

For Immediate Release**July 15, 2020****LIXIL Group Corporation**

LIXIL Included In FTSE4Good Index Series and MSCI Japan Empowering Women Index for a Fourth Consecutive Year

Tokyo, Japan – LIXIL Group Corporation (“LIXIL”, TSE Code: 5938), maker of pioneering water and housing products, announced today that it has been included in this year’s FTSE4 Good Index Series, a key index for socially responsible investment (SRI), and the MSCI Japan Empowering Women Index of Japanese companies, demonstrating exceptional measures in the area of gender diversity. This is the fourth year in a row LIXIL Group has been selected for inclusion in these indices.

**FTSE4Good****FTSE Blossom
Japan****MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)**

The FTSE4Good Index Series comprises firms recognized for their performance in all aspects of ESG (environmental, social, and governance), selected based on investment decision and risk analysis. Candidates are evaluated by an independent committee in more than 300 categories encompassing each of the three ESG pillars in order to determine the company’s risk exposure level and performance. LIXIL Group was also selected for inclusion in the FTSE Blossom Japan Index¹ of Japanese stocks.

The MSCI Japan Empowering Women Index (WIN) focuses on the “social” aspect of ESG, comprising companies with high proportions of female managers and employees. Companies that encourage the participation of women in the workplace, and actively recruit and promote women, are considered better placed to adapt to the challenges of Japan’s shrinking workforce.

Jin Montesano, Chief People Officer of LIXIL Group, said, “I am extremely pleased that LIXIL Group has been recognized again, for a fourth consecutive year. Our inclusion in these international indices reflects the progress LIXIL Group has made in advancing ESG activities and embedding this within our business operations. We believe that these ESG initiatives not only benefit our customers, business partners, communities, and other stakeholders, but also help employees take pride in LIXIL and enhance engagement. Going forward, by pursuing responsible corporate management and sustainable innovation, LIXIL Group will continue to make better homes a reality for everyone, everywhere.”

LIXIL Group’s Main ESG Measures

Interest in ESG investing is rising. Through its business activities, LIXIL is actively pursuing measures for corporate responsibility that help solve the issues facing society.

One of LIXIL's three strategic pillars for corporate responsibility is "Water Conservation & Environmental Sustainability." Based on its Environmental Vision 2050, LIXIL is working to reduce the environmental load in its business activities, offer environmentally responsible products and services, and help realize the transition to a circular economy.

One of its initiatives is the substantial reduction in factory waste volume: LIXIL Group has achieved a waste recycling rate of more than 95% in Japan and Europe. LIXIL's Nabari Plant in Mie Prefecture put in place a system to eliminate wood waste by selling the leftover wood scraps that had previously been processed as waste as biomass fuel. Furthermore, the Rayong Plant and Rangsit Plant in Thailand successfully began recycling the sludge, mold excess and ceramic waste they had been burying in landfills as raw material for concrete, achieving a recycling rate of 90.5% in the fiscal year ended March 2020. In addition to efforts such as these to reduce the waste generated directly from business activities, LIXIL is also promoting the use of sustainable materials. In 2018, GROHE began replacing the material used in its packaging with a more sustainable alternative, and by 2021 expects to eliminate up to 35 million units of plastic packaging.

In the area of Governance, LIXIL Group has appointed an outside director as chairperson of the Board of Directors. The company operates a governance structure with a Nomination Committee, Audit Committee, and Compensation Committee under the Board of Directors, and last year also additionally established a Governance Committee as a permanent committee to monitor and supervise corporate governance. Members and the Chairperson of each of these committees are Outside Directors. The Nomination Committee also announced details of strengthened processes for the selection of candidates for the Board of Directors and Executive Officers. In addition, the merger between LIXIL Group and LIXIL Corporation is scheduled to be completed in December 2020 to enhance the company's agility by enabling faster decision-making and improve group governance.

LIXIL Group also embraces Diversity & Inclusion, working to create an environment in which all people can thrive. The company is proactively shifting towards remote working and flexi-time systems, enabling employees to choose the working style that best fits their responsibilities and lifestyle. In addition, LIXIL Group's digital transformation is strengthening ties among employees around the world. In 2011, when LIXIL Group was created through the merger of major Japanese building material and equipment manufacturers, the proportion of female managers was just 0.9%. That has now been increased to 5.7%². The company set a goal of increasing the ratio of female graduate recruits at least 30% and have achieved this goal every year since 2014³, as well as focusing on training women to be leaders for the next generation.

Further, with many companies currently taking steps to reform their corporate activities from a human rights perspective, LIXIL Group has launched a new measure in cooperation with human rights NGOs and consultants to identify seven particular areas on which to focus with regard to human rights, and pursue business activities that respect such rights. By fiscal 2021, the company plans to conduct a human rights risk assessment of all employees in an effort to mitigate latent risks.

LIXIL has also made significant progress in its contribution to improving Global Sanitation & Hygiene, one of the company's Corporate Responsibility focuses. SATO, its innovative and affordable brand of toilet components, entered more than 10 new markets over the last 6 months, with a global presence in over 38 countries, providing basic sanitation for more than 18 million. The brand's latest innovation, SATO Tap is a

simple and affordable hand washing solution that was developed in response to the COVID-19 pandemic that continues to impact many of the underserved communities in the developing world. LIXIL has committed \$1M to support immediate and sustained hand-hygiene practices through the solution, to accelerate product roll-out while expanding partnerships such as Make a Splash! with UNICEF. The first SATO Taps will be manufactured in India, and will be available for partners in September 2020, with ramp up of production and retail availability through early 2021.

Learn more about LIXIL's [sustainability](#) and [corporate governance](#) practices on our global website.

Notes

1. The FTSE Blossom Japan Index is designed to measure the performance of Japanese companies with superior ESG practices. The proportion by industry type is the same as that of the Japanese stock market. The makeup of stocks is based on rules established according to existing international standards, including the UN's Sustainable Development Goals (SDGs).
- 2, 3. Data for LIXIL Corporation's operations in Japan

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About LIXIL

LIXIL makes pioneering water and housing products that are designed to 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. Over 70,000 colleagues operating in more than 150 countries 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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