

# The Toro Company Fiscal 2024 California Senate Bill 261 (SB 261) Climate-Related Financial Risk Report

## SUMMARY

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- This Fiscal 2024 California Senate Bill 261 (SB 261) Climate-Related Financial Risk Report outlines The Toro Company's Governance, Strategy, Risk Management and Metrics and Targets associated with our climate-related risks and opportunities. With the help of a third-party consultant, The Toro Company (TTC or the "Company") began with the Task Force on Climate-related Financial Disclosures (TCFD) universe of physical and transition risks and opportunities and prioritized them based on potential impact, likelihood and stakeholder relevance.
- We have incorporated climate risk into our overall governance, risk assessment, and strategy. We will continue to evaluate our position and strategy and increase our readiness for potential physical and transition risks associated with climate change.

## GOVERNANCE

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### **Describe the board's oversight of climate-related risks and opportunities.**

- 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 professional experiences.
- Standing Board committees – Audit, Finance, Compensation and Human Resources, and Nominating and Governance – play a crucial role in overseeing various aspects of governance, including sustainability efforts.
- TTC defines board level involvement for sustainability issues as follows:
  - Audit Committee: Oversight of sustainability 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
  - Nominating and Governance Committee: Oversight of the sustainability program, including environmental, social and governance factors and all other topics not covered by other committees
- Enterprise Risk Management and Sustainability Committees
  - In addition to our Board committees, TTC maintains steering committees that oversee and guide enterprise risk management (ERM) and sustainability efforts and which are subject to regular Board review.

- The ERM Steering Committee brings together leaders from our businesses and our internal audit, information technology (IT) security, global treasury, risk management, integrated supply chain and legal functions. Our ERM program is responsible for managing a dynamic risk framework that evaluates TTC strategic risks and ERM alignment with strategy. This includes assessing climate-related risks and opportunities as part of our broader risk management approach.
- Our Sustainability Steering Committee is a cross-functional, enterprise-wide committee led by the VP, Strategy, Corporate Development and Sustainability and our Senior Sustainability Manager. This Committee supports TTC's sustainability goals holistically by managing our four strategic pillars: Planning, People, Product, and Process.
- Together, the ERM program and our Sustainability Committee allow us to better monitor and mitigate risk across the enterprise, including sustainability-specific risks such as climate-related risks, opportunities and their potential impacts on our business. They regularly report progress, including climate-related risks and opportunities, to the Enterprise Leadership Team, the Board, and relevant Board Committees.

**Describe management's role in assessing and managing climate-related risks and opportunities.**

- The Board and its Committees exercise robust oversight of the Company's ERM program with dedicated time to review the top tier risks, including climate-related risks. The Board or its Committees regularly review sustainability strategies, risks and progress with dedicated time.
- The CEO at TTC has responsibility for climate-related issues in strategy, operations, planning, budget, technology, and innovation. The centralized Strategy, Corporate Development, and Sustainability organization, reporting to the CEO, contains the Sustainability function and overall responsibility for the Company's environmental sustainability strategy.
- The Company's Sustainability Steering Committee provides direction and oversight of TTC's global sustainability strategy and serves as a unifying element for the Company's sustainability activities, including the integration of climate action into TTC's overall business strategy while minimizing related risks. The executive sponsor and the head of this Committee is the VP of Strategy, Corporate Development and Sustainability, reporting to the CEO. The Committee is comprised of cross-functional leadership, and serves as the voice and catalyst for environmental action beyond compliance in the Company, while providing tools and resources for employees to go further and faster in reaching TTC's environmental goals.
- TTC Management is one of several stakeholders who assesses and scores TTC's climate-related impacts, risks, and opportunities in the materiality assessment processes.

## STRATEGY

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**Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.**

Time horizons are based on leading practice and company climate-related targets.

- Short-term: 1-5 years (~2027)
- Medium-term: 5-15 years (~2033)
- Long-term: 15-30 years (~2050)

### **TRANSITION RISK: Transition to lower emissions technology**

- **Risk type: Technology**
- **Description:** TTC continues to navigate a complex landscape of regulatory requirements, evolving customer expectations, and its own sustainability goals, all of which are pushing the Company toward offering lower emissions products. This transition is expected to increase TTC's operational and capital expenditure. TTC may face increased expenses linked to the development of lower-emissions products, prompted by regulatory mandates, customer preferences, and TTC's commitment to decarbonization. These expenses may encompass capital and talent investments for the development, adoption and implementation of innovative technologies and processes; alongside elevated costs associated with procuring lower-emissions raw materials needed for sustainable product manufacturing. Specific to electrification, TTC may face increased operational costs related to battery storage, as well as sourcing and transportation challenges in the supply chain. Additionally, a significant part of the transition risk is the timing and alignment with customer acceptance of electrification and the supporting infrastructure for the equipment offered. If customer adoption does not keep pace with product development or if infrastructure is insufficient, TTC may experience delayed returns on investment and challenges in meeting market expectations.
- **Potential impact:**
  - Time horizon: Medium to long-term
  - Magnitude: High
  - Primary potential financial impact in R&D, new product development, and supply chain transition
- **Approach:**
  - One of our strategies is to develop innovative, customer-valued, and high-quality products to generate revenue and earnings growth. In the past, our sales of new products, which we define as those introduced in the current and previous two fiscal years, have represented a significant portion of our net sales and are expected to continue to represent a significant portion of our future net sales. We may not be able to compete as effectively and ultimately satisfy the needs and preferences of our customers unless we continue to enhance existing products and develop new and innovative products, including incorporating new, emerging, and/or disruptive technologies that may become preferred by our customers, such as electric and alternative fuel products to meet market demands for less greenhouse gas intensive products. TTC aims to increase operational efficiency while also continuing to

innovate. In 2024, we launched a significant productivity initiative named AMP, which is a multi-year initiative intended to result in annualized cost savings of more than \$125 million by fiscal 2027, driven by sustainable supply-base, design-to-value, route-to-market, and operational efficiency transformation. We expect to reinvest a portion of the savings from this initiative to drive further innovation and growth. We have recognized an estimated \$86 million of annualized run rate cost savings.

**TRANSITION RISK: New environmental or climate regulations may increase the cost of raw materials or may lead TTC to write down or retire existing assets used in current production**

- **Risk Type: Policy**
- **Description:** As regulations governing climate and environmental concerns continue to evolve, TTC may face the prospect of adapting to new mandates regarding water, material usage and greenhouse gas emissions (GHGs). Such regulations could influence the selection of suppliers from whom TTC procures its raw materials, potentially necessitating shifts to more compliant suppliers and increasing the costs of raw materials in TTC's current supply chain. Regulations with specific limits, such as those on GHGs or water use by facility or process, can further decrease TTC's operational flexibility and increase production costs in order to comply with regulations. New regulations may also require TTC to write down or retire existing assets used in current production that fail to comply with the requirements or may prevent TTC from operating in specific regions where TTC currently has facilities.
- **Potential impact:**
  - Time horizon: Medium to long-term
  - Magnitude: Moderate
  - Primary potential financial impact of raw materials and changes to supply chain partnerships
- **Approach:**
  - The Toro Company is committed to complying with all applicable U.S. and international laws and regulations and expects the same from its suppliers and business partners. To mitigate the impact of regulations on the cost of raw materials, TTC proactively monitors regulatory developments and engages with industry groups to anticipate upcoming changes. TTC diversifies its supply base to include those with strong environmental compliance records and invests in long-term partnerships with suppliers who prioritize sustainable practices. Additionally, TTC explores opportunities to substitute traditional raw materials with lower-impact alternatives and implement design-to-value strategies that reduce material intensity in our products. By leveraging ongoing cost savings initiatives, like AMP, we can allocate resources to support supply chain innovation and resilience, ultimately minimizing the financial impact of regulatory changes on raw material costs.

## **TRANSITION RISK: Reduced demand for turf-related products and services resulting from shifting perspectives on the value and benefits of turf**

- **Risk Type: Market, Reputation, Policy**
- **Description:** Demand for turf-related products and services may decrease amid the tightening of water-related regulations and shifting public attitudes toward turf maintenance practices. Heightened awareness of the environmental impact associated with chemicals, land usage, and water consumption required for turf upkeep may cast a negative light on turf-centric landscapes. Pressures from hanging consumer preferences, government regulations, and shifts away from traditional turf maintenance practices pose a risk of turf becoming less popular or even obsolete. This trend could lead to decreased demand for and sales of TTC's turf-related products and services. Changing preferences and regulations regarding turf may impact the demand for TTC's golf-related products due to reduced demand for golf courses in regions impacted by water use regulations and water scarcity.
- **Potential impact:**
  - Time horizon: Long-term
  - Magnitude: Moderate
  - Primary potential financial impact of reduced revenue from a decrease in demand driven by a shift in consumer preferences and strategic impact of adjusted competitive strategy to meet shifting consumer preferences
- **Approach:**
  - TTC remains steadfast in its belief that turf will continue to play a vital role in various valued applications, such as sports fields, golf courses, municipal parks and public spaces, and residential homes. TTC recognizes that well-managed turf can coexist within biodiverse landscapes, supporting recreation, community well-being, and environmental stewardship. We actively engage stakeholders to communicate the ecosystem services provided by turf, including its role in cooling urban environments, supporting active lifestyles, and contributing to healthy ecosystems.
  - TTC's investment and growth strategy is intentionally diversified to include both turf and non-turf related markets, allowing us to remain resilient as consumer preferences and regulatory landscapes evolve. We have expanded our portfolio to encompass solutions for landscape maintenance, smart irrigation, and outdoor environments that prioritize sustainability and resource efficiency. By investing in innovative product solutions – such as water efficient irrigation systems, advanced water and chemical application technologies, and energy and fuel-efficient equipment, we empower our customers to meet new sustainability standards while maintaining high-quality green spaces. These offerings position TTC to capture emerging market opportunities and highlight our commitment to sustainable practices.
  - We also advocate for partnerships with industry groups and local communities to promote best practices in turf management and biodiversity enhancement. By leveraging our expertise and collaborating with stakeholders, TTC can help shape the future of sustainable turf and landscape management, turning transition risks into opportunities for innovation, market leadership and positive environmental impact.

**OPPORTUNITY: New revenue streams from low-emission, water-efficient, or sustainable products and solutions to capitalize on shifting consumer preferences**

- **Opportunity type: products and services**
- **Description:** TTC may gain a competitive advantage and attract sustainability-minded consumers through its ongoing transition toward and development of low-emission, water-efficient, and sustainable products and solutions. By aligning with market demands for sustainability, TTC can bolster its reputation and appeal to new consumer segments. Embracing circularity initiatives, such as implementing sustainable practices for product repair and repurposing, may further distinguish TTC from its competitors by extending the lifespan of customer products. In regions where TTC offers golf-related products and services, the introduction of water-efficient products and solutions may allow TTC to capture business from golf courses facing increasing pressure and consumer interest in water efficiency and conservation. This approach may not only meet market demands but also reinforce TTC's commitment to environmental stewardship and innovation.
- **Potential impact:**
  - Time horizon: Medium to long-term
  - Magnitude: Moderate
  - Financial impact from increased revenue and profitability from the sale of new products with competitive differentiation (primary); and strategic impact of enhanced market positioning of being an early adopter to shifting consumer preferences (secondary).
- **Approach:**
  - To capitalize on emerging opportunities presented by shifting consumer preferences toward sustainability, TTC is strategically focused on developing new revenue streams through the introduction of low-emission, water-efficient, and sustainable products and solutions. Our approach is anchored in three key areas: advancing alternative power technologies, delivering autonomous solutions, and creating smart-connected products that enhance productivity and resource efficiency. By continually evolving with and for our customers, TTC aims to provide innovative offerings that not only meet current market demands but also anticipate future needs, bolstering our competitive differentiation and reputation for environmental stewardship. This commitment positions TTC as a leader in sustainable innovation, allowing us to attract sustainably minded consumers and strengthen our market position as an early adopter of environmentally responsible practices.

**OPPORTUNITY: Decreased reliance on fossil fuels by transitioning to lower emission energy sources, enabling progress toward decarbonization goals**

- **Opportunity type: Energy source**
- **Description:** TTC may achieve reductions in its carbon footprint as it advances its efforts to reduce reliance on fossil fuels by adopting energy efficiency measures within its facilities and integrating lower-emission energy sources. This strategic shift not only aligns with TTC's

decarbonization objectives but also facilitates progress towards a more sustainable future. By transitioning to renewable energy sources, electrification initiatives, and improving efficiency of products and operations to reduce energy consumption, TTC can effectively diminish its dependence on fossil fuels across various aspects of its operations.

- **Potential impact:**
  - Time horizon: Short to medium-term
  - Magnitude: Low
  - Operational resiliency opportunity, protecting from fluctuations in grid reliability and energy costs, and strategic opportunity to decrease reliance on fossil fuels and contribute to a more sustainable future
- **Approach:**
  - As part of our commitment to sustainability, TTC is actively working to decrease reliance on fossil fuels within our operations by prioritizing energy efficiency improvements. Although we do not currently purchase a material amount of renewable energy, we are continually evaluating opportunities to integrate lower-emission energy sources as part of our long-term strategy. To date, our progress toward decarbonization goals has been achieved by implementing targeted efficiency measures across our facilities and operational processes, enabling us to reduce our carbon footprint while supporting operational resiliency and cost management. This proactive approach positions TTC to further capitalize on future opportunities as we expand our evaluation of renewable energy options and strive to advance our sustainability objectives.

**PHYSICAL CLIMATE RISK: Reduced sales due to changes in seasonal weather patterns (e.g., flooding, reduced snowfall, drought)**

- **Description:** Long-term changes in seasonal weather patterns, specifically related to flooding, reduced snowfall, and drought, may result in decreased sales of weather-dependent products offered by TTC. With reduced snowfall, the demand for snowplows and related equipment may diminish, potentially affecting TTC's revenue stream in regions traditionally reliant on these products for winter maintenance. Additionally, flooding events may disrupt agricultural operations, potentially leading to reduced investment in agricultural machinery and irrigation equipment, further impacting sales within this sector. Similarly, persistent dry weather conditions or droughts may lead to stricter water restrictions, which may reduce demand for turf-related products.
- **Potential impact:**
  - Time horizon: Short to long-term
  - Magnitude: Moderate to high
  - Primarily financial risk due to decreased revenue and sales, potentially affecting profitability as well as potential operational risk related to inventory management
- **Approach:**
  - TTC has continued to complement our brands, enhance our product portfolios, and improve our technologies through innovation and strategic acquisitions over the more

than 100 years we have been in business. We plan to continue to leverage a strategic and disciplined approach to pursue targeted acquisitions that add value to TTC by complementing our existing brands, enhancing our product portfolio, and/or improving our technologies. This includes the diversification of product offerings or expansion into new markets which are less susceptible to physical climate change.

- While reduced sales resulting from changes in seasonal weather patterns represent a significant physical climate risk, these shifts can also present opportunities for TTC to expand and diversify its offerings. For example, periods of decreased snowfall may lead to increased demand for ice management products, even in regions where such products have not traditionally been required. Similarly, reduced rainfall and drought conditions can drive higher demand for water-efficient irrigation solutions, providing TTC with opportunities to support customers facing new climate-related challenges.

### **PHYSICAL CLIMATE RISK: Business disruption due to acute physical climate risks (e.g., extreme heat, tropical cyclone, flood, severe convective storms, drought)**

- **Description:** Changes in the frequency and intensity of acute physical hazards, including floods, extreme heat and wildfires, pose significant challenges to the operational resilience of TTC and may result in reduced business productivity, site accessibility, supply chain disruptions, loss or damage to assets, and workforce absenteeism. Acute physical climate risks may directly impair TTC operations through facility damage, electrical failures, and machinery breakdowns, thereby compromising production. Acute physical risks can have high impacts on facilities and employees without proactive measures to enhance resilience or mitigate hazards, as well as severely affecting the capability of employees to safely perform work and access facilities. (e.g., sites without air conditioning during heat waves.)
- **Potential impact:**
  - Time horizon: Medium term
  - Magnitude: Low to moderate
  - Primarily financial risk to sales and revenue due to temporary closures, increased downtime, reduced production capacity, or interrupted supply chains
- **Approach:**
  - To mitigate the risk posed by changes in the frequency and intensity of acute physical hazards, TTC has conducted a physical climate assessment of its operational footprint, including considerations for extreme heat and cold, extreme precipitation, floods, extreme wind, severe convective storms, wildfire and drought. We considered the potential exposure to these risks over short, medium, and long-term time horizons and under three climate action scenarios (SSP1-2.6, SSP2-4.5, and SSP5-8.5.) TTC considers these assessments in prioritizing facility upgrades to protect assets and maintain safe working conditions for employees.
  - TTC also engages with suppliers to assess and bolster their resilience, ensuring supply chain continuity. Employee training to ensure safety, preparedness, and adaptability enables TTC to respond proactively to evolving physical climate risks. By integrating these measures into our overall risk management framework, TTC aims to enhance operational resilience and safeguard business productivity against acute climate hazards.

## RISK MANAGEMENT

- Describe the process the reporting entity uses for identifying, managing and assessing climate-related risks, and how those considerations and processes are integrated into the organization's overall risk management.
  - TTC engaged a 3<sup>rd</sup> party to perform a climate scenario analysis to help identify the priority risks and opportunities to which TTC is exposed, and to support the integration of climate into TTC's business, strategy, and risk management processes. The scenario analysis process began with the long list of climate-related, transitional and physical risks and opportunities, supplemented with insights drawn from peer disclosures, industry research, and internal stakeholder interviews. These risks and opportunities were then prioritized based on potential impact, likelihood, and stakeholder relevance. This process resulted in the identification of five physical and transition risks and two opportunities. TTC then conducted a climate scenario analysis in order to understand potential future impacts of climate change on our business.

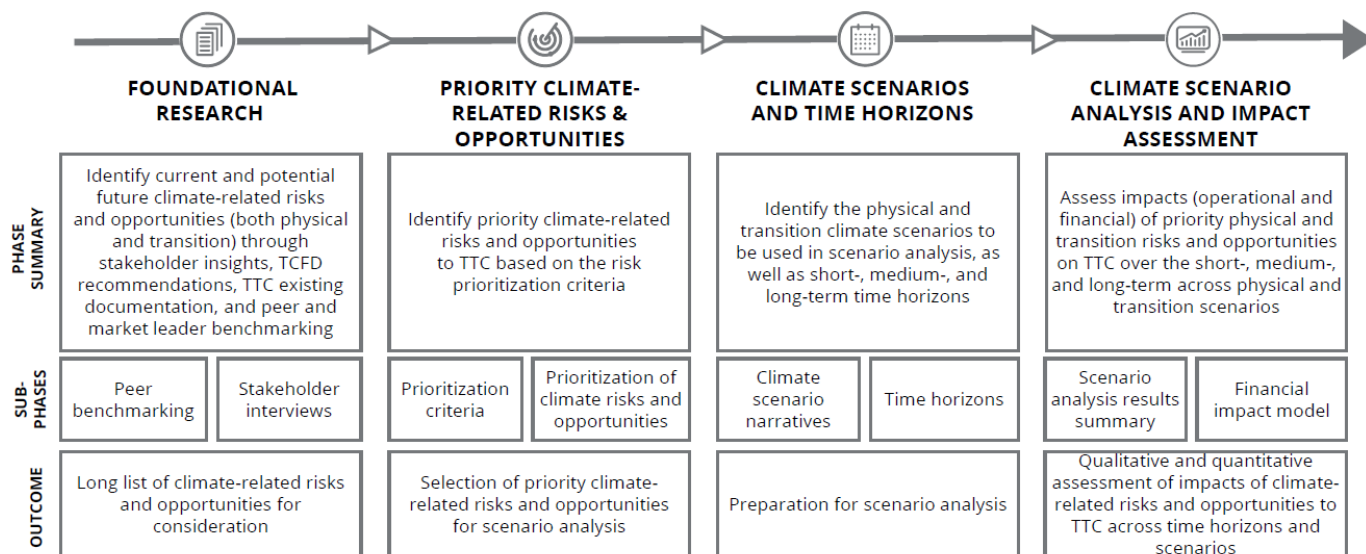
| Proposed climate-related risks and opportunities  |   |   | Scenarios     | Time horizons   |   |   |  |   |
|---|---|---|---------------|---|---|---|--|---|
| <table border="1"> <thead> <tr> <th>Physical risks</th> <th>Transition risks</th> <th>Opportunities</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> <li>Business disruption due to acute physical climate risks (e.g., extreme heat, tropical cyclone, flood, severe convective storms, drought)</li> <li>Reduced sales due to changes in seasonal weather patterns (e.g., flooding, reduced snowfall, drought)</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>Increased expenses associated with the transition to lower emissions products, including costs to adopt/deploy new technologies and processes or increased costs of lower-emissions raw materials</li> <li>New environmental or climate regulations (e.g., water efficiency, material use, greenhouse gas emissions) that may increase the cost of raw materials in current product line or may lead TTC to write down or retire existing assets used in current production</li> <li>Reduced demand for turf-related products and services resulting from shifting perspectives on the value and benefits of turf</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>New revenue streams from low-emission, water-efficient or sustainable products and solutions to capitalize on shifting consumer preferences</li> <li>Decreased reliance on fossil fuels by transitioning to lower emission energy sources, enabling progress toward decarbonization goals</li> </ul> </td> </tr> </tbody> </table> | Physical risks  | Transition risks  | Opportunities | <ul style="list-style-type: none"> <li>Business disruption due to acute physical climate risks (e.g., extreme heat, tropical cyclone, flood, severe convective storms, drought)</li> <li>Reduced sales due to changes in seasonal weather patterns (e.g., flooding, reduced snowfall, drought)</li> </ul> | <ul style="list-style-type: none"> <li>Increased expenses associated with the transition to lower emissions products, including costs to adopt/deploy new technologies and processes or increased costs of lower-emissions raw materials</li> <li>New environmental or climate regulations (e.g., water efficiency, material use, greenhouse gas emissions) that may increase the cost of raw materials in current product line or may lead TTC to write down or retire existing assets used in current production</li> <li>Reduced demand for turf-related products and services resulting from shifting perspectives on the value and benefits of turf</li> </ul> | <ul style="list-style-type: none"> <li>New revenue streams from low-emission, water-efficient or sustainable products and solutions to capitalize on shifting consumer preferences</li> <li>Decreased reliance on fossil fuels by transitioning to lower emission energy sources, enabling progress toward decarbonization goals</li> </ul> | <p><i>Reference sources:</i></p> <ul style="list-style-type: none"> <li>Aggressive Climate Action: IPCC SSP1-1.9, IPCC SSP1-2.6</li> <li>Moderate Climate Action: IPCC SSP2-4.5</li> <li>Insufficient Climate Action: IPCC SSP5-8.5</li> </ul> <p><i>These scenarios capture the identified risks and opportunities specific to TTC's industry and outlook. Scenario narratives and assumptions are informed by publicly established reference scenarios such as the IPCC<sup>1</sup> and SSPs<sup>2</sup></i></p> | <ul style="list-style-type: none"> <li>1-5 years (~2027) Short-term</li> <li>5-15 years (~2033) Medium-term</li> <li>15-30 years (~2050) Long-term</li> </ul> <p><i>The above proposed time horizons (across short-, medium-, and long-term) are based on leading practice and company climate-related targets.</i></p> |
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The assessment utilized the following scenarios:

- Aggressive climate action: IPCC SSP1-1.9, IPCC SSP1-2.6
- Moderate climate action: IPCC SSP2-4.5
- Insufficient climate action: IPCC SSP5-8.5

The assessment utilized the following time horizons:

- Short-term: 1-5 years
- Medium-term: 5-15 years
- Long-term: 15-30 years



Risks identified from the scenario analysis process were integrated into TTC’s corporate Enterprise Risk Management (ERM) process. TTC’s COSO-informed (The Committee of Sponsoring Organizations of the Treadway Commission) ERM process focuses on evaluating identified risks to determine the appropriate response based on TTC’s desired risk acceptance levels. Top corporate risks are evaluated through standardized scores which assess the risk using criteria based on the impact, likelihood, velocity, and volatility of the risk. Combined, these scores determine the materiality of the risk. Through our ERM process, we also evaluate the risk mitigation effectiveness and response approach in terms of preparedness, agility, and adaptability. This assessment allows us to strategically identify opportunities to reinforce our defenses and align residual risk levels more closely with the organization’s appetite.

## METRICS AND TARGETS

- Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities adopted to reduce and adapt to climate-related risk, where such information is material.
  - The Toro Company is committed to helping mitigate climate change and operate sustainably. We continue to invest, refine practices, and prioritize climate action to reduce GHG emissions across our operations and facilities through energy and efficiency improvements.
  - TTC monitors energy consumption and GHG emissions metrics. In our annual sustainability impact report, TTC reported results of our multi-year GHG emissions reduction goal of reducing absolute Scope 1 & 2 GHG emissions by 15% by 2025 compared to a 2019 baseline. With a 13.1% reduction at the end of FY24, TTC is currently on track to meet this goal.

## ABOUT THIS REPORT

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The Toro Company's California Senate Bill 261 (SB 261) Climate-Related Financial Risk Report was prepared in conformance with the Final Report of Recommendations of the TCFD (June 2017) and is limited to the minimum CARB requirements for disclosure, as detailed in the Climate Related Financial Risk Disclosures Draft Checklist (September 2025.) This report was published on (date) and reflects activities and initiatives in the fiscal year 2024 (November 1, 2023 to October 31, 2024). All quantitative company data, unless otherwise stated, reflects FY24. Unless noted, goals and other data in the report reflect our global operations as relevant. Additional information on TTC policies and governance can be found at [www.thetorocompany.com](http://www.thetorocompany.com).

### Forward-Looking Statements

Statements in this report regarding future events and expectations, such as forecast, plans, trends and projections relating to business performance and sustainability ambitions, are forward-looking statements within the meaning of the Private Securities Litigation reform Act of 1995, and identified by words or phrases such as "will likely result," "are expected to," "will continue," "will allow," "estimate," "project," "believe," "expect," "anticipate," "forecast," "plan," "ambition," and similar expressions. These factors include, but are not limited to, economic, industrial and governmental developments that may impact our operations. These and other risks and uncertainties are described in item 1-A of The Toro Company's annual report on Form 10-K for the period ended October 31, 2024, as may be updated from time to time in other periodic reports filed with the Securities and Exchange Commission (SEC). The Toro Company makes these statements as of the date of this report and undertakes no obligation to update them unless otherwise required by law.

### Materiality

The inclusion of information in this report should not be construed as a characterization regarding the materiality or financial impact of that information for SEC reporting purposes. For purposes of this report, we use the definitions of materiality in the Sustainability Accounting Standards Board (SASB) standard, which differs from the definition used for SEC filings.