

For Immediate Release**November 15, 2019
LIXIL Group Corporation**

LIXIL Sets New Sustainability Targets to Drive Its Contribution to the World



LIXIL's SATO social enterprise enables access to basic sanitation for a school in Trichy, India (©LIXIL Group)

Tokyo, Japan – LIXIL Group Corporation (LIXIL Group; TSE code: 5938), maker of pioneering water and housing products, today outlined its new sustainability targets. From enabling access to sanitation to striving for a circular economy and developing products based on its Universal Design concept, the new and updated targets define LIXIL's Corporate Responsibility commitments and contribution to the world through its business.

"The world expects more of companies and so do we at LIXIL. From our employees to our Board of Directors, we believe our purpose is to make better homes a reality for everyone, everywhere. We have accomplished a lot since we implemented our CR strategy in 2016, and today, we are proud to announce a new set of sustainability targets that will enable us to create true shared value, from improving sanitation worldwide to addressing climate change and making products to support one and all," said LIXIL Group CEO, Kinya Seto.

LIXIL Group's Corporate Responsibility strategy focuses on three key strategic pillars where it can make the biggest difference for stakeholders and the company alike. Aligned with the United Nation's

Sustainable Development Goals (SDGs), these pillars are Global Sanitation and Hygiene, Water Conservation and Environmental Sustainability, and Diversity and Inclusion.

As part of LIXIL Group's efforts to improve Global Sanitation and Hygiene, it will continue to cater to the needs of an estimated 2 billion people who do not have access to basic sanitation. LIXIL remains firmly committed to its goal of improving sanitation for 100 million people worldwide, but has extended its timeline for this target from 2020 to 2025. Despite not having met its initial deadline, the company has made significant progress, improving sanitation for an estimated 15 million people^[1] through its SATO social enterprise, which aims to become a self-sustaining business. It also collaborates with a range of organizations to facilitate the scaling up of its activities. As such, the company now has the infrastructure and expertise in place to accelerate its sanitation activities, working towards the new target.

On environmental sustainability, LIXIL Group recently achieved its carbon intensity target announced in FYE 2016 ^[2] two years ahead of plan. The company is accelerating its activities, and now commits to pursuing a net-zero carbon footprint and helping the world transition to a circular economy through its products by 2050, aligning itself with The Paris Agreement. Incorporating environmental sustainability in its business, LIXIL has also joined RE100, and is now moving towards adopting 100% renewable energy in its operations. In addition to minimizing the environmental impact of its own operations, it will also consider the life cycle of materials and its housing and lifestyle solutions, while leveraging its advanced technology to establish itself as a leading enterprise in water sustainability and resource circulation.

The third pillar of LIXIL Group's sustainability strategy, Diversity & Inclusion, has not been updated at this stage but is an area that the company is continuing to strengthen. From leveraging its differences to create new energy and engagement through an inclusive workplace by 2025, LIXIL Group also commits to ensuring all of its products and services in Japan are based on its Universal Design concept^[3] by 2030, enabling anyone and everyone to live comfortably.

Since first implementing its Corporate Responsibility strategy in 2016, LIXIL Group is today included in reputable indices such as the Dow Jones Sustainability World and Asia Pacific Indices, FTSE4Good, FTSE Blossom Japan, and MSCI Japan Empowering Women Index (WIN). It is also named in the CDP's Water A List and has won the Deputy Chiefs' Award at the Japan SDGs Award in 2018, in addition to other awards.

Find out more about LIXIL Group's Corporate Responsibility goals here as it strives to live up to its purpose: making better homes a reality for everyone, everywhere.

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^[1] Calculated on the assumption there is an average of five users for every SATO unit shipped

^[2] LIXIL Group Corporate Responsibility Report 2016 (pg19): https://www.lixil.com/en/sustainability/cr_library/pdf/LIXIL_CR2016_en_v1.pdf

^[3] Scope: Products and services in Japan (as of August 2019).

Note to Editors:

Below is a list of the goals of LIXIL Group's three strategic CR pillars:

Global Sanitation & Hygiene



Sanitation for All

By 2025, improve the livelihood of 100 million people through sanitation and hygiene initiatives

- Promote research and development of products that actively contribute to resolving sanitation issues
- Expand and ensure self-sustainability of businesses that improve sanitation in developing economies around the world
- Foster a range of initiatives to tackle global sanitation and hygiene issues across LIXIL's global business units.

Water Conservation & Environmental Sustainability



Zero Carbon and Circular Living

By 2050, achieve net-zero carbon emissions from housing and lifestyle solutions as well as operations, and become a leading manufacturer based on a model that preserves water and natural resources for future generations.

- Design products and services with consideration to lifecycle impacts and environmental efficiencies, and increase the sales share of this product portfolio
- Lower its environmental impact through efficient energy usage and adoption of recyclable energy to minimize carbon emission, realize higher water usage efficiency and resource circulation throughout all of its business operations

Diversity & Inclusion



Inclusive for All

By 2020, establish the culture of diversity and inclusion within our organization and among all employees, and by 2030, ensure all products and services* are based on LIXIL's Universal Design concept.

- Implement internal diversity initiatives around the world
- Promote the development of universal design products and services that are "Good for one, Good for all, Good for a lifetime"

* Scope: Products and services in Japan (as of August 2019)

About LIXIL

LIXIL makes pioneering water and housing products that solve everyday, real-life challenges, making better homes a reality for everyone, everywhere. Drawing on our Japanese heritage, we create world-leading technology and innovate to make high quality products that transform homes. But the LIXIL difference is how we do this; through meaningful design, an entrepreneurial spirit, a dedication to improving accessibility for all, and responsible business growth. Our approach comes to life through industry leading brands, including INAX, GROHE, American Standard, and TOSTEM. With

approximately 75,000 colleagues operating in more than 150 countries, we are proud to make products that touch the lives of more than a billion people every day.

LIXIL Group Corporation (TSE Code: 5938) is the listed holding company for LIXIL's portfolio of businesses.

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