

“CSR Report 2009” for the Daikin Group

Daikin Industries, Ltd. has issued its “CSR Report 2009” summarizing CSR (Corporate Social Responsibility) activities in the Daikin Group from April 2008 to March 2009. Both the English version and Chinese version will be posted on the website in a PDF file format in September.

The report serves to inform various stakeholders regarding CSR within the Daikin Group and deepen their understanding of activities undertaken by Daikin to achieve it.

The 2009 CSR Report is composed of features centering on "Contribution towards the Preservation of the Environment" and "Cultivation of Human Resources." In regards to the environment, the 2009 Report chronicles Daikin efforts for the prevention of global warming through promotion of widespread use of heat pump type heating systems and hot water heaters as one pillar in the Daikin environmental strategy. With regards to human resources, we report on the nurturing of human resources by emphasizing the engendering of leadership and ensuring that Daikin personnel thoroughly understand our management philosophy.

In FUSION 10, the Daikin strategic management plan that establishes fiscal year targets for 2010, we set out targets for actual performance of main environmental activities and were able to reduce greenhouse gases emitted within the overall Group during production by 67% compared to fiscal year 2005. This enabled us to obtain our goal of “Halving Greenhouse Gas Emissions Compared to 2005” ahead of time.

Features of “CSR Report 2009”

1. Features include themes involving the "Contribution towards the Preservation of the Environment" and "Cultivation of Human Resources," which form the pillar of Daikin's CSR.

Feature on "Contribution to Prevent Global Warming with Heat Pump Technology"

In 2008, heat pumps were recognized in Europe as "technology that captures renewable energy." Efforts in product development corresponding to the cultures and lifestyles in each region are described along with the promotion of widespread use. We also report on the "Europe Environment Research Center," which was established to research the ideal heating and cooling method being sought of Daikin in Europe.

Feature on “Contribution to Help Customers Reduce CO2 Emissions”

This feature describes our services that help customers reduce CO2 emissions such as “Air Conditioning Network Service System” that support energy-saving operation with remote energy-efficiency tuning, and “Reforestation Project” that customers’ energy-saving operation links to actual reforestation.

Feature on "Global Environmental Management"

Environmental protection activities being promoted as a Group centering on those personnel in charge of the environment at each base, including those bases of the OYL Group that were added to Daikin Group in 2006, are reported in this feature along with programs for raising employee environmental awareness.

Feature on "Cultivation of Human Resources Supporting Growth of the Daikin Group"

This feature describes company training and educational systems that emphasize the engendering of leadership and the promotion of thorough understanding of our management philosophy. This knowledge is essential to the practice of diversity management as it helps to draw out the potential of diverse human resources.

2. Results of Fiscal Year 2008 Environmental Activities

In fiscal year 2008, we largely achieved our targets to reduce the environmental impact of our products and lessen the environmental impact at the time of manufacturing. Items concerning the achievement of goals that largely exceeded the targets set for fiscal year 2008 are listed.

- (1) Achievement of 67% reduction of greenhouse gas emissions that exceeds the 40% reduction target compared to fiscal year 2005
- (2) Obtainment of ISO14001 certificate by all production bases (excluding the OYL Group)
- (3) Achievement of 78% reduction for emission amount of toxic substances designated by the PRTR Law: a reduction that exceeds the 70% reduction target compared to fiscal year 2005