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Fiscal 2017 report content regarding efforts toward sustainability corresponding to various guidelines is as follows.

Information and indices required for each guideline is summarized and disclosed as searchable [ESG Data](#). (Page 443)

Climate-Related Financial Information Disclosure Taskforce Comparison Table

This page discloses information categorized as recommended by the Task Force on Climate-related Financial Disclosures (TCFD).

Disclosure Categories Recommended and Endorsed by the Task Force on Climate-related Financial Disclosures	Posted location
Governance	
Governance related to climate-related risks and opportunities	
a) Board of Director monitoring system with regard to climate-related risks and opportunities	Management Structure
b) Management Role within the assessment and management of climate-related risks and opportunities	Management Structure
Strategy	
Actual and potential impact of climate-related risks and opportunities on business, strategy and financial planning	
a) Details of climate-related risks and opportunities over the short-, medium- and long-term	Risks and Opportunities
b) Impact of climate-related risks and opportunities on organization business, strategy and financial planning	Risks and Opportunities
c) Strategic resilience in light of considerations based on climate related scenarios including scenarios where temperatures rise by 2 degrees or lower	Environmental Vision 2050
Risk Management	
Process for identifying assessing and managing climate-related risks	
a) Process for specifying and assessing climate-relate risks	Risks and Opportunities
b) Process for managing climate-relate risks	Risks and Opportunities
c) Specification, assessment and management process integration of climate-related risks for comprehensive risk management	Risks and Opportunities

Indices and Targets

Indices and targets used to assess and manage climate-related risks and opportunities

a) Indices used by organizations to assess climate-related risks and opportunities in line with strategy and risk management processes	› Environmental Action Plan
b) Scope 1–3 greenhouse gas emissions volume and related risks	› Overview of Environmental Impact
c) Targets and achievements for managing climate-related risks and opportunities	› Environmental Action Plan
	› Search by ESG Data

GRI Standard Guidelines


This page indicates standard disclosure items in accordance with the GRI Sustainability Reporting Guidelines.

Universal Standards

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Organizational Profile					
Disclosure 102-1 Name of the organization	a. Name of the organization.		6.3.10	Daikin Group Business Overview	
Disclosure 102-2 Activities, brands, products, and services	a. A description of the organization's activities. b. Primary brands, products, and services, including an explanation of any products or services that are banned in certain markets.		6.4.3		
Disclosure 102-3 Location of headquarters	a. Location of the organization's headquarters.		6.4.4		
Disclosure 102-4 Location of operations	a. Number of countries where the organization operates, and the names of countries where it has significant operations and/or that are relevant to the topics covered in the report.		6.4.5		
Disclosure 102-5 Ownership and legal form	a. Nature of ownership and legal form.		6.8.5		
Disclosure 102-6 Markets served	a. Markets served, including: i. geographic locations where products and services are offered; ii. sectors served; iii. types of customers and beneficiaries.				
Disclosure 102-7 Scale of the organization	a. Scale of the organization, including: i. total number of employees; ii. total number of operations; iii. net sales (for private sector organizations) or net revenues (for public sector organizations); iv. total capitalization (for private sector organizations) broken down in terms of debt and equity; v. quantity of products or services provided.				

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Disclosure 102-8 Information on employees and other workers	a. Total number of employees by employment contract (permanent and temporary), by gender.	GC principle 6		▶ Workplace Diversity	
	b. Total number of employees by employment contract (permanent and temporary), by region.				
	c. Total number of employees by employment type (full-time and part-time), by gender.				
	d. Whether a significant portion of the organization's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees.				
	e. Any significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b, and 102-8-c (such as seasonal variations in the tourism or agricultural industries).				
	f. An explanation of how the data have been compiled, including any assumptions made.				
Disclosure 102-9 Supply chain	a. A description of the organization's supply chain, including its main elements as they relate to the organization's activities, primary brands, products, and services.			▶ Value Chain and Daikin's CSR	
Disclosure 102-10 Significant changes to the organization and its supply chain	a. Significant changes to the organization's size, structure, ownership, or supply chain, including:				
	i. Changes in the location of, or changes in, operations, including facility openings, closings, and expansions;				
	ii. Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations);				
	iii. Changes in the location of suppliers, the structure of the supply chain, or relationships with suppliers, including selection and termination.				
Disclosure 102-11 Precautionary Principle or approach	a. Whether and how the organization applies the Precautionary Principle or approach.			▶ Risk Management	

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Disclosure 102-12 External initiatives	a. A list of externally-developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes, or which it endorses.			Participation in the Global Compact	
Disclosure 102-13 Membership of associations	a. A list of the main memberships of industry or other associations, and national or international advocacy organizations.			-	
Strategy					
Disclosure 102-14 Statement from senior decision-maker	a. A statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy for addressing sustainability.		6.2	Message from the President	
Disclosure 102-15 Key impacts, risks, and opportunities	a. A description of key impacts, risks, and opportunities.				
Ethics and Integrity					
Disclosure 102-16 Values, principles, standards, and norms of behavior	a. A description of the organization's values, principles, standards, and norms of behavior.	GC principle 10		CSR Philosophy	
Disclosure 102-17 Mechanisms for advice and concerns about ethics	a. A description of internal and external mechanisms for: i. seeking advice about ethical and lawful behavior, and organizational integrity; ii. reporting concerns about unethical or unlawful behavior, and organizational integrity.	GC principle 10	6.6.3	Compliance	
		GC principle 10		Compliance	
Governance					
Disclosure 102-18 Governance structure	a. Governance structure of the organization, including committees of the highest governance body. b. Committees responsible for decision-making on economic, environmental, and social topics.		6.2	Corporate Governance	
Disclosure 102-19 Delegating authority	a. Process for delegating authority for economic, environmental, and social topics from the highest governance body to senior executives and other employees.			-	

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Disclosure 102-20 Executive-level responsibility for economic, environmental, and social topics	a. Whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental, and social topics. b. Whether post holders report directly to the highest governance body.		6.2	➤ CSR Management	
Disclosure 102-21 Consulting stakeholders on economic, environmental, and social topics	a. Processes for consultation between stakeholders and the highest governance body on economic, environmental, and social topics. b. If consultation is delegated, describe to whom it is delegated and how the resulting feedback is provided to the highest governance body.			-	
Disclosure 102-22 Composition of the highest governance body and its committees	a. Composition of the highest governance body and its committees by: i. executive or non-executive; ii. independence; iii. tenure on the governance body; iv. number of each individual's other significant positions and commitments, and the nature of the commitments; v. gender; vi. membership of under-represented social groups; vii. competencies relating to economic, environmental, and social topics; viii. stakeholder representation.			➤ Management 	
Disclosure 102-23 Chair of the highest governance body	a. Whether the chair of the highest governance body is also an executive officer in the organization. b. If the chair is also an executive officer, describe his or her function within the organization's management and the reasons for this arrangement.			Not on website.	
Disclosure 102-24 Nominating and selecting the highest governance body	a. Nomination and selection processes for the highest governance body and its committees. b. Criteria used for nominating and selecting highest governance body members, including whether and how: i. stakeholders (including shareholders) are involved; ii. diversity is considered; iii. independence is considered; iv. expertise and experience relating to economic, environmental, and social topics are considered.			➤ Corporate Governance	

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Disclosure 102-25 Conflicts of interest	a. Processes for the highest governance body to ensure conflicts of interest are avoided and managed. b. Whether conflicts of interest are disclosed to stakeholders, including, as a minimum: i. Cross-board membership; ii. Cross-shareholding with suppliers and other stakeholders; iii. Existence of controlling shareholder; iv. Related party disclosures.		6.2	-	
Disclosure 102-26 Role of highest governance body in setting purpose, values, and strategy	a. Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental, and social topics.			» CSR Management	
Disclosure 102-27 Collective knowledge of highest governance body	a. Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental, and social topics.			-	
Disclosure 102-28 Evaluating the highest governance body's performance	a. Processes for evaluating the highest governance body's performance with respect to governance of economic, environmental, and social topics. b. Whether such evaluation is independent or not, and its frequency. c. Whether such evaluation is a self-assessment. d. Actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental, and social topics, including, as a minimum, changes in membership and organizational practice.		6.2	-	

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Disclosure 102-29 Identifying and managing economic, environmental, and social impacts	a. Highest governance body's role in identifying and managing economic, environmental, and social topics and their impacts, risks, and opportunities – including its role in the implementation of due diligence processes. b. Whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental, and social topics and their impacts, risks, and opportunities.			➤ Risk Management	
Disclosure 102-30 Effectiveness of risk management processes	a. Highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental, and social topics.			➤ Risk Management	
Disclosure 102-31 Review of economic, environmental, and social topics	a. Frequency of the highest governance body's review of economic, environmental, and social topics and their impacts, risks, and opportunities.		6.2	➤ Risk Management	
Disclosure 102-32 Highest governance body's role in sustainability reporting	a. The highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material topics are covered.			-	
Disclosure 102-33 Communicating critical concerns	a. Process for communicating critical concerns to the highest governance body.			-	
Disclosure 102-34 Nature and total number of critical concerns	a. Total number and nature of critical concerns that were communicated to the highest governance body. b. Mechanism(s) used to address and resolve critical concerns.			No violation	

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Disclosure 102-35 Remuneration policies	<p>a. Remuneration policies for the highest governance body and senior executives for the following types of remuneration:</p> <p>i. Fixed pay and variable pay, including performance-based pay, equity-based pay, bonuses, and deferred or vested shares;</p> <p>ii. Sign-on bonuses or recruitment incentive payments;</p> <p>iii. Termination payments;</p> <p>iv. Clawbacks;</p> <p>v. Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees.</p> <p>b. How performance criteria in the remuneration policies relate to the highest governance body's and senior executives' objectives for economic, environmental, and social topics.</p>			<p>» Corporate Governance</p>	
Disclosure 102-36 Process for determining remuneration	<p>a. Process for determining remuneration.</p> <p>b. Whether remuneration consultants are involved in determining remuneration and whether they are independent of management.</p> <p>c. Any other relationships that the remuneration consultants have with the organization.</p>		6.2	<p>» Corporate Governance</p>	
Disclosure 102-37 Stakeholders' involvement in remuneration	<p>a. How stakeholders' views are sought and taken into account regarding remuneration.</p> <p>b. If applicable, the results of votes on remuneration policies and proposals.</p>			-	
Disclosure 102-38 Annual total compensation ratio	<p>a. Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.</p>			<p>» Corporate Governance</p>	
Disclosure 102-39 Percentage increase in annual total compensation ratio	<p>a. Ratio of the percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.</p>			-	

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Stakeholder Engagement					
Disclosure 102-40 List of stakeholder groups	a. A list of stakeholder groups engaged by the organization.			› Stakeholder Engagement	
Disclosure 102-41 Collective bargaining agreements	a. Percentage of total employees covered by collective bargaining agreements	GC principle 3		› Labor Management Relations	
Disclosure 102-42 Identifying and selecting stakeholders	a. The basis for identifying and selecting stakeholders with whom to engage.			› Stakeholder Engagement	
Disclosure 102-43 Approach to stakeholder engagement	a. The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.			› Stakeholder Engagement	
Disclosure 102-44 Key topics and concerns raised	a. Key topics and concerns that have been raised through stakeholder engagement, including: i. how the organization has responded to those key topics and concerns, including through its reporting; ii. the stakeholder groups that raised each of the key topics and concerns.			› Stakeholder Engagement	
Reporting Practice					
Disclosure 102-45 Entities included in the consolidated financial statements	a. A list of all entities included in the organization's consolidated financial statements or equivalent documents. b. Whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.			› Editorial Policy	
Disclosure 102-46 Defining report content and topic Boundaries	a. An explanation of the process for defining the report content and the topic Boundaries. b. An explanation of how the organization has implemented the Reporting Principles for defining report content.			› Editorial Policy	

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Disclosure 102-47 List of material topics	a. A list of the material topics identified in the process for defining report content.			› CSR Management	
Disclosure 102-48 Restatements of information	a. The effect of any restatements of information given in previous reports, and the reasons for such restatements.			-	
Disclosure 102-49 Changes in reporting	a. Significant changes from previous reporting periods in the list of material topics and topic Boundaries.			-	
Disclosure 102-50 Reporting period	a. Reporting period for the information provided.			› Editorial Policy	
Disclosure 102-51 Date of most recent report	a. If applicable, the date of the most recent previous report.			› Editorial Policy	
Disclosure 102-52 Reporting cycle	a. Reporting cycle.			› Editorial Policy	
Disclosure 102-53 Contact point for questions regarding the report	a. The contact point for questions regarding the report or its contents.			› Sustainability Report Questionnaire	

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Disclosure 102-54 Claims of reporting in accordance with the GRI Standards	a. The claim made by the organization, if it has prepared a report in accordance with the GRI Standards, either: i. 'This report has been prepared in accordance with the GRI Standards: Core option'; ii. 'This report has been prepared in accordance with the GRI Standards: Comprehensive option'.				
Disclosure 102-55 GRI content index	a. The GRI content index, which specifies each of the GRI Standards used and lists all disclosures included in the report. b. For each disclosure, the content index shall include: i. the number of the disclosure (for disclosures covered by the GRI Standards); ii. the page number(s) or URL(s) where the information can be found, either within the report or in other published materials; iii. if applicable, and where permitted, the reason(s) for omission when a required disclosure cannot be made.			» Guidelines	
Disclosure 102-56 External assurance	a. A description of the organization's policy and current practice with regard to seeking external assurance for the report. b. If the report has been externally assured: i. A reference to the external assurance report, statements, or opinions. If not included in the assurance report accompanying the sustainability report, a description of what has and what has not been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process; ii. The relationship between the organization and the assurance provider; iii. Whether and how the highest governance body or senior executives are involved in seeking external assurance for the organization's sustainability report.			» Third-Party Verification	

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Management Approach					
Disclosure 103-1 Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <p>i. where the impacts occur;</p> <p>ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>			<p>➤ CSR Action Plan 2020</p>	
Disclosure 103-2 The management approach and its components	<p>For each material topic, the reporting organization shall report the following information:</p> <p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>			<p>➤ CSR Action Plan 2020</p>	
Disclosure 103-3 Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p> <p>iii. any related adjustments to the management approach.</p>			<p>➤ CSR Action Plan 2020</p>	

Topic-specific Standards

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
200: Economic					
Economic Performance					
Disclosure 201-1	Direct economic value generated and distributed		6.8	▶ Daikin's Philosophy of Social Contribution	
			6.8.3		
			6.8.7		
			6.8.9		
Disclosure 201-2	Financial implications and other risks and opportunities due to climate change	GC principle 7	6.5.5	▶ Environmental Accounting	
Disclosure 201-3	Defined benefit plan obligations and other retirement plans		6.8.7	-	
Disclosure 201-4	Financial assistance received from government			-	
Market Presence					
Disclosure 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	GC principle 6	6.3.7	-	
			6.3.10		
			6.4.3		
			6.4.4		
Disclosure 202-2	Proportion of senior management hired from the local community	GC principle 6	6.4.3	▶ Workplace Diversity	
			6.8		
			6.8.5		
			6.8.7		
Indirect Economic Impacts					
Disclosure 203-1	Infrastructure investments and services supported		6.3.9	▶ Key Activities: Environment	
			6.8		
			6.8.7		
			6.8.9		
Disclosure 203-2	Significant indirect economic impacts		6.3.9	-	
			6.6.6		
			6.6.7		
			6.7.8		
			6.8		
			6.8.5		
			6.8.7		
6.8.9					

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Procurement Practices					
Disclosure 204-1	Proportion of spending on local suppliers		6.4.3	-	
			6.6.6		
			6.8		
			6.8.7		
Anti-corruption					
Disclosure 205-1	Operations assessed for risks related to corruption	GC principle 10	6.6	» Compliance	
			6.6.3		
Disclosure 205-2	Communication and training about anti-corruption policies and procedures	GC principle 10	6.6.3	» Compliance » Prohibiting Bribes	
			6.6.6		
Disclosure 205-3	Confirmed incidents of corruption and actions taken	GC principle 10	6.6.3	No violation	
Anti-competitive Behavior					
Disclosure 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		6.6	» Compliance » Free Competition and Fair Business Dealings	
			6.6.5		
			6.6.7		
300: Environmental					
Materials					
Disclosure 301-1	Materials used by weight or volume	GC principle 7, 8	6.5.4	» Overview of Environmental Impact	
Disclosure 301-2	Recycled input materials used	GC principle 8	6.5.4	-	
Disclosure 301-3	Reclaimed products and their packaging materials	GC principle 8	6.5.3	» Effective Use of Resources in Products	
			6.5.4		
			6.7.5		
Energy					
Disclosure 302-1	Energy consumption within the organization	GC principle 7, 8	6.5.4	» Overview of Environmental Impact	
Disclosure 302-2	Energy consumption outside of the organization	GC principle 8	6.5.4	» Overview of Environmental Impact	
Disclosure 302-3	Energy intensity	GC principle 8	6.5.4	» Reducing Greenhouse Gases during Production and Transportation	

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Disclosure 302-4	Reduction of energy consumption	GC principle 8, 9	6.5.4	▶ Reducing Greenhouse Gases during Production and Transportation	
			6.5.5		
Disclosure 302-5	Reduction in energy requirements of products and services	GC principle 8, 9	6.5.4	▶ Overview of Environmental Impact ▶ Value Chain and Daikin's CSR	
			6.5.5		
Water					
Disclosure 303-1	Water withdrawal by source	GC principle 7, 8	6.5.4	▶ Water Resource Reduction	
Disclosure 303-2	Water sources significantly affected by withdrawal of water	GC principle 8	6.5.4		
Disclosure 303-3	Water recycled and reused	GC principle 8	6.5.4		
Biodiversity					
Disclosure 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	GC principle 8	6.5.6	-	
Disclosure 304-2	Significant impacts of activities, products, and services on biodiversity	GC principle 8	6.5.6	▶ Protecting Biodiversity	
Disclosure 304-3	Habitats protected or restored	GC principle 8	6.5.6	▶ Protecting Biodiversity	
Disclosure 304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	GC principle 8	6.5.6	-	
Emissions					
Disclosure 305-1	Direct (Scope 1) GHG emissions	GC principle 7, 8	6.5.5	▶ Overview of Environmental Impact ▶ Reducing Greenhouse Gases during Production and Transportation	

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Disclosure 305-2	Energy indirect (Scope 2) GHG emissions	GC principle 7, 8	6.5.5	<ul style="list-style-type: none"> › Overview of Environmental Impact › Reducing Greenhouse Gases during Production and Transportation 	
Disclosure 305-3	Other indirect (Scope 3) GHG emissions	GC principle 7, 8	6.5.5	<ul style="list-style-type: none"> › Overview of Environmental Impact › Reducing Greenhouse Gases during Production and Transportation 	
Disclosure 305-4	GHG emissions intensity	GC principle 8	6.5.5	<ul style="list-style-type: none"> › Reducing Greenhouse Gases during Production and Transportation 	
Disclosure 305-5	Reduction of GHG emissions	GC principle 8, 9	6.5.5	<ul style="list-style-type: none"> › Reducing Greenhouse Gases during Production and Transportation 	
Disclosure 305-6	Emissions of ozone-depleting substances (ODS)	GC principle 7, 8	6.5.3	<ul style="list-style-type: none"> › Low Environmental Impact Refrigerants 	
			6.5.5	<ul style="list-style-type: none"> › Recovery, Recycle and Destruction of Fluorocarbons 	
Disclosure 305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	GC principle 7, 8	6.5.3	<ul style="list-style-type: none"> › Overview of Environmental Impact 	
Effluents and Waste					
Disclosure 306-1	Water discharge by quality and destination	GC principle 8	6.5.3	<ul style="list-style-type: none"> › Overview of Environmental Impact 	
			6.5.4		
Disclosure 306-2	Waste by type and disposal method	GC principle 8	6.5.3	<ul style="list-style-type: none"> › Overview of Environmental Impact › Waste Reduction 	

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Disclosure 306-3	Significant spills	GC principle 8	6.5.3	▶ Environmental Risk Management	
Disclosure 306-4	Transport of hazardous waste	GC principle 8	6.5.3	▶ Waste Reduction	
Disclosure 306-5	Water bodies affected by water discharges and/or runoff	GC principle 8	6.5.3	▶ Water Resource Reduction	
			6.5.4		
			6.5.6		
Environmental Compliance					
Disclosure 307-1	Non-compliance with environmental laws and regulations	GC principle 8		▶ Major Legal Violations in Daikin in Fiscal 2017	
Supplier Environmental Assessment					
Disclosure 308-1	New suppliers that were screened using environmental criteria	GC principle 8	6.3.5	▶ Supply Chain Management	
			6.6.6		
Disclosure 308-2	Negative environmental impacts in the supply chain and actions taken	GC principle 8	6.3.5		
			6.6.6		
400: Social					
Employment					
Disclosure 401-1	New employee hires and employee turnover	GC principle 6	6.4.3	▶ Workplace Diversity ▶ Work-Life Balance	
Disclosure 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		6.4.4	-	
			6.8.7		
Disclosure 401-3	Parental leave	GC principle 6	6.4.4	▶ Workplace Diversity	
Labor/Management Relations					
Disclosure 402-1	Minimum notice periods regarding operational changes	GC principle 3	6.4.3	-	
Occupational Health and Safety					
Disclosure 403-1	Workers representation in formal joint management-worker health and safety committees		6.4.6	-	
Disclosure 403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities		6.4.6	▶ Occupational Safety and Health	
			6.8.8		
Disclosure 403-3	Workers with high incidence or high risk of diseases related to their occupation		6.4.6	-	
			6.8.8		

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Disclosure 403-4	Health and safety topics covered in formal agreements with trade unions		6.4.6	› Occupational Safety and Health	
Training and Education					
Disclosure 404-1	Average hours of training per year per employee	GC principle 6	6.4.7	› Fostering Human Resources	
Disclosure 404-2	Programs for upgrading employee skills and transition assistance programs		6.4.7 6.8.5	› Fostering Human Resources	
Disclosure 404-3	Percentage of employees receiving regular performance and career development reviews	GC principle 6	6.4.7	› Employee Evaluation and Treatment	
Diversity and Equal Opportunity					
Disclosure 405-1	Diversity of governance bodies and employees	GC principle 6	6.2 6.3.7 6.3.10 6.4.3	› Corporate Governance › Workplace Diversity	
Disclosure 405-2	Ratio of basic salary and remuneration of women to men	GC principle 6	6.3.7 6.3.10 6.4.3 6.4.4	-	
Non-discrimination					
Disclosure 406-1	Incidents of discrimination and corrective actions taken	GC principle 6	6.3.6	No violation	
Freedom of Association and Collective Bargaining					
Disclosure 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	GC principle 3	6.3.3 6.3.4 6.3.5 6.3.8 6.3.10 6.4.5 6.6.6	› Labor Management Relations	

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Child Labor					
Disclosure 408-1	Operations and suppliers at significant risk for incidents of child labor	GC principle 5	6.3.3	➤ Respect for Human Rights	
			6.3.4		
			6.3.5		
			6.3.7		
			6.3.10		
			6.6.6		
Forced or Compulsory Labor					
Disclosure 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	GC principle 4	6.3.3	➤ Respect for Human Rights	
			6.3.4		
			6.3.5		
			6.3.7		
			6.3.10		
			6.6.6		
Security Practices					
Disclosure 410-1	Security personnel trained in human rights policies or procedures	GC principle 1	6.3.4	-	
			6.3.5		
			6.6.6		
Rights of Indigenous Peoples					
Disclosure 411-1	Incidents of violations involving rights of indigenous peoples	GC principle 1	6.3.4	-	
			6.3.6		
			6.3.7		
			6.3.8		
			6.6.7		
			6.8.3		
Human Rights Assessment					
Disclosure 412-1	Operations that have been subject to human rights reviews or impact assessments	GC principle 1	6.3.3	-	
			6.3.4		
			6.3.5		
Disclosure 412-2	Employee training on human rights policies or procedures	GC principle 1	6.3.5	➤ Respect for Human Rights	
Disclosure 412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	GC principle 2	6.3.3	No violation	
			6.3.5		
			6.6.6		

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Local Communities					
Disclosure 413-1	Operations with local community engagement, impact assessments, and development programs	GC principle 1	6.3.9	-	
			6.5		
			6.5.3		
			6.8		
Disclosure 413-2	Operations with significant actual and potential negative impacts on local communities	GC principle 1	6.3.9	No violation	
			6.5.3		
			6.8		
Supplier Social Assessment					
Disclosure 414-1	New suppliers that were screened using social criteria	GC principle 2	6.3.3	» Supply Chain Management	
			6.3.4		
			6.3.5		
			6.6.6		
Disclosure 414-2	Negative social impacts in the supply chain and actions taken	GC principle 2	6.3.3	No violation	
			6.3.4		
			6.3.5		
			6.6.6		
Public Policy					
Disclosure 415-1	Political contributions	GC principle 10	6.6	-	
			6.6.4		
Customer Health and Safety					
Disclosure 416-1	Assessment of the health and safety impacts of product and service categories		6.7	» Product Quality and Safety	
			6.7.4		
			6.7.5		
			6.8.8		
Disclosure 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		6.7	No violation	
			6.7.4		
			6.7.5		
			6.8.8		
Marketing and Labeling					
Disclosure 417-1	Requirements for product and service information and labeling		6.7	» Efforts to Ensure Safety	
			6.7.3		
			6.7.4		
			6.7.5		
			6.7.9		

Disclosure	Indicator	GC Principle	ISO 26000 Core Subjects / Issue	WEB	External Assurance
Disclosure 417-2	Incidents of non-compliance concerning product and service information and labeling		6.7	No violation	
			6.7.3		
			6.7.4		
			6.7.5		
			6.7.9		
Disclosure 417-3	Incidents of non-compliance concerning marketing communications		6.7	No violation	
			6.7.3		
Customer Privacy					
Disclosure 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		6.7	No violation	
			6.7.7		
Socioeconom Compliance					
Disclosure 419-1	Non-compliance with laws and regulations in the social and economic area		6.7	➤ Major Legal Violations in Daikin in Fiscal 2017	
			6.7.6		

SEARCH BY ESG DATA

Pages focusing on environmental performance information and social performance indicators can be found here.

Figures not included here should be assumed to be the actual results for the fiscal year (April to March of the following year).

Companies covered by data:

Daikin Industries, Ltd. **D** Including group in Japan **JG**

Overseas group companies only **OG**

Including group companies in Japan and overseas **OJG**

Environment

Low-Impact Products

Environmentally Conscious Products* as Percentage of Net Sales (residential air conditioners)

OJG

(%)

	2016	2017
Environmentally Conscious Products	74	83
Super Green Products	43	47
Green Products	31	36
Other products	26	17

* Environmentally conscious products: Name for Super Green Products and Green Products.

Products that satisfy at least one of the conditions are 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

Contribution to Greenhouse Gas Emission Reductions from Daikin Air Conditioners on the Market* **OJG**

(Thousand tons-CO₂)

	2013	2014	2015	2016	2017
Contribution to Greenhouse Gas Emission Reductions from Daikin Air Conditioners on the Market	23,000	28,000	34,800	45,000	54,000

- * • Difference between emissions from all Daikin environmentally conscious products sold and emissions from non-inverter products, air conditioners using conventional refrigerants, and gas-combustion space heaters and hot water heaters.
- Values up to fiscal 2014 are for emerging countries only.
- Reviewed by the third-party.

Green Procurement Rate by Region*

OJG

(%)

	2013	2014	2015	2016	2017
Japan	95	94	96	91	92
China	96	97	95	96	92
Thailand	98	98	95	95	97
Other countries in Asia and Oceania	84	76	65	58	84
Europe	86	91	93	93	95
North America	38	39	38	30	30
South America	-	-	-	97	94
All regions	84	78	65	74	76

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

Materials Used

D

(tons)

	2013	2014	2015	2016	2017
Iron	62,734	67,760	61,986	64,650	66,925
Copper	14,170	14,620	13,316	14,758	15,290
Aluminium	11,637	11,408	11,667	12,138	12,847
Other metals	1,754	1,446	1,264	1,452	1,844
Plastics	19,130	18,499	18,369	18,203	17,188
Chemicals (PRTR-designated)	126,346 ^{*1}	122,426	122,795	138,421	132,299
Packaging	10,253 ^{*2}	8,079	10,371	11,313	13,005

*1 From fiscal 2010 to 2012, calculation covered PRTR substances and refrigerants, but starting in fiscal 2013 other materials were included as well.

*2 Classification was changed in fiscal 2013, with packaging material other than wood and paper being included in each item.

Recycling of Residential Air Conditioners

JG

		2013	2014	2015	2016	2017
Residential air conditioners collected by Daikin (units: thousand)		280	230	250	280	320
Weight of products recycled or reused (tons)		10,523	10,783	10,369	11,165	13,000
Amount recycled (tons)		9,313	9,661	9,419	10,116	11,768
Recycling ratio (%)		88	89	90	90	90
(Breakdown) (%)	Iron	38	36	36	36	41
	Copper	8	9	8	8	8
	Aluminium	7	6	5	4	5
	Mixture of non-ferrous and iron composite materials	34	34	35	36	43
	CFCs	-	-	0.1	0.5	1.0
	Other valuable materials	13	15	16	16	18
Fluorocarbons recovered (tons)		158	164	160	175	205

Amount of Fluorocarbons Recovered

JG

(Thousand tons-CO₂)

	2013	2014	2015	2016	2017
Electric appliances recycling	250	260	260	280	400
Fluorocarbon Recovery and Destruction	540	620	680	840	770

Low-Impact Production

Greenhouse Gas Emissions (Production)*1

OJG

Verified

*2

(Thousand tons-CO₂)

	2005	2010	2015	2016	2017
Energy-induced CO ₂	660	710	830	780	810
HFC	1,190	390	470	360	250
PFC	3,400	1,130	480	430	290
Total	5,250	2,230	1,780	1,570	1,350

*1 The scope of calculations and the calculation method were revised in formulating the Environmental Action Plan 2020.

*2 Fiscal 2015-2017 values were verified by a third party.

Energy-induced CO₂ Emissions per Unit of Production* OJG

		Standard value (average for fiscal 2013-2015)	2016	2017
Emissions (Thousand tons-CO ₂)	Japan	160	160	160
	Overseas	500	510	530
	Total	670	670	690
Unit with standard value set at 100 (%)	Japan	100	97	95
	Overseas	100	92	91
	Total	100	93	92

* The scope of calculations and the calculation method were revised in formulating the Environmental Action Plan 2020.

Note: This is an aggregate value using the revised method for the Environmental Action Plan 2020 and differs from the third-party verification.

CO₂ Emissions per Sales from Transportation (Air-conditioning) D (%)

	2013	2014	2015	2016	2017
Per unit of production (fiscal 2001 is set at 100)	67	65	63	62	61

Energy Consumption OJG

	2013	2014	2015	2016	2017
Electricity (MWh)	633,454	662,269	725,625	841,472	883,980
Renewable Energy generated (MWh)	20,767	19,675	20,851	20,118	21,234
City Gas (million m ³)	8,277	8,181	8,549	9,922	9,652
LPG (tons)	2,726	2,630	2,770	3,786	5,249
Steam (GJ)	721,531	738,095	792,769	1,017,117	1,018,248
Petroleum (kl)	2,719	2,218	1,571	1,316	1,662

Water Intake per Unit of Production* OJG

		Standard value (average for fiscal 2013-2015)	2016	2017
Water Intake (Thousand m ³)	Japan	1,850	1,790	1,860
	Overseas	4,430	4,720	4,740
	Total	6,280	6,510	6,600
Unit with standard value set at 100 (%)	Japan	100	94	94
	Overseas	100	97	91
	Total	100	96	92

* The scope of calculations and the calculation method were revised in formulating the Environmental Action Plan 2020.

Note: This is an aggregate value using the revised method for the Environmental Action Plan 2020 and differs from the third-party verification.

Water Intake*1 OJG Verified*2 (Thousand m³)

	2015	2016	2017
Water Intake	12,440	10,940	11,690

*1 The scope of calculations and the calculation method were revised in formulating the Environmental Action Plan 2020.

*2 Data verified by a third party.

Waste Water*1 OJG Verified*2 (Thousand m³)

	2015	2016	2017
Waste Water	10,970	9,260	9,880

*1 The scope of calculations and the calculation method were revised in formulating the Environmental Action Plan 2020.

*2 Data verified by a third party.

Emissions per Unit of Production(total of PRTR substances and VOCs)***OJG**

		Standard value (average for fiscal 2013-2015)	2016	2017
Emissions (tons)	Japan	479	510	520
	Overseas	1,125	1,428	1,489
	Total	1,603	1,938	2,010
Unit with standard value set at 100 (%)	Japan	100	91	89
	Overseas	100	103	98
	Total	100	98	95

* The scope of calculations and the calculation method were revised in formulating the Environmental Action Plan 2020.

Note: This is an aggregate value using the revised method for the Environmental Action Plan 2020 and differs from the third-party verification.

Compilation of PRTR Substances (PRTR substances of which at least 1 ton was handled)

JG

(tons)

2017					
Substance name	Amount emitted			Amount transported	
	Air	Public waterways	Soil	Waste	Sewage
Chlorodifluoromethane; HCFC-22	57.35	0.00	0.00	0.00	0.00
Dichloromethane; methylene dichloride	19.61	0.00	0.00	2.90	0.00
1-chloro-1,1-difluoroethane; HCFC-142b	11.00	0.00	0.00	0.00	0.00
Toluene	3.12	0.06	0.00	0.48	0.00
2-chloro-1,1,1,2-tetrafluoroethane; HCFC-124	1.60	0.00	0.00	0.00	0.00
Phenol	0.73	0.00	0.00	0.75	0.00
Chloroform	0.62	0.00	0.00	5.90	0.00
Xylene	0.61	0.00	0.00	0.04	0.00
Formaldehyde	0.38	0.62	0.00	0.27	0.00
Ethylbenzene	0.33	0.00	0.00	0.00	0.00
n-hexane	0.25	0.00	0.00	0.73	0.00
Hydrogen fluoride and its water-soluble salts	0.24	0.00	0.00	41.01	0.00
Poly(oxyethylene)alkyl ether(alkyl C=12-15)	0.04	0.01	0.00	49.00	0.63
1,3,5-trimethylbenzene	0.03	0.00	0.00	0.00	0.00
N,N-dimethylacetamide	0.03	0.00	0.00	0.01	0.00
poly(oxyethylene)octylphenyl ether	0.02	0.01	0.00	0.00	0.00
1,2,4-trimethylbenzene	0.02	0.00	0.00	0.00	0.00
N,N-dimethylformamide	0.01	0.00	0.00	7.30	0.00
dichloropentafluoropropane; HCFC-225	0.01	0.00	0.00	0.00	0.00
Methylnaphthalene	0.01	0.00	0.00	0.00	0.00
poly(oxyethylene)nonylphenyl ether	0.00	0.00	0.00	0.00	0.00
Acetonitrile	0.00	0.00	0.00	2.80	0.04
nickel	0.00	0.00	0.00	0.00	0.00
Boron compounds	0.00	0.44	0.00	0.58	0.00
ethylene glycol monoethyl ether	0.00	0.00	0.00	0.00	0.00
ferric chloride	0.00	0.00	0.00	10.33	0.00
Antimony and its compounds	0.00	0.00	0.00	0.85	0.00
Methylenebis(4,1-phenylene)diisocyanate	0.00	0.00	0.00	0.08	0.00
Tritolyl phosphate	0.00	0.00	0.00	0.04	0.00
Molybdenum and its compounds	0.00	0.00	0.00	0.03	0.00
nickel compounds	0.00	0.00	0.00	0.02	0.00
chromium and chromium(III) compounds	0.00	0.00	0.00	0.01	0.00
Allyl alcohol	0.00	0.00	0.00	0.00	0.00
manganese and its compounds	0.00	0.00	0.00	0.00	0.00
Water-soluble salts of peroxodisulfuric acid	0.00	0.00	0.00	0.00	0.00
2-aminoethanol	0.00	0.00	0.00	0.00	0.01
tetrachloromethane	0.00	0.00	0.00	0.00	0.00
styrene	0.00	0.00	0.00	0.00	0.00

Amount of Waste and Recycled Materials*¹

OJG

Verified

*²

(tons)

		2015	2016	2017
Japan	Amount of Waste	2,677	2,919	2,965
	Amount of Recycle	25,306	26,344	28,196
	Out of the above amount, hazardous waste	19,949	20,606	21,128
Overseas	Amount of Waste	25,164	20,863	24,228
	Amount of Recycle	91,939	119,447	114,612
	Out of the above amount, hazardous waste	39,990	40,662	42,367
Entire Group	Amount of Waste	27,841	23,782	27,193
	Amount of Recycle	117,245	145,791	142,808
	Out of the above amount, hazardous waste	59,939	61,268	63,495

*¹ The scope of calculations and the calculation method were revised in formulating the Environmental Action Plan 2020.

*² By the fiscal 2017 values were verified by the third party.

Emissions per Unit of Production*

OJG

		Standard value (average for fiscal 2013-2015)	2016	2017
Emissions (tons)	Japan	30,100	28,300	28,900
	Overseas	84,700	92,900	98,400
	Total	114,800	121,200	127,300
Unit with standard value set at 100 (%)	Japan	100	91	88
	Overseas	100	96	95
	Total	100	95	93

* The scope of calculations and the calculation method were revised in formulating the Environmental Action Plan 2020.

Note: This is an aggregate value using the revised method for the Environmental Action Plan 2020 and differs from the third-party verification.

Amount of Packaging Used Per Product (wood, cardboard, Styrofoam, etc.)*

D

(%)

	2013	2014	2015	2016	2017
Amount of Packaging Used Per Product with FY2010 set as 100%	97	96	95	93	92

* Covers residential air conditioners for the Japanese market

Environmental Management

Report from Audits

JG

(cases)

	2013		2014	
	Problems found from internal environmental audits	Problems found by third-party certification institutes	Problems found from internal environmental audits	Problems found by third-party certification institutes
Major non-conformance	3	0	0	0
Minor non-conformance	37	0	24	0
Items improved	194	9	157	7
	2015		2016	
	Problems found from internal environmental audits	Problems found by third-party certification institutes	Problems found from internal environmental audits	Problems found by third-party certification institutes
Major non-conformance	0	0	2	0
Minor non-conformance	17	0	13	0
Items improved	136	6	130	9
	2017			
	Problems found from internal environmental audits	Problems found by third-party certification institutes		
Major non-conformance	3	0		
Minor non-conformance	28	0		
Items improved	149	13		

Ratio of Employees Belonging to Facilities That Obtained ISO 14001 Certification

OJG

(%)

	2013	2014	2015	2016	2017
Japan	100	100	100	100	100
Overseas	84	91	93	96	96

New Value Creation

Research and Development Expenses OJG

(billion yen)

	2013	2014	2015	2016	2017
Research and Development Expenses	40.2	42.9	46.1	53.9	62.1

Number of Patent Applications D

(cases)

	2012	2013	2014	2015	2016
Japanese applications	898	1,136	948	787	780
Overseas applications	378	344	344	329	352

Customer Satisfaction

Improvement in Customer Satisfaction*

	2015	2016	2017
Japan	1.00	1.07	1.11
China	1.00	1.00	1.01
Singapore	1.00	1.03	1.03
Italy	1.00	1.01	1.00

* Progress rate of after-sales services, regarding the base year 2015 as 1.00.

Customer Satisfaction with After-Sales Service* **D**

	2013	2014	2015	2016	2017
Overall satisfaction	4.06	4.10	4.05	4.34	4.49

* Results from surveys sent to a random sampling of customers within two weeks after a Daikin product is fixed. A weighted average of a five-stage assessment.

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

(thousands)

	2013	2014	2015	2016	2017
Repair inquiries	767	715	736	771	765
Technical advice	735	699	674	723	796
Parts inquiries	324	318	312	323	295
Others	42	44	48	39	18
Total	1,867	1,776	1,770	1,856	1,874

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

(thousands)

	2013	2014	2015	2016	2017
Repair inquiries	573	542	533	764	815
Technical advice	68	59	46	50	69
Parts inquiries	116	94	88	127	139
Total	757	695	667	941	1,024

Human Resources

Employees

Employee Composition*

D

	2013		2014		2015		2016		2017	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Number of employees	6,810	1,084	6,839	1,151	6,844	1,189	6,896	1,232	7,002	1,286
Average range of services (years)	16.4	10.3	16.6	10.3	16.7	10.5	16.9	10.8	17.3	11.3
Average age	41.6	34.6	41.5	34.5	41.3	33.8	41.0	34.1	42.2	35.1
Number of managers	951	22	957	29	984	36	1,013	47	1,030	53
Number of board members	47	1	46	1	48	1	49	1	48	1
Number of foreign nationals	38	20	47	29	52	21	48	25	52	28

* Includes employees on loan

Note: Figures as of fiscal year-end

Employee Make-up by Region*

OJG

	2013		2014		2015	
	Number of companies	Number of employees	Number of companies	Number of employees	Number of companies	Number of employees
Daikin Industries, Ltd. (Only)	1	6,733	1	6,845	1	6,870
Domestic Group (Excluding Daikin Industries, Ltd.)	28	4,707	28	4,729	28	4,848
China	33	16,857	32	19,044	33	18,791
Southeast Asia, Oceania	40	10,739	38	10,593	38	11,237
Europe, Middle East, Africa	57	6,605	58	6,774	59	7,175
North America, Latin America	51	10,599	54	11,194	55	11,884
Total	210	56,240	211	59,179	214	60,805

	2016		2017	
	Number of companies	Number of employees	Number of companies	Number of employees
Daikin Industries, Ltd. (Only)	1	6,891	1	7,036
Domestic Group (Excluding Daikin Industries, Ltd.)	27	4,843	28	4,976
China	33	19,391	32	18,599
Southeast Asia, Oceania	39	12,208	49	14,250
Europe, Middle East, Africa	77	8,494	80	9,227
North America, Latin America	69	15,209	80	16,175
Total	246	67,036	270	70,263

* Figures as of fiscal year-end

Number of Employees Leaving, Employee Turnover **D**

	2013	2014	2015	2016	2017
Men	236	247	254	245	246
Women	56	48	59	50	68
Total	292	295	313	295	314
Employee turnover	3.7%	3.7%	3.9%	3.6%	3.8%

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

D

	2013	2014	2015	2016	2017
Men	170	179	174	187	181
Women	92	80	83	86	97
Total	262	259	257	273	278
Women as % of all employees	35.1%	30.9%	32.3%	31.5%	34.9%

* Number of people joining the company on April 1

Development of Human Resources

Human Resources Development of Manufacturing **D**

	2015	2016	2017
The ratio of Excellent or Advanced Skilled Engineers* ¹ in Manufacturing (%)	28.0	28.0	29.5
Ratio* ²	1 in 3.6 employees	1 in 3.6 employees	1 in 3.4 employees

*1 High-skilled engineers with knowledge and leadership

*2 One out of every-employees is Excellent or Advanced Skilled Engineer

Workplace Diversity

Percentage of Women in Management Positions D

	2014	2015	2016	2017
Number of Female Managers	29	36	47	53
Females as Percentage of all managers	2.9%	3.6%	4.4%	4.9%

Number of Overseas Bases Where Local Nationals are Presidents and Executives

OG

	2013	2014	2015	2016	2017
Number of Bases Where Local Nationals are Presidents and Executives	37	40	42	46	46
Number of Overseas Bases Where Local Nationals are President	27	31	31	33	32
Number of Overseas Bases Where Local Nationals are Executives	59	63	63	71	67

Percentage of Overseas Bases Where Local Nationals are President and Executives

OG

(%)

	2013	2014	2015	2016	2017
Percentage of Overseas Bases Where Local Nationals are President	40.9	53.4	50.8	52.4	46.4
Percentage of Overseas Bases Where Local Nationals are Executives	43.4	45.7	46.7	50.0	47.9

Number of Re-employed Workers and Percentage of Re-employed after Retiring

D

	2013		2014		2015		2016		2017	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Number of retirees	136	4	105	6	123	7	97	3	100	2
Number of re-employed workers	120	4	96	6	103	5	88	3	88	2
Percentage re-employed after retiring	88.6%		91.9%		83.1%		91.0%		88.2%	

Number of People with Disabilities Employed and Employment Rate*1

JG

	2013	2014	2015	2016	2017
Number of people with disabilities employed	294	297	303	308	327
Employment rate of people with disabilities*2	2.07%	2.19%	2.15%	2.19%	2.28%

*1 Legally, one severely disabled person employed is counted as two people with disabilities.

*2 Employment rate of people with disabilities = number of people with disabilities employed / number of people employed

Note: Figures as of fiscal year-end

Occupational Safety and Health

Frequency Rate*1 OJG

	2014	2015	2016	2017
Daikin Group (Including Overseas)	1.94	1.90	1.50	1.33
Japan (Manufacturing Industry Average)	1.66	1.61	1.63	1.66
U.S. (Average for All Industries)*2	16.0	15.0	14.5	-

*1 This shows the frequency of work-related calamities, expressed in number of casualties for every 1,000,000 working hours.

Frequency rate = Number of calamities by industrial injuries / Total actual working hours × 1,000,000

*2 Fiscal 2017 data for the U.S. was not released (as of end of June 2018)

Calculated based on data from U.S. Bureau of Labor Statistics (October 2017)

Frequency Rate D

	2013	2014	2015	2016	2017
Daikin Industries	0.06	0.25	0.19	0.19	0.00
National average for all industries	1.58	1.66	1.61	1.63	1.66
National average for manufacturing industry	0.94	1.06	1.06	1.15	1.02

Note: This shows the frequency of work-related calamities, expressed in number of calamities for every 1,000,000 working hours.

Frequency rate = Number of calamities by industrial injuries / Total actual working hours × 1,000,000

Severity Rate D

	2013	2014	2015	2016	2017
Daikin Industries	0.01	0.00	0.00	0.00	0.00
National average for all industries	0.10	0.09	0.07	0.10	0.09
National average for manufacturing industry	0.10	0.09	0.06	0.07	0.08

Note: 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

Work-Life Balance

Number Taking Childcare Leave D

		2013	2014	2015	2016	2017
Number taking childcare leave	Men	120	130	128	178	257
	Women	88	101	112	136	131
	Total	208	231	240	314	388

Number Taking Family Care Leave D

		2013	2014	2015	2016	2017
Number taking family care leave	Men	2	2	0	1	2
	Women	1	1	0	0	2
Total		3	3	0	1	4

Percentage of Employees Taking All Paid Leave D

(%)

	2013	2014	2015	2016	2017
Percentage of Daikin Industries, Ltd. employees	94.4	94.8	94.8	96.7	93.5
Percentage of Japanese workers in the manufacturing industry (according to Ministry of Health, Labour and Welfare)	57.6	58.7	54.7	55.4	59.9

Average Hours of Overtime per Employee D

(hours)

	2013	2014	2015	2016	2017
Hours	227.50	205.60	201.70	205.40	209.70

Periodic Health Checkup Results D

(%)

	2013	2014	2015	2016	2017
Percentage of employees taking checkup	97	98	99	99	99
Percentage of employees requiring treatment	61	53	72	69	53

Labor-Management Relations

Ratio of Union Member D

(%)

	2016	2017
Percentage of Employees in Union	87	86

Communities

Expenditure for social contribution Activities OJG

(million yen)

	2013	2014	2015	2016	2017
Total	1,175	1,220	1,286	1,548	1,623

Shareholders and Investors

Consolidated Sales by Business Segments (consolidated)

(%)

	2013	2014	2015	2016	2017
Air Conditioning/Refrigeration Equipment	89.3	89.3	89.5	89.8	89.6
Chemicals	7.9	7.8	7.9	7.7	8.0
Oil Hydraulics, Defense Systems, and Electronics	2.8	2.9	2.6	2.5	2.4

Consolidated Sales by Region (consolidated)

(%)

	2013	2014	2015	2016	2017
Japan	28.9	26.0	24.6	25.4	23.7
China	18.1	18.5	17.1	16.1	16.7
Asia and Oceania	13.4	14.2	14.9	14.8	15.2
Europe, Middle East, and Africa	16.9	15.8	16.7	16.3	17.5
North America, Latin America	22.7	25.5	26.7	27.4	26.9

Net Sales

(billion yen)

	2013	2014	2015	2016	2017
Consolidated	1,787.7	1,915.0	2,043.7	2,044.0	2,290.6
Non-consolidated	503.7	477.6	500.4	505.6	527.8

Total Assets

(billion yen)

	2013	2014	2015	2016	2017
Consolidated	2,011.9	2,264.0	2,191.1	2,356.1	2,490.0
Non-consolidated	1,264.8	1,346.7	1,308.3	1,363.9	1,448.4

Ordinary Profit

(billion yen)

	2013	2014	2015	2016	2017
Consolidated	155.6	194.2	209.5	231.0	255.0
Non-consolidated	44.6	75.7	86.5	141.5	135.6

Fiscal Year End Stock Prices

(yen)

	2013	2014	2015	2016	2017
Fiscal year end stock prices	5,782	8,046	8,412	11,185	11,735

Operating income margin (consolidated)

(%)

	2013	2014	2015	2016	2017
Profit rate	8.7	10.0	10.7	11.3	11.1

Dividends

(yen)

	2013	2014	2015	2016	2017
Dividends	50	100	120	130	140

Breakdown of Shareholders

	2013			2014		
	Number of voters	Shares held	As Percentage of all shareholders	Number of voters	Shares held	As Percentage of all shareholders
Financial institutions	139	124,217,630	42.4	146	128,490,830	43.8
Securities companies	84	10,276,183	3.5	79	7,541,543	2.6
Other corporations	558	33,388,138	11.4	516	33,322,051	11.4
Foreign corporation	586	104,370,042	35.6	672	105,460,144	36.0
Individuals, other	33,431	20,861,980	7.1	28,443	18,299,405	6.2
Total	34,798	293,113,973	100.0	29,856	293,113,973	100.0
	2015			2016		
	Number of voters	Shares held	As Percentage of all shareholders	Number of voters	Shares held	As Percentage of all shareholders
Financial institutions	152	140,252,048	47.9	152	136,770,197	46.7
Securities companies	73	8,047,833	2.7	68	5,602,113	1.9
Other corporations	513	30,800,241	10.5	490	29,974,441	10.2
Foreign corporation	689	97,020,517	33.1	828	106,279,164	36.3
Individuals, other	27,500	16,993,334	5.8	22,608	14,488,058	5.0
Total	28,927	293,113,973	100.0	24,146	293,113,973	100.0
	2017					
	Number of voters	Shares held	As Percentage of all shareholders			
Financial institutions	173	139,226,030	47.5			
Securities companies	63	3,043,818	1.0			
Other corporations	514	29,224,321	10.0			
Foreign corporation	885	107,016,161	36.5			
Individuals, other	25,000	14,603,643	5.0			
Total	26,635	293,113,973	100.0			

Dividends to Shareholders Equity

(%)

	2013	2014	2015	2016	2017
Dividends to shareholders equity	39.9	45.3	46.3	47.2	52.1

Voting Rights Exercised

	2013	2014	2015	2016	2017
Voting rights exercised (%)	82.07	83.24	85.68	86.75	89.53
Votes cast over the Internet	1,337,000	1,443,620	1,495,992	1,596,419	1,744,888
Shareholders voting online	868	923	902	921	1,020

Business / Financial Data (Consolidated)

	2013	2014	2015	2016	2017
	Years ended March 31, 2014	Years ended March 31, 2015	Years ended March 31, 2016	Years ended March 31, 2017	Years ended March 31, 2018
Net Sales (billion yen)	1,787.7	1,915.0	2,043.7	2,044.0	2,290.6
Operating Income (billion yen)	156.5	190.6	217.9	230.8	253.7
Ordinary Income (billion yen)	155.6	194.2	209.5	231.0	255.0
Net Income (billion yen)	92.8	119.7	137.0	153.9	189.1
Earnings Per Share (yen)	318.33	410.19	469.23	526.81	646.53
Overseas Business Ratio (%)	71	74	75	75	76
Free Cash Flow (billion yen)	86.9	60.2	78.3	52.3	51.2
Return on Assets (%)	4.9	5.6	6.3	6.8	7.8
Return on Equity (%)	13.1	13.1	13.4	14.5	15.7
Shareholders' Equity Ratio (%)	39.9	45.3	46.3	47.2	52.1
Plant-and- Equipment Investment (billion yen)	59.4	78.4	112.7	90.3	96.6
Research & Development Costs (billion yen)	40.2	52.8	46.1	53.9	62.1
Liability with Interest Ratio (%)	34.5	29.3	27.8	25.9	22.3

Governance

Number of Executives and Breakdown* D

			2017	2018
Executives	Internal	Men	8 (non-Japanese 1)	7 (non-Japanese 2)
		Women	0	0
	External	Men	2	2
		Women	1	1
	Total		11	10

* Current as of June 2018

Number of Auditors and Breakdown* D

			2017	2018
Auditors	Internal	Men	2	2
		Women	0	0
	External	Men	2	2
		Women	0	0
	Total		4	4

* Current as of June 2018

Number of Board of Directors' Meetings and Average Attendance D

	2017
Number of meetings	16
Average attendance of Board of Directors' meetings and Audit & Supervisory Board meetings (%)	84

Average Appointment Term for Directors D

	2017
Average appointment term	7 years and 2 months

Make-up of Human Resources Advisory Committee and Compensation Advisory Committee*

D

			2016	2017
Human Resources Advisory Committee and Compensation Advisory Committee	Internal directors	Men	1	1
		Women	0	0
	External directors	Men	2	2
		Women	1	1
	Executive officers	Men	1	1
		Women	0	0

* Current as of June 2017

The vesting for variable CEO Compensation

D

Period During Which CEO's Change in Compensation is Based On	Maximum 1 year
--	----------------

Median or mean annual compensation of all employees CEO and tis ratio

D

	2016	2017
CEO's annual compensation (million yen)	250	250
Median employees compensation (million yen)	7.2	7.4
CEO-to-employee pay ratio (CEO : Employee)	35:1	35:1

Executive Compensation*

D

		2014	2015	2016	2017
Directors	Number	13	12	15	11
	Amount of compensation (million yen)	1,185	1,284	1,262	1,298
Audit & Supervisory Board Member	Number	4	5	5	4
	Amount of compensation (million yen)	90	94	94	93
Total	Number	17	17	20	15
	Amount of compensation (million yen)	1,275	1,378	1,356	1,391

* About compensation amounts

For fiscal 2014, the compensation amount for the term of office of one director who retired is included.

For fiscal 2015, the compensation amount for the term of office of one auditor who retired is included.

For fiscal 2016, the compensation amount for the term of office of one auditor and four director who retired is included.

Corporate Officers with Compensation Over 100 Million Yen (Fiscal 2017)

D

Name	Total compensation (million yen)	Category	Company	Total of different types of compensation (million yen)		
				Base compensation	Stock options	Bonus
Noriyuki Inoue	410	Director	Daikin Industries, Ltd.	263	29	116
Masanori Togawa	273	Director	Daikin Industries, Ltd.	166	29	76
Ken Tayano	170	Director	Daikin Industries, Ltd.	99	14	45
		President	Daikin (CHINA) Investment Co., Ltd. (Consolidated subsidiary)	11	-	-
Masatsugu Minaka	132	Director	Daikin Industries, Ltd.	8	14	36
		Director	Daikin Europe N.V. (Consolidated subsidiary)	72	-	-
Jiro Tomita	147	Director	Daikin Industries, Ltd.	92	14	40
Takashi Matsuzaki	109	Director	Daikin Industries, Ltd.	66	11	32

Accounting Auditor Compensation

D

	2017
Auditing expenses	243 million yen

Starting Salary*

D

(yen)

	2014	2015	2016	2017	2018
University grad	220,000	225,000	225,000	225,000	225,000
Masters	239,800	244,800	244,800	244,800	244,800
PhD	263,800	268,800	268,800	268,800	268,800

* Figures are those during April of each year.

Major Legal Violations

OIG

(cases)

	2016	2017
Number of Major Legal Violations	0	0