Talanoa Japan

- A portal of best practices to shape the future on climate change

TODA CORPORATION

Toda aims at realizing a decarbonized society through all its business activities

http://www.toda.co.jp/

Question1. Where are we?

The commitment (planned and/or announced) as well as the actions taken so far that are in line with aims of Paris Agreement, the 1.5/2 degrees' goal and the transition towards a net-zero emission society by this mid-century

Toda Corp., which aims to creatively revive the global environment, established the Toda Corp. Global Environment Charter in 1994 and has since engaged in activities to reduce environmental risks and improve the environment.
The company acquired ISO14001 certification in 1999, and it achieved zero-waste emission at construction sites in 2000. Thus, since relatively early on, Toda has worked seriously to consider the needs of the environment in its daily operations.
In 2010, Toda was certified as an Eco First company, and it set ambitious, environmentally conscious goals, including for GHG emission reduction. The company promised the Minister of the Environment that it would achieve these goals.
In 2017, Toda became the first company in the Japanese construction industry to acquire SBT certification and expressed its commitment to the Paris Agreement.
In 2018, under its president's policy, Toda clearly stated that it would contribute to decarbonization efforts by corporate clients and society in general through business activities and that it would practice ESG management.

Quantitative impact so far with respect to mitigation, adaptation, resilience and/or finance

Since 1994, Toda has steadily worked to reduce total CO_2 emissions.
In fiscal 2017, the company reduced total CO_2 emissions 62% compared to the 1990 level. Since it promised the Minister of the Environment that it would reduce total CO_2 emissions by 50% compared to the 1990 level in 2020, the company can be said to have made sufficient efforts to achieve said goal.
Partly because these initiatives were favourably evaluated, Toda was included in the Carbon Disclosure Project (CDP) A List in 2016.

Question 2. Where do we want to go?

Vision of the future for your organization and/or sector in terms of its possible role in achieving the 1.5/2 degrees' goal and a net-zero emission world by this mid-century

Toda Corp.'s environmental policy is to implement environmental protection activities in all business operations, and the company is carrying out business activities according to this policy.
Under the policy, Toda aims to play a role in achieving the global goal of 1.5°C/2.0°C from two perspectives: by reducing GHG emissions in business activities and by generating renewable energy. These initiatives are indispensable to Toda's sustained growth and moreover will contribute to measures to mitigate global warming, a common threat to humanity.

Possible and potential new commitments and pledges of to achieve the 1.5/2 degrees' goal and a net-zero emission world by this mid-century

Toda has promised to achieve the following specific goals (all compared to 1990 levels).
- *Reduce total CO_2 emissions during construction work by 70% in 2030 and by 80% in 2050.*
- *Reduce CO_2 emissions from office buildings designed by Toda during operation by 80% in 2050 by introducing energy conservation technology.*
- *Reduce CO_2 emissions per unit production from facilities owned by Toda by 60% in 2050.*

In addition, to help shift to a zero-emission society, Toda has established the president's policy of contributing to decarbonization efforts by corporate clients and society in general through business activities.

Question 3. How do we get there?

Ways in which the UN Climate Change process can help you achieve your vision and goals, and how your actions can help in expediting sustainable transitions to climate neutral societies

Changes in the awareness and directions of individuals and corporations achieved by actively communicating information on and educating the public regarding climate change risks through the UN climate change process tremendously affect the business strategy that Toda formulates. As the directions that consumers and enterprises take change, Toda believes that zero-energy buildings (ZEB) will spread and that funding for the renewable energy business and introduction of such energy will proceed more smoothly.
Such social changes will drive various projects that Toda implements for decarbonization and help to realize a decarbonized society.

Concrete solutions that have been realized while implementing your commitments, including lessons learnt from success stories and challenges, and case studies that are in line with the 1.5/2 degrees' goal and can support the Parties in achieving their NDC goals, enable higher ambition and inspire engagement of other non-state actors

Toda is actively developing technology for and investing in a floating offshore wind power generation business, which is believed to have the greatest potential for introducing renewable energy in Japan.
In 2016, Toda became Japan's first company to commercialize floating offshore wind power generation equipment, and in 2017, to build an offshore wind farm, it successfully raised 10 billion yen using Japan's first green bonds for its own project.
Meanwhile, to test technology to realize ZEBs, Toda constructed an environmental technology testing building at its Technical Research Institute at Tsukuba city to implement and verify energy conservation technology.
Thus, Toda contributes to decarbonization efforts by corporate clients and society in general through business activities that make the most of all the company's managerial resources, including its proprietary technology.
By doing so, Toda is playing a pioneering role in achieving Japan's GHG reduction goals.

Collaboration models with other stakeholders and, in particular, between non-Party stakeholders, national governments and the UN Climate Change process that have been successful in helping you, or can help you, achieve your commitments

To increase the amount of renewable energy supplied in Japan, Toda has worked to test and commercialize the floating offshore wind power generation business, a project led by the Ministry of the Environment.
In terms of partnerships with non-governmental entities, Toda participates in various decarbonization-related programs by collaborating with other private enterprises; for example, Toda

has joined the Japan Climate Leaders' Partnership (Japan-CLP), a group of businesses aimed at decarbonization, and the Japan Climate Initiative (JCI).
In recent years, an increasing number of private enterprises have requested zero-energy buildings (ZEBs), showing a change in clients' awareness. Initial costs for ZEB design and construction tend to be higher than those of ordinary buildings, so to make up for the higher costs, government agencies offer subsidies. Toda effectively uses these subsidies to work with clients to realize ZEBs and to reduce Scope 3 GHG emissions.

Opportunities to further scale up action and means to address barriers that can enable even further action by non-Party stakeholders based on the actions you have taken to implement your commitments. ("We've made progress and have made new commitments as described above. This is what I need from national governments, other non-Party stakeholders and the UN Climate Change process to take even further action…")

- *Collaboration/cooperation opportunities*

- *Eco First Promotion Council*
- *Japan Climate Leaders' Partnership (Japan-CLP)*
- *Japan Climate Initiative (JCI)*
- *Technological development through industry-academia-government partnerships*

Promoting a better understanding of environmental costs among clients

- *Lessons learned based on the experience and progress so far*

In projects closely connected to local communities, such as the renewable energy business, Toda recognizes that it is important to cooperate and collaborate with various stakeholders, including local business operators.

- *Public and private financing models*

Public funds
- *Effective use of various subsidies from the national government to research and develop cutting-edge environmental technology (such as the Ministry of the Environment; Ministry of Land, Infrastructure, Transport and Tourism; and the Ministry of Economy, Trade and Industry)*
- *Effective use of public systems, including the Feed-in Tariff (FIT) system for renewable energy*

Private funds
- *Fundraising to construct an offshore wind farm using green bonds*

- *Impact on non-Party stakeholders if these actions by national level governments and the UN Climate Change process and other opportunities are implemented and how much further they could go*

Subsidies for measures to cope with climate change are effective in reducing corporate business risks, and this incentive substantially changes the decisions made by businesses. Thus, the government's response to market mechanisms through subsidy policy leads to correction of market failures as typified by climate change.