

Fiscal 2016 Social data sheet

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Report Policy

Boundary

TOTO LTD. and 52 of consolidated subsidiary companies in Japan and overseas.

However, with respect to data for which the boundary of calculation is different, notes are described individually.

Period covered by this report

Fiscal year 2016 (Japan: April 1, 2016 to March 31, 2017/ Overseas: January 1, 2016 to December 31, 2016.)

Disaster Frequency covers the period from January 1, 2016 to December 31, 2016 for both Japan and overseas.

Independent Assurance

The fiscal year 2016 performance indicators with this tick mark have been assured by KPMG AZSA Sustainability Co., Ltd.

Social Performance Indicator

Status of employment

(Fiscal year)

Indicators	Unit	2 0 1 2	2 0 1 3	2 0 1 4	2 0 1 5	2 0 1 6
Group total number of employees	(no. of personnel)	-	-	-	31288	32455
Regular staff	(no. of personnel)	-	-	-	24173	26543
Contract staff	(no. of personnel)	-	-	-	5528	4308
Temporary staff	(no. of personnel)	-	-	-	1587	1604
Number of graduate recruits (Data for TOTO Group (Japan))	(no. of personnel)	205	247	279	294	305
Average length of service (Data for regular/contract employees of TOTO LTD.)	years	(Male) 18.7 (Female) 12.7	(Male) 19.3 (Female) 13.3	(Male) 19.0 (Female) 13.6	(Male) 20.5 (Female) 14.0	(Male) 20.4 (Female) 13.2
Employee turnover rate (Data for regular employees of TOTO LTD.)	%	1.2	1.1	0.8	0.8	0.9

Diversity

(Fiscal year)

Indicators	Unit	2 0 1 2	2 0 1 3	2 0 1 4	2 0 1 5	2 0 1 6
Ratio of female managers*	%	4.6	5.1	5.6	9.8	10.5
Number of persons with disabilities employed (Data for TOTO Group (Japan))	%	2.12	2.40	2.54	2.52	2.57

*: Actual results of TOTO Ltd. for the period from 2012 to 2014. Actual results of TOTO Group as a whole for 2015 and afterward.

Work-Life Balance

(Fiscal year)

Indicators	Unit	2 0 1 2	2 0 1 3	2 0 1 4	2 0 1 5	2 0 1 6
Work Hours *1						
Standard working hours per year	Hours per person	1,894.86	1,894.86	1,894.86	1,894.86	1,894.86
Hours actually worked per year	Hours per person	1915.49	1989.11	1,992.0	1,964.36	1,974.15
Percentage of Paid Holidays Taken *2	%	73.5	74.2	74.0	76.1	78.8

*1 Data for regular employees of TOTO LTD.

*2 Data for regular/contract employees of TOTO LTD.

Disaster Frequency

(Civil year)

Indicators	2 0 1 2	2 0 1 3	2 0 1 4	2 0 1 5	2 0 1 6
<input checked="" type="checkbox"/> TOTO Group Employees	0.13	0.19	0.29	0.19	0.27
<input checked="" type="checkbox"/> TOTO Group Contractors	0.15	0.00	0.28	0.14	0.13

*1 These indicators cover manufacturing and research & development sectors.

*2 Two equity-method affiliated companies (Voreto (Xiamen) Plumbing Technology Co., Ltd. and P.T. Surya TOTO Indonesia) that are subject to TOTO Group's management for safety and health, are included.

*3 "TOTO Group Contractors" cover contractors for TOTO Ltd. and its domestic subsidiary companies for 2015 and before, and TOTO Group's overall contractors from 2016.

Until 2015, contractors include those for operating company cafeteria(s), cleaning and security at TOTO Group's factories. Considering the Japanese way of thinking about the Industrial Safety and Health Act, contractors in the areas of company cafeteria, of cleaning and of security have been excluded from 2016.

Calculation method of Social Performance Data

Indicators	Calculation method
Group total number of employees	Calculated based on data as of the end of each fiscal year for Japan and the end of December every year for overseas
Number of graduate recruits	Data for TOTO Group(Japan)
Average length of service	Data for regular / contract employees of TOTO LTD.
Employee turnover rate	Data for regular employees of TOTO LTD.
Ratio of female managers	Percentage of women in management positions On a parent basis from 2012 to 2014 Positions calculated as managerial posts indicate the level of section chief and above, among regular employees. Calculated based on data as of April 1 of the following year (of each fiscal year) for Japan and the end of December for overseas
Ratio of employees with disabilities	Calculated based on the calculation standard for the mandatory proportion of jobs for handicapped people established in Japan Data for TOTO Group(Japan)
Standard Working hours per year	Data for regular employees of TOTO LTD.
Hours actually worked per year	Data for regular employees of TOTO LTD.
Percentage of Paid Holidays Taken.	Percentage of paid holidays actually taken by employees, among paid holidays newly granted to them every year (excluding carry-over ones) Data for regular / contract employees of TOTO LTD.
Disaster Frequency	Number of disaster victims per a million working hours

Independent Assurance Report



Independent Assurance Report

To the President, Representative Director of TOTO LTD.

We were engaged by TOTO LTD. (the “Company”) to undertake a limited assurance engagement of the social performance indicators marked with “☑” for the period from April 1, 2016 to March 31, 2017 (the “Indicators”) included in its Fiscal 2016 Social data sheet (the “Social data sheet”) for the fiscal year ended March 31, 2017.

The Company’s Responsibility

The Company is responsible for the preparation of the Indicators in accordance with its own reporting criteria (the “Company’s reporting criteria”), as described in the Social data sheet.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Indicators based on the procedures we have performed. We conducted our engagement in accordance with ‘International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information’ and the ‘Practical Guidelines for the Assurance of Sustainability Information’ of the Japanese Association of Assurance Organizations for Sustainability Information. The limited assurance engagement consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the Social data sheet, and applying analytical and other procedures, and the procedures performed vary in nature from, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:

- Interviewing with the Company’s responsible personnel to obtain an understanding of its policy for the preparation of the Social data sheet and reviewing the Company’s reporting criteria.
- Inquiring about the design of the systems and methods used to collect and process the Indicators.
- Performing analytical reviews of the Indicators.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company’s reporting criteria, and also recalculating the Indicators.
- Visiting four of the Company’s subsidiaries domestic and overseas selected on the basis of a risk analysis.
- Evaluating the overall statement in which the Indicators are expressed.

Conclusion

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Indicators in the Social data sheet are not prepared, in all material respects, in accordance with the Company’s reporting criteria as described in the Social data sheet.

Our Independence and Quality Control

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Control 1, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

KPMG AZSA Sustainability Co., Ltd.

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Osaka, Japan

June 5, 2017