Diversity and Inclusion Statement--Action, accountability, change

We are at a point in time where we all, as individuals and as companies, are forced to face some difficult truths on issues of diversity, equality and inclusion. The tragic death of George Floyd and the subsequent events, demonstrations and actions in the US and across the globe serve as a stark reminder that we must do more as society to put an end to racial injustices and inequality.

As a global company with operations in over 150 countries, we have committed ourselves to treating everyone fairly and equally. However, we must reflect and assess if we are truly doing all that we can to ensure equality and tolerance within our company and with our stakeholders.

As a first step, LIXIL is committed to a series of actions to drive change internally and with those that we do business. We commit to:

- Listening through open dialogue sessions and other channels to the voices of employees, to not only understand their concerns and perspectives on these issues, but to act on them.
- Accelerating diversity in representation, enhance hiring and promoting diverse talent, at all levels.
- Strengthening measures to embed equality and inclusivity across the organization, in order to retain diverse talent within the organization.
- Benchmarking and tracking metrics to enhance culture of inclusion and to strengthen pipeline of diverse talent at all levels.
- Demonstrating our commitments not only within LIXIL, but also to enhance focus on inclusion among stakeholders, including holding those with whom we do business accountable to our same standards.

We know that these steps require a significant effort and have many details and processes which we will need to develop and alone are not enough. We can only instill change by working harder to embed these practices in our workplace and create an environment of inclusivity and tolerance. Although we do not have all the answers, we are committed to seek out solutions and taking action.