

**Environmental Policy of the Daikin Group in Japan**

**July 1, 2021**  
**Masanori Togawa**  
**President and CEO**  
**Daikin Industries, Ltd.**

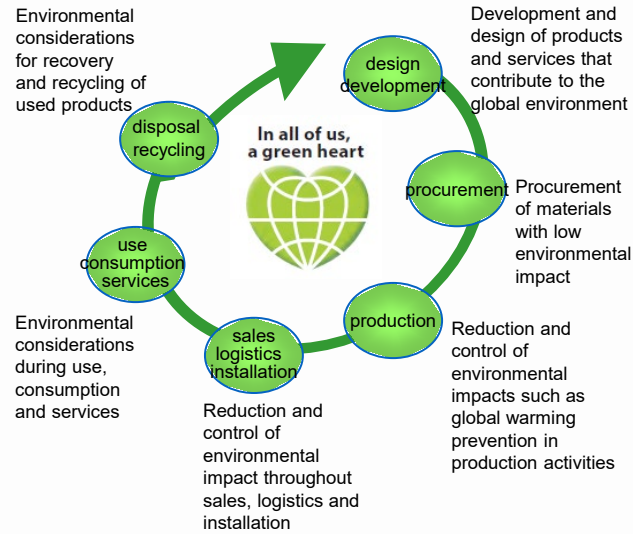
Based on our Group Philosophy, "Be a Company that Leads in Applying Environmentally Friendly Practices," Daikin practices environmental management that balances business expansion with environmental and social contributions.

As the only manufacturer in the world with both air conditioning and chemical businesses, we have been providing differentiated products and services around the world by utilizing our environmental, energy-efficient and air-related technologies.

At the same time, there is a strong need to address the increasing environmental impact such as global warming caused by energy consumption during product use and refrigerants.

To this end, we strive to create products and solutions with high environmental performance, such as energy-efficient air conditioners, heat pump space and water heaters, and refrigerants with low global warming potential aiming to achieve "carbon neutrality in 2050," and contribute to people's healthy and comfortable lives and the global environment using the power of air.

**Lead in Applying Environmentally Friendly Practices**



We have set environmental targets for the following items in all Group organizations and sites in Japan, and promote continual improvement of the environmental management system.

1. We promote the following "carbon neutrality" initiatives.
  - Reduce CO2 emissions from manufacturing by expanding the use of energy-efficient and renewable energy, developing energy-efficient technologies, and promoting recovery, reclamation, and destruction of fluorocarbons.
  - Reduce CO2 emissions from the use of products by promoting inverter products, improving the energy efficiency of equipment through the development of elemental technologies, converting combustion heaters to heat pump space and water heaters, and expanding energy-efficient solutions.
  - Disseminate refrigerants with low global warming potential, develop next-generation refrigerants, and promote recovery and reclamation of refrigerants at the time of product disposal.
  - Create new environmental businesses such as energy creation, and develop new technologies for CO2 reduction.
2. We strengthen our adaptation to climate change to minimize the impact of climate-related disasters on our business.
3. We identify and meet compliance obligations, including laws and regulations and the needs and expectations of interested parties.
4. We promote recycling of waste and wastewater, as well as control of the amount of waste generated, in order to make effective use of resources. Also, we promote the substitution of chemical substances and reduction of emissions to prevent environmental pollution.
5. We promote "Green Heart Factory" and "Green Heart Office" activities to realize environmentally conscious factories and offices.
6. We enhance our external reputation by disclosing environment-related information to society with greater objectivity and transparency, and by proactively communicating with stakeholders.
7. We promote environmental protection by working on "biodiversity protection" to protect and rejuvenate nature, as a member of the community that lives with the gifts of nature.



The Daikin Group Environmental Symbol:

The symbol represents a determination on the part of each and every employee of Daikin to think green (think of the Earth and take care of the environment).