

December 22, 2022

AIR WATER INC.

Acquisition of A- ratings in CDP Climate Change and Water Security Categories

AIR WATER INC. announces that on December 13, 2022, it received a Leadership Level "A-" rating from the Carbon Disclosure Project (CDP), an international environmental non-profit organization, for its advanced activities under the two themes of "Climate Change" and "Water Security."

1. CDP's scale

The CDP is an environmental non-governmental organization (NGO) established in the United Kingdom in 2000. It operates a global environmental disclosure system for corporations and municipalities. The CDP asks global companies and others to respond to questionnaires related to greenhouse gas emission reductions, water resource protection, and forest conservation. Based on the collected responses, it conducts an evaluation on an 8-point scale (A, A-, B, B-, C, C-, D, D-), which is then published. In 2022, collaborating with more than 680 institutional and other investors with assets under management reaching 130 trillion US dollars, approximately 20,000 organizations around the world, including more than 18,700 companies, representing half of the world's market capitalization, and over 1,100 municipalities disclosed data through the CDP.

2. The Group's environmental initiatives

To achieve both sustainable growth and social value, the Air Water Group is working to enhance its corporate value over the medium to long term based on its Sustainable Vision "Achieve a recycling-oriented society through coexistence with society and the Earth" with 2050 as its goal. In October 2021, we established the "Environmental Vision 2050 of the Air Water Group" and are undertaking group-wide activities to realize a "decarbonized society," "resource-recycling society," and a "society in which humanity and nature coexist."

In response to climate change, the Group has set a target of reducing greenhouse gas emissions (Scope 1 + Scope 2) by 30% in FY2030 compared to FY2020, with the aim of not only achieving carbon neutrality in its business activities but decarbonizing its entire supply chain. Moreover, the Group will contribute to achieving carbon neutrality in society mainly through a relentless focus on technological innovation, the collection of CO₂ and the use and application of renewable energy. The Group also expressed support for the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations in August 2021 and participated in the TCFD Consortium. In March 2022, the Group disclosed information consistent with the Recommendations.

With regard to water security, we have set the FY2030 target for water consumption per unit (freshwater consumption per unit of sales) at 10% below the FY2021 level, with the aim of effectively utilizing freshwater resources, and we are working on the basic policies of "reducing water withdrawal," "reusing cooling water and cleaning water" and "improving production processes."

We believe that the "A-" rating we received this time reflects recognition of these environmental initiatives of the Group. We will continue to make group-wide efforts to contribute to the environment in order to realize our Sustainability Vision.

[Contact for inquiries]

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