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| Location | Waller, Texas, U.S.A. (near Houston) |  |
| Site area | 2,000,000m ² | |
| Established | May 2016 | |
| Employees | 8,000 | |
| Main products | Heating and cooling products (for residential and commercial use) | |
| ISO 9001 certified | April 2007 | |
| ISO 14001 certified | March 2010 | |
| Green Heart Factory certified | Month 0000 rank: Bronze | |

Environment: Efforts to Reduce Environmental Impact

On August 1, 2019 the Daikin Texas Technology Park took a huge step toward reducing plastic pollution. All styrofoam containers, plastic cold drink lids, straws and single use plastic utensils were eliminated from the main cafeteria, the cafe and POD breakrooms. Team members are encouraged to eliminate waste all together by utilizing the dishware currently offered in the DTTP cafeteria, or if they choose a to-go container, we are pleased to announce that are now biodegradable. This action will eliminate tons of plastic waste annually, and was followed in December by the removal of single use disposable cups from the employee breakrooms.



Team members from DTTP worked with Quietflex and our container suppliers to reduce wrapper packaging. Annually we ship 23,000 large cardboard wrapper boxes and with them, 7,667 wooden pallets. Together this equates to more than 400 tons of waste sent off-site. The implementation of this returnable rack program eliminates this packaging and avoids an estimated 1,150 tons of CO₂e emissions.



Environment: Activities to Protect Biodiversity



For the third year in a row, our Daikin Team members were out in the community celebrating Earth Day by sharing our vision about environmental responsibility. Our team created living laboratories by sharing interactive presentations with Waller Independent School District students at H.T. Jones Elementary School, Roberts Road Elementary School and Cypress Montessori School. This year's Earth Day activities focused on animal habitats, biodiversity, water conservation, recycling, and pollution prevention to show the importance of caring for the earth and protecting our environment! Students learned about interdependence of many species and ecosystems. Specific presentations were shared about animal habitats, beneficial insects, plants that attract pollinators, and the impacts of pollution.



The large bales of hay that have appeared on our grounds! That's because we've dedicated 100 acres of our land to agricultural production. This year's crop produced 97 bales of ryegrass in just one cutting, which not only benefits our community by providing a sustainable food source for livestock, it also allows the DTTP to preserve our agricultural exemption and reduce property tax rates year after year.



Environment: Environmental Communication Examples

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On 06/05 2019, the DTTP welcomed local vendors, recycling partners, community leaders and neighbors to our state-of-the-art campus for World Environment Day to share our vision of protecting the environment!

World Environment Day is the United Nation's most important day for encouraging worldwide awareness and action for the protection of the environment. In an effort to raise awareness for environmental sustainability and challenge our stakeholders, the full-day event included engaging activities as well as an interactive lunch featuring exhibits designed to provide hands-on knowledge about the environment. During the event, Daikin educated participants about energy conservation, our products, and the challenge of climate change.

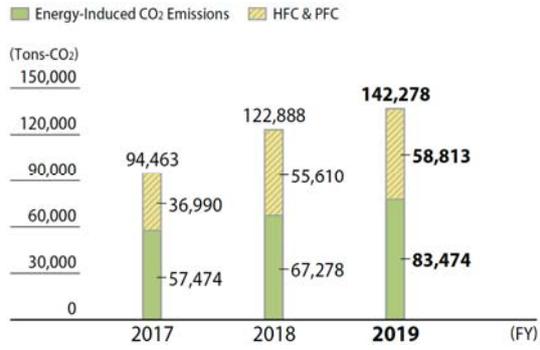


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This year, DTTP hosted our 2nd Annual "Take Our Daughters and Sons to Work" day! Close to 6th and 7th grade 50 children of our employees spent the day at the DTTP learning more about the important work their parents do at Daikin to support our products! Children began their day with a tour, followed by safety demonstrations and the opportunity to practice hands on manufacturing skills in our Dojos. The afternoon featured a highly anticipated Japanese cultural activity – known as Super Ball. Children enjoyed a budgeting game hosted by our partners at Wells Fargo, a mini tour of our showrooms, engineering lab experiments organized by our Reliability team, and a recycling activity hosted by our "Green Team" followed by a composting exercise led by our community partners at the Waller County Master Gardeners Association! It was a special day for both the participants and our employees.



Environment: Environmental Performance Data

■ Greenhouse gas emissions



Customers Satisfaction: Efforts to Improve Product Quality

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Daikin is always looking to exceed the expectations of our customers, our new VRV IV X heat recovery systems adapt Daikin's industry leading VRV technology to the unique North American HVAC market. It is the industry's first VRV/VRF system to be engineered and assembled in North America! Our employees expressed enthusiasm for the part they play in assembling the latest cutting edge product to join the VRV family that also has its engineered beginnings right here as well. Our VRV IV heat recovery unit uses highly efficient and innovative technology to reduce energy consumption while providing a total climate solution. We are also pleased to announce that the unit made its debut at the AHR Expo 2020 in Orlando, FL.



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To celebrate World Quality Month, 30 teams from diverse functions throughout the company competed in a B Kansa Contest. B Kansa is a term used at Daikin for a quality audit that identifies something that is non-functional. Typically, the evaluation encompasses cosmetic issues (dings, dents, scratches), component installation, and wire routing/installation.



Customers Satisfaction: System to Reflect Customer Needs

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One of the local environmental challenges facing our employees and neighbors in the cities of Waller and Hockley is the proximity to recycling outlets. Many residents have reached out to Daikin asking for our help expanding access to recycling. In response to our employees, DTTP partnered with Technocycle to host an e-waste recycling event. Employees were allowed to bring e-waste from their homes to be recycled. Daikin is proud to sponsor this pollution prevention effort. When electronics end up in landfills, toxics like lead, mercury, and cadmium leach into the soil and water. Events like this helps to ensure that the material is properly recycled and does not pose a hazard to the environment. Together we were able to collect more than nine tons of e-waste. In FY2020 DTTP plans to open this event to our neighbors.





As an effort to continue developing community partnerships, we hosted our fourth “Neighbor’s Night” at the DTTP! Through events like this we are able to have dialogue and social interaction with our community. During the festive event, more than 160 community members were entertained by our very own Daikin Band before a presentation about our community efforts. Our guests finished the evening with an experiential tour of the DTTP, where our guests gained first-hand knowledge about our world class HVAC ! More than 60 colleagues – from diverse functions across the company helped host our guests!



Human Resources: Training for Employees



In June of 2019, the Service Technician of Excellence Program (STEP) was launched via the Daikin Service Department. The Technical Service Managers (TSMs) facilitated these aggressive, advanced service skills training boot camps. Over the past year, the team has experienced enhanced levels of service skills, analytical thinking and troubleshooting ability. This course will help build a truly strong technical support team and supply them with all of the skills they need to succeed out in the field; and, there is no better way to promote the Daikin brand than with top notch customer service!



Technical Services Managers are a vital part of post-sales support. These technicians support the manufacturer’s representatives, distributors and Daikin Comfort Pros (DCPs) across North America. TSMs provide support to end users for all Daikin branded products and are trained to the highest levels and standards within Daikin North America by the Managers of Technical Services. They provide commissioning, troubleshooting and training on the entire Daikin product line which includes integrated controls, VRV, and residential unitary split systems. Daikin’s inverter technology and vast product line offerings require an intensive training program in order to create and maintain an elite field support team.



Throughout the year, Daikin host free training seminars and activities that provide employees with tools to improve their finances, physical and mental health and overall wellness. Topics range from securing a home mortgage to diabetes prevention and management to opioids awareness to men's health to stress and burnout prevention.



Human Resources: Promoting Diversity



Daikin was proud to support the Japan Festival this past weekend at Hermann Park. Thank you to the more than 70 Daikin team members who volunteered during the course of the two day event to organize the Japanese cultural activities and games for kids! One of the most attended events of its type across the entire United States, the Japan Festival brings about a reaffirmation of a commitment to Japanese and Japanese-American traditions, both old and new. This year, Daikin partnered with Japanese entities to sponsor musical entertainment for the event: a trio from Japan, representing a unique fusion of both Japanese and Western instruments.



Leadership Team Imparts Wisdom with Interns During Interactive Panel Session. Daikin's 2019 summer interns were invited to meet with members of our senior leadership team to discuss the culture, diversity, history and the future direction of our company. In attendance at the session were:

Takeshi Ebisu - Former President and CEO

John Green - VP Logistics

Satara Henry - Director of Environment

Michelle Jack - VP General Affairs

James Kistler - VP Design Engineering

Erica Paschal - VP Procurement

Kristi Pittman - VP Human Resources

Billy Shipley - VP CEO Staff



During the panel, interns had the opportunity not only to learn more about our company directly from members of our leadership team, they also had the chance to hear more about our People-Centered Management philosophy (PCM), which is Daikin's belief that the foundation of our company's growth is based on the individual growth of each of our team members.

Human Resources: Efforts to Occupational Safety and Health

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Daikin is proud to announce that the Daily Personal Protective Equipment (PPE) checks have gone electronic! As our #1 core value, the safety of our employees is always at the forefront of what we do. That is why every day, Supervisors, Managers and Leads formally verify that each person under their area of responsibility is wearing the correct PPE, and that their PPE fits correctly and is in good condition. Previously, this inspection was documented manually. As you can imagine, with more than 6,000 employees, this process generates an enormous amount of paper each day.



Turning this activity into a paperless process represents a huge positive impact for the environment. To put it in perspective, this action is the equivalent of saving 48 trees, or 455 gallons



of oil, conserving 4810 hours of electricity or 14,411 gallons of water. It will also result in saving on average, of more than 30 tons of greenhouse gas emissions. And, the benefits continue by reducing the administrative burden of tracking PPE sheets and making the auditing and data retrieval processes more accurate and efficient.

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Daikin Texas Technology Park invited 3rd graders from the Japanese School of Houston for a tour which included a presentation at the Safety Dojo.



Communities: Environmental Protection Activities



On Earth Day, April 22, 2019 Daikin Texas Technology Park issued a 39-day ECO-Challenge to all DTTP, QBU, GBU and DBU employees. 20 teams worked together and completed more than 150 environmentally focused missions. Teams scored points for completing missions and competed against each other to make the largest global environmental impact. Teams were also encouraged to use social media and other platforms to raise awareness and expand their reach. Missions addressed environmental challenges such as pollution, biodiversity, awareness, and conservation. The results of the ECO-Challenge were highlighted as part of Daikin's World Environmental Day Celebration.



At the DTTP, our employees are committed to building trustworthy relationships with the local community. Focused on protecting the environment, strengthening education and living in harmony with our community, close to 700 employees from the DTTP contributed to more than 1,000 volunteer hours that benefited the community and impacted social issues. DTTP is an official participant in the Adopt-A-County Mile program, we adopted the 1.8 mile stretch of the roadways surrounding our Waller, TX campus. More than 50 Daikin team members and all of our summer interns braved the heat to fill more than 70 trash bags full of waste and helped keep the streets surrounding our campus clean! Employee participation in "green" programs like this one is an important part of the success of our environmental initiatives.



Communities: Support for Educational Activities



The Daikin leadership team as well as community figures representing Waller were in attendance to welcome our HomeStay participants back and to listen to them talk about their experience overseas and what they learned. Before leaving on their trip, one key piece of advice that Michelle Jack, VP General Affairs, suggested to the participants was



to focus on “finding the similarities in Japan, not the differences.” Taking her suggestion to heart, participants were surprised that to discover that while in Japan, they indeed found more that is similar than different, from the culture to the music, and to the people their age with whom they interacted during their stay abroad. While many of the people they met shared some significant initial differences such as their respective native languages, they really enjoyed discussing many of the values they hold in common while exchanging their stories and sharing the traditions which make them unique.



For the third year in row, through a partnership with Waller ISD, Daikin sponsored an environmentally themed art contest for all local fifth graders with the goal of encouraging these young citizens to share and grow in our commitment of respecting and preserving the environment. This year’s theme was “Protect Our Species.” DTTP hosted a reception for the winners of the Daikin Art Contest, and their families, so they could view their artwork displayed in our facility!



Communities: Other Regional Activities



Daikin team members, alongside Habitat for Humanity Northwest Harris County, helped a family build a new home in Tomball, TX. This particular build was a “truss build,” which is exciting because it means our volunteers got to help install the giant triangular trusses which form the structural framework providing support for the home’s roof!



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The 3rd Annual School Supply Drive for Turlington Elementary was a huge Success! Thanks to the employees from Daikin Texas Technology Park, we contributed \$2,500 worth of cash and school supplies.



External Evaluation: Awards

■ Recycling Award Leader in Sustainability

Host Organization:
Federal International
Recipient:
Goodman Manufacturing Daikin



■ Daikin Green Heart Factory Bronze

Host Organization:
Daikin
Recipient:
DTTP



■ Recycling Program Award

Host Organization:
R3 Industrial
Recipient:
Daikin

