

## Announcement of “Rinnai Group’s Path to Becoming Carbon-Neutral”

Rinnai Corporation (head office: Nagoya City, Aichi Prefecture; president: Hiroyasu Naito) has formulated “Rinnai Group’s Path to Becoming Carbon-Neutral.”

### Background to Carbon Neutrality

In response to the growing sense of crisis about global warming around the world, the Japanese government and relevant industries are stepping up efforts to realize a decarbonized society. The Rinnai Group, which handles household appliances that mainly use fossil fuels, has also set targets for 2030 and adopted a corporate policy to realize a decarbonized society by 2050.

In the life cycle of Rinnai products, CO<sub>2</sub> emissions from product use account for an overwhelmingly large proportion. Accordingly, we recognize our responsibility to improve the environmental performance of the products we sell and promote the popularization of our environmentally friendly products. The table below shows our targets for CO<sub>2</sub> emissions from our business activities (product development, manufacture, and sale/distribution) and product use (usage and disposal) in the life cycle.

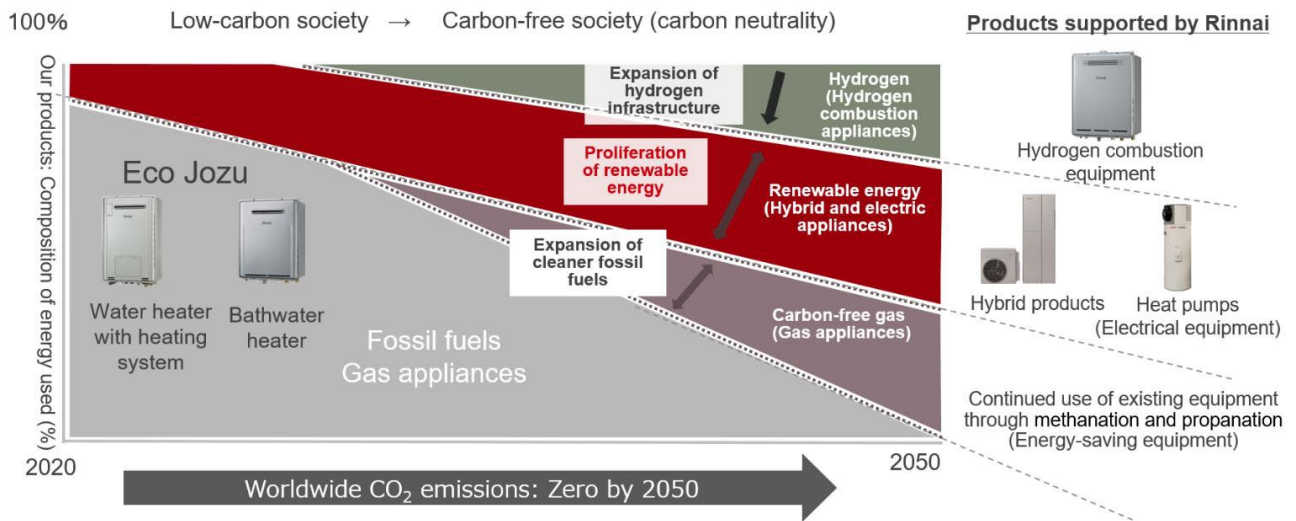
**CO<sub>2</sub> emission targets**

		2020 (result)	2030 (target)	2050 (target)
Business activities	Domestic	30,000 t-CO <sub>2</sub>	15,000 t-CO <sub>2</sub>	Zero
	Global	100,000 t-CO <sub>2</sub>	50,000 t-CO <sub>2</sub>	Zero
When products are used	Domestic	16,800,000 t-CO <sub>2</sub>	12,600,000 t-CO <sub>2</sub>	Zero
	Global	45,000,000 t-CO <sub>2</sub>	-	Zero

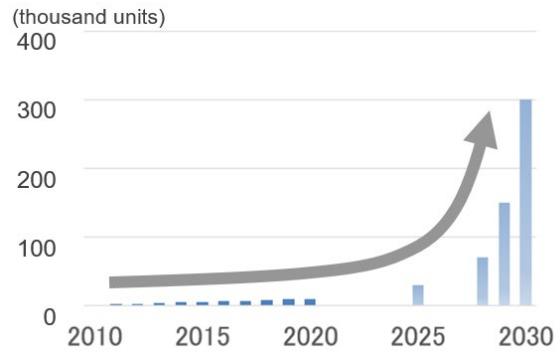
### Initiatives and Direction to Realize Low-Carbon and Decarbonized Society

To reach our “low-carbon targets” for 2030, we will accelerate the spread and expansion of high-efficiency Eco-Jozu water heaters and ECO ONE hybrid water heaters with heating systems, which we have been actively promoting. To this end, we will increase sales of ECO ONE, which reduces CO<sub>2</sub> emissions by around 50% compared with conventional water heaters, to 300,000 units per year by 2030. To reach our “decarbonization” target for 2050, we will closely monitor the development of technologies, such as methanation and propanation, and explore the potential for continued use of conventional equipment. At the same time, we will pursue a long-term business strategy by developing systems that combine hydrogen combustion equipment and hybrid water heaters with renewable energy technologies.

## Changes in energy composition on path to reducing CO<sub>2</sub> emissions during product use



ECO ONE sales in 2030, 300,000 units/year



ECO ONE projected sales growth (image)

### Reducing CO<sub>2</sub> Emissions from Business Activities

To reduce CO<sub>2</sub> emissions from our business activities, we will purchase green electricity and introduce non-fossil-fuel equipment at our factories and offices, in order to achieve zero Scope 2 emissions in Japan by 2030 and overseas by 2050, and zero Scope 1 emissions in both Japan and overseas by 2050.

#### CO<sub>2</sub> emission targets for business activities

	Japan	Overseas
Scope 1 (gas, fuel)	Zero by 2050	
Scope 2 (electricity)	Zero by 2030	Zero by 2050

## Investing in Carbon Neutrality

Including the above activities, we plan to invest ¥50 billion or more in carbon neutrality over a cumulative five-year period. By investing aggressively to become carbon neutral, we will accelerate innovation in product development, manufacturing, and sales.

### Main investment activities and amounts

	Main investment activities	Investment amount
Product development	Expansion of Innovation Center Investment in hydrogen combustion equipment, heat pump equipment, and other next-generation technologies	¥30 billion or more
Manufacturing	Switch to renewable energy and non-fossil-fuel facilities Switch to green power	¥15 billion or more
Sales	ECO ONE sales promotion (Japan) Spread of energy-saving water heaters (global)	¥5 billion or more
Total		¥50 billion or more

## In Summary

In conjunction with this announcement of “Rinnai Group’s Path to Becoming Carbon-Neutral,” we promote internal and external activities under the name Rinnai Innovation Manifesto 2050 (RIM 2050). Through innovation in product development, manufacturing, and sales, Rinnai aims to “help realize a decarbonized society” by transcending the boundaries of its conventional business domains.

In addition to creating healthy and comfortable ways of living, the Rinnai Group will strive to help realize a decarbonized society by 2050 through various activities related to the development, manufacture, and sales of household appliances and other products.

For more information, please visit website below:

“Rinnai Group’s Path to Becoming Carbon Neutral”

<https://www.rinnai.co.jp/en/ir/document/pdf/202109cn.pdf>

Inquiries
Corporate Communications Division, Rinnai Corporation Tel: +81-52-361-8211

Note: The information contained herein is valid as of the date of release. Please be aware that certain details may change or be made irrelevant by circumstances that emerge at a later date.