

TOTO Group Value Creation Model

The TOTO Group conducts corporate activities with the aim of continuing to provide greater contributions to society and the environment. To achieve this goal, we are taking steps toward integrating our management and CSR activities. We are also working to create value for our stakeholders while leveraging our strengths and, as we continue to create value through our value chain, we will spread this value throughout society at large by way of our social contribution activities.

Capital Input

Financial capital

Optimal management resources

Net assets	¥373.2 billion
Total assets	¥646.0 billion
Equity ratio	56.7%

Intellectual capital

R&D toward TOTO “Only One” technologies

R&D costs	¥22.4 billion
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Manufactured capital

Global expansion of production sites

Number of production sites

Japan	20 sites
Overseas	19 sites

Human capital

Diverse human resources sharing our Corporate Philosophy

Number of consolidated employees	33,800
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Social / relationship capital

Relationships of trust with stakeholders cultivated through our rich history

Natural capital

Resources with care for a sustainable society

Total energy consumption	6.4 PJ
Amount of raw materials used	564 thousand tons

- Global Housing Equipment Business
- New Business Domains

Growth Strategy
WILL2030

Integration of
management and CSR

TOTO Global
Environmental Vision

Strength 1

Advanced fusion of design and functionality



Strength 2

Creating new value through independently developed technologies

EWATER+	RIMLESS TORNADO FLUSH	CEFIONTECT	HYDROTECT
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Strength 3

Advanced production technology and global supply system

Outputs

Strength 4

Providing high-quality products and services

Communication

Showroom proposals

Products (sustainable products) sales channels

Quality in assembly

After-sales services

TOTO Water Environment Fund

Volunteer activities

TOTO GALLERY-MA

TOTO Museum

Cleanliness and Comfort

3 GOOD HEALTH AND WELL-BEING	5 GENDER EQUALITY
6 CLEAN WATER AND SANITATION	11 SUSTAINABLE CITIES AND COMMUNITIES

Environment

6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY
13 CLIMATE ACTION	15 LIFE ON LAND

Relationships

5 GENDER EQUALITY	8 DECENT WORK AND ECONOMIC GROWTH
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	17 PARTNERSHIPS FOR THE GOALS

New Value Creation

(Results from fiscal 2020)

Social Value

Environmental Value

KPIs

Percentage of sustainable products

69%

(Japan: 74%, Overseas: 56%)

Reduction in water consumption during product use

0.9 billion m³

Total CO₂ emissions from business sites

307 thousand tons

Stakeholder satisfaction

Employee satisfaction (Japan)	74 pt
Showroom satisfaction (Japan)	73 pt
Customer satisfaction in after-sales service	92 pt

Value Provided to Stakeholders

Customers

Offer lifestyles that go beyond expectations

Employees

Work lively and utilize individuality

Business partners

Coexist and grow together while contributing to society and the environment

Society

Realize a sustainable society

Economic Value

Net sales

¥577.8 billion

Operating margin

6.9%

Overseas sales ratio (housing equipment business)

25%

Shareholders

Earn trust and provide returns over the long term Dividends per share

¥70.0

<Provide comfortable and healthy lifestyles to all>
<Achieve a carbon-neutral and sustainable society>

Corporate Governance

Enhance value creation to strengthen the business foundation and return it to capital