

Creating New Value and Contributing to Sustainable Development for Society

Problems such as climate change and changing demographics are presenting our advancing global society with many challenges. Daikin aims to contribute to sustainable growth for the world by solving social problems and providing society with new value.

Daikin's Three Business Pillars

Air conditioning

We handle all types of air environments, including air conditioning equipment and refrigeration equipment, with the aim of providing both environmental performance and comfort.

Chemicals

Utilizing our expertise in fluorochemicals, we contribute to a wide range of fields including semiconductors, automotive, and information and telecommunications.

Filters

We contribute to preventing atmospheric pollution and improving hygiene management in industries such as pharmaceuticals and food through, for example, dust collection filters and high-performance filters.

Our Group Philosophy

The basic management philosophy for the thoughts and actions of all employees

A strategic management plan formulated every five years that stipulates the direction of the group's progress

An environmental vision for taking action to achieve zero CO₂ emissions over the long term (formulated in 2018)
[Details on page 9](#)

Environmental Vision 2050

Fusion 20 Strategic Management Plan

International Framework for Taking on Society's Challenges on a Global Scale

Society's Challenges (Global risks)

Top risks

- Extreme weather events and temperatures
- Natural disasters
- Failures of climate change mitigation and adaptation
- Cyber attacks
- Water crises

Source: World Economic Forum Global Risks Perception Survey 2017-2018

International Framework

Paris Agreement to the UN Framework Convention on Climate Change

Limit global warming by less than 2°C compared to pre-industrial levels by the latter half of this century

Sustainable Development Goals (SDGs)

Common goals to find solutions by 2030 for pressing world problems such as poverty, inequality, and climate change

Kigali Amendment to the Montreal Protocol

Phase down HFCs in order to gradually reduce CO₂-equivalent emissions

UN Global Compact (UNGC)

A framework for companies to take action on implementing universally accepted principles in the areas of human rights, labor, environment, and anti-corruption.

Daikin's Aims for Value Creation

Provide new value that makes people and space healthier and more comfortable while at the same time reducing environmental impact.

Value Creation for the Earth

Reduce environmental impact through all business activities and contribute to alleviating climate change

- Further raise the environmental performance of products
- Make effective use of resources
- Protect forests and help sustain their inherent functions



Value Creation for Cities

Contributing to solving energy-related issues arising from urbanization and contribute to the creation of sustainable cities

- Effectively use energy throughout entire buildings and entire cities
- Build systems for recycling-based societies
- Create new types of energy



Value Creation for People

Pursue new possibilities for air and contribute to healthy, comfortable lifestyles

- Protect people from heatstroke and infectious diseases
- Protect people's health from atmospheric pollution
- Improve indoor environments to support people's comfortable and affluent lifestyles
- Raise productivity to contribute to economic advancement



Human Resource Development Supports Value Creation

Foster human resources who spur innovation and who spread newly created value around the world.

Contribute to the growth of employees and local citizens

- Training of highly skilled personnel
- Job creation
- Contribution to local economic development
- Creation of new products and services that help raise people's lifestyles

2020

2030

2040

2050

2050

Sustainable Development Goals (SDGs) Daikin is Contributing to

6 of the 17 Sustainable Development Goals Daikin is Contributing to through Its Business



3 GOOD HEALTH AND WELL-BEING
Ensure healthy lives and promote well-being for all at all ages
 Prevention of heatstroke and infectious diseases, measures against air pollution, increase in productivity, etc.



7 AFFORDABLE AND CLEAN ENERGY
Ensure access to affordable, reliable, sustainable and modern energy for all
 Increase in energy efficiency, use and spread of renewable energy, etc.



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Build resilient infrastructure, promote sustainable industrialization and foster innovation



11 SUSTAINABLE CITIES AND COMMUNITIES
 ZEB (net-zero energy buildings) initiatives, promotion of energy management and demand response, etc.



12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Ensure sustainable consumption and production patterns
 Initiatives for energy efficiency during production, recycling, resource efficiency, etc.



13 CLIMATE ACTION
Take urgent action to combat climate change and its impacts
 Spread of inverter products, refrigerants with lower global warming potential, and heat pump products