

**TORO**

**THE TORO  
COMPANY**



# Change how the world works

2025 Sustainability Impact Report  
Executive Summary

# Change how the world works

From the energy that powers our homes and businesses to the broadband that connects us and the water we all depend on — it's all thanks to the people who rolled up their sleeves and got to work.

At The Toro Company, we believe that changing how we all work can change our world.

That's why we create high-performance products with a lower impact on the planet. It's why we create jobs that support communities, and services that connect them. We develop innovative, efficient, and reliable solutions that empower our customers to achieve more with fewer resources — less water, fuel, and waste.

By changing how we work, together we can enrich our communities, landscapes, and world.

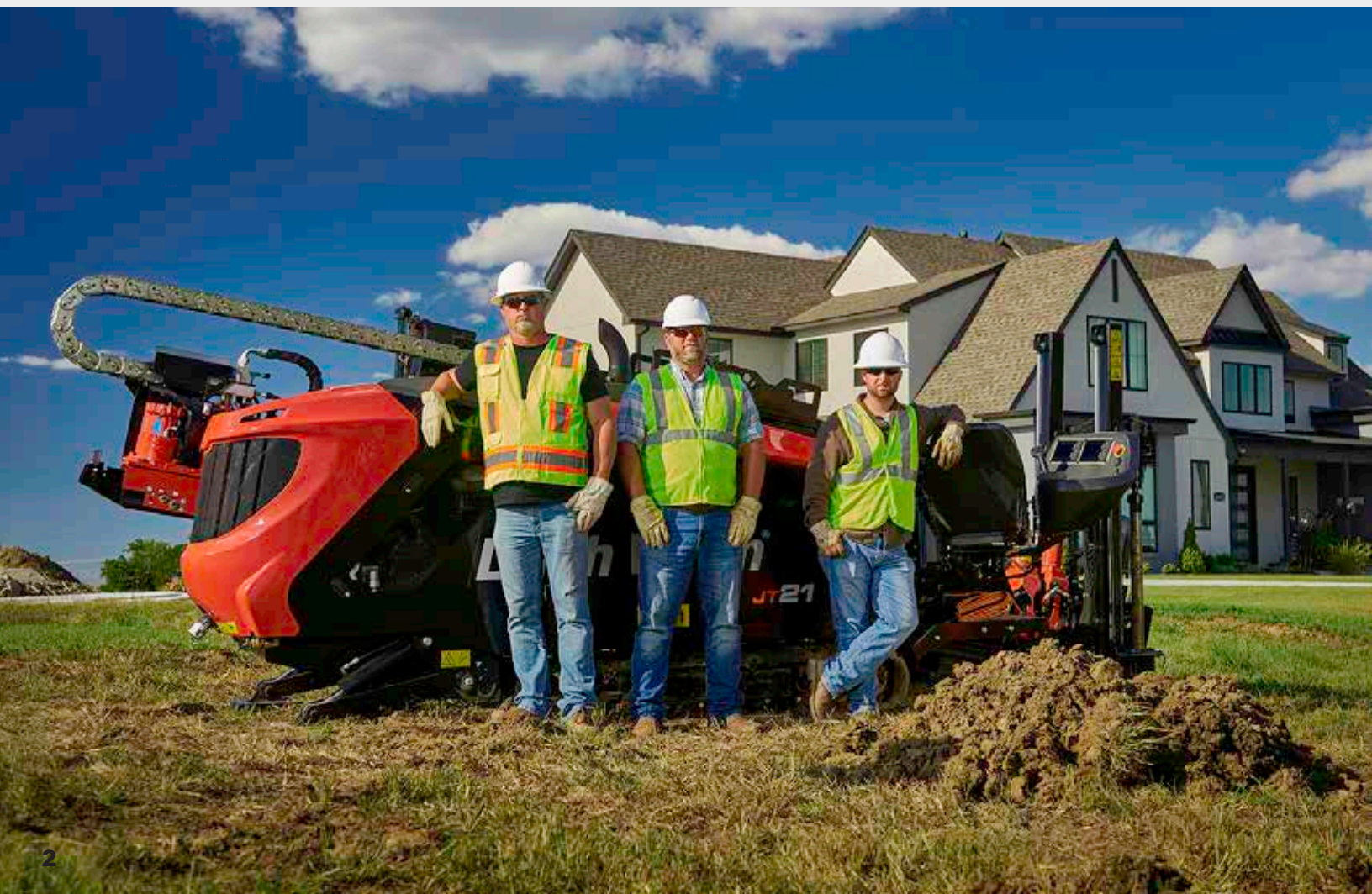
We all want to live in a more beautiful and productive world.

**Our world is continuously created by the hard work of people.**

The parks that bring generations together.

The sports grounds that host epic rivalries.

The infrastructure that revitalizes communities.



# Shaping the world together

Our team at The Toro Company is driven by one purpose: to help our customers enrich the beauty, productivity, and sustainability of the land. From the development of vital infrastructure and the stewardship of green spaces to the evolution of new technology and smart irrigation solutions, we provide the tools that transform labor into legacy. Our commitment is to deliver innovation that doesn't just work harder, but works smarter.

With over a century of experience, we have supported professionals and homeowners in their efforts to help create beautiful and community-centric spaces. By integrating autonomous systems, intelligent data connectivity, and high-efficiency power solutions, we solve today's challenges while preparing our customers for the demands of tomorrow.

The true engine of our success is our dedicated team. We believe that industry-leading reliability starts with an investment in human potential.

Through robust training, leadership development, and a culture of mentorship, we empower our employees to innovate with passion. It is their expertise that ensures we continue to set the benchmark for quality across every sector we touch.

In 2025, we continued to bridge the gap between traditional performance and future-ready technology. We hit new milestones in sustainable manufacturing and deepened our commitment to global compliance, ensuring our most advanced battery and engine-powered solutions reach our partners safely and responsibly.

As we look ahead to the future, we will continue to build on our legacy of excellence by continuously improving our products and processes, deepening our partnerships, and supporting the communities where we operate. Guided by a foundation of integrity and a spirit of innovation, we are prepared for the journey ahead.



**RICHARD M. OLSON**  
Chief Executive Officer



We believe that sustainability is a shared journey — one that empowers our partners, customers, and communities to thrive together. By advancing responsible practices and innovative solutions, we are committed to creating lasting positive impact for people and the planet, today and for generations to come."



# 2025 highlights



**6.9%**

of total adjusted net sales came from battery and hybrid products in 2025 (motorized product sales)



**16.5%**

reduction in Scope 1 and 2 emissions since 2019



**80%**

participation in annual employee engagement survey to inform priorities



**\$2.9M**

in total philanthropic donations



**57%**

reduction in Total Recordable Incident Rate (TRIR) compared to our 2021 baseline



**18,000+**

tons of waste diverted from landfill in 2025

# Our legacy in action

Our success stems from cultivating trusted relationships, a legacy of innovation, and a commitment to enriching outdoor environments. We take pride in fostering a supportive and inclusive work culture where all employees feel valued and connected. By prioritizing wellness, community, and meaningful work, we inspire pride and purpose in everything we do.



## Our purpose

To help our customers enrich the beauty, productivity, and sustainability of the land.



## Our vision

To be the most trusted leader in solutions for the environment. Every day. Everywhere.



## Our mission

To deliver superior innovation and superior customer care.



# Brands and products

TTC is a leading worldwide provider of innovative solutions for the outdoor environment. We provide tailored solutions to professional and residential customers, focusing on power, productivity, and performance while reducing environmental impacts.

## Our products include:

- Turf and landscape maintenance
- Underground installation and rehabilitation
- Turf and agricultural irrigation
- Snow and ice management
- Rental and specialty construction
- Outdoor lighting solutions

Built on caring relationships that help customers enhance and maintain outdoor spaces, our portfolio of global brands includes:



# Our customers

## Professional

We provide innovative solutions tailored to professional customers, including golf course superintendents, underground utility professionals, sports field groundskeepers, public space and municipal property managers, contractors, and agricultural growers. Our products are designed to meet the demands of turf and landscape maintenance, snow and ice management, underground installation and rehabilitation, and agricultural and turf irrigation. With a focus on delivering power, productivity, and performance, we help professionals around the world achieve exceptional results while addressing environmental and operational needs.

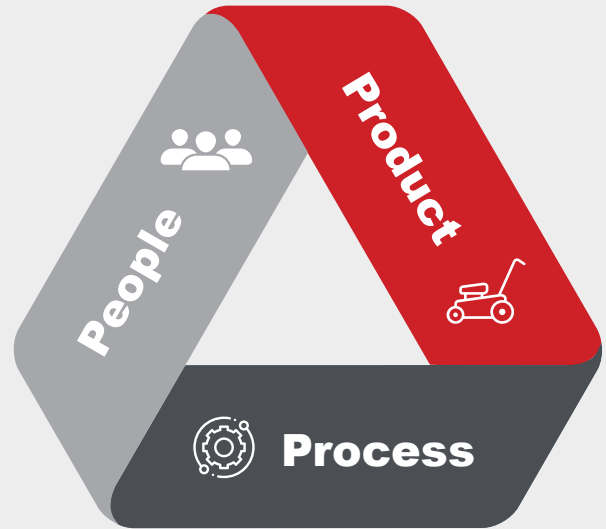
## Residential

Our innovative solutions help residential customers and homeowners maintain and enhance their outdoor spaces year-round. From mowers and snow blowers to battery-powered yard tools and water-saving irrigation technologies, our products are designed to make outdoor work easier, faster, and more efficient while minimizing environmental impact.



# Our impact framework

Our impact strategy is built on an integrated approach with three pillars: Product, People, and Process. Aligning vision with action, we have developed concrete goals under each of these pillars that represent our commitment to meaningful, positive impact for our communities, our customers, and the planet.



## What are the UN SDGs?










A set of global goals established by the United Nations to address the most pressing challenges facing our world today.

[Learn more.](#)

## Announcing our new 2030 goals

This year, we have set new goals for 2030 based on material topics identified in our double materiality assessment. With insights from benchmarking with industry peers, our sustainability team proposed goals that were achievable, ambitious, and true to TTC.

Through discussions with our Sustainability Committee and pillar representatives, these goals were shortlisted on priority topics. With oversight from our Enterprise Leadership Team and Board of Directors, our 2030 goals demonstrate TTC's commitment to our sustainability strategy at all levels of the organization.

	Goals	Pillar Focus Areas	UN SDGs
<b>Process</b>	<p>By 2030, reduce absolute Scopes 1 and 2 GHG emissions by 15% compared to an FY25 baseline</p> <p>By 2030, achieve a global Zero Waste to Landfill (ZWTL) target of 90% diversion of waste from landfill<sup>1</sup></p>	<ul style="list-style-type: none"> <li>• Energy and emissions</li> <li>• Water</li> <li>• Supply chain</li> <li>• Waste</li> <li>• Sustainable buildings</li> </ul>	  
<b>People</b>	<p>Foster a safety culture that results in maintaining a Total Recordable Incident Rate (TRIR) at or below 1.0 through 2030</p>	<ul style="list-style-type: none"> <li>• Safety</li> <li>• Health and wellness</li> <li>• Acquisition and retention</li> <li>• Inclusion and belonging</li> <li>• Giving and community</li> </ul>	 
<b>Product</b>	<p>Deliver a more sustainable product portfolio every year through integrated New Product Development (NPD) sustainability gates</p>	<ul style="list-style-type: none"> <li>• Design and innovation</li> <li>• Raw material extraction</li> <li>• Manufacturing</li> <li>• Distribution</li> <li>• Product use</li> <li>• End of life</li> </ul>	   

# Reporting on our progress

In 2025, TTC wrapped up our first set of multi-year impact goals that we set in 2022. We are very proud of the achievements that we made towards our sustainability contributions in all areas of our business.

	Goals	Goal Achievement	Description
Process	<b>15%</b> reduction in absolute Scope 1 and 2 greenhouse gas emissions by 2025 <sup>1</sup>	<b>Achieved 16.5% reduction</b>	Reduced our absolute Scope 1 and 2 GHG emissions through operational efficiency gains.
People	<b>50%</b> reduction in Total Recordable Incident Rate (TRIR) across all operations by 2025 <sup>2</sup>	<b>Achieved 57% reduction</b>	Improved our TRIR through strengthened safety systems and proactive risk prevention.
Product	<b>20%</b> of total adjusted net sales to come from battery and hybrid products by 2025 (motorized product sales)	<b>Achieved 6.9% of sales</b>	Expanded our sales from battery and hybrid powered products as we continue to build customer adoption and market readiness.

1. From a 2019 baseline  
2. From a 2021 baseline



# Innovative solutions and brand portfolio

## UNDERGROUND

Supporting communications, power, broadband, and water infrastructure.



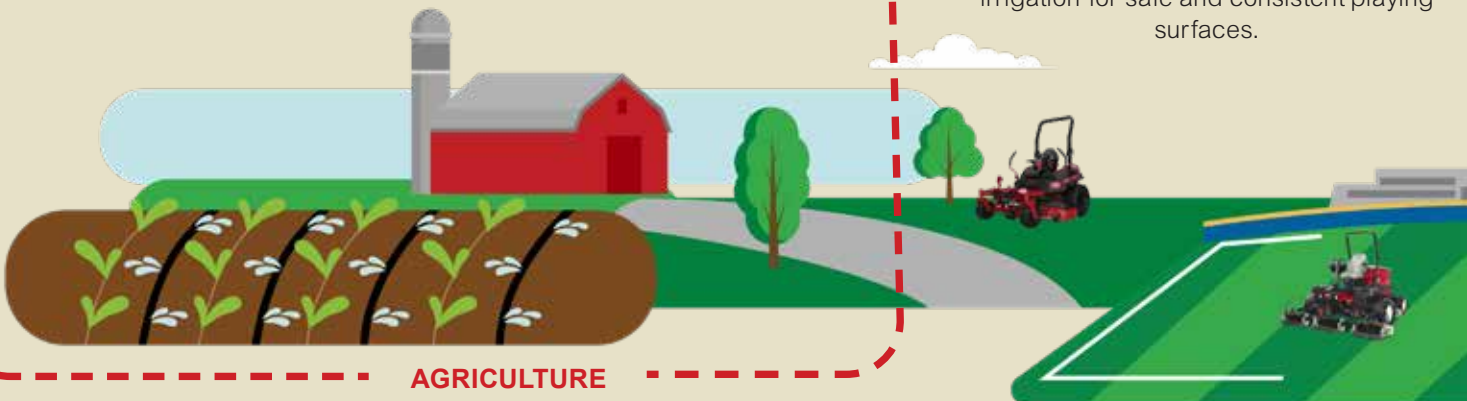
## GOLF COURSES

Providing smart-connected and advanced solutions to manage turf health and best-in-class playing conditions.



## SPORTS FIELDS

Serving professional and collegiate athletics with precision equipment and irrigation for safe and consistent playing surfaces.



## AGRICULTURE

Supporting growers with drip irrigation solutions to maximize water efficiency, yields, and crop quality.

## SNOW & ICE MANAGEMENT

Restoring order for businesses and communities when winter weather brings chaos.



## RESIDENTIAL

Helping customers beautify their outdoors with a full suite of products and water-saving irrigation solutions.



## PARKS

Helping municipalities keep parks, greenspaces, and outdoor environments maintained for all to enjoy.



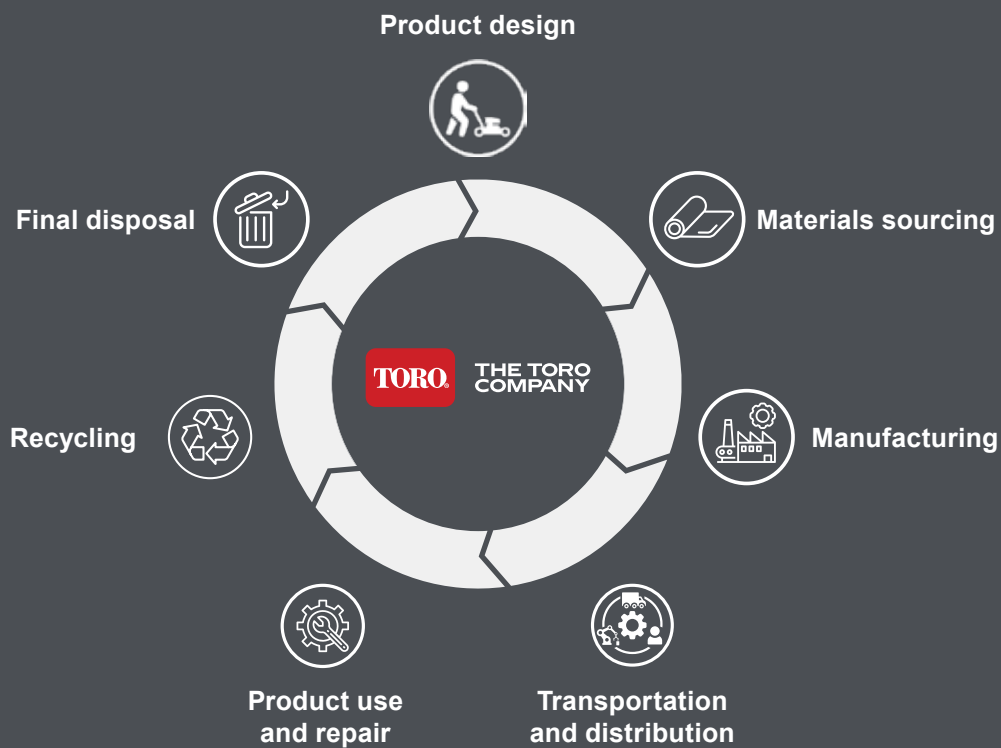
## SPECIALTY CONSTRUCTION

Delivering battery- and gas-powered equipment to help contractors tackle construction and demolition, inside and out.

## Product life cycle explained

At The Toro Company, our commitment to sustainability begins with the products we design, manufacture, and deliver for our customers. Across their life cycles, our products are engineered to prioritize safety, quality, and efficiency, ensuring they meet the needs of today while addressing the challenges of tomorrow. By integrating environmentally conscious design, responsible sourcing, and technological innovation, we strive to minimize environmental impacts while maximizing value for our customers and the communities they serve.

Our approach to product responsibility includes the full product life cycle. We are committed to thoughtful approaches to design, material use, manufacturing, transportation, packaging, and end-of-life management. Through continuous improvement and collaboration with industry leaders, we aim to innovate solutions that not only perform exceptionally well but also contribute to a more sustainable future.

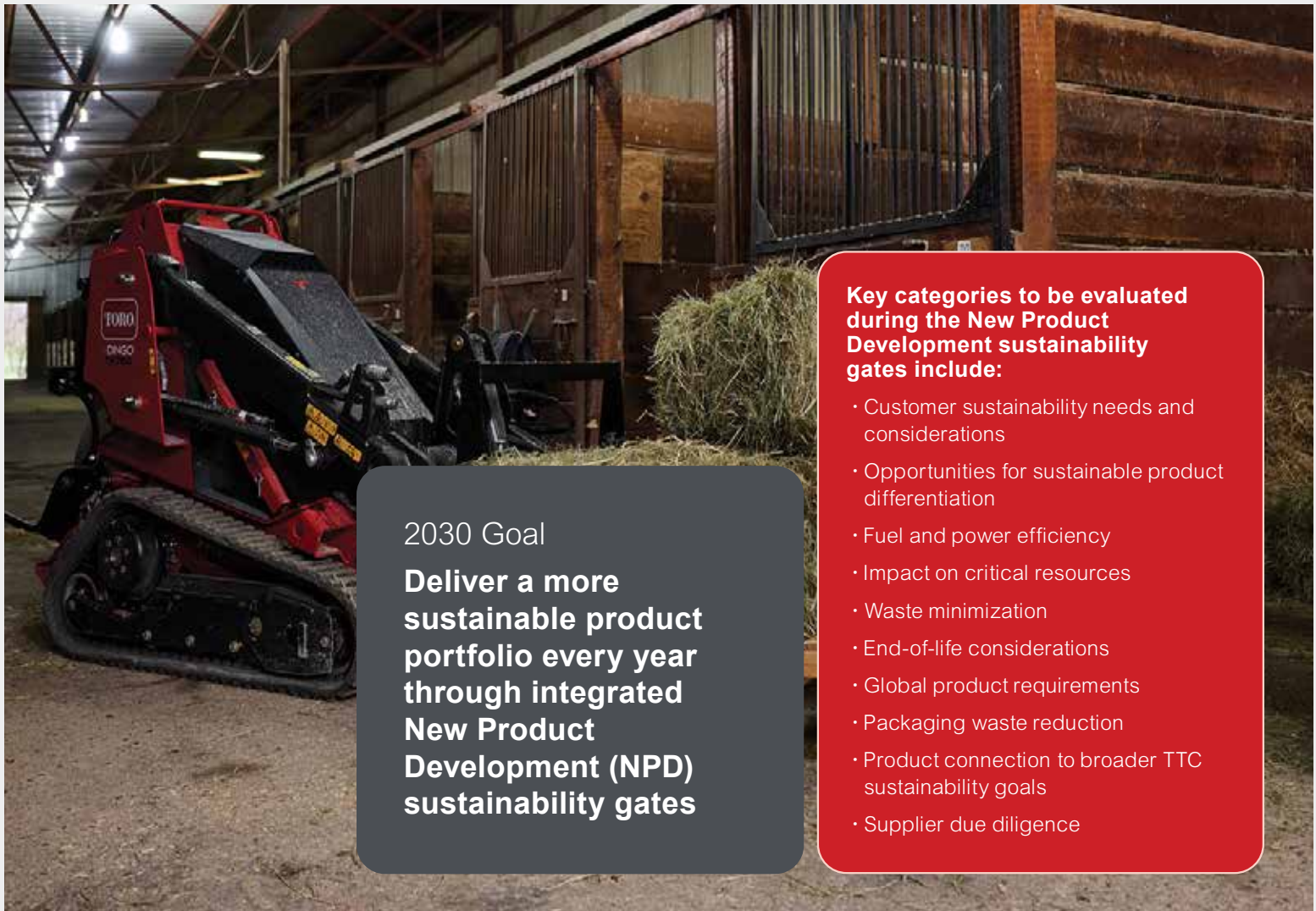


# Product design

Our approach to product design has been informed by decades of collaboration with our customers to understand their needs, adapt to regulatory changes, and develop products that deliver lasting value and withstand the test of time.

We continue to prioritize designing our products to reduce complexity, improve efficiency, and help customers be more productive in meeting their everyday, real-world needs. Our strategy also ensures consistent quality across our products and aims to reduce costs within our supply chain. By encouraging versatility and durability of our products throughout the product life cycle, we aim to deliver value for our customers for the long run.

We demonstrate our commitment to innovation through our expanding battery-powered and hybrid offerings. Today, 50% of our powered product families include at least one battery-powered or hybrid offering, reflecting steady progress toward a more energy-efficient product lineup with lower engine emissions. This progress is supported by ongoing investments in advanced battery technology, strong supplier partnerships, and collaboration with customers to understand performance needs in real-world environments. Our teams are focused on enhancing runtime, efficient charging, and equipment durability to ensure electric options meet the same high standards our customers expect from TTC products. These efforts reinforce our long-term commitment



2030 Goal

**Deliver a more sustainable product portfolio every year through integrated New Product Development (NPD) sustainability gates**

**Key categories to be evaluated during the New Product Development sustainability gates include:**

- Customer sustainability needs and considerations
- Opportunities for sustainable product differentiation
- Fuel and power efficiency
- Impact on critical resources
- Waste minimization
- End-of-life considerations
- Global product requirements
- Packaging waste reduction
- Product connection to broader TTC sustainability goals
- Supplier due diligence

## Safety

At The Toro Company, safety is critical to our operations and a defining element of our culture. Our commitment to the well-being of our global workforce drives our pursuit of zero workplace incidents. We embed safety into our day-to-day activities through dedicated teams, comprehensive training programs, and proactive employee engagement initiatives. We hold ourselves to the highest standards and aim to continuously improve our processes to foster a safe and supportive environment where each team member can thrive.

In 2025, we reached a major milestone against our long-term safety goals by achieving an approximate 57% reduction in Total Recordable Incident Rate (TRIR) compared to our 2021 baseline. This reflects several years of focused work to shift from lagging indicators toward leading measures such as near-miss reporting and proactive hazard identification. Our safety culture is now embedded across key operations, helping employees and leaders build safer habits on and off the job.

We continued to expand on-site medical services to seven locations, providing immediate care for workplace injuries along with health and wellness support. Targeted investments in forklift safety and new dock lock systems are reducing risks in loading and shipping areas and reinforcing consistency in equipment operation and pedestrian safety. In Perry (Oklahoma), Tomah (Wisconsin), and other operations sites, the combination of training, on-site medical support, and hazard identification contributes to reduced injuries and strengthens a culture where employees actively look out for one another.

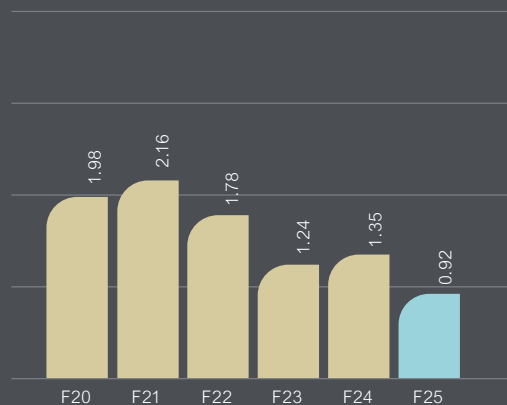
**57%**

reduction in TRIR compared to our 2021 baseline

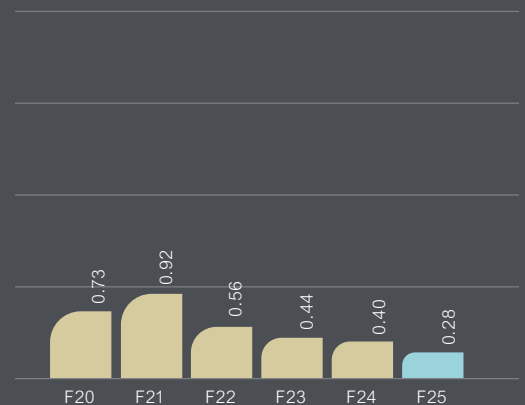
### 2030 Goal

**Foster a safety culture that results in maintaining a Total Recordable Incident Rate (TRIR) at or below 1.0 through 2030**

Total recordable incident rate (TRIR)<sup>1, 2</sup>



Lost working days rate (LWDR)<sup>1, 2</sup>



1. Rates are calculated as (statistic count x 200,000)/hours worked.

2. Rates include both full-time and contract employees.

# Investing in talent

Our commitment to excellence begins with our people. We drive sustained success by attracting and empowering top-tier talent, fostering a dynamic culture that prioritizes employee well-being and professional growth. By investing in our team today, we nurture strong leadership pipelines and build long-term organizational capability.

## Talent recruitment

We recruit team members who pair technical skills with alignment to our core values, creating a vibrant ecosystem where emerging talent and seasoned professionals thrive together. Our commitment to a welcoming, inclusive workplace ensures a diversity of perspectives that fuel innovation. It is this culture of belonging and growth that inspires so many of our people to build lifelong careers at TTC.

## Talent development and retention

At TTC, we view employee development as a lifelong journey. By combining structured development experiences, feedback, coaching and mentorship, we provide the tools for our team to carve out meaningful, long-term careers. Investing in our people's potential is the most significant contribution we make to our future.

Our approach to talent development centers on fostering leadership at all levels, equipping employees with the skills and opportunities they need to grow and thrive. In addition to development, we continue to strengthen engagement and inclusion as core parts of our culture, ensuring employees feel valued, heard, and supported as TTC grows and evolves.

In 2025, we continued building a "Culture of Excellence" through enterprise-wide engagement and development efforts, including leadership workshops focused on growth mindset, psychological safety, and resilience through change. Additionally, we strengthened the follow-through on employee feedback at our production sites through the Engage Now initiative, embedding action planning within The Toro Company Business System (TBS) and reinforcing collective leadership and ownership. These efforts contributed to improved survey outcomes, especially for our production employees, where results showed higher job satisfaction and stronger engagement year-over-year.

# Giving and community

**Land:** We work to maintain, restore, and beautify the spaces where we live, work, and play.

**Water:** Our innovative products and initiatives focus on conserving one of our most precious resources.

**Thrive:** We invest in our communities, support our employees, and encourage engagement to create a better future for all.

## Scholarships

The Toro Company Scholarship Program awarded over

**\$220,000**

to 98 students in 2025

The Mike and Tami Hoffman Scholarship Program awarded

**\$185,000**

to 72 students in 2025

## Donations

**\$2.9M**

in overall donation contributions in 2025

## Volunteering

**9,400+**

recorded volunteer hours by TTC employees in 2025



# Process

## Our environmental footprint

A key aspect of our sustainability strategy is measuring and finding areas to reduce our environmental footprint, including GHG emissions, energy and water consumption, and waste management.

Our GHG emissions reduction strategy has resulted in a 16.5% reduction in absolute Scope 1 and 2 emissions since 2019, surpassing our 2025 goal. These reductions are due to energy efficiency measures throughout our organization. In our

updated sustainability goals, we aim to reduce our absolute Scope 1 and 2 GHG emissions by 15% compared to our 2025 baseline by 2030.

We have begun calculating our Scope 3 GHG emissions and are dedicated to advancing this effort moving forward to better inform our risk management and strategic decision-making in our sustainability strategy.

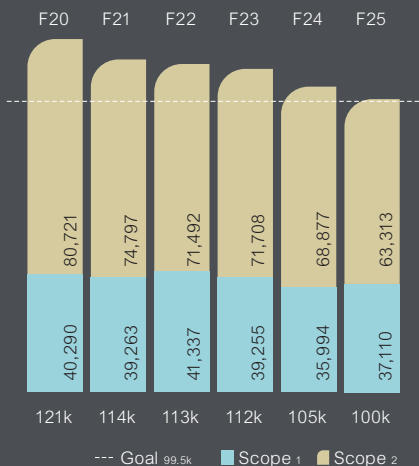
### 16.5%

reduction in Scope 1 and 2 GHG emissions since 2019

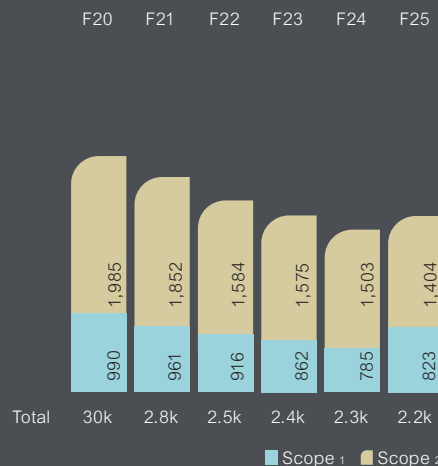
2030 Goal

**By 2030, reduce absolute Scopes 1 and 2 GHG emissions by 15% compared to an FY25 baseline**

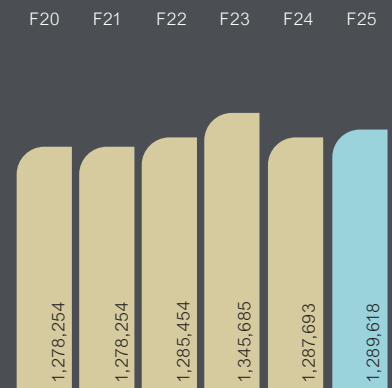
### Absolute Scope 1 & 2 GHG emissions (MT CO<sub>2</sub>e)<sup>1</sup>



### Total Scope 1 & 2 GHG Emissions Intensity (kg CO<sub>2</sub>e per \$100k sale)<sup>2</sup>



### Facility energy consumption (GJ)



1. Based on newly identified data sources, fuel consumption from company-owned and operated vehicles was assessed and included in Scope 1 emissions beginning in FY2025. These vehicles do not constitute a centrally managed logistics fleet. To support consistent comparison, the base year and historical GHG inventories were recalculated accordingly.

2. Data includes a partial reporting cycle for locations acquired during this time.

# Zero Waste to Landfill

We are advancing our commitment to environmental sustainability through our Zero Waste to Landfill (ZWTL) goal, which aligns with our EHS&S protocols. Starting in 2025, we have partnered with a centralized waste management vendor to streamline our waste management process in our operations. Centralization gives us full visibility into waste generation and final disposal, improves our ability to audit vendors and ensure chain of custody, and creates a foundation for higher diversion rates over time. We deployed our new waste management platform in 2025, moving from site-by-site management to a standardized approach for handling materials. We continue to scale this program, covering various waste streams, including liquid, solid, hazardous, non-hazardous, electronic waste, and recyclable materials (including plastics, cardboard, paper, and other materials) across our offices, manufacturing sites, and distribution centers.

The ZWTL program is a multi-year goal for the company and a key element of our new sustainability framework. Our ambition is to divert 90% of our waste from landfills by 2030. Launched in 2025, the ZWTL program was rolled out in phases across our North American operations. As facilities were added in incremental stages throughout the year, 2025 reflects an early stage of implementation rather than a full-year or enterprise-wide coverage. In 2025, these facilities diverted over 18,000 tons of waste from landfill.<sup>1</sup>

**18,000+**

tons of waste diverted from landfill in 2025



2030 Goal

**By 2030, achieve a global Zero Waste to Landfill (ZWTL) target of 90% diversion of waste from landfill<sup>2</sup>**

1. Facilities were onboarded to the Zero Waste to Landfill program throughout FY25; results reflect partial-year, limited-scope data during rollout.

2. Diversion categories include recycling, fuels blending, beneficial reuse, incineration with energy recovery, composting, and treatment to discharge (aqueous waste).

## Governance and risk management

Governance at TTC is managed by a Board of nine members (eight are independent) and is chaired by our CEO, Richard M. Olson. Regular reviews of our governance structure ensure effective leadership and stakeholder service.

The Board's purview includes strategy, compliance, and risk management, reflecting the needs of our global stakeholder base. Our board members are elected triennially, with an emphasis on skills, integrity, and diversity of backgrounds and experiences.

Standing Board committees play a crucial role in overseeing various aspects of governance, including sustainability efforts.

### **We define board level involvement for sustainability issues as follows:**

- **Audit Committee:** Oversight of ESG disclosure control procedures to ensure accuracy and completeness of metrics prior to disclosure; and oversight of our Enterprise Risk Management, including climate risk.
- **Compensation and Human Resources Committee:** Oversight of social factors, such as human capital management, inclusion and pay equity.
- **Finance Committee:** Oversight of capital structure, including access to capital, and our investor relations program, including sustainability communications for investors.
- **Nominating and Governance Committee:** Oversight of the overall sustainability program, environmental and governance factors, and all other topics not covered by other committees.

### **Enterprise risk management and sustainability committees**

Our Enterprise Risk Management (ERM) program is responsible for managing a dynamic risk framework that evaluates TTC's strategic risks and ERM alignment with strategy, including climate-related risks and opportunities.

➤ [For more details see our Task Force on Climate-related Financial Disclosures \(TCFD\)-aligned report.](#)

As global sustainability disclosure frameworks evolve, we continue to monitor and prepare for applicable upcoming disclosure requirements. We continue to prioritize sustainability initiatives and goals that are material for our business to create a positive impact on our people and the environments in which we operate.



# Code of Conduct

At TTC, we are committed to cultivating a workplace that prioritizes ethics and integrity, ensuring these values are embedded into every decision we make. These values are detailed in TTC's Code of Conduct (Code), which provides a comprehensive framework for acting with integrity and fostering strong relationships with our stakeholders, including customers, suppliers, shareholders, communities, employees, and partners.

In 2025, we introduced a significant refresh of our Code of Conduct to reflect our evolving policies and best practices, while remaining true to our values. The Code sets clear expectations for all employees and addresses critical areas such as antibribery,

anti-corruption, workplace harassment, appropriate use of social media, health and safety, inclusion, and the protection of company assets.

To ensure these principles are consistently upheld, employees are required to complete annual training on the Code, available in multiple languages relevant to our workforce. Our Chairman and CEO, along with other enterprise leaders, are responsible for enforcing the Code across the company. The Board reviews ethics-related reports annually and approves updates to the Code as needed, ensuring it remains relevant and aligned with best practices.

> [Code of Conduct](#)



## Planning

### Priorities for fiscal 2026 and beyond

Over the past year, we have remained committed to driving innovation, operational excellence, and progress toward our sustainability goals. As we look ahead to fiscal 2026, our priorities include:

- Advancing our Zero Waste to Landfill goal
- Increasing sustainability integration within product design and the NPD process
- Continuing initiatives to reduce operational GHG emissions
- Investing in alternative fuels to lower product in-use emissions
- Supporting employee growth and community impact
- Developing the next generation of leaders across our business and communities

We remain focused on creating meaningful impact and continuing to change how the world works for the better.



## About this report

### Disclaimer and Forward-Looking Statements

We are pleased to present TTC's sixth annual sustainability impact report, covering data, events, and highlights from November 1, 2024, to October 31, 2025. This report outlines our commitments to innovation, responsible operations, and industry leadership. It also details our efforts to invest in our people, support communities, and drive meaningful progress, reflecting our ongoing focus on efficiency, resilience, and long-term value creation for stakeholders.

This report is prepared in reference to the Sustainability Standards Accounting Board (SASB) Industrial Machinery and Goods Framework. The Board of Directors (Board) of The Toro Company reviews it prior to publication. For questions or feedback, please contact Public Relations at [pr@toro.com](mailto:pr@toro.com).

Statements in this report that are not historical, including future goals, projections, and the expected impact of our sustainability initiatives, constitute forward-looking statements based on management's expectations. Many factors beyond our control such as competition, regulatory changes, and market conditions could impact actual results. Issues identified as material in this report may not be considered material for financial or regulatory reporting. Numbers and percentages may be estimates, and goals are aspirational, not guaranteed.

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