

Key CSR Themes	About the CSR Initiatives	Boundaries (of impact)	
<p style="text-align: center;">CSR for Value Provision</p>	<p>Environment</p> <p>Introduce state-of-the-art technologies to the market in order to address environmental and energy issue</p>	<p>Provide Environmentally Conscious Products and Services Worldwide</p> <ul style="list-style-type: none"> Promote use of energy-efficient air conditioners, including inverter products. Promote use of air conditioners using refrigerants with low global warming potential. Promote use of heat-pump-type heating systems and hot water heaters. Expand our energy-efficient solutions business. <p>7 9 11 13</p> 	
	<p>Minimize Environmental Impact in Production Activities</p> <ul style="list-style-type: none"> Reduce greenhouse gases. Make effective use of water and other resources. Reduce chemicals. Promote green procurement. <p>12</p>		
	<p>Expand the Green Heart Circle of Love for the Earth</p> <ul style="list-style-type: none"> Encourage employees to take part in environmental activities inside and outside work. Promote environmental and social contribution activities. <p>13 15</p>		
	<p>New Value Creation</p> <p>Share dreams and ambitions inside and outside Daikin to realize a healthy, comfortable lifestyle through air</p>	<p>Create New Value to Meet the Expectations of Customers and Society</p> <p>3 7 9 11 13</p>	
	<p>Customer Satisfaction</p> <p>Provide peace of mind and reliability through a focus on customer orientation, experience, performance, and advanced technologies</p>	<p>Provide Customers with the Ultimate Satisfaction</p> <ul style="list-style-type: none"> Provide safety and quality. Provide customer satisfaction. 	
	<p>Human Resources</p> <p>Respect individual personalities and values, and maximize the potential of each employee</p>	<p>Create a Work Environment Where Employees Can Use Their Talents to the Fullest through People-centered Management</p> <ul style="list-style-type: none"> Develop human resources. Promote workplace diversity. Promote occupational safety and health. <p>4 5 8</p> 	
<p style="text-align: center;">Fundamental CSR</p>	<p>Corporate Governance</p>	<p>Accelerate decision-making and operational execution in response to management tasks and the changing management environment, and raise the level of management transparency and soundness to raise corporate value.</p>	
	<p>Respect for Human Rights</p>	<p>Show respect for basic human rights in accordance with all international norms based on the laws and regulations of each country and region.</p>	
	<p>Supply Chain Management</p>	<p>Fulfill corporate social responsibility through environmental impact reduction, quality assurance, and occupational safety and health, not just in the Daikin Group but throughout the entire supply chain.</p>	
	<p>Stakeholder Engagement</p>	<p>Engage in dialogue with all members of society and reflect outside opinions in our business, and continuously examine our actions to ensure that we meet society's demands and expectations.</p>	
	<p>Communities</p>	<p>Respect the culture and history of different countries and regions, and create strong bonds with communities as a good corporate citizen.</p>	

Medium-term CSR Goals and Plans (by Fiscal 2020)	Fiscal 2016 Achievements
<ul style="list-style-type: none"> Promote use of environmentally harmonious products worldwide. Through the worldwide adoption of environmentally conscious products, contribute to reducing greenhouse gas emissions by fiscal 2020. <p>60 million tons-CO₂</p>	<p>Contribution to Emission Reductions 45 million tons-CO₂</p> <p>Environmentally Conscious Products as Percentage of Group Sales (Residential Air Conditioners) 74%</p>
<ul style="list-style-type: none"> Reduce group-wide fiscal 2020 greenhouse gas emissions from production by 70% compared to fiscal 2005. 	<p>Greenhouse Gas Emissions from Production 1.57 million tons-CO₂ (By 70% Compared to FY2005)</p>
<ul style="list-style-type: none"> Carry out and expand joint environmental activities with stakeholders. 	<p>Size of Forest Area Protected 11 million hectares</p> <p>Green Heart Factories 41</p>
<ul style="list-style-type: none"> Provide value to the Earth. Provide value to cities. Provide value for health and comfort. 	<p>R&D Expenditure 53.9 billion yen (46.1 billion yen in FY2015)</p> <p>Number of Patent Applications (FY2015) (Daikin Industries, Ltd. only) 1,116 (1,292 in FY2014)</p>
<ul style="list-style-type: none"> Establish a service network covering the globe. Improve the ability to develop products in response to the needs of worldwide customers. Establish a high, optimal standard of quality. 	<p>After-sales Service Customer Satisfaction Rate (Daikin Industries, Ltd. only) 4.13 (Weighted Average of Five-stage Assessment) (4.05 in FY2015)</p> <p>Number of Countries Where Daikin Does Business Over 150</p> <p>Production Bases Over 90</p>
<ul style="list-style-type: none"> Maintain and expand employment. Build a work environment where many uniquely individual employees can work with enthusiasm, find their work worthwhile, and display their full potential. 	<p>Women as Percentage of All Managers (Daikin Industries, Ltd. only) 4.4% (3.6% in FY2015)</p> <p>Percentage of Overseas Bases Where Local Nationals are President 52% (51% in FY2015)</p> <p>Number of Installation Engineers Trained (Japan, China, and rest of Asia) 16,000</p>

Sustainable Development Goals

(Sustainable Development Goals:SDGs)

In September 2015, the United Nations adopted "Transforming our world: the 2030 Agenda for Sustainable Development" and established the Sustainable Development Goals (SDGs) in an effort to solve worldwide problems related to issues such as poverty and energy. The SDGs comprise 17 goals for solving worldwide problems, with 2030 as the target year for achievement of these goals.

