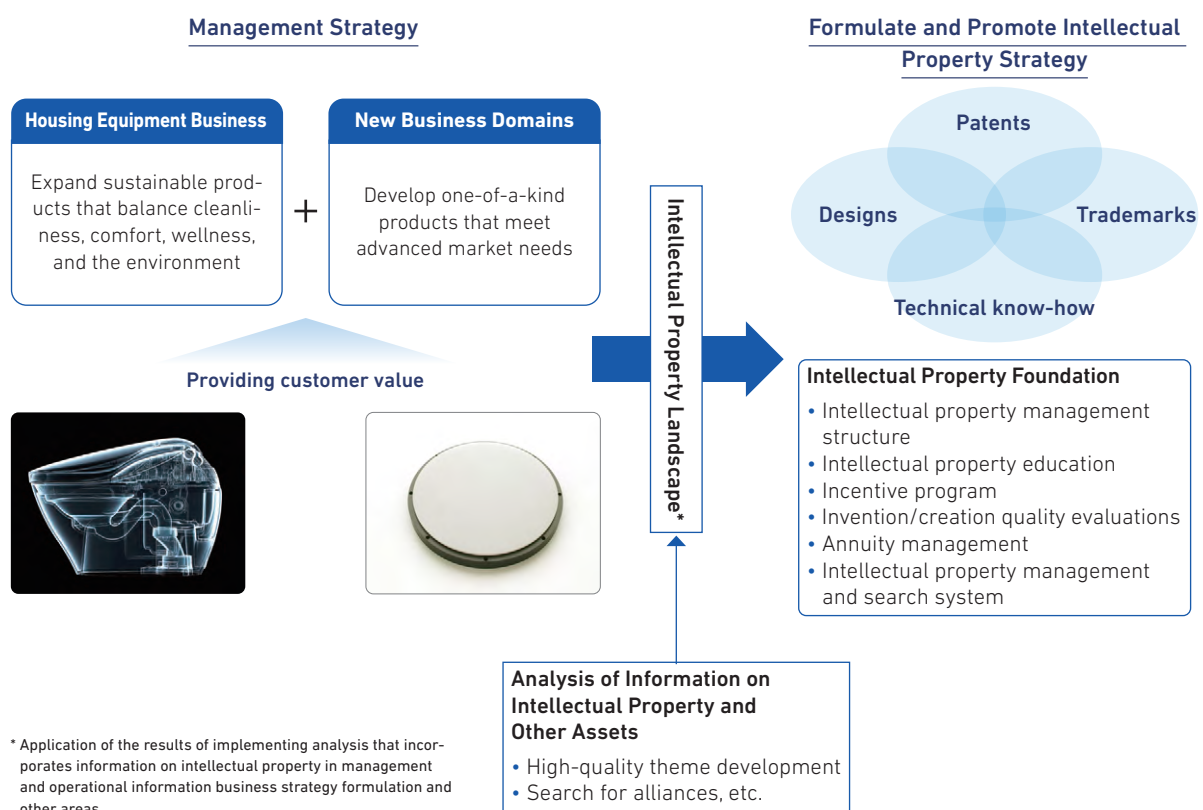
Formulating and Promoting an Intellectual Property Strategy for Realizing Our Ideal Positioning in 2030

Creating Customer Value

- We are investing in intellectual property and promoting initiatives aimed at creating customer value to support growth in rapidly expanding new business areas by promoting the global proliferation of sustainable products that balance cleanliness, comfort, wellness, and the environment. As part of these initiatives, we are promoting Intellectual property landscape* activities that unify the business division and intellectual property division based on business strategies.
- Through these and other activities, we protect the value we create by applying for and obtaining intellectual property rights (patents, designs, trademarks), and by making these rights public, we also contribute to the development of industry and technology throughout society.

Protection and Utilization of Intellectual Property

- Closed strategies manage intellectual property rights in the core areas of value created, while positioning manufacturing technology and other technical know-how as key intellectual property that should be kept confidential. Open strategies in non-core areas ensure freedom in our business strategies through licensing. By combining the two, we ensure market expansion and competitive advantage.
- In recent years, we have been promoting counterfeit countermeasures that expose manufacturers and distributors even further upstream, in collaboration with local lawyers and authorities in major focus countries with numerous counterfeit products.



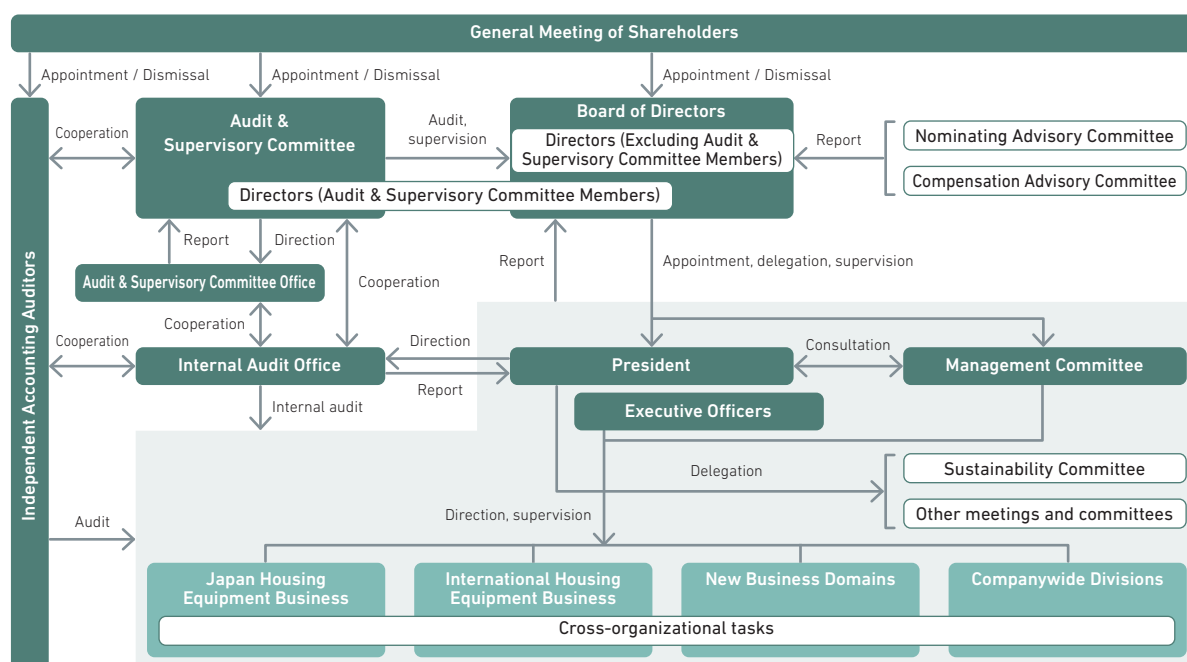
Corporate Governance

Basic Views on Corporate Governance

The TOTO Group strives to be a great company, trusted by people all around the world, contributing to the betterment of society. In addition to being a corporate entity engaged in the pursuit of profit through fair competition, the Group conducts its business in such a way as to continue to benefit society broadly. In order to realize this target, we believe it is important to build a system for pursuing and supervising fair and equitable management, and clearly define a philosophy that serves as the basis of such a system.

1. The TOTO Group has developed a philosophy system for TOTO Group management. This includes a Common Group Philosophy, representing the inherited values of TOTO that will be carried forward into the future. This represents the “heart” of our philosophy. Also, our philosophy system includes visions for business activities representing the direction of our action to be reviewed in accordance with the demands of the times. This is positioned as the “body” in action. All of our business activities are based on this philosophy system. (For details on the philosophy system for TOTO Group management, please see pages 3–4.)
2. To ensure operational decisions and business execution in compliance with relevant laws and regulations and TOTO’s Articles of Incorporation, TOTO has a Board of Directors and an Audit & Supervisory Committee, and retains independent accounting auditors. The Board of Directors, emphasizing fairness, objectivity, and transparency, has appointed five Outside Directors who are independent of the TOTO Group. The Outside Directors give various advice and make proposals on our overall management. The Audit & Supervisory Committee audits the business execution of Directors and consists of four members, including three outside members. We have built a system to ensure their effective audits through their attendance at major meetings, including the Management Committee, and the exchange of opinions with Directors who are not Audit & Supervisory Committee members on a regular basis.
3. To complement audits by the Audit & Supervisory Committee and independent accounting auditors and to build a stronger internal control system, we have established the Internal Audit Office in-house, which is independent of operational divisions. With the establishment of the Internal Audit Office, we have strengthened our internal audits under the direction of the President. The Audit & Supervisory Committee members, independent accounting auditors, and members of the Internal Audit Office carry out audits as a three-party audit team. In addition, we strive to enhance the quality and effectiveness of audits through close collaboration among the three parties, which involves reviewing audit results by Audit & Supervisory Committee members and exchanging information at meetings, among other activities.

Corporate Governance System



● Board of Directors

The Board of Directors, which consists of all Directors, meets once a month in principle, makes decisions from the most appropriate Companywide, Groupwide, and stakeholder perspectives, and conducts mutual supervision of the duties of Directors. The Outside Directors who participate on the Board offer advice and suggestions on general management issues based on their in-depth knowledge and expertise as experienced managers.

Key Items for Deliberation in Fiscal 2024

- Progress in mid-term management strategies (including reforms in the Mainland China Housing Equipment Business)
- Quarterly and annual results and finances
- Risk management, compliance, and audits
- Governance, nomination, and compensation
- Executive reports, including details of meetings of the Management Committee

Support System for Outside Directors

Distribution of materials and beforehand explanations	In principle, materials used in Board meetings are distributed to the Outside Directors three days in advance to ensure sufficient time for them to be reviewed. The Management Planning Division, which is the secretariat to the Board of Directors, offers beforehand explanations to the Outside Directors regarding agenda items.
Sharing of information on the status of business execution	The details of matters discussed at meetings of the Management Committee, which comprises Directors who are also Executive Officers, are reported to the Outside Directors at Board meetings. The Outside Directors are invited to attend the Sales and Production Steering Meeting, in which Executive Officers and heads of all divisions participate, as observers.
Tours of offices	The Company provides opportunities for the Outside Directors to visit offices both in Japan and overseas so that they may deepen their understanding of TOTO's businesses.

● Audit & Supervisory Committee

The Audit & Supervisory Committee, which consists of all Directors who are Audit & Supervisory Committee members, meets once a month in principle, and oversees the execution of the duties of the Directors who are not Audit & Supervisory Committee members from the perspectives of legality and appropriateness. The Directors who are Audit & Supervisory Committee members attend meetings of the Management Committee and other major meetings to state their opinions as required and conduct operating audits in line with the relevant auditing policies while utilizing the internet and other means. In addition, the Audit & Supervisory Committee members regularly exchange opinions with Directors who are not Audit & Supervisory Committee members and streamline the system to ensure the effectiveness of audits.

● Nominating Advisory Committee

The Nominating Advisory Committee, which meets once a year or more in principle, has been established to help ensure the objectivity and transparency of TOTO's management through activities such as deliberation on and confirmation of the appointment of TOTO's Board of Directors. The committee shall make reports to the Board of Directors on proposals to the General Meeting of Shareholders related to the appointment and dismissal of Directors, including Outside Directors and Representative Directors.

Half or more of committee members shall be outside members, and the chairperson and members have been appointed by the Board of Directors. The committee members consist of five Independent Directors/Audit & Supervisory Committee members as outside members, and the Chairman of the Board, Representative Director and the President, Representative Director of TOTO as inside members. The chairperson shall be the President, Representative Director of TOTO. Members with special interests are unable to participate in the resolution.

The committee meeting was held twice in fiscal 2024. Agenda issues included Director personnel changes in fiscal 2025, including a Representative Director, succession plans, and other matters in anticipation of the future.

● Compensation Advisory Committee

The Compensation Advisory Committee, which meets once a year or more in principle, has been set up to confirm that the process to determine base compensation, bonuses, and restricted stock compensation for Directors, and their allocation balance, are in line with the Articles of Incorporation, the resolutions of the General Meeting of Shareholders, and the Basic Policy for Directors' Compensation, in order to ensure the appropriateness and objectivity of Directors' compensation through its activities.

The majority of committee members shall be outside members and the chairperson and members have been appointed by the Board of Directors. The committee members consist of six members including five Independent Directors / Audit & Supervisory Committee members and one Director without the right of representation as an inside member, and the chairperson shall be elected from among the outside members.

The committee meeting was held twice in fiscal 2024. At the meetings, the committee actively discussed such matters as bonuses based on performance and the direction of stock-based compensation. We made revisions to the source of funds for multi-year-based performance bonuses.

Skill Matrix and Composition of the Board of Directors

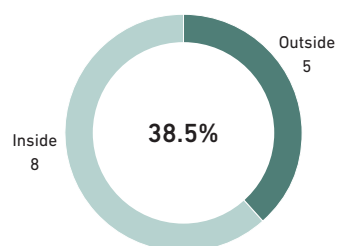
We believe that in order to supervise business operations and to make important decisions, TOTO's Board of Directors must be composed of members with diverse perspectives, experience, and highly professional skills. TOTO invites Outside Directors well-versed in the management of leading companies respected for their management practices to which the TOTO Group aspires or specializing in such matters as corporate finance and legal issues. TOTO also ensures the balance of knowledge, experience, abilities, and diversity on the Board of Directors by appointing those who understand our Corporate Philosophy and who are familiar with our business as Internal Directors.

Position Name	Gender  Male  Female	Years of Service	Nominating Advisory Committee	Compensation Advisory Committee	Board of Directors' Attendance for Fiscal 2024	Audit & Supervisory Committee Members' Attendance for Fiscal 2024	Expertise and Experience That Will Become the Foundation for Supporting Corporate Management				Expertise and Experience Essential for Promoting TOTO WILL2030				
							Corporate Management	Finance and Accounting	Legal and Risk Management	Human Resources and Human Resource Development	International Business	Sustainability	Sales and Marketing	Manufacturing, Technology, and R&D	IT and Digital
Noriaki Kiyota Representative Director, Chairman of the Board		13 years			12/12 times										
Shinya Tamura Representative Director, President		6 years	 Chairperson		12/12 times										
Ryosuke Hayashi Director, Senior Managing Executive Officer		10 years			12/12 times										
Tomoyuki Taguchi Director, Senior Managing Executive Officer		7 years			12/12 times										
Yojiro Taketomi Director, Managing Executive Officer		4 years			12/12 times										
Takehiko Kitazaki Director, Managing Executive Officer		1 year			10/10 times*										
Naomiki Takeuchi Director, Managing Executive Officer		—			—										
Junji Tsuda Outside Director Independent		7 years			12/12 times										
Shigenori Yamauchi Outside Director Independent		5 years			12/12 times										
Masayuki Yoshioka Director, Audit & Supervisory Committee Member, Audit & Supervisory Committee Chairperson		1 year			10/10 times*	11/11 times*									
Yasushi Marumori Outside Director, Audit & Supervisory Committee Member Independent		3 years			12/12 times	13/13 times									
Yukari Inaga Outside Director, Audit & Supervisory Committee Member Independent		3 years			12/12 times	13/13 times									
Chiho Naganuma Outside Director, Audit & Supervisory Committee Member Independent		1 year			10/10 times*	11/11 times*									

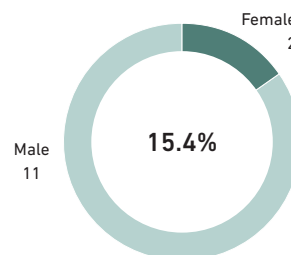
* The Compensation Advisory Committee chairperson is an outside member who is not a Director. • The above chart does not cover the full range of expertise and background of each Director.
Independent indicates Independent Outside Directors.

Note: Following appointment on June 25, 2024.

Ratio of Outside Directors



Ratio of Female Directors



Approach to Necessary Expertise and Experience for the Board of Directors

It is vital to secure the necessary expertise and experience across the entire Board by referring to the direction of medium- to long-term management and business strategies for the Board of Directors to effectively fulfill their roles and responsibilities. We believe that the required expertise and experience change along with the business environment. Specifically, we have currently established nine fields from the two viewpoints of "expertise and experience that will become the foundation for supporting corporate management" and "expertise and experience essential for promoting TOTO WILL2030."

Expertise and Experience That Will Become the Foundation for Supporting Corporate Management	Corporate Management	Finance and Accounting	Legal and Risk Management	Human Resources and Human Resource Development	
Expertise and Experience Essential for Promoting TOTO WILL2030	International Business	Sustainability	Sales and Marketing	Manufacturing, Technology, and R&D	IT and Digital

Summary of Analysis and Evaluation Concerning the Effectiveness of the Board of Directors

At meetings of the Board of Directors, the Board annually confirms the status of corporate governance and analyzes and evaluates its effectiveness and appropriateness, as well as the effectiveness and appropriateness of the Company's corporate governance system.

● Analysis and Evaluation Process

During evaluation and analysis, the Board confirms the effectiveness of the Board of Directors from the perspective of (1) the operational status of the internal control system, (2) the agendas of the Board of Directors to define the general direction including corporate strategy, and (3) related items of the Board of Directors based on the Corporate Governance Code.

Further, to ensure that candid opinions are gathered from all Board members and objective analyses are made in the analysis and evaluation process, (4) a questionnaire survey has been regularly conducted and its collection and analysis of the results are outsourced to an external organization.

Main survey items	1. Composition of the Board of Directors 2. Management 3. Effectiveness of nomination and compensation systems 4. Effectiveness of the Audit & Supervisory Committee 5. Support and collaboration structure for the Outside Directors 6. Relationship with shareholders and other stakeholders 7. Self-evaluation
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● Summary of Evaluation Results

The results of the evaluations concerning the effectiveness of the Board of Directors as a whole in fiscal 2024 are as follows.

- (1) In accordance with the Basic Policy for Development of Internal Control System, the system ensures that the execution of Directors' duties complies with the laws and regulations and the Articles of Incorporation, and all other items are operated positively.
- (2) Matters to be resolved at meetings of the Board of Directors are submitted in accordance with the relevant rules, and the system is so operated that the status of the execution of significant deals, such as matters to be resolved at Management Committee meetings, is reported to the Board of Directors.
- (3) All items of the Corporate Governance Code are properly satisfied, including the gender diversity of the Board composition, as well as the appointment of at least the one-third proportion of the Director candidates as Outside Directors.
- (4) To address issues recognized based on the questionnaire results, while also enhancing gender and career diversity, such as increasing the number of female Directors from one to two, efforts are being made to expand and enhance the pool of talent for the next generation, including leadership development training (please see Human Resource Strategy on page 72), with the aim of systematically cultivating women and non-Japanese employees for roles as Directors in the future.

From the above, we have confirmed that the operation of the Board of Directors is functioning properly and its effectiveness is ensured.

● Initiatives Moving Forward

We will continue to implement activities to allow for active discussions and continue conducting questionnaire surveys on a regular basis, for the purpose of ensuring that candid opinions are gathered from all Board members and addressing the issues found from the questionnaire results, to ensure the effectiveness of the Board of Directors and further increase its functions.

● Major Initiatives to Strengthen the Functions of the Board of Directors to Date

2017	2018	2021	2022	2023	2024	2025	(FY)
	Reinforced the sharing of information with the Outside Directors (Shared the details of meetings of the Management Committee and had Outside Directors attend Sales and Production Steering Meetings as observers)						
	Introduced restricted stock compensation into the remuneration for Internal Directors						
		Expanded restricted stock compensation system					
			Strengthened gender diversity of the Board of Directors (one female member)				
				Strengthened gender diversity of the Board of Directors (two female members)			

Directors' Compensation

Basic Policy for Directors' Compensation

The TOTO Basic Policy for Directors' Compensation is as follows.

- (1) The compensation system shall motivate Directors to manage the Company in such a way as to share value with the shareholders and all other stakeholders, answer to their expectations from a medium- to long-term perspective, realize the Corporate Philosophy of the TOTO Group, and continuously increase corporate value.
- (2) The compensation system shall be appealing, and attract excellent and diverse human resources to lead the TOTO Group in the future.
- (3) The Compensation Advisory Committee and the Board of Directors shall confirm that its decision process and allocation balance of Directors' compensation are reasonable.

● Introduction of Indicators for Social and Environmental Value under WILL2030

TOTO, which engages in sustainability management, has set the percentage of sustainable products in the Shared Value Creation Strategy TOTO WILL2030 as a social and environmental value indicator for the Bonus Based on Multi-Year Performance since fiscal 2022. We decided to set the six items^{*1} of the social and environmental value upheld in the WILL2030 long-term goals as indicators for the Bonus Based on Multi-Year Performance since fiscal 2023 to further promote the sharing of value with stakeholders and to realize a rich and comfortable society in the future while giving more consideration to the global environment.

^{*1} The six items for social and environmental value:

Percentage of sustainable products	Avoided emissions of water during product use	CO ₂ emissions from business sites
Customer satisfaction in after-sales service	Showroom satisfaction (Japan)	Employee satisfaction (Japan)

Compensation Determination Processes

● Compensation Determination Processes for Directors

(Excluding Directors Who Are Audit & Supervisory Committee Members)

TOTO resolved a policy determining the compensation for Directors at the Board meeting held on June 24, 2022. As for the resolutions, we consulted with the Compensation Advisory Committee on the contents and received a report in advance.

The Board of Directors has delegated its authority to determine the following for Directors (excluding Directors who are Audit & Supervisory Committee members): compensation to the President, Representative Director.

- Monthly basic compensations for each position
- Bonus (in aggregated amount) allocation reference points for each position
- Whether or not to make individual bonus reduction assessment, and the details if it is made
- Allocation criteria for each position for stock compensation

The reason for this delegation is our judgment that the President, Representative Director is best suited to comprehensively and appropriately evaluate the performance of each Director who directs and supervises the execution of operations for their respective departments, while also considering the Company's overall performance.

When exercising this delegated authority, the determination on Directors' compensation set by the President, Representative Director must be consulted with the Compensation Advisory Committee.

The Compensation Advisory Committee and Board of Directors confirmed the following information:

- Payment is to be made in accordance with the contents and to the extent approved at the General Meeting of Shareholders.
- The decision process and allocation balance of Directors' compensation are reasonable and objective.
- Directors' compensation is in line with the Articles of Incorporation, the resolutions of the General Meeting of Shareholders, and the Basic Policy for Directors' Compensation.

● Compensation Determination Processes for Directors Who Are Audit & Supervisory Committee Members

As for compensation for Directors who are Audit & Supervisory Committee members, only base compensation shall be paid. The base compensation for individual Directors who are Audit & Supervisory Committee members is determined depending on their duties and responsibilities upon consultation with Directors who are Audit & Supervisory Committee members.

Compensation Composition and Recipients

● Compensation Composition and Recipients

Compensations Composition	Fixed / Variable		Fixed Compensation	Variable Compensation		
	Incentive type		—	Short-term	Mid-term	Long-term
	Compensation type		Basic compensation	Bonus based on single-year performance	Bonus based on multi-year performance	Restricted stock compensation*2
Compensation recipients	Directors (excluding directors who are Audit & Supervisory Committee members)	Internal Directors	●	●	●	●
		Outside Directors	●	—	—	—
	Directors who are Audit & Supervisory Committee members		●	—	—	—

*2 Restricted stock compensation is designed on the assumption that eligible directors hold the stocks for the longrun until their resignation, and is indirectly based on performance via stock prices.

● Resolutions of General Meetings of Shareholders on Compensation for Directors

		Base Compensation (Fixed Compensation)	Bonus (Performance-Based Compensation)	Restricted Stock Compensation
Directors (Excluding Directors who are Audit & Supervisory Committee members)	Internal Directors	Up to ¥500 million per annum (including an amount of up to ¥50 million in total for Outside Directors)	Up to 0.8% of the previous fiscal year's consolidated operating profit	Up to ¥300 million per annum and up to 100,000 stocks
	Outside Directors		—	—
Directors who are Audit & Supervisory Committee members		Up to ¥150 million per annum	—	—

• Resolution at the 156th Ordinary General Meeting of Shareholders held on June 24, 2022. (Number of directors: 15, including 4 directors who were Audit & Supervisory Committee members)

● Totals and Breakdown of Compensation for Directors in Fiscal 2024

	Number of Personnel	Basic Compensation (Million yen)	Bonus (Million yen)	Restricted Stock Compensation (Million yen)	Total (Million yen)
Directors (excluding Directors who are Audit & Supervisory Committee members)	12	323	290	98	712
Outside members of the Board of Directors (excluding Directors who are Audit & Supervisory Committee members)	2	26	—	—	26
Directors who are Audit & Supervisory Committee members	6	81	—	—	81
Outside members of the Audit & Supervisory Committee among the Audit & Supervisory Committee members	4	43	—	—	43

• Results related to performance indicators: Consolidated operating profit of ¥48,479,000,000 (Bonus Based on Multi-Year Performance paid out)

Conditions for Payment of Compensation

● Basic Compensation

Basic compensation for Directors is a fixed compensation and paid to Directors after monthly compensation, being set based on titles and duties.

● Bonus

The purpose of bonuses for the Eligible Directors is to increase their motivation and morale toward performance improvement and share value with stakeholders. The total amount of bonuses is calculated and divided into Bonus Based on Single-Year Performance and Bonus Based on Multi-Year Performance based on the amount of consolidated operating profit.

The reason why consolidated operating profit is selected as a performance indicator is that the profit is directly related to businesses, and we determined that incentives would be appropriately distributed based on performance improvement.

Bonuses are paid to the Eligible Directors after prorating the calculated total amount according to the defined bonus (in aggregated amount) allocation reference points and completing individual bonus reduction assessment.

Payment shall be made once a year, and the details are as follows.

- **Bonus Based on Single-Year Performance:** The amount of payment shall be up to 0.6% of the consolidated operating profit for the previous fiscal year.
- **Bonus Based on Multi-Year Performance:** As listed in the table below

Conditions for payment	When the following two criteria are both satisfied	
	Criteria 1	The average consolidated operating profit over the past three consecutive fiscal years with the immediately preceding fiscal year as the final year shall exceed the average consolidated operating profit over the past three consecutive fiscal years with the fiscal year immediately prior to the immediately preceding fiscal year as the final year.
	Criteria 2	ROE for the immediately preceding fiscal year shall be 5.0% or higher. If ROE exceeds 5.0%, funds shall be increased according to the achievement rate of the plan.
The amount of bonus	Multiply each of the following payment factors* related to (1) the achievement rate of ROE in the preceding fiscal year (with an upper limit of 1.2 and no defined lower limit) and (2) the sustainability index by 0.15% of the immediately preceding fiscal year's consolidated operating profit.	
	* The payment factor related to the sustainability index is the total value (with an upper limit of 1.1 and no defined lower limit) of the target achievement rate of each indicator in the table below multiplied by the weight.	
	WILL2030 Social and Environmental Value Indicators	Weight
	Percentage of sustainable products	30%
	Avoided emissions of water during product use	20%
	CO ₂ emissions from business sites	20%
	Employee satisfaction (Japan)	10%
	Showroom satisfaction (Japan)	10%
	Customer satisfaction in after-sales service	10%

● Restricted Stock Compensation

The purpose of restricted stock compensation granted to the Eligible Directors is to encourage them to consistently improve corporate value and further share value with stakeholders, and this compensation is designed to motivate the Eligible Directors to achieve management targets from not only a single-year but also a medium- to long-term viewpoint.

The Eligible Directors shall pay in all the monetary compensation claim as property contributed in kind based on resolutions of the Board of Directors and receive the issuance or disposal of the common stock of the Company.

In the case of the resulting issuance or disposal of the common stock of the Company, a contract regarding the grant of the restricted stock has been concluded between the Company and the respective Eligible Directors.

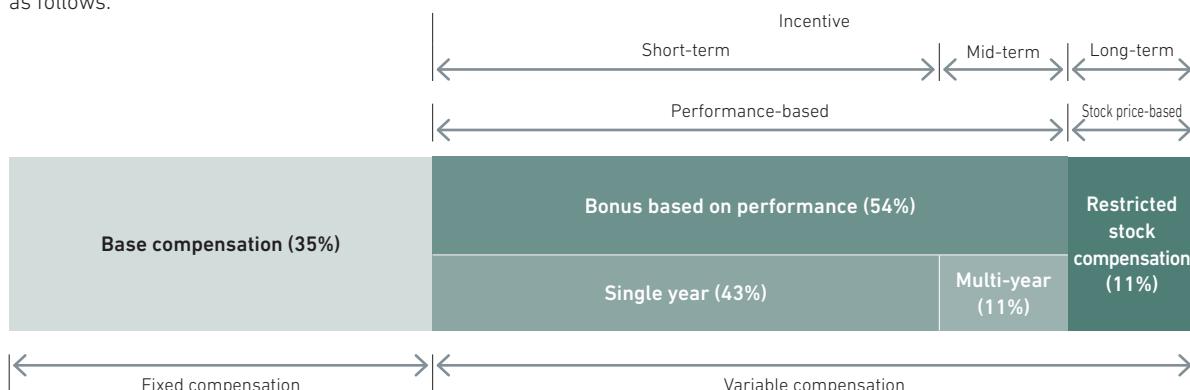
Overview of the Contract Regarding the Grant of Restricted Stock

1 Transfer restriction period	For 30 years from the allotment date
2 Type of stocks to be issued or disposed of the Company	Common stock
3 Grantees	Eligible Directors
4 Allotment method for stocks to be issued or disposed	By the method to allot restricted stocks
5 The number of shares to be allocated	The number of shares according to the allocation criteria for each position in place
6 Determination of the amount to be paid in per share	Determined by the Board of Directors based on the closing price of shares of the common stock of the Company on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution adopted by the Board of Directors (or, if there is no closing price on such business day, the closing price on the trading day immediately prior thereto)
7 Adjustment of the total number of common stock due to a stock split or a reverse stock split	In the event that the Company conducted a stock split of the common stock of the Company (including gratis allocation of the Company's common stocks) or a reverse stock split, or any reasons for adjusting the total number of common stock of the Company to be issued or disposed of as restricted stock occurred, the total number shall be adjusted to the extent reasonable.
8 Conditions for cancellation of the transfer restrictions	Under the condition that an Eligible Director has been a Director during the transfer restriction period, the transfer restriction shall be lifted at the following points in time. • When the transfer restriction period expires • Immediately after the Eligible Director retires from the position of a Director (Only in the case of completion of the term of office or death or if there is another justifiable reason)
9 Free acquisition by the Company	Any restricted stocks falling under any of the following shall be rightfully acquired free of charge by the Company. • Stocks whose transfer restrictions are not lifted at the time of expiration of the transfer restriction period or cancellation of the transfer restrictions as specified in the above item 8. • All or part of the restricted stock allotted to a Director in the case that the person has committed misconduct, such as a violation of laws and internal regulations, or the person has been deemed to have engaged in such misconduct by the Board of Directors

Determination Policy for Compensation Proportion

Among the compensations for Eligible Directors, because of the nature of bonuses being distributed based on the consolidated operating profit as a performance indicator, the proportion of compensation can vary depending on the figure. Therefore, the proportion is calculated based on the consolidated operating profit that is first disclosed in the earnings briefing and included in the consolidated earnings forecast (full-year) in the fiscal year.

From the above, the determination policy for the proportion of compensations for the Eligible Directors in fiscal 2025 is as follows.



Note: Based on the above percentages

• Consolidated operating profit is ¥52.5 billion (figure disclosed in the earnings briefing on April 28, 2025).

• Bonus Based on Multi-Year Performance is granted.

• Calculation of Bonus Based on Multi-Year Performance utilized a payment factor of 1.0 for both ROE project achievement rate and the sustainability index.

Sustainability Promotion Structure

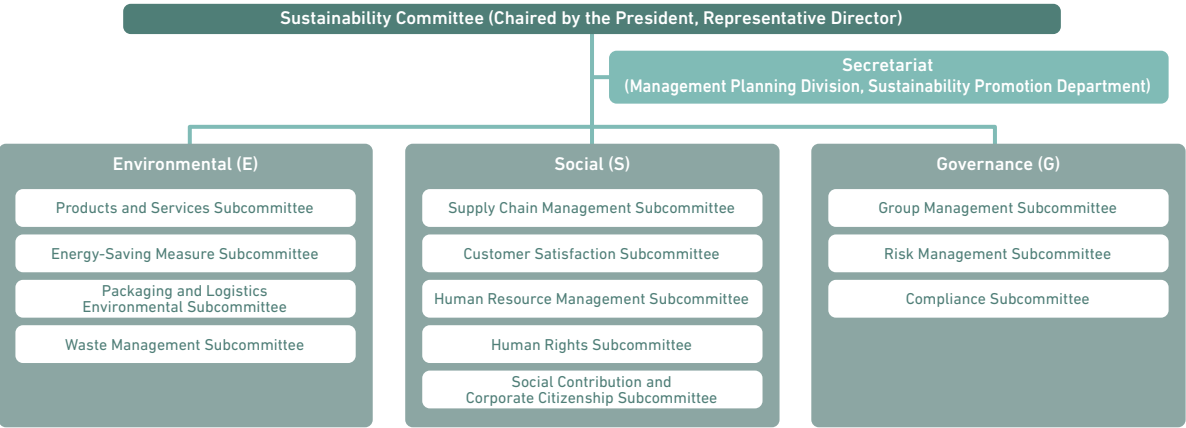
The TOTO Group considers sustainability management to be management that uses sustainability initiatives for the purpose of bringing the TOTO Group Corporate Philosophy to life. Our Corporate Philosophy, based on the thoughts of the founder to be passed down through the generations, communicates to all our stakeholders the purpose for which our company exists, our business domains, and the type of company we aim to be.

Sustainability Committee

We began our corporate social responsibility (CSR) activities in fiscal 2004 with the establishment of the CSR Committee and a full-time CSR department. From fiscal 2023, we have been promoting sustainability management in the form of the Sustainability Committee.

This committee holds meetings three times a year and is chaired by the President, Representative Director, engaging in sustainability management by supervising and commanding a bird’s-eye view of the three fields—environmental, social, and governance (ESG).

The committee holds discussions on sustainability issues and key material issues (materiality) including climate change and human rights, and formulates plans for sustainability activities. Each subcommittee of the Sustainability Committee formulates sustainability promotion plans under which cross-divisional activities are developed in relevant divisions and at Group companies in Japan and overseas. In fiscal 2024, we established the Human Rights Subcommittee, which promotes efforts toward respecting human rights.



Risk Management

The TOTO Group makes relentless efforts to eliminate all factors that could hinder the implementation of management policies in order to maintain the confidence of society and fulfill its corporate social responsibilities. In cases of unexpected problems, maximum efforts will be made to minimize various effects on stakeholders and restore the confidence of related parties by developing appropriate preventive measures.

Compliance

The TOTO Group adheres to laws, regulations, and social norms within its corporate activities and strives to foster an organizational culture that promotes fair and transparent action. To create a firm structure for promoting compliance, we established the Compliance Committee, chaired by a Senior Managing Executive Officer, under the supervision of the President, Representative Director. We have also clearly stipulated the roles and authority of the Legal Control Division, which conducts activities accordingly. The Compliance Committee meets four times a year and works to incorporate processes into the Company’s structure to verify the progress of compliance education, monitoring, and other compliance-related activities.

Participation in the UN Global Compact

In order to announce to the international community the Company’s intent to further strengthen its sustainability activities, which TOTO has long been promoting, behave as a responsible corporate citizen on a global scale, and constructively carry out its social responsibilities, TOTO will uphold the Ten Principles on Human Rights, Labor, Environment, and Anti-Corruption that are cited by the UN Global Compact and put them into practice through all its business activities.

WE SUPPORT

Stakeholder Engagement

TOTO considers the concept of stakeholder engagement to be vital in building relationships of trust with stakeholders and in facilitating cooperation. By doing so, TOTO aims to improve societies for generations to come.

Sustainability Communication with Stakeholders

We place importance on communication with all stakeholders, including customers, employees, business partners, shareholders, and society at large, and endeavor to develop stronger relationships of mutual trust with them.

We deepen interaction with our customers through various settings, such as events at our showrooms and factories, and we engage in direct dialogue with our business partners through policy briefing sessions and sustainability questionnaires. In addition, for our shareholders, we disclose appropriate information in a timely manner and promote understanding of the spirit of TOTO manufacturing through such means as factory tours. Going forward, we will continue to make concerted efforts toward stakeholder engagement through two-way communication.



Society

- Sending lecturers to seminars and educational institutions for training
- Assistance for NPOs and community organizations; various volunteer activities (TOTO Water Environment Fund, etc.)
- Cultural activities (TOTO GALLERY-MA, TOTO Publishing)
- TOTO Museum
- Factory tours, TOTO Summer Festivals
- Dialogue with NGOs, NPOs, and experts



Customers

- Showrooms
- Customer Consultation Center
- Support Desk for Remodeling
- Factory remodeling fairs
- Various exhibitions
- Online showroom and consultation



Shareholders

- General Meeting of Shareholders
- Various briefings
- Website for shareholders and investors
- Shareholder questionnaires
- Dialogue with institutional investors



Business Partners

- Policy briefing sessions
- Sustainability questionnaires
- Sustainability interview sessions
- Whistleblowing system (external contacts)



Employees

- Online meetings by the president and visits to production sites by the Board of Directors
- Various workplace meetings
- Employee awareness surveys
- Intranet and Group magazine
- Whistleblowing system (in-house / external contacts)

Respecting Human Rights

In accordance with the United Nations Guiding Principles on Business and Human Rights, the TOTO Group supports and respects international regulations pertaining to human rights, including the International Bill of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the Children’s Rights and Business Principles.

The Idea Concerning the TOTO Group Human Rights Policy

Under the Charter of TOTO Group Corporate Behavior, which defines the basic stance of everyone involved in Group activities, we have adopted the policy of respecting the human rights of every person in all countries and regions in our business activities and contribute to their development. Based on the Charter of TOTO Group Corporate Behavior, we established the TOTO Group Human Rights Policy in fiscal 2023 as a policy for fulfilling our responsibility to respect human rights as a corporation.

The TOTO Group Human Rights Policy applies to all employees working for the TOTO Group. In addition, we expect that our suppliers and all other parties involved with the Group’s businesses, products, and services understand and endorse the content of the TOTO Group Human Rights Policy. At the same time, we encourage their ongoing adherence to the policy.

Points of the TOTO Group Human Rights Policy

1. Responsibility for respecting human rights and legal compliance

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

3. Correction and remedy

4. Dialogues with stakeholders

5. Human rights education

6. Continuous initiatives for respecting human rights

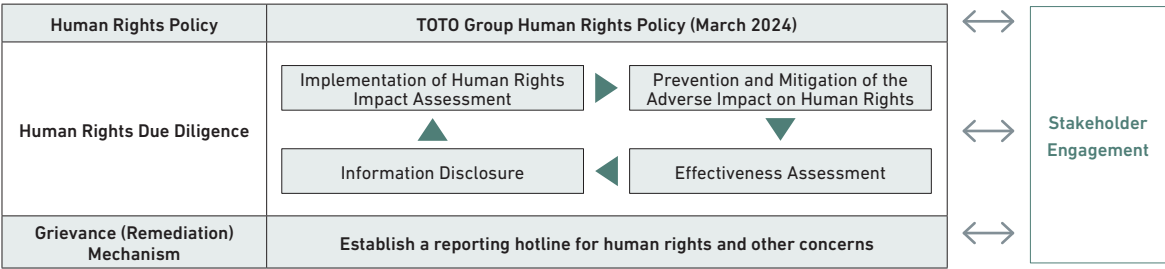
 The Idea Concerning the TOTO Group Human Rights Policy can be viewed on our the TOTO Group website:
https://jp.toto.com/assets/files/huan%20rights_policy_en.pdf

Main Initiatives

● Human Rights Due Diligence
Human Rights Due Diligence Process

In accordance with the TOTO Group Human Rights Policy established in fiscal 2023, the Group promotes human rights due diligence to identify, prevent and mitigate the adverse impact of its business activities on human rights throughout its value chain. The Group identifies human rights-related risks in its business activities and implements initiatives to prevent and mitigate their adverse effects, verifying their effectiveness. It also discloses information on these initiatives to respect human rights in the integrated report and on the TOTO Group website.

Overview of Initiatives



● Implementation of Human Rights Impact Assessment

In fiscal 2024, as part of the human rights due diligence process, we identified and assessed human rights-related risks that could adversely affect our value chain with the cooperation of specialist organizations.

Human Rights Impact Assessment Steps

1. Overviewing human rights issues related to the TOTO Group
- Sort out country risks based on the countries and regions where the Group’s businesses operate, their business models, etc. and identify potential human rights issues at each site.

• Understand human rights issues on the basis of various in-house materials (employee awareness surveys, human resource and labor data, and business-related materials)



Human Rights Subcommittee
online meeting

2. Extracting risks related to the human rights issues

- Extract risks by referring to internal documents, the Japanese Government's "Guidelines on Respecting Human Rights in Responsible Supply Chains," and the Ministry of Justice Human Rights Bureau's publication, "Report on the 'Research on Business and Human Rights': How Companies Should Respond Today."
- Conducted a human rights risk assessment for TOTO and its Group companies.

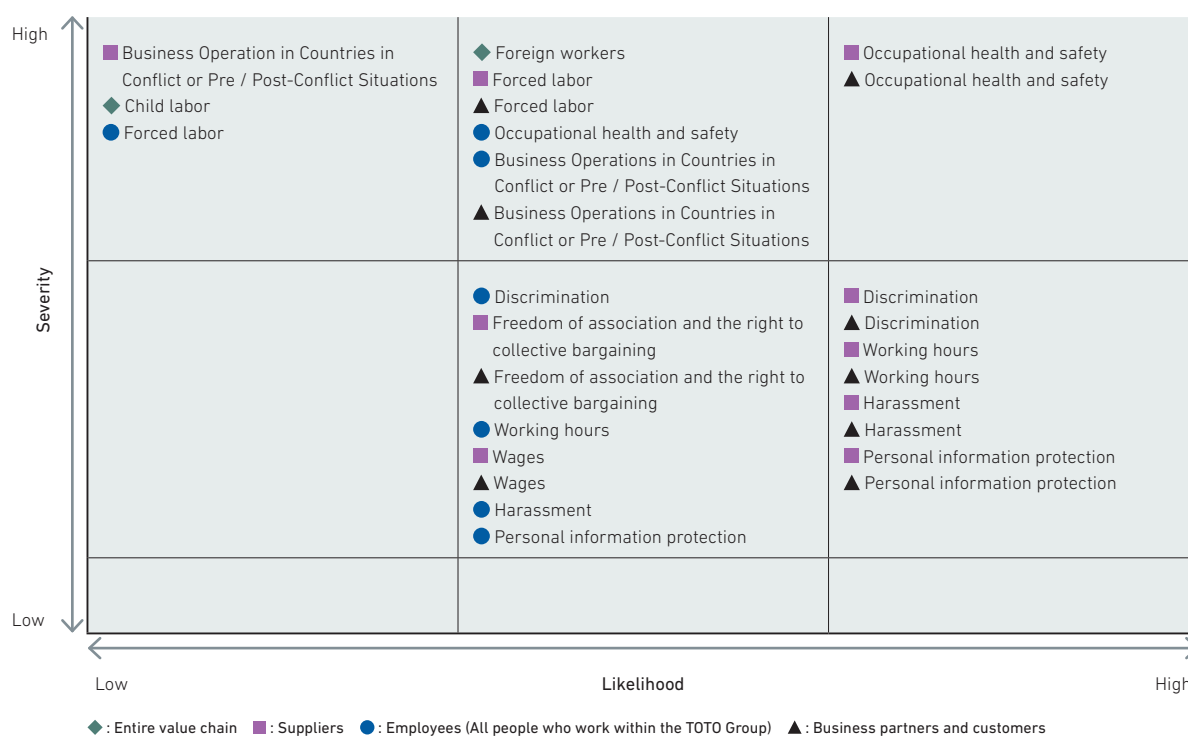
3. Assessing human rights-related risks

- Sort the extracted human rights issues into each value chain.
- Comprehensively determine human rights-related risks in each value chain based on previous survey activities. Map the risks based on two axes: severity and likelihood of occurrence.

4. Identifying areas/issues where human rights issues are likely to arise

- For items with high human rights-related risks, consider the following factors: comparison with second opinions from specialist organizations, relevance to the important human rights-related issues specified in the Idea Concerning the TOTO Group Human Rights Policy, interview surveys with some departments and Group companies, and strength of connection to our business. Then, identify areas/issues where human rights issues are likely to arise, which therefore have a high priority for action.

Areas / Issues Where Human Rights Issues Are Likely to Arise



● Prevention and Mitigation of the Adverse Impact on Human Rights / Effectiveness Assessment

We evaluate potential risks, such as human rights and labor, through questionnaire surveys and audits of suppliers. We strive continuously to enhance the level of engagement in sustainable procurement through prevention and improvement.

We implement the TOTO Group Employee Awareness Survey once a year to verify potential human rights risks. We also confirm the details of "areas / Issues where human rights issues are likely to arise" that have been identified in surveys carried out at TOTO and Group companies under the human rights impact assessment carried out in fiscal 2024. We promote preventive measures based on the results.

Further, we have deepened understanding of the human rights risk assessment process by supposing latent risks for business partners and customers through surveys of Group companies in the same industry as business partners. From fiscal 2025, we will communicate the TOTO Group's commitment to human rights to these business partners.

Establishment of Whistleblowing and Consultation Hotline

As a grievance mechanism, the TOTO Group has established hotlines to receive reports from suppliers, employees, and other parties on compliance and human rights issues, such as discrimination or harassment. Anonymous reports are accepted, and the name of the person making the report is kept strictly confidential. We adequately confirm the facts about the issues reported and determine and implement preventive measures.

Dialogue with Shareholders and Other Investors

When managing with an awareness of capital costs, it is essential to hold dialogues with the capital market. We will deepen shareholder and investor understanding of initiatives aimed at enhancing our sustainable corporate value and build a long-term relationship of trust by sharing both financial and non-financial information, including our Corporate Philosophy, management policies, business strategies, and governance. Accordingly, we endeavor to hold constructive dialogues and make fair disclosures, regardless of being within or outside Japan.

Working to Ensure Transparency and Fairness in Our IR Activities

Based on our IR Policy, we make timely disclosures through our website, hold individual meetings and financial results briefings, and conduct other activities to ensure transparency and fairness in our communication with individual and institutional investors.



IR Policy

<https://jp.toto.com/en/company/ir/disclosure>

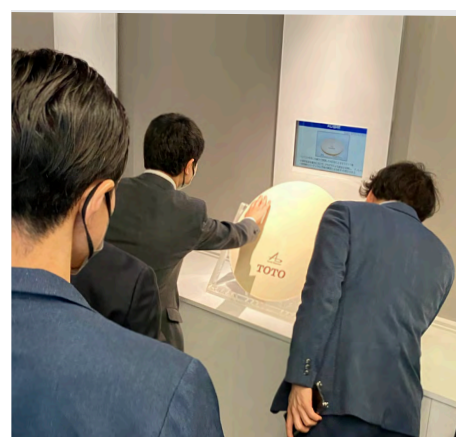
Relationships with Institutional Investors

From the managerial ranks to the director in charge of the IR Division, which is directly managed by the President, Representative Director, we actively participate in dialogues with institutional investors and relay important information we receive from these dialogues to all members of management and other relevant divisions. We also share information from investors with management and related divisions as necessary.

In addition to dialogues with investors, we conduct tours of plants and other facilities, offer briefings on business strategies, and hold meetings regarding sustainability, among other measures.

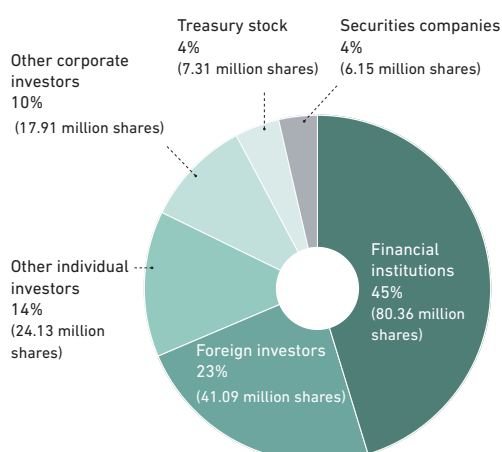


Online financial results briefing



Advanced Ceramics Business briefing

Distribution of Shares by Ownership



* As of March 31, 2025

Dialogues with Individual Investors

To deepen the level of interest in TOTO among individual investors, we are enhancing both physical and digital contact points with them. We provide explanations on our business activities and social contribution activities to individual investors through briefings and other events.



Event for individual investors

Evaluation by External Parties

We received high evaluations from environmental, social, and governance (ESG) perspectives from global ESG evaluation institutions.

Status of Inclusion in ESG Indexes

TOTO is evaluated on initiatives from ESG perspectives and has been included in the following ESG indexes. Going forward, we will promote management with even more emphasis on ESG initiatives.

- | | |
|---|---|
| <ul style="list-style-type: none"> • Dow Jones Best-in-Class World Index • FTSE4Good Index Series • FTSE Blossom Japan Index • FTSE Blossom Japan Sector Relative Index • S&P/JPX Carbon Efficient Index | <ul style="list-style-type: none"> • MSCI Japan ESG Select Leaders Index* • MSCI Japan Empowering Women Index (WIN)* • Morningstar Japan ex-REIT Gender Diversity Tilt Index • The 2025 Health & Productivity Stock Selection |
|---|---|



FTSE Blossom
Japan Index



FTSE Blossom
Japan Sector
Relative Index

2025 CONSTITUENT MSCI NIHONKABU
ESG SELECT LEADERS INDEX

2025 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)



健康経営銘柄 2025

KENKO Investment for Health

Key Evaluations and Awards

TOTO has been highly praised by external parties for each of its initiatives. We will promote such initiatives to achieve medium- to long-term growth in the future.



Selected as a CDP A List
company for water security
and climate change



Selected for the CDP
Supplier Engagement Rating
Leaderboard



Selected to be in the Top
10% of Sustainability
Yearbook 2025



SX注目企業 2025
Sustainability Transformation

Selected for inclusion in SX
Nominated Companies 2025



Acquired a Gold Rating in
PRIDE Index 2024

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Messages from Outside Directors



Junji Tsuda

Outside Director

Looking Back on Fiscal 2024

One characteristic of TOTO's management is that it never strays from its core values. This is because the founding spirit has been passed down as a strength over its long history. TOTO's management is extremely attentive toward all stakeholders, including customers, employees, shareholders, cooperative firms, and society as a whole.

In fiscal 2024, the plans made for the growth segments of the Americas Housing Equipment Business, Europe Housing Equipment Business, and Asia and Oceania Housing Equipment Business were thoroughly implemented, and results have exceeded expectations.

In terms of financial strategies, TOTO is clearly carrying out management with an awareness of capital costs, such as implementing share buybacks through cash created by reducing cross-shareholdings. Financially, there is still room for investment, so I feel confident about the future.

Structural Reform of Base Segments and Expectations of the New President

The largest issue has been the market slump and changes to market structure in Mainland China. While TOTO began to shift its policies from new construction to remodeling in fiscal 2024, this spread further to cover all aspects, including product development, production, and sales, in fiscal 2025. I believe the rapid structural reforms to lower the break-even point were a good idea. Making the reduction and streamlining of the productivity structure is easy to see and understand from an external viewpoint, but I believe that the Company has also moved forward with reforms in a unified manner in terms of sales strategies and product strategies and has taken an appropriate approach to the risks in the Mainland China market. As a return to the previously seen growth in Mainland China is difficult to imagine, TOTO is thoroughly engaging in brand strategies, which is being discussed within the Board of

Directors' meetings. These are not plans that will show results in the short term—they will take time. Despite this, the TOTO Group's purpose will be reestablished in the Mainland China market.

Meanwhile, improving profitability in the Japan Housing Equipment Business has become an issue, and I appreciate how TOTO has confirmed the issue in-house, proceeding with measures and approaching the issue in a positive manner. Going forward, I believe that speed will be key.

The newly appointed President, Mr. Tamura, has been able to understand the business after thoroughly grasping the situation on the front lines as a result of being in charge of overseas operations for a long period of time. I feel he is extremely promising in terms of the current structural reforms in the Mainland China Housing Equipment Business, such as connecting the vertical and horizontal organizations and integrating them in a short amount of time.

New Business Domains that Realize Growth Models Different from the Housing Equipment Business

The Advanced Ceramics Business has seen significant growth over the past few years. This is the result of initiatives that have continued to be on track so far, and I believe that TOTO is making good progress with preparing a production structure that anticipates future demand.

While the Advanced Ceramics Business has shown a different growth rate to other businesses, it represents a large portion of the net sales ratio for the aftermarket. The initial sale of the mainstay product, electrostatic chucks, produces demand for a replacement, which could be called business that "builds up over time." This cycle is shorter than that of sanitary ware, and I feel that for TOTO to include such a business, which is different from the Housing Equipment Business, is highly interesting. TOTO is carrying out investment in R&D with an eye to the future and I hope to see further growth in the future.

Reliable Growth Produced by Management Strategies from a Long-Term Perspective

Regarding short-term figures, TOTO has not reached the point where it could be called a highly profitable company. However, TOTO is moving forward steadily while facing all of its stakeholders. STAGE 2 is extremely well organized as an overall strategy and despite headwinds in the form of the slump in Mainland China, tariffs in the United States, and other factors, I am confident that TOTO is taking the right steps to increase corporate value.

Since the foreseeable future has been well laid out, I want all stakeholders to see TOTO's vision of steady, long-term growth. What will be key going forward as an outside director is the consideration of additional measures for the slightly more distant future, from 2030 onward, which I hope to help shape.



Yasushi Marumori

Outside Director

Expansion of Growth Segments and Structural Reform of Base Segments

The first year of WILL2030 STAGE 2 was a highly active one for the New Business Domains. Also, the Americas Housing Equipment Business and the Asia and Oceania Housing Equipment Business, particularly in the Taiwan Region, made a good start amid promising market conditions. In the Europe Housing Equipment Business, I feel that brand awareness for TOTO has grown after visiting Germany last year. The overseas market still feels largely untapped. While geopolitical risks in the Middle East may pose challenges, I believe this is a region where we can develop products utilizing TOTO's competitive advantage. TOTO's strategy of increasing its international sales ratio in the long term is the right direction to take.

Regarding the Mainland China Housing Equipment Business, there have been hurdles such as the housing market slump and the slow response to shifting market conditions. However, TOTO should be recognized for being able to rework strategies that had come to a halt and build a position from which to fight again in the future. However, it goes without saying that the real challenge lies ahead. In the Japan Housing Equipment Business, there are still issues with profitability despite increasing net sales. In Japan, markets are shrinking due to the declining population. This is not an issue for the immediate future of the market. Rather, TOTO must make improvements to its profit structure in anticipation of markets five to 10 years in the future. It is vital to consider that the work we engage in now will lead to customer support in the future.

TOTO's Strengths Stemming from Thorough Instillation of Its Philosophy

I believe that there is something that should never change, even as the era changes. One of TOTO's outstanding characteristics is how it has passed on the "Words of Our Founder," starting with "Kindness Must Always Come First," which are at the base of all

aspects of the business. This must not change. When visiting domestic and international sites and talking to local employees, I felt that TOTO's Corporate Philosophy has been thoroughly instilled in the workplace. With such a foundation, we can discuss short-term measures and long-term visions. I believe this is TOTO's strength.

We are able to hold completely open discussions at Board of Directors' meetings. While I feel that dealing with bad news first is an important responsibility to take on as a director, at TOTO, outside directors are also immediately informed of issues and negative news that need to be addressed. I feel that TOTO's confidence and commitment to taking the right path are evident in their honesty when bringing up difficult topics.

Responsibility to Understand the Company from an Impartial Perspective

As an outside director, I feel that always having a healthy amount of skepticism when participating in discussions is vital. Furthermore, when visiting each site, I listen to the opinions of numerous people from a fair and impartial standpoint, without believing everything, such as advanced reviews and stories from other people, without question. Additionally, as a member of the Nominating Advisory Committee, my key role is to visit as many sites as possible to thoroughly understand the people working at TOTO.

I observe whether the sites I visit are contributing to customers, employees, and local communities. If this is a production site, talk tends to focus on yields and operating ratios. However, TOTO asks employees for their opinions, based on data such as employee satisfaction. Additionally, TOTO is a company that values its relationship with local communities and holds various social contribution activities at each site, such as summer festivals.

Expectations for the Next Challenge with 100 Years of Trust as a Foundation

TOTO is not a flashy company. It is a company with a history of over 100 years as a plumbing social infrastructure company with a focus on toilets and a high level of social contributions within its operations. Outside its business, TOTO has been continuously engaging in activities through the TOTO Water Environment Fund, which assists regions where a water environment has not been established, such as in Africa. Also, the Group company TOTO Maintenance has a nationwide service network that can immediately respond to customer issues. TOTO's strength lies in its ability to support social infrastructure behind the scenes and promote this behavior around the world. With this as a foundation, I have high expectations for future initiatives from such a highly appealing company with a structure that can boldly take on new challenges, such as NEOREST toilets that are compatible with wellness. Whether TOTO can establish its philosophy on a global level and realize further growth depends on the efforts of its employees. I will also do my utmost to achieve this.

Messages from Outside Directors



Chiho Naganuma

Outside Director

TOTO's Ability to Change in the Face of Shifts in the External Environment

I was appointed as an outside director in June 2024 and have been involved in TOTO's management. Prior to my appointment, TOTO gave the impression of being a straightforward company that is important to people and this has not changed following my appointment.

In fiscal 2024, there has been visible steady progress aimed at growth, such as clarification of key areas for investment and reinforcement of the global structure based on shifts in the market environment. In particular, the Advanced Ceramics Business, which has been labeled as a growth segment, has been able to achieve significant results. Meanwhile, it was directly impacted by more changes than expected in the external environment, such as the recent reinforcement of tariffs in the United States and decreasing structural demand in the Mainland China market. Under such circumstances, TOTO made the difficult decision to close two sanitary ware manufacturing plants in Mainland China, but initiatives aimed at enhancing productivity through a new factory are ongoing. Such structural reforms represent a major change for the workplace and were difficult to implement. However, after holding measured discussions with employees on the ground, we are steadily making a shift toward a new structure that anticipates strengthening medium- to long-term competitiveness.

Initiatives for Effective Governance

A key feature of TOTO's governance is the development of a system that enables outside directors to be deeply involved in management and continuously share their opinions. For example, visiting 21 domestic and international sites in fiscal 2024, talking directly with local employees, and exchanging opinions candidly that looked at the essence of issues have given weight to my decisions as an outside director.

Fiscal 2024 has also been a year that deeply reflected TOTO's management stance. Outside directors also participate in discussions about successions. When selecting candidates, we hold careful discussions based on the fundamental questions of what kind of values the Company will continue to place importance on and what kind of leader will take on the next phase of management. Fiscal 2024 has seen a new management structure and President Tamura has adopted the message of "aim to become an organization with strong bonds where people can speak their minds." At Board of Directors' meetings, we have been holding even more active sessions. Going forward, we hope to further deepen multilateral and substantial discussions on governance through participation by human resources with diverse backgrounds and values.

A Bridge Between the Capital Market and Management

I have been involved in facing institutional investors at securities companies for approximately 20 years. I believe my role is to bring management perspectives from both society and the capital market, providing new realizations within the Company.

Since being appointed an outside director, I have continuously shared my opinion from the perspective of methods of communicating corporate value and dialogues with investors based on primary information gained from knowledge accumulated from experiences and frontline visits to date. For example, I hold discussions on topics such as how to disclose the ROIC tree, which goes right down to the frontline level, outside the Company in plans for reducing cross-shareholdings and ROIC management. In particular, discussions regarding on-site initiatives for enhancing capital efficiency, methods for utilizing the ROI, and external dialogues on the direction and method of communication for promoting TOTO's corporate value. Going forward, I hope TOTO can contribute to building trust between stakeholders and appropriately convey its strengths and value outside the Company.

Expectations for Future Growth

TOTO continues to pursue cleanliness, safety, and beauty as a company responsible for social infrastructure that enriches people's lifestyle culture. While profits may currently be facing challenges, investment is progressing in the growth segments of the Americas Housing Equipment Business and the Advanced Ceramics Business, and I feel that the competitiveness of craftsmanship is steadily increasing. Further, we are steadily and reliably undergoing changes in both offensive and defensive aspects by directly engaging in structural reforms in the Mainland China Housing Equipment Business as we review the business portfolio and cost structure. As a company that will remain essential to society in the future, we will continue expanding corporate value, and I intend to closely monitor its progress.

TOPICS

Outside Director Initiatives to Maintain the Effectiveness of the Board of Directors and Enhance Its Functionality

TOTO invites Outside Directors well-versed in the management of leading companies respected for their management practices to which the TOTO Group aspires or specializing in such matters as corporate finance and legal issues. To maintain the effectiveness of the Board of Directors and enhance its functionality by enabling decision-making from a more advanced stakeholder-optimized perspective and mutual supervision of business execution by Directors, TOTO provides opportunities for Outside Directors to acquire knowledge of TOTO's various businesses and have discussions.

Frontline Visits by Outside Directors

TOTO systematically implements visits by Outside Directors to the front line, such as sites and exhibitions in Japan and overseas, as an opportunity to encourage understanding of TOTO's businesses since they lead to high-level discussions at meetings of the Board of Directors.



At the TOTO Museum



At TOTO Taiwan



At a showroom

Preliminary Explanations for Resolutions and Items Reported by the Board of Directors

TOTO has created an opportunity for Outside Directors to receive preliminary explanations about all resolutions and reported items to enable Directors to make quick and effective decisions.



Preliminary explanation

Casual Management Conferences

TOTO holds casual management conferences several times a year as a forum for discussing various management-related topics for the TOTO Group and for receiving multifaceted and objective advice from Outside Directors.



Casual management conference

Board of Directors

Directors (excluding Directors who are Audit & Supervisory Committee members)



Representative Director,
Chairman of the Board

Noriaki Kiyota

Born October 8, 1961



Representative Director, President

Shinya Tamura

Born March 13, 1967

In charge of Management Planning, Internal Audit Office, and Secretary's Office



Director,
Senior Managing Executive Officer

Ryosuke Hayashi

Born September 4, 1963

Chief Technology Officer
In charge of Restroom Business Group, Green Building Materials, Advanced Ceramics, and Production Technology Business Group, and in charge of WILL2030 New Business Domains and WILL2030 Demand Chain Innovation (Manufacturing)



Director,
Senior Managing Executive Officer

Tomoyuki Taguchi

Born September 24, 1965

Chief Financial Officer
In charge of Legal, Human Resource, Finance and Accounting, Information System Planning, General Affairs, (Chigasaki / Shiga & Shiga No. 2 / Kokura No. 1) Plants, Tokyo General Affairs, and in charge of WILL2030 Management Resource Innovation



Director,
Managing Executive Officer

Yojiro Taketomi

Born September 8, 1965

In charge of Bathroom, Kitchen & Lavatory Vanity, Faucets & Appliances, Supply Chain, and Engineering Works, and in charge of WILL2030 Demand Chain Innovation (Supply Chain)



Director,
Managing Executive Officer

Takehiko Kitazaki

Born June 15, 1965

In charge of Customer Service, Cultural Promotion, Sales Promotion Group, and Japan Housing Equipment Business, and in charge of WILL2030 Marketing Innovation Activities



Director,
Managing Executive Officer

Naomiki Takeuchi

Born October 3, 1967

In charge of Global Business Promotion and International Housing Equipment Business, and in charge of WILL2030 International Housing Equipment Business



Outside Director **Independent**

Junji Tsuda

Born March 15, 1951

Significant concurrent positions:

- Special consultant for YASKAWA Electric Corporation
- Outside Director of NSK Ltd.



Outside Director **Independent**

Shigenori Yamauchi

Born February 24, 1949

Significant concurrent position:

- Honorary advisory to UACJ Corporation

Directors who are Audit & Supervisory Committee members



Director, Full-Time Audit & Supervisory Committee Member

Masayuki Yoshioka

Born August 24, 1965



Outside Director, **Independent**
Audit & Supervisory Committee Member

Yasushi Marumori

Born September 19, 1957

Significant concurrent position:

- Outside Director and Audit & Supervisory Committee Member of The Hyakujushi Bank, Ltd.



Outside Director, **Independent**
Audit & Supervisory Committee Member

Yukari Ienaga

Born October 26, 1974

Significant concurrent positions:

- Partner at Tokunaga, Matsuzaki & Saito Law Office
- Outside Director and Audit & Supervisory Committee Member of Mr Max Holdings Ltd.



Outside Director, **Independent**
Audit & Supervisory Committee Member

Chiho Naganuma

Born May 2, 1977

Significant concurrent position:

- Director of Bitengyoushi. Co., Ltd.

Corporate Information / Notable Awards

Corporate Profile (As of March 31, 2025)

Company Name	TOTO LTD.	Fiscal Year-End	March 31
Headquarters	1-1, Nakashima 2-chome, Kokurakita-ku, Kitakyushu, Fukuoka, 802-8601, Japan	Exchange Listings	Tokyo, Nagoya, Fukuoka
Establishment	May 15, 1917	Securities Code	5332
Capital	¥35,579 million	Shareholder Registry Administrator	Mitsubishi UFJ Trust and Banking Corporation 4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan
Number of Employees	34,673		

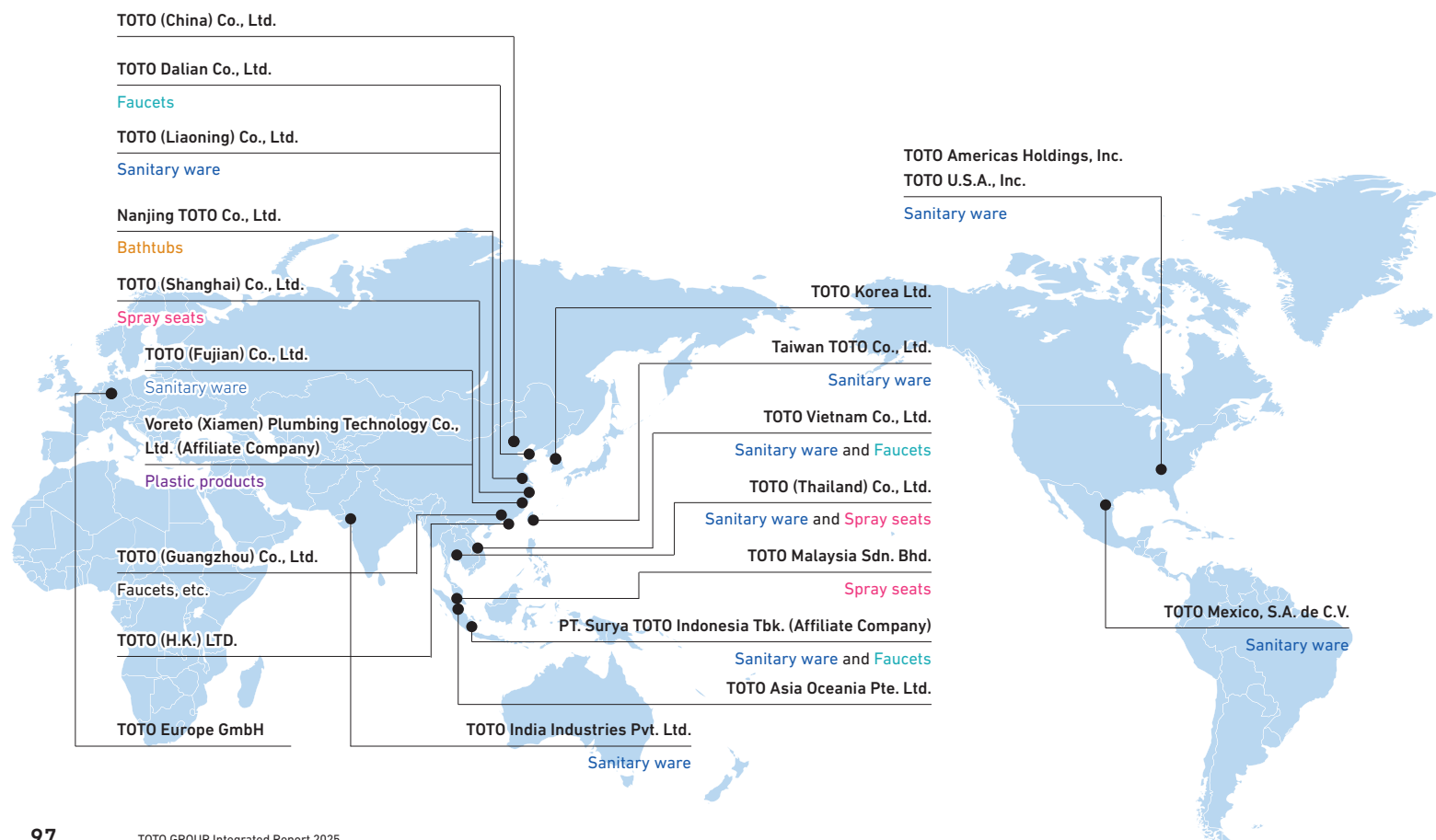
* Includes contract employees and temporary employees

Group Companies and Main Affiliates

Domestic Group Companies

Manufacturing	Sales, etc.	Services, etc.
TOTO Sanitechno Ltd.	TOTO Mtec Ltd.	TOTO Maintenance Ltd.
TOTO Washlet Techno Ltd.	TOTO Kansai Sales Ltd.	TOTO Finance Ltd.
TOTO Bath Create Ltd.	TOTO Hokkaido Sales Ltd.	TOTO Infom Ltd.
TOTO High Living Ltd.	TOTO Tohoku Sales Ltd.	TOTO Businetz Ltd.
TOTO Aquatechno Ltd.	TOTO Chubu Sales Ltd.	TOTO Logicom Ltd.
Sunaqua TOTO Ltd.	TOTO Chugoku Sales Ltd.	
TOTO Platechno Ltd.	TOTO Shikoku Sales Ltd.	
TOTO Materia Ltd.	TOTO Kyushu Sales Ltd.	
TOTO Okitsumo Coatings Ltd.	Cera Trading Ltd.	
TOTO Fine Ceramics Ltd.	TOTO Remodel Service Ltd.	
	TOTO Aquaeng Ltd.	

Overseas Group Companies

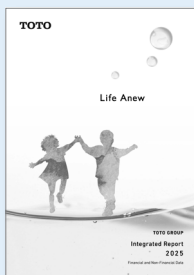


Notable Awards

Category	Award Description
Design	<p>Received Red Dot Design Award 2025 and iF Design Award 2025 for SYNLA modular bathroom unit</p>   
Design	<p>Received Red Dot Design Award 2025 (Innovative Design) and iF Design Award for Eco-Friendly Control Panel</p>   
Design	<p>Received Red Dot Design Award 2025 for RP Series* of Bidet Back-to-Wall Floor Standing</p>  
Design	<p>Received iF Design Award 2025 for RP Series* (Close-Coupled, Back-to-Wall, Bidet)</p>  
Technology	<p>Received the WorldStar Award for its general-purpose soft-touch corrugated cardboard cushioning material that achieves high shock absorption with low material and labor costs—a cushioning material used as packaging for its WASHLET products—at the WorldStar 2025 Competition held by the World Packaging Organisation</p> 

* Scope: Overseas

Independent Assurance



We issue a "Financial and Non-Financial Data Report" separately from the TOTO Group Integrated Report 2025. To ensure the credibility of the information, environmental and social data indicated with a ☒ symbol have been assured by an independent third party.



Financial and Non-Financial Data
<https://jp.toto.com/en/company/profile/library>

10-Year Summary of Selected Financial Data

(million yen)

	FY2015* ³ (March 31, 2016)	FY2016* ³ (March 31, 2017)	FY2017* ³ (March 31, 2018)	FY2018* ³ (March 31, 2019)	FY2019* ³ (March 31, 2020)
Net sales* ⁴	570,716	566,009	590,959	584,733	595,709
Cost of sales	354,187	348,407	368,148	371,565	383,562
Cost of sales ratio* ⁴	62.1%	61.6%	62.3%	63.5%	64.4%
Selling, general and administrative (SG&A) expenses	170,829	171,451	171,550	174,354	176,331
SG&A ratio* ⁴	29.9%	30.3%	29.0%	29.8%	29.6%
Operating profit* ⁴	45,699	46,150	51,260	38,814	35,816
Operating margin* ⁴	8.0%	8.2%	8.7%	6.6%	6.0%
Profit attributable to owners of parent* ⁴	36,360	32,960	36,798	32,380	23,921
Profit attributable to owners of parent ratio* ⁴	6.4%	5.8%	6.2%	5.5%	4.0%
Capital investment	31,240	34,950	40,341	35,881	35,598
Depreciation and amortization	18,397	18,994	21,357	23,347	25,343
Research and development (R&D) costs	19,098	19,388	20,594	21,528	21,467
R&D cost ratio* ⁴	3.3%	3.4%	3.5%	3.7%	3.6%
Total assets	536,265	553,996	564,319	574,960	582,482
Current assets	279,383	282,076	277,845	287,630	289,535
Non-current assets	256,882	271,920	286,473	287,329	292,946
Total liabilities	250,743	247,942	222,099	228,301	241,653
Net assets	285,522	306,053	342,219	346,658	340,829
Operating cash flow	58,695	62,604	45,489	14,593	63,843
Investing cash flow	(29,952)	(35,257)	(36,374)	(26,928)	(36,705)
Financing cash flow	(15,053)	(18,905)	(11,244)	14,562	(20,878)
Free cash flow* ¹	28,742	27,347	9,115	(12,335)	27,138
Dividends per share* ² (Yen)	—	68.00	72.00	90.00	90.00
ROA (Operating profit base)* ⁴	8.7%	8.5%	9.2%	6.8%	6.2%
ROE (Net profit base)* ⁴	13.3%	11.5%	11.7%	9.6%	7.1%
ROIC* ⁵	10.4%	10.2%	10.5%	7.8%	6.7%
ROIC after Adjustments* ⁶	10.2%	9.9%	10.5%	7.5%	6.7%
Invested capital* ⁷	315,052	330,634	347,690	376,906	367,778
Equity ratio	51.5%	53.6%	59.1%	58.9%	57.3%
Debt-to-equity (D/E) ratio (Times)	0.15	0.11	0.11	0.19	0.19
Cash on hand (to monthly sales ratio)* ⁸ (Month)	2.1	2.3	2.1	2.0	2.1
EPS* ^{2, 4} (Yen)	215.8	194.9	217.5	191.3	141.3
BPS* ² (Yen)	1,631.9	1,756.0	1,968.6	2,000.4	1,971.6
Total asset turnover* ⁴ (Times)	1.08	1.04	1.06	1.03	1.03
(excluding treasury stock/period average)	168,480,574	169,146,109	169,187,042	169,300,355	169,349,269

*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 our 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.

*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 FY2015 onward in this report have been revised retroactively.

(million yen)

	FY2020* ³ (March 31, 2021)	FY2021* ³ (March 31, 2022)	FY2022* ³ (March 31, 2023)	FY2023* ³ (March 31, 2024)	FY2024* ³ (March 31, 2025)
Net sales* ⁴	577,840	645,273	701,187	702,284	724,454
Cost of sales	367,242	408,382	458,217	463,284	470,386
Cost of sales ratio* ⁴	63.6%	63.3%	65.3%	66.0%	64.9%
Selling, general and administrative (SG&A) expenses	170,940	184,710	193,848	196,233	205,588
SG&A ratio* ⁴	29.6%	28.6%	27.6%	27.9%	28.4%
Operating profit* ⁴	39,656	52,180	49,121	42,766	48,479
Operating margin* ⁴	6.9%	8.1%	7.0%	6.1%	6.7%
Profit attributable to owners of parent* ⁴	26,978	40,131	38,943	37,196	12,168
Profit attributable to owners of parent ratio* ⁴	4.7%	6.2%	5.6%	5.3%	1.7%
Capital investment	43,731	35,101	36,331	58,145	50,698
Depreciation and amortization	25,231	26,939	31,412	34,136	35,018
Research and development (R&D) costs	22,395	24,024	21,539	23,117	25,054
R&D cost ratio* ⁴	3.9%	3.7%	3.1%	3.3%	3.5%
Total assets	646,011	641,025	731,638	790,255	813,924
Current assets	326,383	307,623	359,288	354,030	374,570
Non-current assets	319,628	333,401	372,349	436,224	439,354
Total liabilities	272,838	227,652	270,546	279,699	283,519
Net assets	373,173	413,372	461,092	510,556	530,404
Operating cash flow	59,551	49,356	31,579	76,311	71,381
Investing cash flow	(42,622)	(31,893)	(35,269)	(53,790)	(38,383)
Financing cash flow	22,702	(75,772)	8,779	(18,954)	(19,007)
Free cash flow* ¹	16,929	17,463	(3,690)	22,521	32,998
Dividends per share* ² (Yen)	70.00	95.00	100.00	100.00	100.00
ROA (Operating profit base)* ⁴	6.5%	8.1%	7.2%	5.6%	6.0%
ROE (Net profit base)* ⁴	7.7%	10.4%	9.1%	7.8%	2.4%
ROIC* ⁵	7.4%	8.9%	7.4%	5.9%	4.8%
ROIC after Adjustments* ⁶	7.2%	8.8%	7.5%	5.9%	6.5%
Invested capital* ⁷	393,583	427,591	483,557	530,327	508,501
Equity ratio	56.7%	63.2%	62.0%	63.6%	64.1%
Debt-to-equity (D/E) ratio (Times)	0.27	0.10	0.17	0.15	0.14
Cash on hand (to monthly sales ratio)* ⁸ (Month)	3.0	1.7	1.7	1.8	2.0
EPS* ^{2,4} (Yen)	159.2	236.7	229.7	219.3	71.7
BPS* ² (Yen)	2,160.7	2,391.4	2,674.3	2,962.2	3,077.0
Total asset turnover* ⁴ (Times)	0.94	1.00	1.02	0.92	0.90
(excluding treasury stock/period average)	169,418,598	169,514,672	169,569,793	169,613,552	169,649,722

*4 We have adopted new accounting standards for revenue recognition from FY2021. In accordance with this change, the figures for FY2020 and earlier in this report have been revised retroactively.

*5 Operating profit after tax ÷ (Operating capital + Fixed assets)

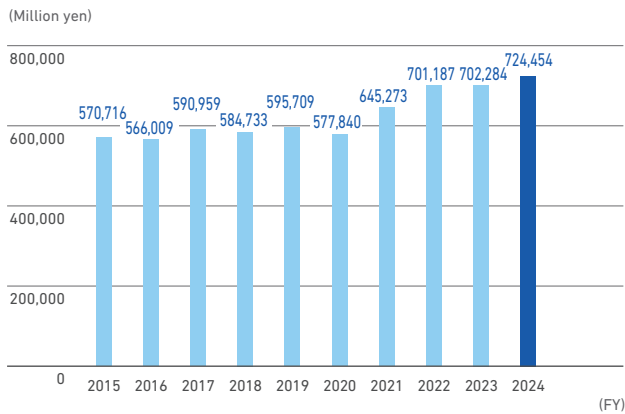
*6 Calculated based on an effective tax rate of 30.4%

*7 Operating capital + Fixed assets

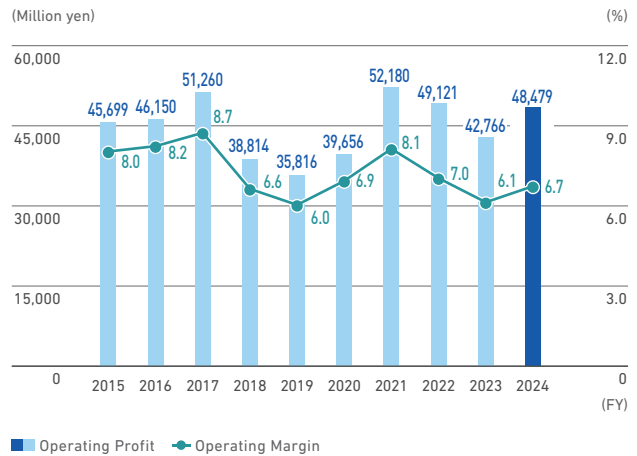
*8 (Cash and deposits + Short-term securities) ÷ Monthly sales

Financial Highlights

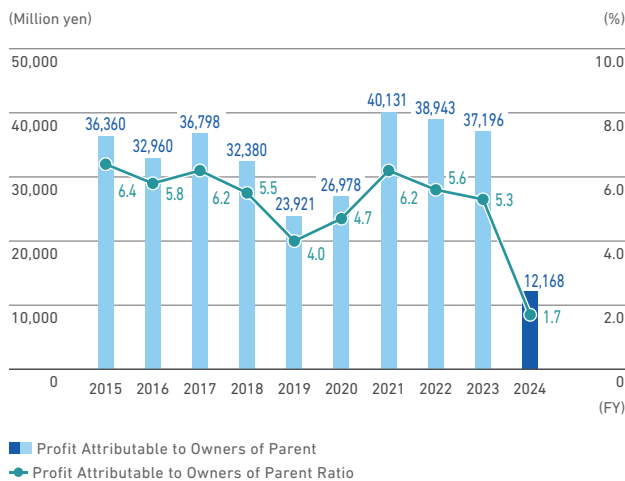
Net Sales



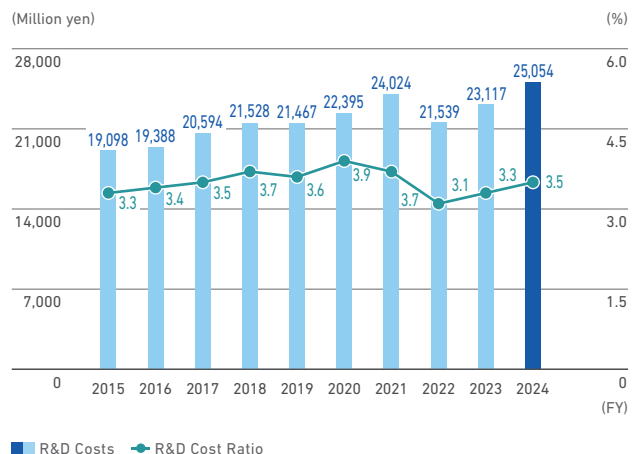
Operating Profit / Operating Margin



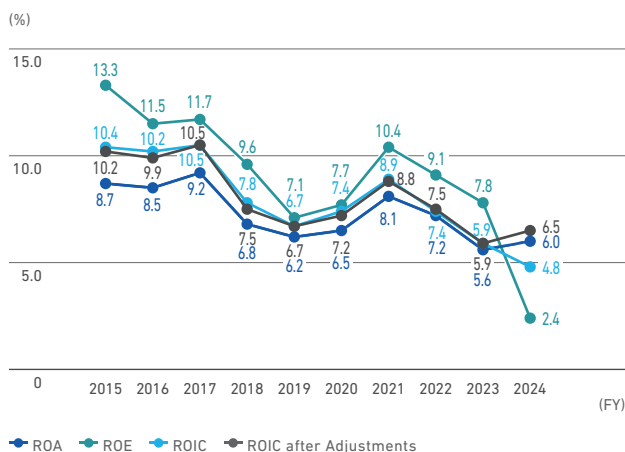
Profit Attributable to Owners of Parent / Profit Attributable to Owners of Parent Ratio



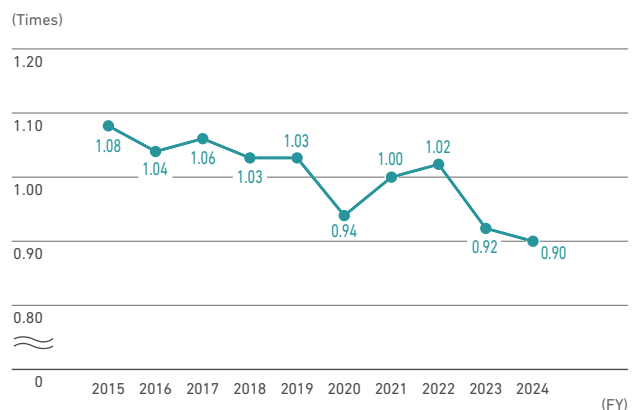
R&D Costs / R&D Cost Ratio



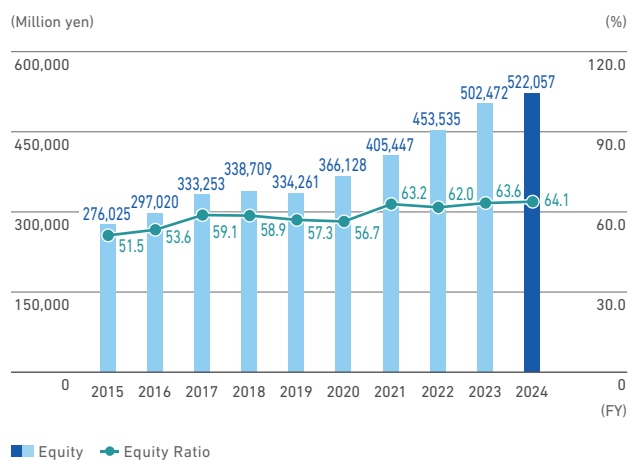
ROA (Operating Profit Base) / ROE (Net Profit Base) / ROIC (Operating Profit after Tax ÷ [Operating Capital + Fixed Assets]) / ROIC after Adjustments



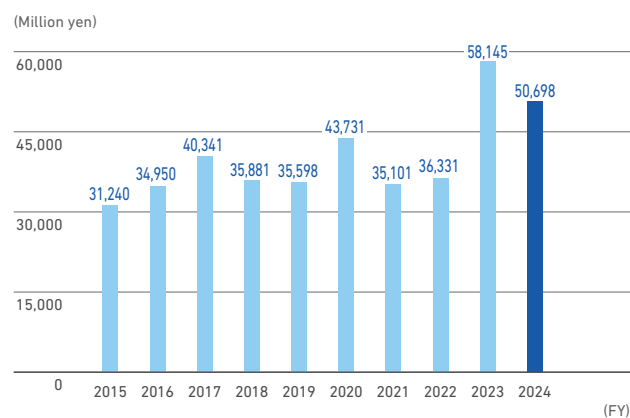
Total Asset Turnover



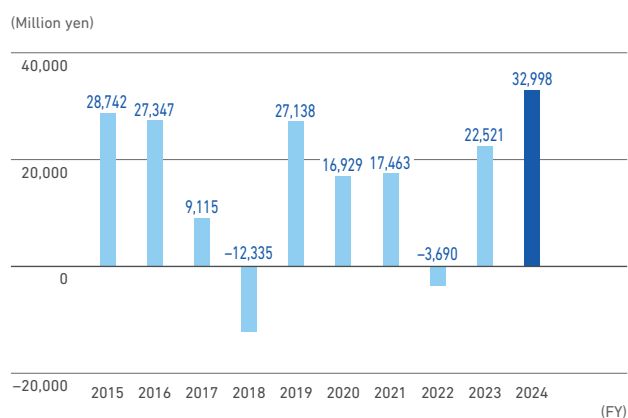
Equity / Equity Ratio



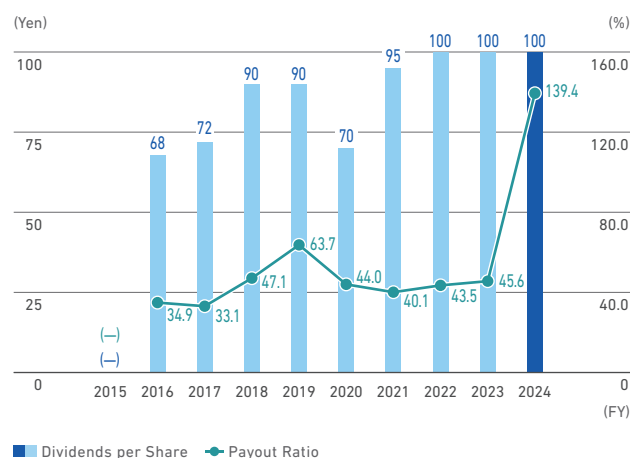
Capital Investment



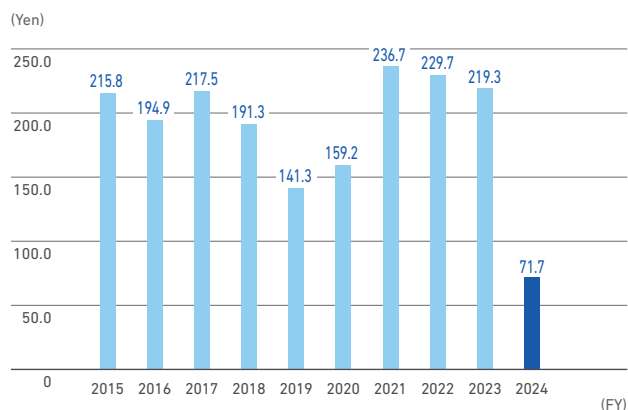
Free Cash Flow



Dividends per Share*1 / Payout Ratio*1



EPS



Total Shareholder Returns (including TSR dividend)*2

	Past year	Past three years		Past five years		Past ten years	
		Cumulative	Annual interest rate	Cumulative	Annual interest rate	Cumulative	Annual interest rate
TOTO	93.5%	84.9%	94.7%	121.2%	103.9%	132.8%	102.9%
TOPIX	98.5%	147.2%	113.8%	213.4%	116.4%	217.4%	108.1%

*1 We have changed the number of shares constituting one unit to 100 shares from 1,000 shares and also consolidated our 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.

*2 This calculation is based on return on investment that takes into account the dividend and stock price as of March 31, 2025.

NON-FINANCIAL DATA

Report Policy

Boundary	TOTO LTD. and all 48 of its 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	FY2024 (Japan: April 1, 2024 to March 31, 2025 / Overseas: January 1, 2024 to December 31, 2024)
Per unit of sales	As noted on page 100 in note4, net sales figures from FY2015 to FY2020 have been retroactively revised due to the adoption of new accounting standards for revenue recognition. However, as the impact on each environmental performance data per unit of sales is insignificant, the figures per unit of sales have not been retroactively revised.

WILL2030 Social and Environmental Value Indicators

The TOTO Group aims to provide comfortable and healthy lifestyles for all by helping to realize a sustainable society and achieving carbon neutrality by 2050. Through these efforts, we will contribute to the United Nations (UN) Sustainable Development Goals (SDGs).

Goals	Main Initiatives	Indicators	Cat.	Results for FY2024	Targets for FY2026 ^{*3}	SDGs
Cleanliness and comfort; wellness and the environment	Rolling out clean, comfortable, and eco-friendly products	Percentage of sustainable products	◆	78%	80%	
Cleanliness and comfort; wellness	<ul style="list-style-type: none"> Realize cleanliness and comfort throughout the world Pursue ease of use for everyone Global expansion of clean and comfortable toilets	Percentage of toilets with built-in TORNADO FLUSH shipped		82%	79%	  
		Number of WASHLET units shipped		3.06 million units	3.50 million units	
		EWATER+ WASHLET installation percentage		54%	58%	
Environment	<ul style="list-style-type: none"> Protect our limited water resources and connect with the future 	Alleviating water stress through the widespread adoption of water-saving products	◆	0.93 billion m ³	1.14 billion m ³	  
	<ul style="list-style-type: none"> Undertake initiatives to fight global warming and coexist with the earth Achieving carbon neutrality	CO ₂ emissions from business sites (Scope 1 and 2)	◆	246 thousand tons	229 thousand tons	
		CO ₂ emissions per unit of sales		0.340 tons / million yen	0.269 tons / million yen	
		Avoided Emissions during product use ^{*1}		2.81 million tons	3.60 million tons	
Relationships	<ul style="list-style-type: none"> Build deep, long-lasting relationships with customers 	Improved customer satisfaction	◆	95.1 pt	94.8 pt	  
		Showroom satisfaction (Japan)	◆	81.9 pt	78.2 pt	
	<ul style="list-style-type: none"> Offer cultural support and contribute to society for the next generation 	Promotion of social contribution activities rooted in local communities		143.9%	100% or more	
		Employee satisfaction (Japan)	◆	77.8 pt	77.4 pt	
	<ul style="list-style-type: none"> Create and share joy in work together Realizing employee-friendly working environments	Percentage of female managers (Japan)		21.2%	21.5%	
		Percentage of childcare leave taken by male employees (Japan)		72.6%	85.0%	

Updated according to actual results finalized at the end of June 2025

◆ WILL2030 long-term goals

^{*1} Reduction effect when compared with the case where products from 2005 continue to be used

^{*2} Scope: Japan, Americas, Europe, Mainland China, Taiwan Region, India, Thailand, Vietnam

^{*3} Announced in April 2024

12th Global Environmental Action Plan

The Global Environmental Action Plan is an action plan established in response to the environmental issues identified under WILL2030.

Goals	Scope	Base Year	Results for FY2024	Targets for FY2026 ^{*2}
Avoided Emissions of water during product use ^{*1}	Japan/Overseas	—	0.93 billion m ³	1.14 billion m ³
Avoided Emissions during product use ^{*1}	Japan/Overseas	—	2.81 million tons	3.60 million tons
CO ₂ emissions from business sites (Scope 1 and 2)	Japan/Overseas	—	246 thousand tons	229 thousand tons
CO ₂ emissions per unit of sales	Japan/Overseas	—	0.340 tons / million yen	0.269 tons / million yen
Ratio of renewable energy power	Japan/Overseas	—	36.6%	60%
Total amount of water withdrawals	Japan/Overseas	—	1.78 million m ³	2.38 million m ³
Rate of improvement for total amount of water withdrawals	Japan/Overseas	—	29%	15%
Reduction of fuel used for transportation per unit	Japan	Compared to FY2021	15.3% or more	15.3% or more
Reduction rate of the use of packaging materials	Japan	Compared to FY2021	1.89% or more	2.6% or more
Reduction rate of waste at the production sites (reduction of production output intensity)	Japan	Based on FY2023	8.3%	1.5%
Recycling rate at the production sites	Japan	—	99.1%	99% or more
	Overseas	—	98.9%	99% or more
Usage rate of legal and recycled materials for wood-based materials used in products	Japan	—	100%	100%
	Overseas	—	100%	100%
	Total	—	100%	100%
Violations of related environmental laws	Japan	—	0 cases	0 cases
	Overseas	—	0 cases	0 cases
	Total	—	0 cases	0 cases

^{*1} Reduction effect when compared with the case where products from 2005 continue to be used

^{*2} Announced in June 2024

Environmental Performance Data

GHG Emissions

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Scope 1+2+3	thousand tons CO ₂	19,839	19,990	18,433	16,760	16,785 ^{*1}
Scope 1+2	thousand tons CO ₂	307	352	267	254	246
Scope 1	thousand tons CO ₂	167	188	168	141	129
(per unit of sales)	t-CO ₂ /million yen	0.29	0.29	0.24	0.20	0.18
Direct GHG emissions from non-energy processes	thousand tons CO ₂	4.2	5.1	4.5	4.0	4.6
Scope 2	thousand tons CO ₂	140	164	99	113	117
(per unit of sales)	t-CO ₂ /million yen	0.24	0.25	0.14	0.16	0.16
Scope 3	thousand tons CO ₂	19,532	19,638	18,166	16,506	16,539 ^{*1}
(per unit of sales)	t-CO ₂ /million yen	33.8	30.4	25.9	23.5	22.8
Category 1	thousand tons CO ₂	—	750	751	619	550 ^{*1}
Category 2	thousand tons CO ₂	—	168	175	78	140
Category 3	thousand tons CO ₂	—	45	47	41	40
Category 4	thousand tons CO ₂	—	130	62	51	46
Category 5	thousand tons CO ₂	—	17	9	10 ^{*2}	10
Category 6	thousand tons CO ₂	—	5	5	5	5
Category 7	thousand tons CO ₂	—	15	15	15	14
Category 8	thousand tons CO ₂	—	—	—	—	—
Category 9	thousand tons CO ₂	—	52	52	47	45
Category 10	thousand tons CO ₂	—	—	—	—	—
Category 11	thousand tons CO ₂	18,562	18,426	17,019	15,612	15,661 ^{*1}
Of which, direct emission ^{*3}	thousand tons CO ₂	—	—	—	—	4,092
Category 12	thousand tons CO ₂	—	30	31	29	29
Category 13	thousand tons CO ₂	—	—	—	—	—
Category 14	thousand tons CO ₂	—	—	—	—	—
Category 15	thousand tons CO ₂	—	—	—	—	—

*1 To improve calculation accuracy, the scope of aggregation has been revised starting from fiscal year 2024.

*2 The figures for FY2023 have been revised.

*3 CO₂ emissions of products that directly consume energy

Inherent Limitations with the Measurement and Evaluation of Environmental Performance Data

The quantitative results for greenhouse gas (GHG) emissions listed in the data book and other materials are subject to uncertainties pertaining to the measurement of activity data and the determination of emission factors. The results are also impacted by scientific uncertainties related to the determination of global warming potentials. Accordingly, the reported GHG emissions may vary materially when different calculation methods, activity data, emission coefficients, and assumptions are used within an acceptable range.

Energy Consumption

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Quantity of energy consumption	MWh	1,198,805	1,350,455	1,224,689	1,061,083	982,734
(per unit of sales)	MWh/million yen	2.07	2.09	1.75	1.51	1.36
Quantity of non-renewable energy consumption	MWh	1,151,624	1,291,489	1,058,595	940,222	863,952
(per unit of sales)	MWh/million yen	1.99	2.00	1.51	1.34	1.19
Quantity of fuel consumption	MWh	851,679	963,366	859,726	724,761	651,673
(per unit of sales)	MWh/million yen	1.47	1.49	1.23	1.03	0.90
Quantity of electric power consumption	MWh	291,868	315,155	189,117	208,011	205,825
(per unit of sales)	MWh/million yen	0.50	0.49	0.27	0.30	0.28
Quantity of other types of energy consumption	MWh	8,077	12,969	9,752	7,451	6,454
(per unit of sales)	KWh/million yen	13.98	20.10	13.91	10.61	8.91
Quantity of renewable energy consumption	MWh	47,181	58,966	166,094	120,861	118,781
(per unit of sales)	KWh/million yen	81.22	91.38	236.88	172.10	163.96
Rate of renewable energy use	%	3.9	4.4	13.6	11.4	12.1
Ratio of renewable energy power	%	13.9	15.8	46.8	36.8	36.6
Energy cost	million yen	7,774	10,093	12,897	11,557	11,343

Preserving Water Resources

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Total amount of water withdrawals	thousand m ³	2,631	2,675	2,407	2,017	1,785
(per unit of sales)	m ³ /million yen	4.53	4.15	3.43	2.87	2.46
Surface water	thousand m ³	—	—	—	—	—
Groundwater	thousand m ³	387	463	426	419	354
Sea water	thousand m ³	—	—	—	—	—
Water from production	thousand m ³	—	—	—	—	—
Water from third parties	thousand m ³	2,244	2,212	1,981	1,598	1,431
Total amount of water discharges	thousand m ³	1,904	1,860	1,642	1,222	1,349
(per unit of sales)	m ³ /million yen	3.29	2.88	2.34	1.74	1.86
Surface water	thousand m ³	10	9	11	7	7
Groundwater	thousand m ³	—	—	—	—	—
Sea water	thousand m ³	—	—	—	—	—
Water from third parties	thousand m ³	1,894	1,851	1,631	1,215	1,342
Amount of water consumption	thousand m ³	727	815	765	795	436
Amount of recycled water	thousand m ³	1,844	2,163	2,008	1,737	1,765
Water recycling rate	%	41.2	44.7	45.5	46.3	49.7

Environmental Performance Data

Waste

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022* ¹ (fiscal year ended March 31, 2023)	FY2023* ² (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Waste generated	thousand tons	128.1	142.5	116.8	94.8	86.2
(per unit of sales)	kg/million yen	220.5	220.8	166.6	135.0	119.0
Total amount of waste processed	thousand tons	24.8	22.3	14.8	15.0	15.0
(per unit of sales)	kg/million yen	42.7	34.6	21.1	21.4	20.6
Breakdown: (Amount of landfill waste)	thousand tons	—	—	7.8	8.0	8.1
(Waste incineration volume with energy recovery)	thousand tons	—	—	6.1	5.9	5.7
(Waste incineration volume without energy recovery)	thousand tons	—	—	0.9	1.1	1.1
Recycling amount (not including thermal recycling)	thousand tons	103.3	120.2	102.0	79.8	71.2
(per unit of sales)	kg/million yen	177.8	186.3	145.5	113.6	98.3
Recycling rate (including thermal recycling)	%	99.5	99.5	99.8	99.8	99.0
(Japan)	%	99.7	99.9	99.6	99.6	99.2
(Overseas)	%	99.5	99.3	99.9	99.9	98.9
Hazardous waste generated	thousand tons	—	—	0.78	0.90	1.11
(per unit of sales)	kg/million yen	0.17	0.31	1.1	1.3	1.5
Hazardous waste processed	thousand tons	—	—	0.68	0.86	1.05
(per unit of sales)	kg/million yen	—	—	0.97	1.22	1.45
Breakdown: (Amount of landfill waste)	thousand tons	—	—	0.59	0.77	0.99
(Waste incineration volume with energy recovery)	thousand tons	—	—	0.02	0.04	0.06
(Waste incineration volume without energy recovery)	thousand tons	—	—	0.07	0.05	0.01
Recycling amount (not including thermal recycling)	thousand tons	—	—	0.10	0.04	0.06
(per unit of sales)	kg/million yen	—	—	0.14	0.06	0.08

*1 The calculation method was revised in FY2023. In conjunction with this revision, the results for FY2022 were recalculated.

*2 In fiscal year 2023, some data entry errors (omissions and incorrect classification) were discovered. As a result, the figures have been revised retroactively.

Atmospheric Emissions

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Amount of chemical substance emissions (PRTR Law applicable)	t	22.0	26.8	27.6	22.3	31.5
(per unit of sales)	kg/million yen	0.04	0.04	0.04	0.03	0.04
SOx emissions	t	65.4	81.7	86.1	83.6	86.0
(per unit of sales)	kg/million yen	0.11	0.13	0.12	0.12	0.12
NOx emissions	t	150.5	135.2	128.3	110.8	95.3
(per unit of sales)	kg/million yen	0.26	0.21	0.18	0.16	0.13
Dust emissions	t	48.7	43.6	41.5	29.4	27.5
(per unit of sales)	kg/million yen	0.08	0.07	0.06	0.04	0.04
VOC emissions	t	21.9	26.7	27.5	22.2	31.2
(per unit of sales)	kg/million yen	0.04	0.04	0.04	0.03	0.04

Raw Materials Used

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Amount of raw materials used	thousand tons	564.0	649.0	572.8	505.1	452.0

Percentage of Legal Wood Materials and Recycled Wood Materials

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Legal Wood Materials	%	6	15	13	15	14
Recycled Wood Materials	%	94	85	87	85	86
Others	%	0	0	0	0	0
Total	%	100	100	100	100	100

Environment Management System

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Percentage of ISO 14001 certification acquisition	%	75.9	73.9	76.6	77.3	73.9

Violations of Related Environmental Laws

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Number of related environmental law violations	cases	0	0	0	0	0
Japan	cases	0	0	0	0	0
Overseas	cases	0	0	0	0	0

* Serious offense with a fine of USD10,000 or more

Social Performance Data

Customers

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Customer satisfaction in after-sales service	points	92.2	93.1	94.0	94.2	95.1
Customer satisfaction surveys (Japan)						
Showroom satisfaction	points	73.4	74.7	75.3	76.5	81.9
Ratio of customers impressed with bath module assembly	%	69.6	70.7	70.5	72.4	72.2
Evaluations on customer response quality	points	76.3	78.8	77.5	79.7	82.3

Quality Management System

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Percentage of ISO 9001 certification acquisition	%	76.4	74.5	77.4	77.6	74.3

Status of Employment

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Group total number of employees	no. of personnel	35,613	36,853	36,188	35,027	34,673
Male	no. of personnel	23,636	24,404	23,746	22,744	22,597
Female	no. of personnel	11,977	12,449	12,442	12,283	12,076
Percentage of female employees	%	33.6	33.8	34.4	35.1	34.8
Full-time employees	no. of personnel	30,839	31,777	31,448	30,853	30,268
Contract employees	no. of personnel	2,927	2,779	2,705	2,530	2,459
Temporary employees	no. of personnel	1,847	2,297	2,035	1,644	1,946
Number of employees (Japan)	no. of personnel	18,124	18,355	18,087	17,726	17,819
Male	no. of personnel	10,869	11,056	10,936	10,677	10,848
Female	no. of personnel	7,255	7,299	7,151	7,049	6,971
Percentage of female employees	%	40.0	39.8	39.5	39.8	39.1
Full-time employees	no. of personnel	13,843	13,903	13,968	14,021	14,057
Contract employees	no. of personnel	2,621	2,395	2,280	2,182	2,093
Temporary employees	no. of personnel	1,660	2,057	1,839	1,523	1,669
Percentage of employees under 30 years old	%	15.5	14.8	14.1	13.8	13.8
Male	%	9.3	9.0	8.7	8.5	8.5
Female	%	6.2	5.7	5.4	5.3	5.2
Percentage of employees between 30 and 49 years old	%	52.4	50.2	47.7	45.1	43.9
Male	%	28.5	27.0	25.6	24.1	23.7
Female	%	23.9	23.2	22.1	20.9	20.2
Percentage of employees 50 years old and over	%	32.2	35.0	38.2	41.1	42.3
Male	%	23.1	24.7	26.6	28.2	28.6
Female	%	9.1	10.3	11.6	12.9	13.8

Social Performance Data

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Number of graduate recruits (Japan)	no. of personnel	212	232	232	240	278
Male	no. of personnel	153	165	168	168	198
Female	no. of personnel	59	67	64	72	80
Percentage of female employees	%	27.8	28.9	27.6	30.0	28.8
Retention status of graduate recruits (non-consolidated)						
Job turnover rate within three years	%	—	—	10.2	15.4	16.0
Recruitment of experienced personnel (non-consolidated)						
Ratio of total recruitment for experienced regular workers	%	71	65	59	54	51
Ratio of recruitment for external experienced regular workers	%	20	7	16	27	28
Average age (non-consolidated)	ages	44 years and two months old	44 years and six months old	44 years and 11 months old	45 years and four months old	44 years and six months old
Average number of years of continuous service (Japan)	years	14.9	15.3	15.8	16.3	16.7
Male	years	16.9	17.2	17.7	18.2	18.5
Female	years	11.9	12.4	12.9	13.4	13.8
Number of employees (Overseas)	no. of personnel	17,489	18,498	18,101	17,301	16,854
Male	no. of personnel	12,767	13,348	12,810	12,067	11,749
Female	no. of personnel	4,722	5,150	5,291	5,234	5,105
Percentage of female employees	%	27.0	27.8	29.2	30.3	30.3
Full-time employees	no. of personnel	16,996	17,874	17,480	16,832	16,211
Contract employees	no. of personnel	306	384	425	348	366
Temporary employees	no. of personnel	187	240	196	121	277
Composition of employees by region						
Japan	%	50.9	49.8	50.0	50.6	51.4
China	%	17.7	18.2	18.3	18.5	17.7
Asia and Oceania	%	27.2	28.0	27.5	26.7	26.7
Americas	%	3.8	3.7	3.9	4.0	3.9
Europe	%	0.4	0.3	0.4	0.3	0.3
Number of foreign employees in the TOTO Group (Japan)	no. of personnel	45	46	48	48	51

Diversity

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Ratio of employees by nationality*						
Japan	%	—	—	—	51.1	50.8
China	%	—	—	—	19.9	17.5
Vietnam	%	—	—	—	12.7	12.4
Thailand	%	—	—	—	7.8	7.5
India	%	—	—	—	4.3	4.4

* The table shows the top five nationalities among our employees, excluding Group companies in the Americas. Figures for FY2023 exclude Group companies both in the Americas and Europe.

Social Performance Data

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Number of managers	no. of personnel	3,792	3,872	3,523	3,691	3,712
Male	no. of personnel	3,146	3,152	2,767	2,854	2,838
Female	no. of personnel	646	720	756	837	874
Percentage of female managers	%	17.0	18.6	21.5	22.7	23.5
General manager level and above	no. of personnel	771	749	767	1,200	1,235
Male	no. of personnel	739	717	729	1,068	1,093
Female	no. of personnel	32	32	38	132	142
Percentage of female employees	%	4.2	4.3	5.0	11.0	11.5
Section chief level and above	no. of personnel	2,118	2,139	1,793	2,491	2,477
Male	no. of personnel	1,744	1,722	1,353	1,786	1,745
Female	no. of personnel	374	417	440	705	732
Percentage of female employees	%	17.7	19.5	24.5	28.3	29.6
Number of managers (Japan)	no. of personnel	2,889	2,888	2,560	2,636	2,659
Male	no. of personnel	2,483	2,439	2,082	2,097	2,095
Female	no. of personnel	406	449	478	539	564
Percentage of female managers	%	14.1	15.5	18.7	20.4	21.2
Number of new management appointments	no. of personnel	264	253	212	231	229
Male	no. of personnel	194	178	140	149	170
Female	no. of personnel	70	75	72	82	59
Percentage of female employees	%	26.5	29.6	34.0	35.5	25.8
Number of managers (Overseas)	no. of personnel	903	984	963	1,055	1,053
Male	no. of personnel	663	713	685	757	743
Female	no. of personnel	240	271	278	298	310
Percentage of female managers	%	26.6	27.5	28.9	28.2	29.4
Employees with disabilities						
Japan	no. of personnel	316	307	314	321	329
Ratio of employees with disabilities (Japan)	%	2.63	2.53	2.58	2.65	2.70
Ratio of employees with disabilities (Overseas)	%	0.75	0.76	0.74	0.78	0.75

Gender Wage Gap in Japan (Average Female Wage/Average Male Wage)

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
All employees	%	—	—	60.5	60.6	61.1
Regular workers	%	—	—	62.6	62.6	62.8
Part-time and fixed-term contract workers	%	—	—	79.2	75.7	76.8

Work-Life Balance (Japan)

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Total employee turnover rate	%	2.3	2.5	2.7	2.7	2.6
Voluntary employee turnover rate	%	1.8	2.1	2.5	2.2	2.3
Working hours						
Average scheduled working hours per year	hours per person	1,903.7	1,901.8	1,901.0	1,907.9	1,898.2
Average hours actually worked per year	hours per person	1,930.7	1,937.8	1,916.0	1,913.8	1,905.5
Average hours of overtime and holiday work per month	hours per person	16.3	18.5	18.1	16.4	16.1
Number of employees with long working hours	no. of personnel	30	23	49	31	8
Number of paid holidays taken	days	17.8	18.2	18.8	19.0	18.4
Percentage of paid holidays taken	%	89.1	91.2	94.3	95.6	92.7
Number of people using reduced working hour and leave systems						
Employees taking childcare leave, etc. (TOTO Group (Japan))	no. of personnel	—	—	—	—	363
Male	no. of personnel	—	—	—	—	188
Female	no. of personnel	—	—	—	—	175
Employees taking childcare leave, etc. (TOTO, non-consolidated)	no. of personnel	160	200	237	247	230
Male	no. of personnel	24	66	96	120	109
Female	no. of personnel	136	134	141	127	121
Percentage of childcare leave taken by female employees (TOTO Group (Japan))	%	—	—	—	—	100
Percentage of childcare leave taken by female employees (TOTO, non-consolidated)	%	100	100	100	100	100
Percentage of childcare leave taken by male employees (TOTO Group (Japan))	%	—	—	57.9	64.7	72.6
Percentage of childcare leave taken by male employees (TOTO, non-consolidated)	%	13.9	37.7	66.7	73.2	83.2
Average number of days of childcare leave taken by male employees (TOTO, non-consolidated)	days	—	—	—	29.3	57.2
Percentage of employees returning to working after childcare leave (TOTO, non-consolidated)	%	96.2	97.4	96.3	97.8	92.3
Reduced working hours for childcare* (TOTO, non-consolidated)	no. of personnel	315	318	310	305	316
Male	no. of personnel	7	6	4	10	10
Female	no. of personnel	308	312	306	295	306
Employees taking nursing care leave (TOTO, non-consolidated)	no. of personnel	3	13	17	10	12
Male	no. of personnel	0	1	1	4	1
Female	no. of personnel	3	12	16	6	11
Reduced working hours for nursing care* (TOTO, non-consolidated)	no. of personnel	11	9	5	9	10
Male	no. of personnel	3	2	0	1	0
Female	no. of personnel	8	7	5	8	10
Telework (TOTO, non-consolidated)	no. of personnel	277	3,554	4,771	5,238	5,669

* Calculated for reduced working hours for childcare and reduced working hours for nursing care as of April 1 of the following year (of each fiscal year).

Social Performance Data

Human Resource Development

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Number of fellows (highest position of R&D specialist) (non-consolidated)	no. of personnel	2	2	2	3	3
Average training time per employee	hours	9.9	10.1	10.3	10.4	10.7
Average training cost per employee	thousand yen	29.6	30.0	31.5	32.7	35.0
Number of participants in management development training	no. of personnel	—	—	108	111	124
Japan	no. of personnel	61	62	90	93	90
Overseas	no. of personnel	—	—	18	18	34
Number of participants in leadership development training (Japan)	no. of personnel	230	230	244	246	236
Number of supervisors carrying out evaluations through multifaceted observations (Japan)	no. of personnel	68	79	74	90	780
Number of participants in training for promoted employees (Japan)	no. of personnel	1,130	1,144	1,137	1,051	1,191

Occupational Safety and Health

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Lost time injury frequency rate						
TOTO Group employees*1	no unit	0.16	0.28	0.21	0.20	0.14
TOTO Group contractors (in-plant cooperative firm)*2	no unit	0.00	0.46	0.90	0.00	0.15
Occupational illness frequency rate						
TOTO Group employees	no unit	0.00	0.00	0.00	0.00	0.00
Number of work-related fatalities						
TOTO Group employees	no. of personnel	0	0	0	0	0
TOTO Group contractors (in-plant cooperative firm)	no. of personnel	0	0	0	0	0
Health and safety education	no. of personnel	460	670	494	513	511
Percentage of employees undergoing full medical examinations after regular health check-ups (legally required examinations)	%	100	100	100	100	100
Participation rate for mental health-related training						
Participation rate for mental health self-care training	%	—	—	100	100	100
Participation rate for mental health line care training	%	100	100	100	100	100
Implementation rate for specific healthcare guidance (lifestyle improvement program)*3	%	95.0	97.3	96.6	97.0	99.9

*1 The frequency rate of lost time injuries in FY2023 was revised.

*2 The frequency rate of lost time injuries in FY2021 and FY2022 was revised.

*3 Figures for the implementation rate for specific healthcare guidance are as of April 2025 for FY2024 since implementation occurs between August of each year and September of the following year.

Labor Unions

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Percentage of employees in labor unions and other organizations	%	87.4	87.8	87.7	87.3	87.0

Employee Satisfaction (Japan)

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
TOTO Group Awareness Survey —overall score	points	74.4	75.2	74.9	75.9	77.8
TOTO Group Awareness Survey —peace of mind and satisfaction indicators	points	—	74.1	73.3	74.6	76.2

Supply Chain Management

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Sustainable procurement activities						
Total number of suppliers	no. of suppliers	1,517	1,397	1,378	1,360	1,305
Number of critical suppliers	no. of suppliers	620	573	620	601	584
Number of suppliers who have participated in the assessment survey	no. of suppliers	722	498	531	518	486
Achievement rate for compliance with the TOTO standards	%	100	100	100	100	100

Social Contribution

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Amount spent on social contribution	billion yen	1.27	1.27	1.24	1.25	1.23
Percentage of employees taking part in volunteer activities, donations offered, etc.*	%	67.0	84.0	91.8	108.1	143.9

* Up to FY2023, ratio of the number of employees who participated in volunteer activities to the total number of employees on a consolidated basis.

TOTO Water Environment Fund

Indicators	Unit	15th (2020–2022)	16th (2021–2023)	17th (2022–2024)	18th (2023–2025)	19th (2024–2026)
Organizations	no. of organizations	10	12	11	13	11
Grant assistance	million yen	26.6	27.5	24.8	27.3	27.6

Involvement in Public Policy

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Donations to political organizations	thousand yen	3,400	2,500	2,700	2,800	1,200

Social Performance Data

Compliance

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Number of legal violations	cases	0	0	0	0	0
Violations of Anti Monopoly Act	cases	0	0	0	0	0
Violations of Anti Corruption Law	cases	0	0	0	0	0
Legal violations related to import and export management	cases	0	0	0	0	0
Number of whistleblowing cases	cases	47	47	62	75	58
Japan	cases	44	44	56	63	50
Overseas	cases	3	3	6	12	8
Compliance with TOTO Group Awareness Survey						
Degree of instillation in the workplace	points	81.8	82.8	83.8	84.2	85.8
Degree of individual awareness	points	90.0	90.8	91.3	91.3	92.1

Respecting Human Rights

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Participation rate for human rights training	%	100	100	100	100	100
Number of cases of litigation and administrative guidance						
Discrimination cases	cases	0	0	0	0	0
Severe child labor	cases	0	0	0	0	0
Severe forced labor	cases	0	0	0	0	0

Directors and Audit & Supervisory Committee Members

Indicators	Unit	FY2020 (fiscal year ended March 31, 2021)	FY2021 (fiscal year ended March 31, 2022)	FY2022 (fiscal year ended March 31, 2023)	FY2023 (fiscal year ended March 31, 2024)	FY2024 (fiscal year ended March 31, 2025)
Directors and Audit & Supervisory Committee members*	no. of personnel	16	16	15	15	14
Number of female employees	no. of personnel	0	0	1	1	2

* Up to FY2021, this displayed directors and Audit & Supervisory Board members.

Calculation Method of WILL2030 Social and Environmental Value Indicators

Indicators	Unit	Definitions, Calculation Standards, and Calculation Methods	Scope of Data Collection
Avoided Emissions of water during product use	m ³	Target products are toilets, urinals, water faucets, and bathtubs [Additional information] Other conditions can be viewed on our website: (https://jp.toto.com/assets/files/avoided_emissions_en_2406_document.pdf)	TOTO Group
Avoided Emissions during product use	million tons	Target products are toilets, urinals, water faucets, bathtubs, WASHLET, bathroom dryers, electric water heaters, hand dryers, and washroom heaters [CO ₂ emission coefficients from electricity (Japan)] FY2022 CO ₂ Emissions Report (reported values) from the Electric Power Council for a Low Carbon Society (ELCS) [CO ₂ emission coefficients from electricity (overseas)] “CO ₂ Emissions from Fuel Combustion 2023” published by the International Energy Agency (IEA) [CO ₂ emission coefficients from water (Japan)] Japan Sanitary Equipment Industry Association, “CO ₂ Conversion Coefficients from Water” (disclosed values for 2023) [CO ₂ emission coefficients from water (overseas)] CO ₂ emission coefficients from water in sales areas (figures published in reports and other materials by the Ministry of the Environment and the Ministry of Economy, Trade and Industry of Japan. Some of the figures are based on their neighboring or similar countries.). Reflects changes to electricity coefficients in each area for [CO ₂ emission coefficients from electricity (overseas)] [CO ₂ emission coefficients from gas] “Guidelines for Calculation of Greenhouse Gas Emissions (for calculation of emissions after FY2009 results)” published by the Ministry of the Environment of Japan. [Additional information] Other conditions can be viewed on our website: (https://jp.toto.com/assets/files/avoided_emissions_en_2406_document.pdf)	TOTO Group

Calculation Method of Environmental Performance Data

Indicators	Unit	Definitions, Calculation Standards, and Calculation Methods	Scope of Data Collection
Scope 1	thousand tons CO ₂	CO ₂ emissions from the use of fuel + CO ₂ equivalent emissions of 6.5 gases of non-energy origin. [CO ₂ emission coefficients] “Guidelines for Calculation of Greenhouse Gas Emissions (Version 5.0)” published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry of Japan. [Laws and Regulations Referenced] The Greenhouse Gas Protocol and Act on Promotion of Global Warming Countermeasures	TOTO Group
Scope 2	thousand tons CO ₂	CO ₂ emissions from purchased electricity, heat and steam. [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 5.0)” published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry of Japan. [Laws and Regulations Referenced] The Greenhouse Gas Protocol and Act on Promotion of Global Warming Countermeasures	TOTO Group
Scope 3 Category 1 (Purchased Goods and Services)	thousand tons CO ₂	Calculated by multiplying the weight of raw materials input into the business activity by the emissions intensity of each type of raw material.	TOTO Group
Scope 3 Category 2 (Capital Goods)	thousand tons CO ₂	The amount of capital investment acquired in the relevant fiscal year is multiplied by the emissions intensity.	TOTO Group
Scope 3 Category 3 (Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2)	thousand tons CO ₂	Calculated by multiplying fuel/energy consumption by emission intensity for each fuel/energy type.	TOTO Group
Scope 3 Category 4 (Upstream Transportation and Distribution)	thousand tons CO ₂	Calculated by multiplying the weight and distance of products and parts transported in the project area by the emission intensity.	TOTO Group
Scope 3 Category 5 (Waste Generated in Operations)	thousand tons CO ₂	Calculated by multiplying the amount of waste generated, excluding valuable materials, by the emissions intensity for each waste type and method.	TOTO Group
Scope 3 Category 6 (Business Travel)	thousand tons CO ₂	Calculated by multiplying the number of employees by the emissions intensity per employee.	TOTO Group

Calculation Method of Environmental Performance Data

Indicators	Unit	Definitions, Calculation Standards, and Calculation Methods	Scope of Data Collection
Scope 3 Category 7 (Employee Commuting)	thousand tons CO ₂	Calculated by multiplying the number of employees by the emissions intensity per employee.	TOTO Group
Scope 3 Category 8 (Upstream Leased Assets)	thousand tons CO ₂	Not applicable	—
Scope 3 Category 9 (Downstream Transportation and Distribution)	thousand tons CO ₂	Assuming transportation fuel from outside contractors to customers, etc., and multiplying by emission intensity.	TOTO Group (Japan)
Scope 3 Category 10 (Processing of Sold Products)	thousand tons CO ₂	Not applicable	—
Scope 3 Category 11 (Use of Sold Products)	thousand tons CO ₂	<p>Lifetime*¹ CO₂ emissions*² per unit from major products*³ × Sales quantity.</p> <p>*1 Duration of use by product classification (defined by TOTO)</p> <p>*2 CO₂ emissions from consumption of water and energy based on specifications and usage models (based on reports from the Ministry of the Environment and the Ministry of Economy, Trade and Industry of Japan, the information published by industry associations and research articles, etc.) by sales areas</p> <p>*3 toilets, urinals, water faucets, bathtubs, WASHLET*, bathroom dryers*, electric water heaters*, hand dryers*, and washroom heaters* (* Target of direct emission calculations)</p> <p>[CO₂ emission coefficients from electricity (Japan)] FY2023 CO₂ Emissions Report (reported values) from the Electric Power Council for a Low Carbon Society (ELCS)</p> <p>[CO₂ emission coefficients from electricity (overseas)] "CO₂ Emissions from Fuel Combustion 2024" published by the International Energy Agency (IEA)</p> <p>[CO₂ emission coefficients from water (Japan)] Japan Sanitary Equipment Industry Association, "CO₂ Conversion Coefficients from Water" (disclosed values for 2024)</p> <p>[CO₂ emission coefficients from water (overseas)] CO₂ emission coefficients from water in sales areas (figures published in reports and other materials by the Ministry of the Environment and the Ministry of Economy, Trade and Industry of Japan. Some of the figures are based on their neighboring or similar countries.). Reflects changes to electricity coefficients in each area for [CO₂ emission coefficients from electricity (overseas)]</p> <p>[CO₂ emission coefficients from gas] "Guidelines for Calculation of Greenhouse Gas Emissions (for calculation of emissions after FY2009 results)" published by the Ministry of the Environment of Japan</p>	TOTO Group
Scope 3 Category 12 (End-of-Life Treatment of Sold Products)	thousand tons CO ₂	<p>Calculated by multiplying the weight of products to be disposed of in the relevant fiscal year by the emissions intensity of each type of waste.</p> <p>The weight of products to be disposed of is estimated based on the material composition of major products and the number of units sold.</p>	TOTO Group (Japan)
Scope 3 Category 13 (Downstream Leased Assets)	thousand tons CO ₂	Not applicable	—
Scope 3 Category 14 (Franchises)	thousand tons CO ₂	Not applicable	—
Scope 3 Category 15 (Investments)	thousand tons CO ₂	Not applicable	—
Quantity of energy consumption	MWh	<p>Total quantity of energy consumption of electricity, fuel and heat consumption at offices and factories.</p> <p>[Heating value per unit] "Guidelines for Calculation of Greenhouse Gas Emissions" published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry of Japan</p> <p>[Laws and Regulations Referenced] Act on Rationalization of Energy Use and Shift to Non-fossil Energy</p>	TOTO Group
Quantity of non-renewable energy* consumption	MWh	<p>Total energy consumption of fossil fuels (city gas, natural gas, light oil, etc.) and electricity, steam (and cold/heat), etc., not derived from renewable energy sources out of the total energy consumption.</p> <p>[Laws and Regulations Referenced] Act on Rationalization of Energy Use and Shift to Non-fossil Energy</p> <p>* Energy excluding renewable energy sources as defined in the Act on Special Measures Concerning the Promotion of the Use of Renewable Electric Energy.</p>	TOTO Group
Quantity of fuel consumption (purchased and consumed non-renewable fuel)	MWh	Total quantity of energy consumption of fossil fuels (city gas, natural gas, light oil, etc.) out of total energy consumption.	TOTO Group
Quantity of electric power consumption (purchased non-renewable energy)	MWh	Total quantity of energy consumption of electricity that is not derived from renewable energy sources out of total energy consumption.	TOTO Group
Quantity of other types of energy consumption (purchased non-renewable cold/heat and other energy)	MWh	Total quantity of energy consumption, steam (and cold/heat), etc., not derived from renewable energy sources, out of total energy consumption.	TOTO Group

Indicators	Unit	Definitions, Calculation Standards, and Calculation Methods	Scope of Data Collection
Quantity of renewable energy consumption	MWh	Total quantity of renewable energy consumed that was generated at business sites and renewable energy that was purchased from outside the TOTO Group. [Laws and Regulations Referenced] Act on Rationalization of Energy Use and Shift to Non-fossil Energy	TOTO Group
Rate of renewable energy use	%	Quantity of renewable electric power consumed within the quantity of total energy consumption.	TOTO Group
Ratio of renewable energy power	%	Ratio of electricity consumed that is derived from renewable energy sources to total electricity consumed.	TOTO Group
Energy cost	million yen	Total amount of energy purchased that was used at business sites.	TOTO Group
Total amount of water withdrawals	thousand m ³	Total quantity of water intake (municipal water, groundwater, and industrial water) into offices and factories. Municipal water and industrial water: Aggregation of usage amount via invoices from the Waterworks Bureau. Groundwater: Aggregation of measurements by meters managed based on the Measurement Act. [Laws and Regulations Referenced] Environmental Reporting Guidelines (Ministry of the Environment)	TOTO Group
Total amount of water discharges	thousand m ³	Total amount of water discharges from offices and factories.	TOTO Group
Amount of water consumption	thousand m ³	Amount total wastewater deducted from total water withdrawals.	TOTO Group
Amount of recycled water	thousand m ³	Total quantity of reused water in offices and factories.	TOTO Group
Water recycling rate	%	Percentage of recycled water to the combined total of water intake and recycled water amount.	TOTO Group
Waste generated	thousand tons	Total quantity of waste generated in offices and factories (including valuable resources; not including general waste).	TOTO Group
Total amount of waste processed	thousand tons	Total quantity of waste not recycled.	TOTO Group
Amount of landfill waste	thousand tons	Total quantity of landfill waste processed without recycling or incineration among total waste generated.	TOTO Group
Waste incineration volume with energy recovery (thermal recycling)	thousand tons	Waste incineration volume and quantity of waste used as fuel at waste processing facilities with energy recovery among total waste generated.	TOTO Group
Waste incineration volume without energy recovery	thousand tons	Simple waste incineration volume among total waste generated.	TOTO Group
Recycling amount (not including thermal recycling)	thousand tons	Total quantity of recycled waste within the overall waste.	TOTO Group
Recycling rate (including thermal recycling)	%	(Quantity of waste recycled ÷ Quantity of waste generated) × 100. Does not include quantity of waste for which disposal by sanitary landfill is required by laws and regulations in the 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.	TOTO Group
Hazardous waste generated	thousand tons	Total quantity of hazardous waste generated designated as such based on the waste-related laws and regulations in each country and region.	TOTO Group
Hazardous waste processed	thousand tons	The total amount of hazardous waste generated that was not recycled.	TOTO Group
Amount of chemical substance emissions (PRTR Law applicable)	t	Amount of chemical substance emission based on the PRTR Law at business sites in Japan.	TOTO Group (Japan)
SOx emissions	t	Total amount of each emissions from facilities in each country subject to regulations regarding soot and smoke emissions.	TOTO Group
NOx emissions	t	This was calculated by multiplying the amount of exhaust gas (actual measured value) by the concentration in exhaust gas (actual measured value).	TOTO Group
Dust emissions	t		TOTO Group
VOC emissions	t	Total air emissions related to the use of volatile organic compounds (VOCs) at business sites in Japan.	TOTO Group (Japan)
Amount of raw materials used	thousand tons	Total amount of raw materials used in business activities. Calculated based on weight composition in major products.	TOTO Group
Percentage of Legal Wood Materials and Recycled Wood Materials	%	Percentage of legal and recycled materials in wood materials and wood products (volume) procured in each fiscal year.	TOTO Group
Percentage of ISO 14001 certification acquisition	%	Percentage of employees at ISO 14001 certificated locations among all employees.	TOTO Group
Number of related environmental law violations	cases	Number of cases where fines/penalties of USD10,000 or more were paid.	TOTO Group

* 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_attempt/

Calculation Method of Social Performance Data

Indicators	Unit	Definitions, Calculation Standards, and Calculation Methods	Scope of Data Collection
Customer satisfaction in after-sales service	points	Proportion of customers rating services as "satisfactory" or better. Scope (Japan, Americas, Europe, Mainland China, Taiwan Region, India, Thailand, and Vietnam) In 2020, the survey did not include India (not implemented due to the lockdown).	TOTO Group
Showroom satisfaction	points	Measure of overall customer satisfaction with recommendations received, attitude during customer service, etc.	TOTO Group (Japan)
Ratio of customers impressed with bath module assembly	%	Percentage of customers rating service representative behavior and workmanship as "excellent."	TOTO Group (Japan)
Evaluations on customer response quality	points	Results of scores given by in-house evaluation specialists regarding the response quality of call center services for customers, with 100 being a perfect score.	TOTO Group (Japan)
Percentage of ISO 9001 certification acquisition	%	Percentage of employees at ISO 9001 certificated locations among all employees.	TOTO Group
Group total number of employees	no. of personnel	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. Japanese companies calculate data based on March 31, and overseas companies calculate data based on data as of December 31 every fiscal year. At overseas companies, this includes local workers and employees seconded overseas from Japan.	Full-time/contract/temporary employees of the TOTO Group
Percentage of employees (Japan)	%	Figures (proportion) for each age group have been calculated from 2019 as the proportion of employees at the end of each fiscal year.	Full-time/contract employees of the TOTO Group (Japan)
Number of graduate recruits (Japan)	no. of personnel	Number of graduate recruits as of April 1 of the following year (of each fiscal year).	Full-time/contract employees of the TOTO Group (Japan)
Job turnover rate within three years	%	Number of employees who left within three years among total graduate hires who joined on April 1 three fiscal years ago ÷ Total graduate hires who joined on April 1 three fiscal years ago × 100 (%)	Full-time employees of TOTO LTD.
Ratio of recruitment for experienced workers	%	Ratio of total recruitment for experienced regular workers: Records both regular workers that enter the Company as experienced personnel with work experience as a condition for employment and employees who switched from being non-regular workers to regular workers. Ratio of recruitment for external experienced regular workers: Only records regular workers that enter the Company as experienced personnel with work experience as a condition for employment. Experienced personnel refers to people hired other than graduate recruits. This had been calculated since 2019.	Full-time employees of TOTO LTD.
Average age	ages	Average age of employees.	Full-time/contract employees of TOTO LTD.
Average number of years of continuous service	years	Average numbers of continuous service, from the day of entering the Company to the end of the fiscal year.	Full-time/contract employees of the TOTO Group (Japan)
Composition of employees by region	%	Proportion of employees by employment area.	Full-time/contract/temporary employees of the TOTO Group
Number of foreign employees in the TOTO Group (Japan)	no. of personnel	Number of employees who are foreign nationals, excluding those who are seconded overseas from Japan.	Full-time/contract employees of the TOTO Group (Japan)
Ratio of employees by nationality	%	Percentage of employees by nationality. The table shows the top five nationalities among our employees, excluding Group companies in the Americas. Figures for FY2023 exclude Group companies both in the Americas and Europe.	Full-time/contract employees of the TOTO Group

Indicators	Unit	Definitions, Calculation Standards, and Calculation Methods	Scope of Data Collection
Number of managers	no. of personnel	<p>The number of managers and positions calculated as managerial posts indicate the level of section chief and above, among full-time and contract employees.</p> <p>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.</p> <p>Aggregated based on working location. At overseas companies, this includes local workers and employees seconded overseas (number of employees in Japan seconded overseas is as of April 1 of the following year).</p> <p>Figures for the general manager level and above and the section chief level and above are calculated based on results from FY2020 to FY2022 for the TOTO Group (Japan).</p>	Full-time/contract employees of the TOTO Group
Percentage of female managers	%	<p>The number of managers and positions calculated as managerial posts indicate the level of section chief and above, among full-time/contract employees.</p> <p>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.</p> <p>Aggregated based on working location. At overseas companies, this includes local workers and employees seconded overseas from Japan.</p>	Full-time/contract employees of the TOTO Group
Number of new management appointments	no. of personnel	<p>Number of appointees for the level of section chief and above for April 1 of the following year (of each fiscal year).</p> <p>From 2019, this includes employees seconded overseas.</p>	Full-time/contract employees of the TOTO Group (Japan)
Ratio of employees with disabilities	%	<ul style="list-style-type: none"> Japan: Calculated based on the calculation standard for the mandatory proportion of jobs for people with disabilities established. As of April 1 of the following year (of each fiscal year). Overseas: Calculated for employees with disabilities. 	Full-time/contract employees of the TOTO Group
Gender wage gap in Japan	%	<p>The percentage figure for the difference between wage by gender is acquired by subtracting the average female wage from the average male wage for regular employees, non-regular employees (part-time and fixed contract), and all employees and multiplying by 100.</p> <p>[Laws and Regulations Referenced] Act on the Promotion of Women's Active Engagement in Professional Life</p>	Full-time/contract employees of TOTO LTD.
Total employee turnover rate	%	Calculated for all reasons for resignation.	Full-time employees of the TOTO Group (Japan)
Voluntary employee turnover rate	%	Voluntary employee turnover rate for full-time employees.	Full-time employees of the TOTO Group (Japan)
Average annual scheduled working hours	hours per person	Average annual scheduled working hours per person.	Full-time/contract employees of the TOTO Group (Japan)
Average hours actually worked per year	hours per person	Average hours actually worked per year per person.	Full-time/contract employees of the TOTO Group (Japan)
Average hours of overtime and holiday work per month	hours per person	Monthly average hours of overtime and holiday work per person.	Full-time/contract employees of the TOTO Group (Japan)
Number of employees with long working hours	no. of personnel	Number of employees whose total overtime working hours and holiday working hours exceed 80 hours in a single month or 70 hours for two consecutive months.	Full-time/contract employees of the TOTO Group (Japan)
Number of paid holidays taken	days	Holidays actually taken among paid holidays newly granted to employees every year (excluding carry-over ones)	Full-time/contract employees of the TOTO Group (Japan)
Percentage of paid holidays taken	%	<p>Percentage of paid holidays actually taken among paid holidays newly granted to employees every year (excluding carry-over ones and including accumulated leave and hourly leave)</p> <p>Excludes employees seconded overseas from Japan. From 2021, this excludes employees seconded to companies outside the TOTO Group.</p>	Full-time/contract employees of the TOTO Group (Japan)

Calculation Method of Social Performance Data

Indicators	Unit	Definitions, Calculation Standards, and Calculation Methods	Scope of Data Collection
Employees taking childcare leave	no. of personnel	Number of employees at the end of the fiscal year who have begun childcare leave for that fiscal year.	Full-time/contract employees of the TOTO Group (Japan)
Percentage of childcare leave taken by female employees	%	Number of employees taking childcare leave ÷ Number of employees who have given birth × 100. [Laws and Regulations Referenced] Act on Advancement of Measures to Support Raising Next-Generation Children	Full-time/contract employees of the TOTO Group (Japan)
Percentage of childcare leave taken by male employees	%	Number of employees taking childcare leave, etc. ÷ Number of employees whose spouses have given birth × 100. [Laws and Regulations Referenced] Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members Note: From 2022, this is calculated to include employees taking leave for the purpose of childcare Mama/Papa leave in the numerator.	Full-time/contract employees of the TOTO Group (Japan)
Average number of days of childcare leave taken by male employees	days	Number of childcare leave days taken until child reaches the age of two for children born three fiscal years ago ÷ Number of people taking childcare leave. Childcare leave includes holidays taken for the purpose of childcare.	Full-time/contract employees of TOTO LTD.
Percentage of employees returning to work after childcare leave	%	Proportion of employees returning to work each fiscal year within those who planned to return after childcare leave. In the case of multiple childcare leave taken for the same child in the same fiscal year, this is still counted as one person. This includes employees seconded overseas from Japan.	Full-time/contract employees of TOTO LTD.
Employees taking nursing care leave	no. of personnel	Number of employees taking nursing care leave (counted separately when such leave is taken for different nursing care recipients). Calculated based on the year leave started.	Full-time/contract employees of TOTO LTD.
Number of fellows	no. of personnel	Number of fellows (highest position of R&D specialist) as of April 1 of the following year (of each fiscal year).	TOTO LTD.
Average training time per employee	hours per person	Average training time per employee.	TOTO Group
Average training cost per employee	thousand yen	Average training cost per employee.	TOTO Group
Number of participants in management development training	no. of personnel	[Japan] Number of participants in <i>Kei-ei Juku</i> , a selective leadership development program. [Supplement] Initiative for leadership development: Systematically implement training for leadership candidates by holding overseas talent development training at <i>Kei-ei Juku</i> and overseas Group companies. [Overseas] Number of locally hired employees at Group companies completing management training.	TOTO Group
Number of participants in leadership development training	no. of personnel	Number of participants in training for newly appointed section chiefs.	TOTO Group (Japan)
Number of supervisors carrying out evaluations through multifaceted observations	no. of personnel	Number of people receiving multifaceted observations in the training for newly appointed section chiefs. From FY2024, number of people who carried out multifaceted observations in the training for newly appointed department chiefs and section chiefs and training in each department. [Supplement] Implement multifaceted observations aimed at improving management capabilities as a framework for supervisor evaluations through multifaceted observations.	TOTO Group (Japan)
Number of participants in training for promoted employees	no. of personnel	Number of participants in training for promoted employees at time of promotion.	TOTO Group (Japan)

Indicators	Unit	Definitions, Calculation Standards, and Calculation Methods	Scope of Data Collection
Lost time injury frequency rate (employees)	no unit	Number of lost time injuries per 1 million hours worked. [Laws and Regulations Referenced] Industrial Safety and Health Act	TOTO Group's business sites that are primarily engaged in manufacturing, research and development, and two equity method affiliate companies (Voreto (Xiamen) Plumbing Technology Co., Ltd. and PT. Surya TOTO Indonesia Tbk.) that are subject to the TOTO Group's management for safety and health
Lost time injury frequency rate (contractors)	no unit		Data covers contractors at TOTO Group in-plant cooperative firm (excluding contractors from cafeteria management, cleaning, and security).
Occupational illness frequency rate	no unit	Number of incidences of illness in the course of employment per 1 million hours worked. (Calculated based on the number of employees applicable to work-related accidents.) Covers occupational illness as defined by the Ministry of Health, Labour and Welfare. * Exception: Heatstroke, burns, back pain, and other sudden illnesses are included in work-related injuries, not occupational illnesses.	TOTO Group's business sites that are primarily engaged in manufacturing, research and development, and two equity method affiliate companies (Voreto (Xiamen) Plumbing Technology Co., Ltd. and PT. Surya TOTO Indonesia Tbk.) that are subject to the TOTO Group's management for safety and health
Number of work-related fatalities (employees)	no. of personnel	Number of deaths caused by work-related accidents.	The manufacturing and research & development sectors of the TOTO Group, and two equity method affiliate companies (Voreto (Xiamen) Plumbing Technology Co., Ltd. and PT. Surya TOTO Indonesia Tbk.) that are subject to the TOTO Group's management for safety and health
Number of work-related fatalities (contractors)	no. of personnel		Data covers contractors at TOTO Group in-plant cooperative firm (excluding contractors from cafeteria management, cleaning, and security).
Health and safety education	no. of personnel	Number of participants in training related to occupational safety and health.	TOTO Group (Japan)
Percentage of employees undergoing full medical examinations after regular health check-ups	%	Percentage of employees eligible for full medical examinations based on the results of regular health check-ups (legally required examinations). [Supplement] Our action plans for health improvement can be found on our website: (https://jp.toto.com/en/company/csr/stakeholder/employees/health/).	TOTO Group (Japan)
Participation rate for mental health-related training	%	<ul style="list-style-type: none"> Mental health self-care training participation rate: Percentage of employees who participate in self-care training. This has been calculated since 2022. Mental health line care training participation rate: Percentage of managers who participate in mental health training. This has been calculated since 2020. [Supplement] Our action plans for maintaining mental health can be found on our website: (https://jp.toto.com/en/company/csr/stakeholder/employees/health/).	TOTO Group (Japan)
Implementation rate for specific healthcare guidance (lifestyle improvement program)	%	Specialist staff (such as public health nurses and nutritionists) provide support (specific healthcare guidance) to employees over 40 years in changing their lifestyle habits based on the results of regular health check-ups. Implementation rate for specific healthcare guidance.	TOTO Group (Japan)

Calculation Method of Social Performance Data

Indicators	Unit	Definitions, Calculation Standards, and Calculation Methods	Scope of Data Collection
Percentage of employees in labor unions and other organizations	%	From 2020, this has been calculated by the number of union members as a percentage of total employees (excluding management). Percentage of countries and regions where labor unions and other organizations have been organized. [Supplement] Policies regarding the freedom to associate and organize and the right to collective bargaining: The TOTO Group participates in the United Nations Global Compact and respects the right of employees to associate and to collectively bargain as a method of realizing negotiations between labor and management on issues including the working environment.	TOTO Group
Employee satisfaction	points	<ul style="list-style-type: none"> TOTO Group Awareness Survey—overall score: Calculated as the overall score from the average value of comparable items for three years. TOTO Group Awareness Survey—peace of mind and satisfaction indicators: From 2021, this is calculated based on the average value of items from the questions in the TOTO Group Awareness Survey related to peace of mind and satisfaction. 	Full-time/contract/ temporary employees of the TOTO Group (Japan)
Total number of suppliers	no. of suppliers	Total number of suppliers of production materials.	—
Number of critical suppliers	no. of suppliers	Number of suppliers selected based on the following definitions. <ul style="list-style-type: none"> Suppliers of critical components (raw material, parts, service, etc.) Irreplaceable suppliers Suppliers necessary for achieving management plans Suppliers with large purchase amounts 	—
Number of suppliers who have participated in the assessment survey	no. of suppliers	Number of suppliers who implement a sustainability questionnaire each fiscal year.	—
Achievement rate for 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	billion yen	Includes cash donations, donated products and services, and management and administrative fees for independent programs, etc.	TOTO Group
Percentage of employees taking part in volunteer activities, donations offered, etc.	%	Ratio of the number of employees who participated in volunteer and donation activities to the total number of employees on a consolidated basis. Up to FY2023, ratio of the number of employees who participated in volunteer activities to the total number of employees on a consolidated basis.	TOTO Group
Organizations	no. of organizations	Number of organizations selected based on Company standards.	—
Grant assistance	million yen	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). In FY2017, as the commemorative event of the 100th anniversary, the amount was increased.	—
Donations to political organizations	thousand yen	Donations, etc., to political funding organizations and political fund management organizations.	TOTO Group (Japan)
Number of legal violations	cases	Number of violations of the Anti-Monopoly Act, Anti-Corruption laws, and export and import related laws and regulations in the previous fiscal year.	TOTO Group
Number of whistleblowing cases	cases	Number of reports to the internal and external reporting office.	TOTO Group
Compliance with TOTO Group Awareness Survey	points	Scores for questions in the awareness survey related to “Degree of instillation in the workplace” and “Degree of individual awareness” of compliance.	Full-time/contract/ temporary employees of the TOTO Group (Japan)
Participation rate for human rights training	%	Participation rate for human rights training.	TOTO Group (Japan)
Discrimination cases	cases	Number of cases of litigation and administrative guidance related to discrimination. [Supplement] Our policy, including nondiscrimination, can be found on our website: (The Idea Concerning the TOTO Group Human Rights Policy https://jp.toto.com/assets/files/huan%20rights_policy_en.pdf).	TOTO Group (Japan)

Indicators	Unit	Definitions, Calculation Standards, and Calculation Methods	Scope of Data Collection
Severe child labor and forced labor	cases	<ul style="list-style-type: none"> • Number of cases of litigation and administrative guidance related to child labor. • Number of cases of litigation and administrative guidance related to forced labor. [Supplement] Our policy, including child labor and forced labor, can be found on our website: (The Idea Concerning the TOTO Group Human Rights Policy https://jp.toto.com/assets/files/huan%20rights_policy_en.pdf).	TOTO Group (Japan)
Number of directors and Audit & Supervisory Committee members	no. of personnel	Number of directors and Audit & Supervisory Committee members (including outside directors and Audit & Supervisory Committee members).	TOTO LTD.
Number of women who are directors and Audit & Supervisory Committee members	no. of personnel	Number of women who are directors and Audit & Supervisory Committee members (including outside directors and Audit & Supervisory Committee members).	TOTO LTD.

The background of the entire page is a high-quality photograph of water splashing, creating a dynamic and refreshing visual. The water is a vibrant blue, with white foam and droplets visible. The splash is centered horizontally and occupies the lower half of the image. The TOTO logo is prominently displayed in the center, with the tagline 'Life Anew' just below it. The overall composition is clean and modern, emphasizing the brand's connection to water and hygiene.

TOTO

Life Anew

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