

## Toshiba Group Slavery and Human Trafficking Statement

Toshiba Group, pursuant to Part 6, Section 54 of the United Kingdom's Modern Slavery Act of 2015, hereby provides details of initiatives to prevent slave labor and human trafficking in Toshiba Group and its supply chain in fiscal year 2021 (1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022).

### Business Overview

[Toshiba Group](#) operates worldwide, and provides products and services in the fields of Energy Systems & Solutions, Infrastructure Systems & Solutions, Building Solutions, Retail & Printing Solutions, Electronic Devices & Storage Solutions, Digital Solutions, and the lithium-ion battery business. Founded in 1875, the company today promotes business at the global level, employs approximately 116,000 people worldwide, and has in fiscal year 2021 recorded annual sales of 3,337 billion yen.

### Supply Chain


In [Toshiba Group's supply chain](#), procurement by business segment, by value, breaks down to 47% for the energy systems and social infrastructure businesses, 35% for electronic devices, and 18% for others. By region, Japan accounts for 70% of procurement, Asia (including China and India) for 29%, and Europe and Others for 1%. Toshiba Group strives to procure materials, parts, equipment and other items in optimum locations, mainly from countries where it has its own international network of production bases, but also from other overseas procurement bases, depending on the items to be procured and local business conditions.

### Policy

- [Toshiba Group Human Rights Policy](#)

The core message of the Essence of Toshiba, Toshiba's corporate philosophy, is that Toshiba Group is "Committed to People, Committed to the Future." This is the basis for the Toshiba Group Human Rights Policy, which was introduced in 2022 in order to ensure a correct understanding of human rights related to corporate activities (business and human rights), and to strengthen our efforts in that direction. As a signatory to the United Nations Global Compact, we referred to the United Nations' Guiding Principles on Business and Human Rights when formulating this policy, and also to other international norms and guidelines, including the Universal Declaration of Human Rights. We also sought opinions and suggestions from third-party organizations dedicated to promoting human rights.

The policy recognizes that corporate activities may impact on human rights. It affirms that Toshiba Group respects the human rights of all stakeholders that are involved in its corporate activities, and is committed to fulfilling its corporate responsibilities. The policy complements the Standards of Conduct for Toshiba Group,



the first article of which covers respect for human rights, including the prohibition against child labor and forced labor, and the Toshiba Group Sustainability Policy, and applies to everyone who works for Toshiba Group, including directors, officers and employees. We also request our business partners, suppliers and other related parties to conduct activities in accordance with this policy.

- [Toshiba Group Procurement Policy](#)

Toshiba Group Procurement Policy was first formulated in 2005, and since then has consistently specified that, along with our suppliers, we comply with laws and regulations and with social norms. In order to ensure procurement activities that give consideration to human rights and the environment, we continually revise the content to reflect international standards, such as the United Nations Global Compact and the RBA Code of Conduct. We make sure that the policy is understood by our suppliers by publishing it in four languages: Japanese, English, Standard Chinese and Thai.


In 2022, when we introduced Toshiba Group Human Rights Policy, we once again clarified the criteria for selecting suppliers, and reviewed our requests to them. In the policy we clearly specify that consent to its provisions is a priority condition for selection as a supplier. We also request suppliers to go beyond activities that align with Toshiba Group Human Rights Policy, and to implement the policy themselves, including in their supply chain, and to include its provisions prohibiting forced labor and human trafficking.

- [Toshiba Group Responsible Minerals Sourcing Policy](#)

In 2011, Toshiba Group implemented the Toshiba Group Conflict Minerals Response Policy, and since the implementation of Section 1502 of the Wall Street Reform and Consumer Protection Act (Dodd-Frank) on conflict minerals in January 2013, Toshiba Group has investigated and reported to customers on the use of conflict minerals mined in the Democratic Republic of the Congo (DRC) and its adjoining countries. Subsequently, due to increased risk of human rights violations in conflict-affected and high-risk areas (CAHRAs) in addition to the DRC and its adjoining countries, including child labor and corruption, we revised our policy in September 2020 and established the Responsible Minerals Procurement Policy. This policy prohibits the use of tin, tantalum, tungsten, gold and cobalt whose procurement contributes to conflicts in conflict-affected and high-risk area and to human rights violations, such as forced labor and child labor, environmental pollution, corruption, and other abuses. Toshiba Group requests its suppliers, and through them their suppliers, to conduct procurement activities in line with the policy.

### **Identification and Monitoring of Human Rights Risk (Risk Assessment)**

Toshiba Group has [a risk management structure](#) for responding to various risks, including those related to business and compliance. As part of the Toshiba Group Risk Management System (RMS), we undertake an annual [human rights risk assessment program](#), based on the Guiding Principles on Business and Human Rights, and on laws and guidelines on this human rights and labor practices. The Human Resources & Administration Division and the Sustainability Management Division are responsible for the assessment, and uses gap analysis to monitor the implementation of human rights initiatives. In fiscal year 2021, the assessment covered 176 Group companies, there were concerns about the handling of harassment issues and hiring process at 10 companies. Guidance by the aforementioned divisions ensured these companies improved their



situations with measures in line with relevant laws and regulations, the UN Guiding Principles on Business and Human Rights, and the RBA Code of Conduct.


We conduct annual [CSR surveys and monitoring](#) in accordance with Toshiba Group Procurement Policy. In addition to this, in fiscal year 2021 we conducted a supplier sustainability survey of 16,000 companies, covering human rights, health and safety, the environment, ethics, and BCP. Using a risk-based approach, we narrowed down the survey to about 1,000 companies, and subsequently identified 38 as high-risk suppliers, due to concerns about the employment conditions of their workers. We resurveyed these companies and provided corrective guidance based on the RBA Code of Conduct. In the event that we find a supplier in violation of our standards, we first request corrective action, and, if necessary, provide corrective guidance and support. If we determine that the situation is still difficult to correct, we cease transactions with the supplier.

### **Framework for Respecting Human Rights**

Toshiba Group has [the Human Rights Enlightenment Committee](#), chaired by the Executive Officer responsible for Sustainability, Human Resources & Administration, that formulates policies on respect for human rights, measures related to human rights risk, and training plans for employees. The Human Resources & Administration Division, in collaboration with the Sustainability Management Division, which promotes initiatives on business and human rights, uses these measures and plans as the basis for providing key group companies with guidance on training and activities related to human rights. The Human Rights Enlightenment Committee reports on its discussions and decisions to the Board of Directors.

Regarding respect for human rights in the supply chain, an independent team specializing in sustainable procurement activities, part of the headquarters' Procurement Division, works with related organizations, including the Sustainability Management Division and the Environment Management Office, and also with key group companies, to promote understanding and respect for human rights. In addition to this, [the Sustainability Strategy Committee](#), which is chaired by the president and CEO, determines strategies and measures to promote sustainability in Toshiba Group, and also makes decisions and reports on related matters, including dealing with human rights risk in the supply chain. The Sustainability Strategy Committee reports on its discussions and decisions to the Board of Directors.

Human rights initiatives at Toshiba Group and its supply chain, including the results of assessment and monitoring of human rights risk mentioned above, are discussed by the responsible committees already mentioned, and also reported to [the Risk Compliance Committee](#), which is chaired by the Chief Risk & Compliance Officer (CRO), who oversees risk management and compliance. The committee analyzes whistleblower reports and cases both in-house and outside of Toshiba Group, and evaluates the impacts of risks and the status of risk control in accordance with a risk table that covers compliance risks based on the Standards of Conduct for Toshiba Group. Initiatives on human rights are reported to the committee in every fiscal half, and a system is in place to ensure continuous monitoring of risks facing Toshiba Group, including human rights risk, and of the effects of countermeasures. Members of the Audit Committee, who are also



Directors of Toshiba, participate in the committee, and the content of its discussions is reported to the Board of Directors.

In addition to the forgoing, Toshiba Group, as a signatory to the United Nations Global Compact, and while proactively working to eradicate human rights issues in the international community, has joined the [BSR](#) as a means to deepen understanding of human rights and to reflect such understanding in Toshiba Group's corporate activities.

### **Introduction of Reporting System and Contact Points (Grievance Mechanism)**

In addition to [reporting systems](#) that include the Toshiba Misconduct Reporting Hotline (a global whistleblower system), the Harassment Consultation Center and the Audit Committee Hotline, Toshiba Group has set up a [Clean Partner Line](#) to receive reports from suppliers, thereby providing coverage of a wide range of matters, including those related to human rights. We provide regular e-learning on the existence of these systems, and the strict guarantee of anonymity that they offer.

When reported cases raise suspicions of legal violations or fraud, we make every effort to get an accurate grasp of the facts and identify root causes, and take firm measures to prevent any recurrence. The majority of reports received concern labor issues and administrative practices, and if we investigate and find that there is an inappropriate situation, or the likelihood of one developing, even one that does not break the law, we cooperate with the related department on improvement measures and alerts.

Cases of whistleblower reports that all employees should be aware of are taught as a part of employee education. In order to protect whistleblower anonymity, no names are released, and details in cases are changed, so that individuals and workplaces cannot be identified.

### **Training**

Toshiba Group employees receive annual training in the Standards of Conduct for Toshiba Group, the first article of which covers respect for human rights, including the prohibition against forced labor and child labor. We also provide training to deepen employees' understanding of and respect for human rights when they join the company, and before and after promotions and managerial appointments.

Training for personnel working in procurement is provided when they join the company or are transferred to the division, and rank-based training is also provided. The scope of training includes Toshiba Group Procurement Policy and sustainable procurement.

Every December is marked as Toshiba Group Sustainability Month, which includes Human Rights Week. As part of this, we hold [a lecture to commemorate Human Rights Week](#), and human rights enlightenment seminars led by experts.

### **Continuing Initiatives for Respecting Human Rights**

Toshiba Group recognizes respect for human rights as [a material issue](#). Going forward, acting on the advice of independent experts, we intend to repeat the human rights impact assessments we conducted in 2014 and 2017. We will once again identify human rights risks that can affect our business, define priority issues and minimize such risks by taking corrective measures. In addition, in accordance with the Toshiba Group Human Rights Policy, we will ensure that human rights are fully respected within Toshiba Group, and strengthen our supply chain management to promote an equally deep understanding of human rights at our suppliers. We will also put in place a grievance mechanism and publicize it both domestically and internationally.

Through these efforts, we will carry out corporate activities that prevent any occurrence of slave labor and human trafficking in Toshiba Group and its supply chain.

This statement was discussed and approved on 26<sup>th</sup> September 2022, by Executive Officers delegated with the authority to do so by Toshiba's Board of Directors, and is signed by the Representative Executive Officer, President and CEO.

26<sup>th</sup> September 2022

A handwritten signature in dark ink, appearing to read 'Shi', is positioned above the printed name of the signatory.

Taro Shimada  
Representative Executive Officer  
President and Chief Executive Officer  
Toshiba Corporation