

# Data

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## ESG Data

## Environment

Companies covered by data: **D** Daikin Industries, Ltd. **JG** Including group in Japan **Verified** Data verified by a third party**OG** Overseas group companies only **OJG** Including group companies in Japan and overseas[031 Environment](#) [175 Data Third-Party Verification](#)

## Mitigating Environmental Impacts in the Value Chain

GHG emissions in the value chain (Scope 1,2,3) **OJG**

Scope and Category		Assessment method	2019 (base year)	2021	2022	2023	2024	
Scope 1	Use of fuel and fluorocarbon <b>Verified</b>	<a href="#">177 Data Third-Party Verification Method of Calculating Greenhouse Gas Emissions Data</a>	687	600	547	524	514	
Scope 2 (market-based) <sup>1</sup>	Use of electricity and steam <b>Verified</b>		636	557	484	407	366	
Scope 2 (location-based) <sup>2</sup>	Use of electricity and steam <b>Verified</b>		750	618	541	536	559	
Scope 3	Category 1 Purchased goods and services <b>Verified</b>	Volume of purchased materials x emission coefficient	4,137	4,048	4,701	4,198	4,624	
	Category 2 Capital goods	Capital investment amount x emission coefficient	379	449	718	894	932	
	Category 3 Fuel- and energy-related activities not included in Scope 1 or Scope 2	Purchased electricity, steam, and fuel x emission coefficient for each type	93	100	99	96	99	
	Category 4 Upstream transport and delivery	Transport weight x transport distance x emission coefficient for each type	197	279	325	309	284	
	Category 5 Waste generated in operations	Waste volume x emission coefficient for each type	28	33	35	26	24	
	Category 6 Business travel	Travel expenses x emission coefficient	99	77	83	119	127	
	Category 7 Employee commuting	Number of employees x emission coefficient	31	37	37	41	43	
	Category 8 Leased assets (upstream)	–	N/A <sup>5</sup>	N/A <sup>5</sup>	N/A <sup>5</sup>	N/A <sup>5</sup>	N/A <sup>5</sup>	
	Category 9 Downstream transportation and delivery	Transport volume x emission coefficient	53	77	99	70	61	
	Category 10 Processing of sold products	Weight of manufactured intermediate products x emission coefficient	32	41	33	43	40	
	Category 11	CO <sub>2</sub> from use of Daikin's air conditioners in the market <b>Verified</b>	<a href="#">177 Data Third-Party Verification Method of Calculating Greenhouse Gas Emissions Data</a>	258,340	255,150	257,500	250,170	234,560
		CO <sub>2</sub> from use of other Daikin products <sup>3</sup> in the market		17,210	24,930	25,660	25,550	28,040
	Category 12 <sup>4</sup>	Fluorocarbon at time of disposal of Daikin's air conditioners <b>Verified</b>		46,340	46,670	46,090	45,810	41,690
		Fluorocarbon at time of disposal of other Daikin products <sup>3</sup>	970	1,910	1,410	1,290	1,690	
	Category 13 Downstream leased assets	–	N/A	N/A	N/A	N/A	N/A	
Category 14 Franchises	–	N/A	N/A	N/A	N/A	N/A		
Category 15 Investments	Emissions of investment target companies x ownership percentage	110	406	158	24	5		
Total			328,020	334,210	336,940	328,640	312,210	
Comprehensive total			329,340	335,360	337,970	329,570	313,090	

1. Market-based is the calculation of Scope 2 emissions reflecting contracts for purchased electricity. 2. Location-based is the calculation of Scope 2 emissions based on the average emission coefficient for electricity of a specific location.

3. Non-air conditioner data indicates air purifiers and refrigeration/oil hydraulics/defense systems, etc. 4. Calculated with fluorocarbon recovery rate as 0%. 5. Includes Scope 1 and Scope 2.

Contributions to Greenhouse Gas (GHG) Emission Reduction OJG(Thousand tons-CO<sub>2</sub>)

		2020	2021	2022	2023	2024
Amount of contribution to emission reduction*	Contribution to greenhouse gas emission reduction through the spread of air conditioners and heat pumps, hot water supply systems and refrigeration systems with lower emissions	1,500	5,000	6,680	5,330	7,040
	Contribution to greenhouse gas emission reduction due to the use of R-32 refrigerant in air conditioners and refrigeration systems by other companies as a result of the Daikin group's offer of free access to the patents, technical support, etc.	9,200	11,260	11,220	24,270	36,850
Amount of refrigerant recovery and recycling from market	Refrigerant recovered from the market or reclaimed by the Daikin group and reclaimed refrigerant purchased by the Daikin group (in CO <sub>2</sub> equivalent)	4,600	4,670	4,450	4,050	4,340

\* Calculated with F-gas recovery rate as 0%.

Note: Reviewed by the third-party.

Reduction Rate of Net Greenhouse Gas (GHG) Emissions\* OJG

(%)

	2020	2021	2022	2023	2024
Reduction rate of net greenhouse gas (GHG) emissions (compared to BAU with 2019 as base year)	7	10	14	17	27

\* Net GHG emissions equals GHG emissions during the product lifecycle minus contribution to GHG emissions reduction.

Greenhouse Gas Emissions Reduction Target (SBT\* 1.5-degree Target) and Results OJG

Daikin has obtained certification from the SBTi for the following greenhouse gas reduction targets.

	Target	2023	2024
Emissions from the Group's business activities (Scope 1 and 2)	46.2% reduction by fiscal 2030 (compared to fiscal 2019)	29.5% reduction	33.3% reduction
Emissions from use and disposal of the Group's products (Scope 3 category 11 and 12)	55% reduction per operating profit (yen) by fiscal 2030 (compared to fiscal 2019)	32.3% reduction	37.4% reduction

\* Science Based Targets: International greenhouse gas emissions reduction targets in line with the Paris Agreement goals.

### Environmentally Conscious Products\* as Percentage of Units Sold (Residential Air Conditioners)

OJG

	2020	2021	2022	2023	2024
Environmentally Conscious Products	98	99	99	99	99
Super Green Products	69	71	76	76	81
Green Products	29	28	23	23	19
Other products	2	1	1	1	1

(%)

\* Environmentally conscious products: A generic term that refers to Super Green Products and Green Products.

Air conditioners that meet all of the following conditions are considered Super Green Products, and air conditioners that meet at least one of the following conditions are considered Green Products.

- Consume at least 30% less electricity than conventional products.  
Example: Air conditioners equipped with inverters.
- Use refrigerants with at least two-thirds less global warming potential than conventional refrigerants.  
Example: Air conditioners using R-32, a refrigerant with lower global warming potential.

### Materials Used

OJG

(Thousand tons)

		2020	2021	2022	2023	2024
Japan	Iron	63	76	80	63	75
	Copper	14	13	16	13	14
	Aluminium	14	15	17	17	18
	Other metals	2	3	4	4	3
	Plastics	20	22	23	18	20
	Chemical product materials	132	145	143	120	127
	Glass	0.4	0.5	0.4	0.5	0.5
Overseas	Iron	465	519	497	485	455
	Copper	73	71	91	81	113
	Aluminium	69	58	90	79	92
	Other metals	2	2	4	3	4
	Plastics	81	90	104	88	111
	Chemical product materials	127	150	150	164	137
	Glass	–	–	–	–	9
Total	Iron	528	595	577	548	530
	Copper	86	84	107	94	127
	Aluminium	83	73	107	95	110
	Other metals	4	5	8	6	7
	Plastics	101	112	127	106	131
	Chemical product materials	259	295	293	283	263
	Glass	0.4	0.5	0.4	0.5	9

Note: Glass figures until fiscal 2023 are for the Group in Japan and from fiscal 2024 for the Group globally.

### CO<sub>2</sub> Emissions Reduction achieved with Packaging Improvements (Air Conditioning) D

(tons-CO<sub>2</sub>)

	2021	2022	2023	2024
CO <sub>2</sub> emissions reduction achieved with packaging improvements*	146	270	395	518

\* Reduced use of packaging materials and promotion of returnable packaging

### Recycling of Residential Air Conditioners JG

	2020	2021	2022	2023	2024	
Residential air conditioners collected by Daikin (units: thousand)*	460	460	490	500	56	
Weight of products recycled or reused (tons)	18,527	18,337	19,998	20,276	22,226	
Amount recycled (tons)	16,862	16,700	18,234	18,596	20,356	
Recycling ratio (%)	91	91	91	91	91	
Breakdown (%)	Iron	31	32	31	29	29
	Copper	8	8	8	8	8
	Aluminium	2	2	2	2	3
	Mixture of non-ferrous and iron composite materials	41	40	41	41	41
	CFCs	1.6	1.7	1.7	1.7	1.7
	Other valuable materials	16	17	17	18	18
Fluorocarbons recovered (CO <sub>2</sub> -equivalent) (thousand tons-CO <sub>2</sub> )	590	590	650	650	680	

\* Number of units accepted

### Amount of Fluorocarbons Recovered JG

(Thousand tons-CO<sub>2</sub>)

	2020	2021	2022	2023	2024
Electric appliances recycling	590	590	650	650	680
Fluorocarbon recovery and destruction	740	760	670	670	740

### Amount Destroyed in Fluorocarbon Recovery and Destruction at Time of Repair and at Time of Disposal JG

(tons)

	2020	2021	2022	2023	2024
Recovered fluorocarbons at time of repair	318	333	305	317	333
Recovered fluorocarbons at time of disposal	57	68	34	24	43
Total	375	401	339	340	376

Note: Amount destroyed at contracted destruction facilities around Japan including our Yodogawa Plant and Kashima Plant.

## Reducing Environmental Impacts of Business Activities

### Indicators and Results at Manufacturing Bases

Main initiatives	Management items	Fiscal 2025	Fiscal 2024	
		Targets	Targets	Results
Greenhouse Gas	Reduce greenhouse gas emissions (fluorocarbons and energy)	1.10 million tons-CO <sub>2</sub> (17% reduction compared to fiscal 2019)	1.10 million tons-CO <sub>2</sub> (17% reduction compared to fiscal 2019)	0.88 million tons-CO <sub>2</sub> (33% reduction compared to fiscal 2019)
Emissions	Reduce waste generated	Unit reduction in emissions of 10% against standard value*	Unit reduction in emissions of 10% against standard value*	23% reduction
Water	Reduce water usage	Unit reduction in water intake of 10% against standard value*	Unit reduction in water intake of 10% against standard value*	24% reduction
Chemicals	Reduce PRTR substances and VOC emissions	Unit reduction in chemical emissions of 10% against standard value*	Unit reduction in chemical emissions of 10% against standard value*	45% reduction

\* Average for fiscal 2013–2015. Most recent figures are used for manufacturing bases that newly joined the Group.

### Greenhouse Gas Emissions (Development and Production) OJG Verified

(Thousand tons-CO<sub>2</sub>)

	2020	2021	2022	2023	2024
Energy-induced CO <sub>2</sub>	720	790	710	620	580
(Scope1)	220	230	230	210	220
(Scope2)	500	560	480	410	370
HFC (Scope1)	100	110	100	80	80
PFC (Scope1)	240	260	220	220	200
Non-energy-induced CO <sub>2</sub> (Scope1)	–	–	–	10	20
Total	1,060	1,160	1,030	930	880

Note: In accordance with the revision of the Act on Promotion of Global Warming Countermeasures in April 2023, we have added non-energy CO<sub>2</sub> emissions from limestone from fiscal 2023.

### Energy Consumption OJG

(TJ)

	2020	2021	2022	2023	2024
Electricity	8,538	10,335	10,294	10,210	10,777
Renewable energy generated	548	1,177	2,200	2,674	4,013
City gas	4,267	4,686	4,771	4,354	4,516
LPG	157	174	174	127	117
Steam	1,095	1,277	1,251	971	988
Petroleum	51	49	71	33	33
Total	14,108	16,521	16,561	15,694	16,431

Water Intake / per Unit of Production OJG

		2020	2021	2022	2023	2024
Water intake (thousand m <sup>3</sup> )	Japan	1,670	1,820	1,910	1,820	1,790
	Overseas	4,360	4,510	4,810	4,830	4,860
	Total	6,030	6,330	6,720	6,650	6,650
Unit with standard value set at 100 (%)	Japan	92	85	89	88	90
	Overseas	84	72	69	79	71
	Total	86	76	74	82	76

Note: These values are different from values for third-party verification.

Water Intake and Discharge Amounts OJG Verified

		2020	2021	2022	2023	2024
Water intake		9,560	9,850	9,710	10,340	9,230
Water discharge		8,320	9,110	8,700	9,540	8,360
	Sewerage	3,880	5,010	4,780	4,790	4,910
	Released into ocean/river	4,440	4,100	3,920	4,740	3,450

Chemical Oxygen Demand (COD) emissions OJG

		2020	2021	2022	2023	2024
Emissions		1,764	2,382	2,404	855	901

## Water Intake and Discharge Amounts in Water-Stressed Regions (India and China)

## Daikin Airconditioning India Pvt. Ltd.

(Thousand m<sup>3</sup>)

		2020	2021	2022	2023	2024
Water intake		50	57	53	54	64
Water discharge		37	48	42	43	43

## Daikin Device (Xi'an) Co., Ltd.

(Thousand m<sup>3</sup>)

		2020	2021	2022	2023	2024
Water intake		26	22	23	22	24
Water discharge		21	17	19	18	19

Chemical Emissions (total of PRTR Substances and VOCs) /  
per Unit of Production OJG

		2020	2021	2022	2023	2024
Emissions (tons)	Japan	454	510	563	496	522
	Overseas	2,002	1,552	1,426	1,326	1,266
	Total	2,456	2,062	1,989	1,822	1,788
Unit with standard value set at 100 (%)	Japan	79	81	81	78	77
	Overseas	76	56	43	45	50
	Total	77	61	49	51	55

Note: These values are different from values for third-party verification.

### Compilation of PRTR Substances (PRTR Substances of which at Least 1 ton was Handled)

JG

(tons)

Substance name	2024				
	Amount emitted			Amount transported	
	Air	Public waterways	Soil	Waste	Sewage
antimony and its compounds	0.00	0.00	0.00	8.30	0.00
ethylbenzene	0.44	0.00	0.00	0.18	0.00
xylene	0.56	0.00	0.00	0.14	0.00
1-chloro-1,1-difluoroethane	10.00	0.00	0.00	0.00	0.00
chlorodifluoromethane	44.00	0.00	0.00	0.00	0.00
2-chloro-1,1,1,2-tetrafluoroethane	1.10	0.00	0.00	0.00	0.00
chloroform	0.78	0.00	0.00	16.00	0.00
tetrachloromethane	0.00	0.00	0.00	0.00	0.00
dichloromethane	22.54	0.00	0.00	3.70	0.00
N,N-dimethylacetamide	0.22	0.06	0.00	0.29	0.00
N,N-Dimethylformamide	0.00	0.00	0.00	2.00	0.00
styrene	0.00	0.00	0.00	0.00	0.00
copper salts (water-soluble, except complex salts)	0.00	0.00	0.00	0.00	0.00
toluene	3.65	0.05	0.00	0.77	0.00
phenol	0.65	0.00	0.00	0.66	0.00
hydrogen fluoride and its water-soluble salts	0.22	0.00	0.00	99.00	0.00
n-hexane	1.12	0.00	0.00	7.50	0.32
water-soluble salts of peroxodisulfuric acid	0.00	0.00	0.00	0.00	0.00
boron compounds	0.00	0.47	0.00	0.63	0.00
poly (oxyethylene) alkyl ether (alkyl C=12-15)	0.03	0.01	0.00	41.00	0.25
formaldehyde	0.38	0.62	0.00	0.27	0.00

(tons)

Substance name	2024				
	Amount emitted			Amount transported	
	Air	Public waterways	Soil	Waste	Sewage
methylenebis (4,1-phenylene) diisocyanate	0.00	0.00	0.00	0.11	0.00
trityl phosphate	0.00	0.00	0.00	0.00	0.00
alpha-Alkyl-omega-hydroxypoly (oxyethylene) (limited to those the alkyl group is C=9-11 and mixture thereof, and the number average molecular weight is less than 1,000)	0.00	0.00	0.00	3.40	0.07
Tetrafluoroethylene	27.00	0.00	0.00	0.00	0.00
paraformaldehyde	0.00	0.00	0.00	0.00	0.00
methyl isobutyl ketone	0.27	0.00	0.00	3.10	0.03
N-methyl-2-pyrrolidone	0.01	0.00	0.00	11.00	0.10

### Air Pollutant Emissions

OJG

(tons)

	2020	2021	2022	2023	2024
NO <sub>x</sub>	119	111	86	75	35
SO <sub>x</sub>	5	7	6	5	6
Dust	45	57	61	47	16

Amount of Waste and Recycled Materials OJG Verified

(tons)

		2020	2021	2022	2023	2024
Japan	Amount of waste	3,650	4,126	4,060	2,465	2,976
	Amount of recycle	25,191	27,329	26,320	22,593	24,479
	Out of the above amount, hazardous waste	19,455	22,058	22,996	16,814	14,759
Overseas	Amount of waste	28,654	37,178	42,737	14,334	22,717
	Amount of recycle	111,896	142,059	152,359	140,582	142,565
	Out of the above amount, hazardous waste	43,221	57,239	69,076	28,216	27,750
Total	Amount of waste	32,304	41,304	46,797	16,799	25,706
	Amount of recycle	137,088	169,388	178,679	163,175	166,964
	Out of the above amount, hazardous waste	62,676	79,297	92,072	45,030	42,532

Emissions / per Unit of Production OJG

		2020	2021	2022	2023	2024
Emissions (tons)	Japan	26,752	30,917	28,482	23,692	25,205
	Overseas	160,077	180,283	190,898	169,757	159,950
	Total	186,829	211,200	219,380	193,449	185,155
Unit with standard value set at 100 (%)	Japan	84	70	76	78	72
	Overseas	89	90	89	86	78
	Total	88	87	87	85	77

Note: These values are different from values for third-party verification.

## Environmental Management

Serious Violation of Environmental Laws OJG

(Violations)

	2021	2022	2023	2024
Serious violations of environmental laws	0	0	0	0

Report from Audits JG

(cases)

		2020	2021	2022	2023	2024
Problems found from internal environmental audits	Major nonconformity	1	0	0	1	0
	Minor nonconformity	9	8	3	5	2
	Improvement	77	97	91	76	65
Problems found by third-party certification institutes	Major nonconformity	0	0	0	0	0
	Minor nonconformity	0	1	0	0	0
	Improvement	5	3	4	3	4

Ratio of Employees Belonging to Facilities That Obtained ISO 14001 Certification OJG

(%)

	2020	2021	2022	2023	2024
Japan	100	100	100	100	100
Overseas	93	91	90	91	90

 Daikin Bases Certified for ISO 14001

<https://www.daikin.com/-/media/Project/Daikin/daikin.com/csr/pdf/environment/2025/certified-pdf.pdf>

## Environmental Accounting<sup>1</sup>

### Cost of Environmental Conservation<sup>2</sup>

(million yen)

Category	Major activities	2023		2024	
		Amount of equipment invested	Expenses	Amount of equipment invested	Expenses
Cost in business area		10,998	15,175	10,683	21,693
1. Environmental impact reduction	Introduction, maintenance, and management of pollution prevention facilities/equipment, expenses for measurement/analysis of air pollution control, water pollution control, vibration, and noise.	4,545	6,952	3,241	9,963
2. Global environmental conservation	Introduction of energy efficient facilities/equipment, reduction of fluorocarbon emissions in the production process, and recovery of fluorocarbons.	6,064	2,698	6,659	4,734
3. Resource circulation	Reduction or recycling of waste, subcontracting of waste disposal, and resource conservation activities.	390	5,525	783	6,996
Upstream/downstream	Recycling of used products, and recovery, recycling, and destruction of fluorocarbons in used products or products still in service.	49	262	109	881
Management activities	Running of company organization for environmental matters, environmental education, environmental information disclosure, and establishment/maintenance of environmental management systems.	74	1,820	56	1,788
Research and development	Work on three major tasks for air conditioners, and development of fluorochemical products with minimized environmental impact.	4,647	25,546	5,122	21,345
Social activities	Provision of personnel and monetary aid to environment-related organizations, and environmental protection activities in local communities.	5	140	4	214
Environmental damage	Costs for purification of polluted groundwater and soil.	14	266	0	128
<b>Total</b>		<b>15,788</b>	<b>43,208</b>	<b>15,974</b>	<b>46,049</b>
Total of investment in facilities within the period			311,500		324,600
Total of investment in R&D activities within the period			122,500		135,700

## Effects of Environmental Conservation

Effects			Figures	
			2023	2024
Effects corresponding to business area cost	1. Effects of the resources used for business activities	Reduction in CO <sub>2</sub> emissions caused by energy consumption	45,364 tons-CO <sub>2</sub>	28,594 tons-CO <sub>2</sub>
		Reduction in water consumption	-1,191,337 m <sup>3</sup>	955,661 m <sup>3</sup>
	2. Effects against environmental impacts and waste resulting from business activities	Reduction in fluorocarbon emissions	-0.3 tons	6 tons
		Reduction in waste materials	26,880 tons	-9,165 tons
Effects corresponding to upstream/downstream cost	Effects associated with benefits and services that are calculated and based on business activities	Number of residential air conditioners collected	500,000 units	560,000 units
		Amount of fluorocarbons recovered	341 tons	368 tons
		Amount of packaging material recycled	159 tons	104 tons

Economic Benefits of Environmental Conservation Efforts (monetary benefits)<sup>3</sup>

(million yen)

Effects		2023	2024
Profit	Profit from sale of recycled items, such as waste or used products, etc.	7,881	12,486
Reduction in expenses	Reduction in energy expenses resulting from energy conservation efforts	349	454
	Reduction in waste disposal expenses resulting from resource conservation or recycling resources	112	413

1 The costs and effects of Daikin's environmental efforts were calculated based on the Environmental Accounting Guidelines 2005 released by Japan's Ministry of the Environment.

2 Expenses include labor costs but not depreciation expenses for investment in facilities. The expenses not fully allocated to environmental protection were proportionally divided and totaled according to a relevant Daikin standard.

3 The environmental conservation effects and economic benefits were calculated by comparing the adjusted output to the previous fiscal year.

## ESG Data

## Society

Companies covered by data: **D** Daikin Industries, Ltd. **JG** Including group in Japan  
**OG** Overseas group companies only **OJG** Including group companies in Japan and overseas

 [072 Social](#)

## Co-creation

Research and Development Expenses **OJG**

(billion yen)

	2020	2021	2022	2023	2024
Research and development expenses	71.7	81.5	102.2	122.5	135.7

## Customer Satisfaction

## Improvement in Customer Satisfaction\*

	(Base year)	2020	2021	2022	2023	2024
Japan	(FY2015)	1.14	1.14	1.15	1.15	1.15
China	(FY2018)	1.04	1.00	1.01	1.00	1.00
India	(FY2016)	1.15	1.19	1.22	1.24	1.24
Indonesia	(FY2017)	1.10	1.11	1.07	1.15	1.14
Singapore	(FY2015)	1.01	1.00	1.00	1.02	1.00
Vietnam	(FY2015)	1.22	1.21	1.22	1.22	1.22
Australia	(FY2015)	1.00	1.02	1.02	1.03	1.02
Spain	(FY2016)	1.13	1.14	1.11	1.11	1.12
Italy	(FY2019)	1.07	1.07	1.08	1.06	1.03
France	(FY2019)	0.98	1.02	1.00	0.97	0.99
UAE	(FY2015)	1.05	1.05	1.05	1.07	1.09
Brazil	(FY2020)	1.00	1.03	1.06	1.02	1.00

\* Satisfaction of after-sales services, regarding the base year as 1.00.

Customer Satisfaction with After-sales Service\* **D**

	2020	2021	2022	2023	2024
Overall satisfaction	4.60	4.60	4.66	4.67	4.64

\* Results of responses online as well as on postcard-sized surveys that are sent to a random sampling of customers one or two weeks after they receive servicing. Average of a scale of 5.

Number of Inquiries to the Contact Center **JG**

(thousands)

	2020	2021	2022	2023	2024
Repair inquiries	800	604	579	586	556
Technical advice	789	595	565	589	611
Parts inquiries	254	207	194	176	175
Others	14	13	9	12	9
Total	1,858	1,419	1,347	1,363	1,351

Number of Inquiries to the Contact Center **China**

(thousands)

	2020	2021	2022	2023	2024
Repair inquiries	788	843	913	970	883
Technical advice	31	36	30	21	9
Parts inquiries	104	97	100	104	340
Total	923	976	1,043	1,096	1,232

## Human Resources

### Employees

#### Employee Composition\* D

	2020		2021		2022		2023		2024	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Number of employees	7,458	1,527	7,339	1,579	7,276	1,601	7,236	1,658	7,457	1,712
Average range of services (years)	16.8	10.9	16.7	10.9	16.5	10.6	17.2	12.1	17.4	12.4
Average age	42.4	35.2	41.8	35.4	42.0	35.7	41.9	35.9	42.1	36.2
Number of managers	1,110	71	1,122	68	1,149	95	1,174	108	1,236	121
Number of directors, Audit & Supervisory Board members and senior executive officers	37	1	40	2	40	2	41	3	39	5
Number of foreign nationals	64	33	62	34	61	33	58	37	56	34

\* Includes employees on loan.

Note: Figures as of fiscal year-end.

#### Employee Make-up by Region\* OJG

	2020		2021		2022		2023		2024	
	Number of companies	Number of employees	Number of companies	Number of employees	Number of companies	Number of employees	Number of companies	Number of employees	Number of companies	Number of employees
Daikin Industries, Ltd. (Only)	1	7,732	1	7,652	1	7,618	1	7,654	1	7,866
Domestic Group (Excluding Daikin Industries, Ltd.)	30	5,586	30	5,717	30	5,817	31	5,914	31	6,130
U.S.	61	19,812	67	20,275	75	22,966	72	22,412	75	25,255
China	33	19,360	32	19,567	33	20,599	32	19,645	33	19,075
Europe	75	9,947	77	11,147	86	12,215	90	13,293	84	13,310
Asia, Oceania	54	17,367	55	18,542	61	20,083	62	21,187	65	22,288
Others (Latin America, Middle East, Africa, etc.)	62	5,066	61	5,798	62	7,039	62	8,057	62	9,620
Total	316	84,870	323	88,698	348	96,337	350	98,162	351	103,544

\* Figures as of fiscal year-end.

Number of Employees by Gender and Employment Rate of Women OJG

	2020	2021	2022	2023	2024
Men	61,046	63,753	69,733	73,925	78,546
Women	23,824	24,945	26,604	24,237	24,998
Total	84,870	88,698	96,337	98,162	103,544
Women as % of all employees	28.1	28.1	27.6	24.7	24.1

Number of New Employees Hired; Women as Percentage of All New Employees Hired\* D

	2020	2021	2022	2023	2024
Men	303	284	204	201	295
Women	118	112	87	98	115
Total	421	396	291	299	410
Women as % of all new employees	28.0	28.3	29.9	32.8	28.0

\* Number of people joining the company on April 1.

Number of Employees Leaving, Employee Turnover D

	2020	2021	2022	2023	2024
Men	369	332	376	389	176
Women	57	61	69	73	74
Total	426	393	445	462	250
Employee turnover (%)	3.7	4.4	5.0	5.2	2.7

Note: Due to the increase in the retirement age (from 60 to 65) implemented in April 2024, there will be no employees reaching mandatory retirement age until the end of March 2029.

## Development of Human Resources

Human Resources Development of Manufacturing OJG

		2020	2021	2022	2023	2024
Japan	The ratio of excellent or advanced skilled engineers* in manufacturing (%)	30.3	30.5	31.7	34.8	37.8
	Ratio	1 in 3.3 employees	1 in 3.3 employees	1 in 3.2 employees	1 in 2.9 employees	1 in 2.6 employees
Overseas	The ratio of excellent or advanced skilled engineers* in manufacturing (%)	–	6.2	9.1	12.3	13.4
	Ratio	–	1 in 16.1 employees	1 in 11.0 employees	1 in 8.1 employees	1 in 7.4 employees
Total	The ratio of excellent or advanced skilled engineers* in manufacturing (%)	–	14.8	12.5	15.8	17.0
	Ratio	–	1 in 6.8 employees	1 in 8.0 employees	1 in 6.3 employees	1 in 5.9 employees

\* High-skilled engineers with knowledge and leadership.

## Workplace Diversity

### Number and Percentage of Women in Management Positions D

	2020	2021	2022	2023	2024
Number of female managers	71	68	95	108	121
Females as % of all managers	6.0	5.7	7.6	8.4	8.9

### Number of Overseas Bases Where Local Nationals are Presidents and Executives OG

	2020	2021	2022	2023	2024
Number of bases where local nationals are presidents and executives	43	44	45	47	50
Number of presidents who are local nationals	30	32	34	36	34
Number of executives who are local nationals	68	63	65	73	72

### Percentage of Overseas Bases Where Local Nationals are President and Executives OG (%)

	2020	2021	2022	2023	2024
Percentage of overseas bases where local nationals are president	42.9	45.0	44.0	46.0	42.0
Percentage of overseas bases where local nationals are executives	48.2	44.0	45.0	50.0	46.0

### Number of People with Disabilities Employed and Employment Rate JG

	2020	2021	2022	2023	2024
Number of people with disabilities employed <sup>1</sup>	390.0	409.0	427.5	454.0	480.5
Employment rate of people with disabilities <sup>2</sup> (%)	2.55	2.60	2.69	2.81	2.91

1. Based on the calculation method prescribed by the Ministry of Health, Labour and Welfare.

2. Disability employment rate = number of people with disabilities employed / number of full-time employees.

Note: Figures as of end of fiscal year.

### Gender Pay Gap D

	2022	2023	2024
All workers	77.2	79.5	80.4
Full-time employees	80.3	81.6	82.1
Part-time and contract employees	65.4	63.1	65.5

Note: Figures calculated based on the provisions of the Act on Promotion of Women's Participation and Advancement in the Workplace (Act No. 64 of 2015).

Average annual wage of female workers ÷ Average annual wage of male workers x 100

## Work-Life Balance

### Number of Employees Taking Childcare Leave\* D

(people)

		2020	2021	2022	2023	2024
Number taking childcare leave	Men	327	233	214	221	235
	Women	173	93	78	82	74
	Total	500	326	292	303	309

\* Number of employees taking childcare leave each fiscal year.

Note: Revisions to the Act on Childcare Leave, Caregiver Leave in April 2023 require that companies disclose the rate of employees taking childcare leave calculated according to a specified formula. As a result, figures for fiscal 2021 were changed to this formula and revised retroactively.

### Number Taking Family Care Leave D

(people)

		2020	2021	2022	2023	2024
Number taking family care leave	Men	3	3	2	5	6
	Women	1	2	2	3	1
	Total	4	5	4	8	7

## Occupational Safety and Health

### Frequency Rate of Lost Work Time Accidents<sup>1</sup> OJG

	2020	2021	2022	2023	2024
Daikin Group (including overseas)	1.01	1.19	1.35	1.24	1.14
Japan (manufacturing industry average)	1.95	2.09	2.06	2.14	2.10
U.S. (average for all industries) <sup>2</sup>	13.5	13.5	13.5	12.0	–

1. This shows the frequency of occupational accidents resulting in lost work time, expressed in number of casualties for every 1,000,000 working hours.

Frequency rate = Number of injuries or fatalities from occupational accidents resulting in lost work time / Total actual working hours × 1,000,000

2. Calculated based on information from U.S. Bureau of Labor Statistics (November 2024).

No data was released for the U.S. in fiscal 2024 (as of the end of July 2025).

### Severity Rate\* OJG

	2020	2021	2022	2023	2024
Daikin Group (including overseas)	0.03	0.03	0.04	0.04	0.03
Japan (manufacturing industry average)	0.09	0.09	0.09	0.09	0.09

\* This shows the severity of the calamity, expressed in man-days lost per 1,000 hours worked.

Severity rate = Total number of working days lost / Total actual working hours × 1,000

### Number of Sites that Obtained Occupational Safety and Health Management System Certification OJG

(base)

2024	
Japan	3
China	18
Asia and Oceania	17
Europe	21
Americas	1
Total	60

Note: The number of bases with ISO 45001 certification, with approximately 50% of all production bases having obtained the certification. Bases with other certifications are excluded.

Percentage of Employees Taking All Paid Leave D

(%)

	2020	2021	2022	2023	2024
Percentage of Daikin Industries, Ltd. Employees	91.5	95.8	97.7	97.7	95.8
Percentage of Japanese workers in the manufacturing industry (according to Ministry of Health, Labour and Welfare)	56.3	61.6	62.6	65.8	70.4

Average Hours of Overtime per Employee D

(hours)

	2020	2021	2022	2023	2024
Hours	193.00	211.80	220.80	211.40	215.40

## Labor-Management Relations

Ratio of Union Members D

(%)

	2020	2021	2022	2023	2024
Percentage of employees in union	87	87	86	84	84

## Supply Chain Management

Class A CSR Procurement Achievement Rate\* OJG

(%)

	2020	2021	2022	2023	2024
Japan	65	66	66	79	81
Overseas	65	73	77	82	84
Entire Group	65	72	75	81	84

\* Procurement value from suppliers that satisfy Daikin's Class A standards of total procurement value.

Green Procurement Rate\* OJG

(%)

	2020	2021	2022	2023	2024
Japan	95	95	91	93	96
Overseas	77	78	76	75	80
Entire Group	80	80	79	79	82

\* Green procurement rate = Value of goods procured from suppliers who meet our assessment criteria / Value of all goods procured

## Communities

Expenditure for Social Contribution Activities OJG

(million yen)

	2020	2021	2022	2023	2024
Total	1,292	1,388	1,794	1,828	1,704

ESG Data

# Governance

Companies covered by data: **D** Daikin Industries, Ltd. **JG** Including group in Japan  
**OG** Overseas group companies only **OJG** Including group companies in Japan and overseas

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## Number of Executives and Breakdown\* **D**

(people)

		2023	2024	2025	
Executives	Internal	Men (non-Japanese 1)	5 (non-Japanese 1)	4 (non-Japanese 1)	
		Women	0	1	
	External	Men	3	3	
		Women	1	1	
	Total		10	10	9

\* As of July 1 each year.

## Number of Auditors and Breakdown\* **D**

(people)

		2023	2024	2025	
Auditors	Internal	Men	2	2	
		Women	0	0	
	External	Men	2	1	
		Women	1	2	
	Total		5	5	5

\* As of July 1 each year.

## Number of Board of Directors' Meetings and Average Attendance **D**

	2022	2023	2024
Number of meetings	16	16	16
Average attendance of Board of Directors' meetings (%)	98	96	98

## Average Appointment Term for Directors\* **D**

(year)

		2025
Average appointment term		6.1

\* As of July 1 each year.

## Make-up of Human Resources Advisory Committee and Compensation Advisory Committee\* **D**

(people)

		2023	2024	2025
Human Resources Advisory Committee and Compensation Advisory Committee	Internal directors	Men	1	1
		Women	0	0
	External directors	Men	3	3
		Women	1	1
	Executive officers	Men	1	0
		Women	0	0

\* As of July 1 each year.

The Vesting for Variable CEO Compensation D

Period during which CEO's change in compensation is based on	Within 3 to 12 years from the allotment date
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Executive Compensation\* D

		2020	2021	2022	2023	2024
Directors	Number	12	14	12	11	13
	Amount of compensation (million yen)	1,281	1,364	1,435	1,441	5,504
Audit & Supervisory Board Member	Number	4	4	4	5	6
	Amount of compensation (million yen)	99	99	102	122	131
Total	Number	16	18	16	16	19
	Amount of compensation (million yen)	1,380	1,463	1,537	1,563	5,635

\* About compensation amounts

For fiscal 2020, the compensation amount for the term of office of one director who retired is included.

For fiscal 2021, the compensation amount for the term of office of three directors who retired are included.

For fiscal 2022, the compensation amount for the term of office of one director who retired is included.

For fiscal 2023, the compensation amount for the term of office of one director who retired is included.

For fiscal 2024, the compensation amount for the term of office of three directors and one auditor who retired is included.

Corporate Officers with Compensation Over 100 Million Yen (Fiscal 2024) D

Name	Total consolidated compensation (million yen)	Category	Company	Total consolidated compensation by type (million yen)			
				Fixed compensation	Stock options	Performance-linked compensation	Distinguished service compensation
Noriyuki Inoue	4,405	Director	Daikin Industries, Ltd.	48	–	56	4,300
Masanori Togawa	390	Director	Daikin Industries, Ltd.	150	71	168	–
Naofumi Takenaka	208	Director	Daikin Industries, Ltd.	62	71	72	–
Kanwal Jeet Jawa	203	Director	Daikin Industries, Ltd.	18	31	–	–
		Director	Daikin Airconditioning India Pvt. Ltd. (Consolidated subsidiary)	95	–	57	–
Takashi Matsuzaki	156	Director	Daikin Industries, Ltd.	57	31	67	–
Koichi Takahashi	126	Director	Daikin Industries, Ltd.	42	35	48	–

Notes: 1. Only those individuals receiving 100 million yen or more of consolidated remuneration are listed.

2. Noriyuki Inoue resigned as a Member of the Board at the conclusion of the 121st Ordinary General Meeting of Shareholders of the Company held on June 27, 2024, due to the expiration of their terms of office.

3. Distinguished service compensation is paid at the time of retirement of Directors in consideration of achievements during their tenure. Whether to grant such compensation or not and the details of such compensation are deliberated by a committee with all its members comprising External Directors, which is established separately from the Compensation Advisory Committee, reported to the Board of Directors, and determined after deliberation by the Board of Directors and approval by the shareholders at the 121st Ordinary General Meeting of Shareholders.

Accounting Auditor Compensation D

(million yen)

	2024
Auditing expenses	393

Number of Patent Applications D

(cases)

	2019	2020	2021	2022	2023
Japanese applications	1,076	1,045	1,190	1,067	973
Overseas applications	467	587	597	772	707

Major Legal Violations OJG

(cases)

	2022	2023	2024
Number of major legal violations	0	0	0

## Third-Party Verification

# Third-Party Verification

To ensure reliability of the content of this report, Daikin contracts with a third-party to verify its data on greenhouse gas emissions, water use, and waste water.

## Data Covered by Verification

### Environmental Impact Data on Business Operations in FY2024

- Scope 1 and Scope 2 greenhouse gas (GHG) emissions, water use, and waste water from business operations of four manufacturing bases in Japan of Daikin Industries, Ltd., eight manufacturing subsidiaries in Japan, and 64 manufacturing subsidiaries overseas.
- Category 1 (purchased goods and services), 11 (use of sold products), and 12 (final product disposal) emissions of Scope 3 GHG emissions calculated in line with the GHG Protocol's "Corporate Value Chain (Scope 3) Accounting and Reporting Standard."

## Scope of Review

### Contribution to Greenhouse Gas Emission Reduction through the Use of Products

- Amount of contribution to greenhouse gas emission reduction\*
  - Contribution to greenhouse gas emission reduction through the spread of air conditioners, space and water heaters, and refrigeration systems with lower emissions
  - Contribution to greenhouse gas emission reduction due to the use of R-32 refrigerant in air conditioners and refrigeration systems by other companies as a result of the Daikin group's offer of free access to the patents, technical support, etc.
- Amount of refrigerant recovery and reclamation from market
  - Refrigerant recovered from the market or reclaimed by the Daikin group and reclaimed refrigerant purchased by the Daikin group (in CO<sub>2</sub> equivalent)

\* Calculated with F-gas recovery rate as 0%.

 [177 Data Third-Party Verification Method of Calculating Greenhouse Gas Emissions Data](#)

# Independent Assurance Statement

## INDEPENDENT ASSURANCE STATEMENT

To: Daikin Industries, Ltd.



Bureau Veritas Japan Co., Ltd. (Bureau Veritas) has been engaged by Daikin Industries, Ltd. (Daikin) to provide limited assurance and to conduct an external review over sustainability information selected by Daikin. This Assurance Statement applies to the related information included within the scope of work described below.

### Selected information

The scope of our assurance work was limited to assurance over the following information included within Daikin Group Sustainability Report 2025 (the 'Report') or reported internally to Daikin Group only for the purpose of internal management for the period of April 1, 2024 through March 31, 2025 (the 'Selected Information').

- The following data through business operations of four production bases of Daikin, nine production subsidiaries within Japan and 65 production subsidiaries overseas
  - CO<sub>2</sub> emissions from energy use
  - HFCs and PFCs emissions
  - Water intake and Wastewater
- CO<sub>2</sub> emissions from non-energy use through the use of CaCO<sub>3</sub> at two production bases of Daikin and one production subsidiary overseas
- Categories 1, 11 and 12 of Scope 3 GHG emissions accounted in line with the GHG Protocol's 'Corporate Value Chain (Scope 3) Accounting and Reporting Standard'

The scope of our review work was limited to review about the following information included within Daikin Group Sustainability Report 2025 (the 'Report') or reported internally to Daikin Group only for the purpose of internal management for the period of April 1, 2024 through March 31, 2025 (the 'Selected Information').

- Contribution to greenhouse gas emission reduction through the spread of air conditioners and heat pumps, hot water supply systems and refrigeration systems with lower emissions
- Contribution to greenhouse gas emission reduction due to the use of R-32 refrigerant in air conditioners and refrigeration systems by other companies as a result of the Daikin group's offer of free access to the patents, technical support, etc.
- Refrigerant recovered from the market or reclaimed by the Daikin group and reclaimed refrigerant purchased by the Daikin group (in CO<sub>2</sub> equivalent)

### Reporting criteria

The Selected Information included within the Report needs to be read and understood together with the reporting criteria stated in the Report.

The Selected Information reported internally to Daikin Group only for the purpose of internal management needs to be read and understood together with the internal reporting criteria defined by Daikin.

### Limitations and Exclusions

Excluded from the scope of our work is any verification of information relating to:
 

- Activities outside the defined verification period;
- Any other information within the Report, which is not listed as the 'Selected Information'.

 This limited assurance engagement relies on a risk based selected sample of sustainability data and the associated limitations that this entails. This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

### Responsibilities

This preparation and presentation of the Selected Information in the Report are the sole responsibility of the management of Daikin.

Bureau Veritas was not involved in the drafting of the Report or of the Reporting Criteria. Our responsibilities were to:
 

- obtain limited assurance about whether the Selected Information has been prepared in accordance with the Reporting Criteria by conducting our assurance work;
- assess the reliability and accuracy of the Selected Information by conducting our review work;
- form an independent conclusion based on the procedures performed and evidence obtained; and
- report our conclusions to the Directors of Daikin.

### Assessment Standard

We performed our assurance work in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (Effective for assurance reports dated on or after December 15, 2015) issued by the International Auditing and Assurance Standards Board and ISO14064-3 (2019): Greenhouse gases - Part 3: Specification with guidance for the verification and validation of greenhouse gas statements. We performed our review work by using Bureau Veritas' standard procedures for external review of sustainability information.

### Summary of work performed

As part of our independent verification, our work included:
 

- Conducting interviews with relevant personnel of Daikin;
- Reviewing the data collection and consolidation processes used to compile Selected Information, including assessing assumptions made, and the data scope and reporting boundaries;

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- Reviewing documentary evidence provided by Daikin;
- Reviewing Daikin systems for quantitative data aggregation and analysis;
- Verification of sample of data back to source by carrying out six physical site visits, selected on a risk based bases at the following locations:
  - Daikin Head Office
  - Daikin Industries, Ltd. Shiga Plant
  - Nippon Muki Co., Ltd. Yuki Plant
  - Aizu Nippon Muki Co., Ltd.
  - Daikin Air-conditioning (Shanghai) Co., Ltd.
  - DAIKIN AMERICA, INC.
- Reperforming a selection of aggregation calculations of the Selected Information;
- Comparing the Selected Information to the prior year amounts taking into consideration changes in business activities, acquisitions and disposals.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

### Verified greenhouse gas emissions

We performed our verification work on greenhouse gas emissions data in accordance with the requirements of ISO14064-3(2019). Verified data in greenhouse gas assertion made by Daikin are as follows.

	Greenhouse gas emissions (t-CO <sub>2</sub> e)	Boundary
Scope 1	513,738	-CO <sub>2</sub> from energy use, HFCs and PFCs: GHG emissions through business operations of four production bases of Daikin, nine production subsidiaries within Japan and 65 production subsidiaries overseas -CO <sub>2</sub> emissions from non-energy use through the use of CaCO <sub>3</sub> at two production bases of Daikin and one production subsidiary overseas
Scope 2 (location-based)	558,635	
Scope 2 (market-based)	365,511	
Scope 3 (Category 1, 11 and 12)	280,871,850	Categories 1, 11 and 12 of Scope 3 GHG emissions accounted and reported in line with the GHG Protocol's 'Corporate Value Chain (Scope 3) Accounting and Reporting Standard' within the boundaries defined by Daikin for each category.

The breakdown of Scope 3 emissions are as follows.  
 Category 1: 4,623,881 t-CO<sub>2</sub>e | Category 11: 234,561,940 t-CO<sub>2</sub>e | Category 12: 41,686,029 t-CO<sub>2</sub>e

### Conclusion

On the basis of our methodology and the activities described above:
 

- Nothing has come to our attention to indicate that the Selected Information has not been properly prepared, in all material respects, in accordance with the Reporting Criteria;
- It is our opinion that Daikin has established appropriate systems for the collection, aggregation and analysis of quantitative data within the scope of our work.

### Statement of Independence, Integrity and Competence

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety and social accountability with over 190 years history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems and processes. Bureau Veritas operates Quality Management System which complies with the requirements of globally recognized quality management standard, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, quality reviews and applicable legal and regulatory requirements which we consider to be equivalent to ISQM 1 & 2<sup>1</sup>. Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA)<sup>2</sup>, across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behavior and high ethical standards in their day-to-day business activities. We consider this to be equivalent to the requirements of the IESBA code<sup>3</sup>.

Bureau Veritas Japan Co., Ltd.  
 Yokohama, Japan  
 July 2, 2025

<sup>1</sup> International Standard on Quality Management 1 & 2  
<sup>2</sup> International Federation of Inspection Agencies - Compliance Code - Third Edition  
<sup>3</sup> Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants

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## Third-Party Verification

# Method of Calculating Greenhouse Gas Emissions Data

Greenhouse gas emissions data are calculated as follows.

### (1) Use of fuel at sites (Energy-induced CO<sub>2</sub>) Scope 1

- The scope of calculation covers four manufacturing bases of Daikin Industries, Ltd., eight manufacturing subsidiaries in Japan, and 64 manufacturing subsidiaries overseas.
- However, the following may not be included in calculation: newly consolidated bases, sites that are newly established and that don't yet have a data collection system in place, and sites whose emissions are negligible. For sites where data procurement is difficult, calculation is based on estimates of past data, for example.
- Heat generation per unit, CO<sub>2</sub> emissions coefficient: the Act on the Promotion of Global Warming Countermeasures.

### (2) Emissions of HFCs and PFCs in production processes at sites Scope 1

- The scope of calculation covers four manufacturing bases of Daikin Industries, Ltd., eight manufacturing subsidiaries in Japan, and 64 manufacturing subsidiaries overseas.
- For estimates of emissions of HFCs and PFCs, material balances and emissions coefficients are set and calculated based on methods stipulated in the Act on the Promotion of Global Warming Countermeasures.
- Global warming potentials of HFCs and PFCs are from the IPCC Fifth Assessment Report.

### (3) Non-energy-induced and energy-induced CO<sub>2</sub> (from limestone) emissions in production processes at sites Scope 1

- The scope of calculation covers four manufacturing bases of Daikin Industries, Ltd., eight manufacturing subsidiaries in Japan, and 64 manufacturing subsidiaries overseas.
- Calculations are based on emissions coefficients stipulated in the Act on the Promotion of Global Warming Countermeasures.
- Global warming potentials are from the IPCC Fifth Assessment Report.

### (4) Use of electricity and heat at sites (Energy-induced CO<sub>2</sub>) Scope 2

- The scope of calculation covers four manufacturing bases of Daikin Industries, Ltd., eight manufacturing subsidiaries in Japan, and 64 manufacturing subsidiaries overseas.
- CO<sub>2</sub> emissions coefficients are as follows.
  - Purchased electricity: Use one of the following
    - Coefficients provided by electricity distribution companies
    - Coefficients published by national and local governments (and government agencies)
    - Coefficients published by the IEA
  - Purchased heat: Use one of the following
    - Coefficients provided by heat distributors
    - Coefficients based on the Act on the Promotion of Global Warming Countermeasures

### (5) Purchased products and services (Energy-induced CO<sub>2</sub>) Scope 3

- Scope of calculation covers components and materials purchased for air conditioners, refrigerating machines, water heaters, oil hydraulic products, filters, and fluorochemical products produced by 41 Group companies in Japan, China, Asia, Europe, and the United States, etc.
- For each, purchased amount is multiplied by CO<sub>2</sub> emission coefficient.
- CO<sub>2</sub> emission coefficient is based on the Inventory Database for Environment Analysis, by the National Institute of Advanced Industrial Science and Technology, and the Japan Environmental Management Association for Industry.
- For raw materials used to produce chemical products, approximately 80% of the highest volume ones were selected, and a 100% value estimate calculation was done.

**(6) CO<sub>2</sub> emissions from the use of products sold (Energy-induced CO<sub>2</sub>)** Scope 3

- Scope of calculation covers the use of products sold globally which includes residential air conditioners, air conditioners for shops, offices and buildings, air conditioners for factories, central air conditioning units and equipment for hot water supply and heating.
- Calculation method: Annual energy consumption × Product lifecycle × Electricity CO<sub>2</sub> emission coefficient (or Gas\* CO<sub>2</sub> emission coefficient) × Sales volume  
\* used as fuel in combustion heating equipment
- Data for the calculation method are as follows.
  - Annual energy consumption: Catalogue value, standard value, or value calculated assuming actual usage conditions
  - Product lifecycle: 10 years for residential equipment and 13 years for others
  - Electricity CO<sub>2</sub> emission coefficient: Value reported in IEA Emissions Factors

**(7) CO<sub>2</sub> emissions from the use of products sold (Fluorocarbons)** Scope 3

- Scope of calculation is same as part (6).
- Calculation method: Refrigerant charge amount × Annual leakage rate × Product lifecycle × Global warming potential × Sales volume
- Data for the calculation method are as follows.
  - Refrigerant charge amount: Catalogue value
  - Annual leakage rate: Statistics from Japanese government agencies
  - Product lifecycle: 10 years for residential equipment and 13 years for others
  - Global warming potential: Value reported in IPCC Assessment Report

**(8) CO<sub>2</sub> emissions from the disposal of products sold** Scope 3

- Scope of calculation is same as part (6).
- For calculation method, impact by refrigerant release is calculated by refrigerant charge amount × global warming potential × (1- recovery rate) × sales volume. Emissions associated with the transport, disassembly etc. of waste products is calculated by multiplying the emission per unit by sales volume.
- Data for the calculation method are as follows.
  - Refrigerant charge amount: Catalogue value
  - Global warming potential: Value reported in IPCC Assessment Report
  - Recovery rate: Set to 0% conservatively

# GRI Standard Comparison Table

Statement of use	Daikin has reported the information cited in this GRI content index for the period from 1 April 2024 to 31 March 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

## Universal Standard

### GRI 2: General Disclosures 2021

Disclosure	Relevant page number or web address
1. The organization and its reporting practices	
2-1 Organizational details	<a href="https://www.daikin.com/corporate">About Daikin</a> <a href="https://www.daikin.com/corporate">https://www.daikin.com/corporate</a>
2-2 Entities included in the organization's sustainability reporting	<a href="#">003 Editorial Policy</a> <a href="https://www.daikin.co.jp/investor/library/securities">Securities Report (available in Japanese only)</a> <a href="https://www.daikin.co.jp/investor/library/securities">https://www.daikin.co.jp/investor/library/securities</a>
2-3 Reporting period, frequency and contact point	<a href="#">003 Editorial Policy</a> <a href="https://www.daikin.com/contact/csr/agree">Inquiries for Sustainability</a> <a href="https://www.daikin.com/contact/csr/agree">https://www.daikin.com/contact/csr/agree</a>
2-4 Restatements of information	-
2-5 External assurance	<a href="#">175 Third-Party Verification</a>
2. Activities and workers	
2-6 Activities, value chain and other business relationships	<a href="https://www.daikin.com/corporate">About Daikin</a> <a href="https://www.daikin.com/corporate">https://www.daikin.com/corporate</a> <a href="#">012 Daikin's Business Characteristics</a> <a href="#">119 Responsible Procurement</a>

Disclosure	Relevant page number or web address
2-7 Employees	<a href="https://www.daikin.com/corporate">About Daikin</a> <a href="https://www.daikin.com/corporate">https://www.daikin.com/corporate</a> <a href="#">093 Workplace Diversity</a>
2-8 Workers who are not employees	-
3. Governance	
2-9 Governance structure and composition	<a href="#">137 Corporate Governance</a> <a href="https://www.daikin.com/corporate/overview/summary/directors">Management</a> <a href="https://www.daikin.com/corporate/overview/summary/directors">https://www.daikin.com/corporate/overview/summary/directors</a>
2-10 Nomination and selection of the highest governance body	<a href="#">137 Corporate Governance</a>
2-11 Chair of the highest governance body	<a href="#">137 Corporate Governance</a>
2-12 Role of the highest governance body in overseeing the management of impacts	<a href="#">014 Identifying Material Initiatives</a> <a href="#">020 Management Structure / Key Themes</a> <a href="#">137 Corporate Governance</a> <a href="#">140 Risk Management</a>
2-13 Delegation of responsibility for managing impacts	<a href="#">020 Management Structure / Key Themes</a> <a href="#">137 Corporate Governance</a>
2-14 Role of the highest governance body in sustainability reporting	<a href="#">020 Management Structure / Key Themes</a>
2-15 Conflicts of interest	-

Disclosure		Relevant page number or web address
2-16	Communication of critical concerns	<a href="#">140 Risk Management</a> <a href="#">137 Corporate Governance</a>
2-17	Collective knowledge of the highest governance body	-
2-18	Evaluation of the performance of the highest governance body	<a href="#">137 Corporate Governance</a>
2-19	Remuneration policies	<a href="#">137 Corporate Governance</a>
2-20	Process to determine remuneration	<a href="#">137 Corporate Governance</a>
2-21	Annual total compensation ratio	-
<b>4. Strategy, policies and practices</b>		
2-22	Statement on sustainable development strategy	<a href="#">Integrated Report</a> <a href="https://www.daikin.com/investor/library/annual">https://www.daikin.com/investor/library/annual</a>
2-23	Policy commitments	<a href="#">007 Fundamental Approach to Sustainability</a>
		<a href="#">142 Compliance</a> <a href="#">115 Respect for Human Rights</a>
2-24	Embedding policy commitments	<a href="#">142 Compliance</a> <a href="#">115 Respect for Human Rights</a> <a href="#">119 Responsible Procurement</a>
		<a href="#">020 Management Structure / Key Themes</a> <a href="#">021 Sustainability Targets and Results</a>
2-25	Processes to remediate negative impacts	<a href="#">020 Management Structure / Key Themes</a> <a href="#">021 Sustainability Targets and Results</a>
2-26	Mechanisms for seeking advice and raising concerns	<a href="#">142 Compliance</a>
2-27	Compliance with laws and regulations	<a href="#">142 Compliance</a>
2-28	Membership associations	<a href="#">130 Participation in Initiatives</a>




Disclosure		Relevant page number or web address
<b>5. Stakeholder engagement</b>		
2-29	Approach to stakeholder engagement	<a href="#">126 Stakeholder Engagement</a>
2-30	Collective bargaining agreements	<a href="#">105 Labor Management Relations</a>






**GRI 3: Material Topics**

Disclosure		Relevant page number
3-1	Process to determine material topics	<a href="#">014 Identifying Material Initiatives</a>
3-2	List of material topics	<a href="#">014 Identifying Material Initiatives</a>
3-3	Management of material topics	<a href="#">020 Management Structure / Key Themes</a> <a href="#">021 Sustainability Targets and Results</a> <a href="#">140 Risk Management</a>

## Topic Standards

### Economic









Disclosure		Relevant page number
Economic Performance		
201-1	Direct economic value generated and distributed	 <a href="#">165 ESG data (Society)</a>
201-2	Financial implications and other risks and opportunities due to climate change	 <a href="#">017 Information Disclosure Based on the TCFD Framework</a>
201-3	Defined benefit plan obligations and other retirement plans	-
201-4	Financial assistance received from government	-
Market Presence		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	-
202-2	Proportion of senior management hired from the local community	 <a href="#">093 Workplace Diversity</a>
Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	-
203-2	Significant indirect economic impacts	-
Procurement Practices		
204-1	Proportion of spending on local suppliers	-


Disclosure		Relevant page number
Anti-corruption		
205-1	Operations assessed for risks related to corruption	 <a href="#">142 Compliance</a>  <a href="#">140 Risk Management</a>
205-2	Communication and training about anti-corruption policies and procedures	 <a href="#">147 Prohibiting Bribery and Corruption</a>
205-3	Confirmed incidents of corruption and actions taken	-
Anti-competitive Behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	 <a href="#">142 Compliance</a>
Tax		
207-1	Approach to tax	
207-2	Tax governance, control, and risk management	 <a href="#">142 Compliance</a>
207-3	Stakeholder engagement and management of concerns related to tax	
207-4	Country-by-country reporting	-







Environmental




Disclosure		Relevant page number
Materials		
301-1	Materials used by weight or volume	<a href="#">035 Overview of Environmental Impacts</a>
301-2	Recycled input materials used	–
301-3	Reclaimed products and their packaging materials	<a href="#">061 Circular Product Design and Service Creation</a> <a href="#">064 Reducing Emissions</a>
Energy		
302-1	Energy consumption within the organization	
302-2	Energy consumption outside of the organization	<a href="#">035 Overview of Environmental Impacts</a>
302-3	Energy intensity	<a href="#">155 ESG data (Environment)</a>
302-4	Reduction of energy consumption	
302-5	Reduction in energy requirements of products and services	<a href="#">155 ESG data (Environment)</a> <a href="#">021 Sustainability Targets and Results</a>
Water		
303-1	Interactions with water as a shared resource	<a href="#">066 Water Resource Conservation</a>
303-2	Management of water discharge-related impacts	–
303-3	Water withdrawal	
303-4	Water discharge	<a href="#">155 ESG data (Environment)</a>
303-5	Water consumption	–


Disclosure		Relevant page number
Biodiversity		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	–
304-2	Significant impacts of activities, products, and services on biodiversity	<a href="#">065 In Harmony with Nature</a>
304-3	Habitats protected or restored	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	–
Emissions		
305-1	Direct (Scope 1) GHG emissions	
305-2	Energy indirect (Scope 2) GHG emissions	<a href="#">035 Overview of Environmental Impacts</a> <a href="#">155 ESG data (Environment)</a>
305-3	Other indirect (Scope 3) GHG emissions	<a href="#">155 ESG data (Environment)</a>
305-4	GHG emissions intensity	
305-5	Reduction of GHG emissions	
305-6	Emissions of ozone-depleting substances (ODS)	<a href="#">155 ESG data (Environment)</a>
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	

Disclosure		Relevant page number
Waste		
306-1	Waste generation and significant waste-related impacts	 <a href="#">035 Overview of Environmental Impacts</a>
306-2	Management of significant waste-related impacts	 <a href="#">057 Initiatives for a Circular Economy</a>
		 <a href="#">064 Reducing Emissions</a>
306-3	Waste generated	
306-4	Waste diverted from disposal	 <a href="#">155 ESG data (Environment)</a>
306-5	Waste directed to disposal	
Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	 <a href="#">119 Responsible Procurement</a>
308-2	Negative environmental impacts in the supply chain and actions taken	
Social		
Disclosure		Relevant page number
Employment		
401-1	New employee hires and employee turnover	 <a href="#">093 Workplace Diversity</a>
		 <a href="#">097 Work-Life Balance</a>
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	–
401-3	Parental leave	 <a href="#">097 Work-Life Balance</a>
Labor/Management Relations		
402-1	Minimum notice periods regarding operational changes	–

Disclosure		Relevant page number
Occupational Health and Safety		
403-1	Occupational health and safety management system	 <a href="#">100 Occupational Safety and Health</a>
403-2	Hazard identification, risk assessment, and incident investigation	 <a href="#">100 Occupational Safety and Health</a>
		 <a href="#">142 Compliance</a>
403-3	Occupational health services	–
403-4	Worker participation, consultation, and communication on occupational health and safety	
403-5	Worker training on occupational health and safety	 <a href="#">100 Occupational Safety and Health</a>
403-6	Promotion of worker health	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	 <a href="#">100 Occupational Safety and Health</a>
		 <a href="#">124 Working Closely with Suppliers</a>
403-8	Workers covered by an occupational health and safety management system	
403-9	Work-related injuries	 <a href="#">100 Occupational Safety and Health</a>
403-10	Work-related ill health	
Training and Education		
404-1	Average hours of training per year per employee	–
404-2	Programs for upgrading employee skills and transition assistance programs	 <a href="#">087 Fostering Human Resources</a>

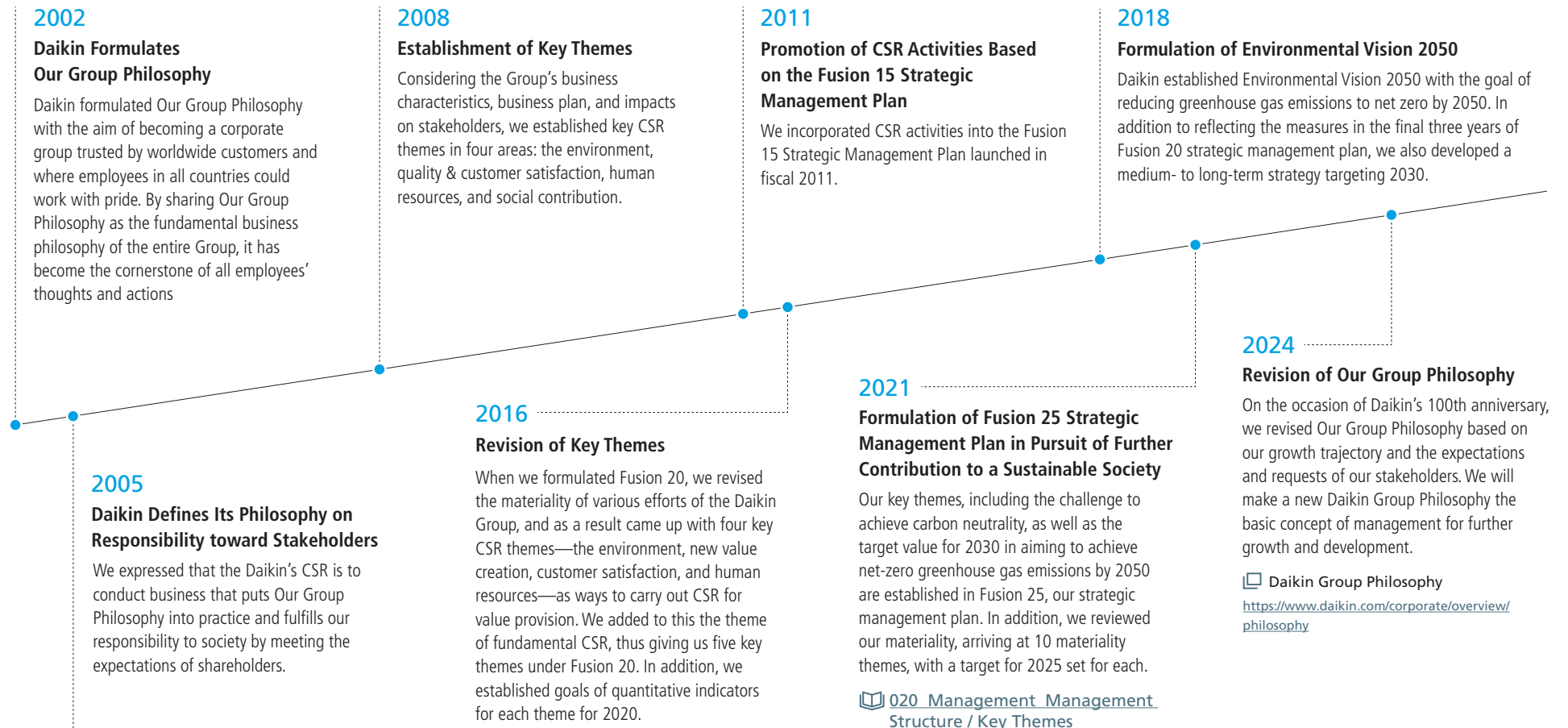
Disclosure	Relevant page number
404-3 Percentage of employees receiving regular performance and career development reviews	 <a href="#">104 Employee Evaluation and Treatment</a>
Diversity and Equal Opportunity	
405-1 Diversity of governance bodies and employees	 <a href="#">137 Corporate Governance</a>  <a href="#">093 Workplace Diversity</a>
405-2 Ratio of basic salary and remuneration of women to men	-
Non-discrimination	
406-1 Incidents of discrimination and corrective actions taken	-
Freedom of Association and Collective Bargaining	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	 <a href="#">105 Labor Management Relations</a>
Child Labor	
408-1 Operations and suppliers at significant risk for incidents of child labor	 <a href="#">116 Human Rights Due Diligence</a>
Forced or Compulsory Labor	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	 <a href="#">116 Human Rights Due Diligence</a>
Security Practices	
410-1 Security personnel trained in human rights policies or procedures	-
Rights of Indigenous Peoples	
411-1 Incidents of violations involving rights of indigenous peoples	-

Disclosure	Relevant page number
Human Rights Assessment	
412-1 Operations that have been subject to human rights reviews or impact assessments	 <a href="#">116 Human Rights Due Diligence</a>
412-2 Employee training on human rights policies or procedures	-
412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	-
Local Communities	
413-1 Operations with local community engagement, impact assessments, and development programs	-
413-2 Operations with significant actual and potential negative impacts on local communities	-
Supplier Social Assessment	
414-1 New suppliers that were screened using social criteria	 <a href="#">119 Responsible Procurement</a>
414-2 Negative social impacts in the supply chain and actions taken	-
Public Policy	
415-1 Political contributions	-
Customer Health and Safety	
416-1 Assessment of the health and safety impacts of product and service categories	 <a href="#">082 Product Quality and Safety</a>
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	-

Disclosure		Relevant page number
Marketing and Labeling		
417-1	Requirements for product and service information and labeling	 <a href="#">082 Product Quality and Safety</a>
417-2	Incidents of non-compliance concerning product and service information and labeling	–
417-3	Incidents of non-compliance concerning marketing communications	–
Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	–

# History of Sustainability Activities

Daikin has rapidly expanded as a global corporate group, and with this expansion have come greater expectations and demands from society. We are committed to contributing to a sustainable society through our business activities in response to the expectations of our various stakeholders while implementing Our Group Philosophy.



# Process Used to Formulate Environmental Vision 2050

## Formulation Process

In 2018, Daikin formulated Environmental Vision 2050, which calls for the Group to reduce its greenhouse gas emissions to net zero by 2050. Looking at the long term, we have predicted how society will change by 2050 and have made a list of the risks and opportunities for Daikin's business.

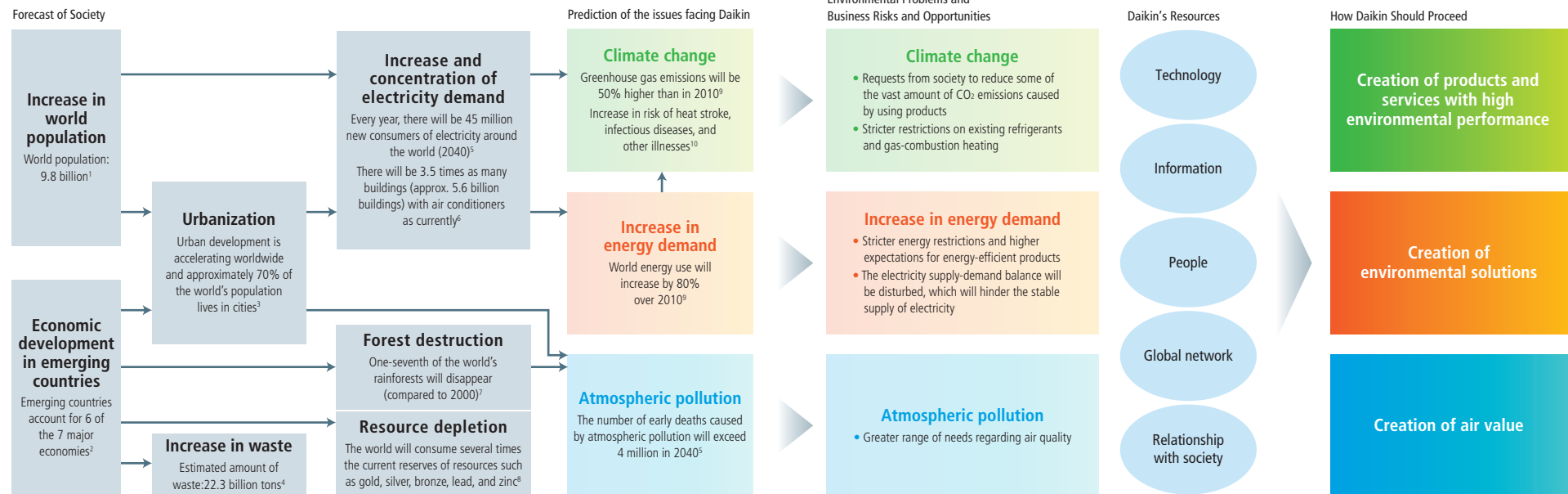
### Forecast of Society in Which Daikin Will Operate in 2050 (As of 2018)

Based on the relationship between Daikin's business and the global environment, we came up with a long-term environmental to-do list that takes into account what the world will be like for Daikin's business in 2050 judging by current social scenarios.

### How Daikin Should Proceed Based on Risks and Opportunities (As of 2018)

Daikin came up with business risks and opportunities in relation to the environmental problems it has identified.

We determined how we should proceed in order to solve these problems based on the company's resources.



### Daikin Referred to the Following Reports When Making Its Forecasts

1 *World Population Prospects: The 2017 Revision*, by the United Nations / 2 *The World in 2050*, by PwC / 3 *World Urbanization Prospects: The 2018 Revision*, by the United Nations / 4 *Estimates and Forecasts for the World's Waste Generation*, by the RISWME / 5 *World Energy Outlook 2017*, by the International Energy Agency (IEA) / 6 *The Future of Cooling*, by the International Energy Agency (IEA) / 7 *The Future of Forests: Emissions from Tropical Deforestation with and without a Carbon Price, 2016-2050*, by the Center for Global Development (CGD) / 8 *The Problem of Worldwide Resource Restrictions by 2050*, by the National Institute for Materials Science (NIMS) / 9 *OECD Environmental Outlook to 2050*, by the Organization for Economic Cooperation and Development (OECD) / 10 *Quantitative risk assessment of the effects of climate change on selected causes of death, 2030s and 2050s*, by the World Health Organization (WHO)

# Honors for Daikin (Daikin Industries, Ltd.)

## Inclusion in ESG Indexes

Chosen for inclusion in the MSCI Selection Indexes



Chosen for inclusion in the MSCI Japan ESG Select Leaders Index

**2025 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX**

Chosen for inclusion in the MSCI Japan ESG Select Leaders Index

**2025 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX**

Received AA ESG Rating from MSCI



[Sustainable investing powered by insight](https://www.msci.com/data-and-analytics/sustainability-solutions)  
<https://www.msci.com/data-and-analytics/sustainability-solutions>

THE INCLUSION OF Daikin Industries, LTD. IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF Daikin Industries, LTD. BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

Chosen for inclusion in the FTSE Blossom Japan Index



**FTSE Blossom Japan Index**

Chosen for inclusion in the FTSE Blossom Japan Sector Relative Index



**FTSE Blossom Japan Sector Relative Index**

[FTSE Russell Indices, Insights & Data](https://www.iaseg.com/en/ftse-russell)  
<https://www.iaseg.com/en/ftse-russell>

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Daikin Industries, Ltd. has been independently assessed according to the FTSE Blossom Japan Index criteria and the FTSE Blossom Japan Sector Relative Index, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Index Series. The FTSE Blossom Japan Index Series is designed to measure the performance of Japanese companies that demonstrate strong Environmental, Social and Governance (ESG) practices. There are two indexes within the family, the FTSE Blossom Japan Index and FTSE Blossom Japan Sector Relative Index. The indexes are widely used by sustainable investment funds and for creating and evaluating financial products.

Chosen for inclusion in the SOMPO Sustainability Index

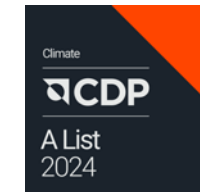


**Sompo Sustainability Index**

[Sompo Asset Management Co., Ltd. Management](https://www.sompo-am.co.jp/english/)  
<https://www.sompo-am.co.jp/english/>

## Recognitions and Accreditations by Ratings Agencies

Selected for Climate Change Measures in CDP's "Climate Change A"



Selected for CDP's Supplier Engagement Assessment (SEA) A-list for the 2024 disclosure cycle

[CDP](https://www.cdp.net/en)  
<https://www.cdp.net/en>

Selected for SX Brand and DX Stock by the Ministry of Economy, Trade and Industry and Tokyo Stock Exchange



[Daikin Selected for "SX Brands 2025"](https://www.daikin.com/press/2025/20250514)  
<https://www.daikin.com/press/2025/20250514>



[Daikin Selected for DX Stocks 2025](https://www.daikin.com/press/2025/20250530)  
<https://www.daikin.com/press/2025/20250530>

## External Recognitions Regarding ESG

### Won FY2024 Energy Conservation Grand Prize (organized by the Energy Conservation Center, Japan)

Products and business model category

- Director-General Prize of the Agency for Natural Resources and Energy  
"Green Building Support Service: A solution to improve the ESG value of existing buildings"
- ECCJ Chairman Prize  
"AIRNET Service System: Air conditioning remote monitoring and proactive heat load prediction for energy conservation"
- ECCJ Chairman Prize  
"FMACS-VI(M): air conditioner for ICT equipment that contributes to carbon neutrality"



### Two of Daikin's products won a Good Design Award for fiscal 2024 (Sponsored by the Japan Institute of Design Promotion)

- Simple Touch Controller for Southeast Asia
- Residential Air Conditioner Outdoor Unit for Southeast Asia

077 Social Customer Satisfaction



The "Daikin Shiga Forest" at the Shiga Plant was recognized by the Ministry of the Environment as a "Nature Symbiosis Site" where biodiversity conservation is being promoted

069 Environment In Harmony with Nature Protecting Biodiversity

Selected as a "Nadeshiko Brand" by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange as a company that excels in promoting women's active participation in the workforce



Certified as "Platinum Kurumin" by the Ministry of Health, Labour and Welfare as a company providing excellent child-rearing support



097 Social Human Resources Work-Life Balance

Received three awards, including the "Minister of Economy, Trade and Industry Award" at the Ministry of Economy, Trade and Industry's "Industrial Standardization Awards" in recognition of participation in international rule-making activities

Selected for LexisNexis Intellectual Property Solutions' "Innovation Momentum 2025 The Global Top 100," which identifies companies that drive innovation based on patent data

Selected as one of Clarivate's "Top 100 Global Innovators 2025" in recognition of intellectual property activities

Selected as an "Asia IP Elite 2024" by the Intellectual Asset Management (IAM), which recognizes companies that excel in intellectual property strategy



152 Governance Respect for Intellectual Property Rights

## Newspaper and Magazine Rankings

Received 4.5 stars certification in the NIKKEI Smart Work Management Survey (deviation value of 65 or higher, but less than 70) (Nikkei, Inc.)



Received 4 stars certification in the NIKKEI SDGs Comprehensive Survey (overall deviation of 60 or higher, but less than 65) (Nikkei, Inc.)

Ranked 16th overall in the 2025 (19th) CSR Rankings (Toyo Keizai Inc.)

Best Japan Brands 2024 19th (Interbrand)