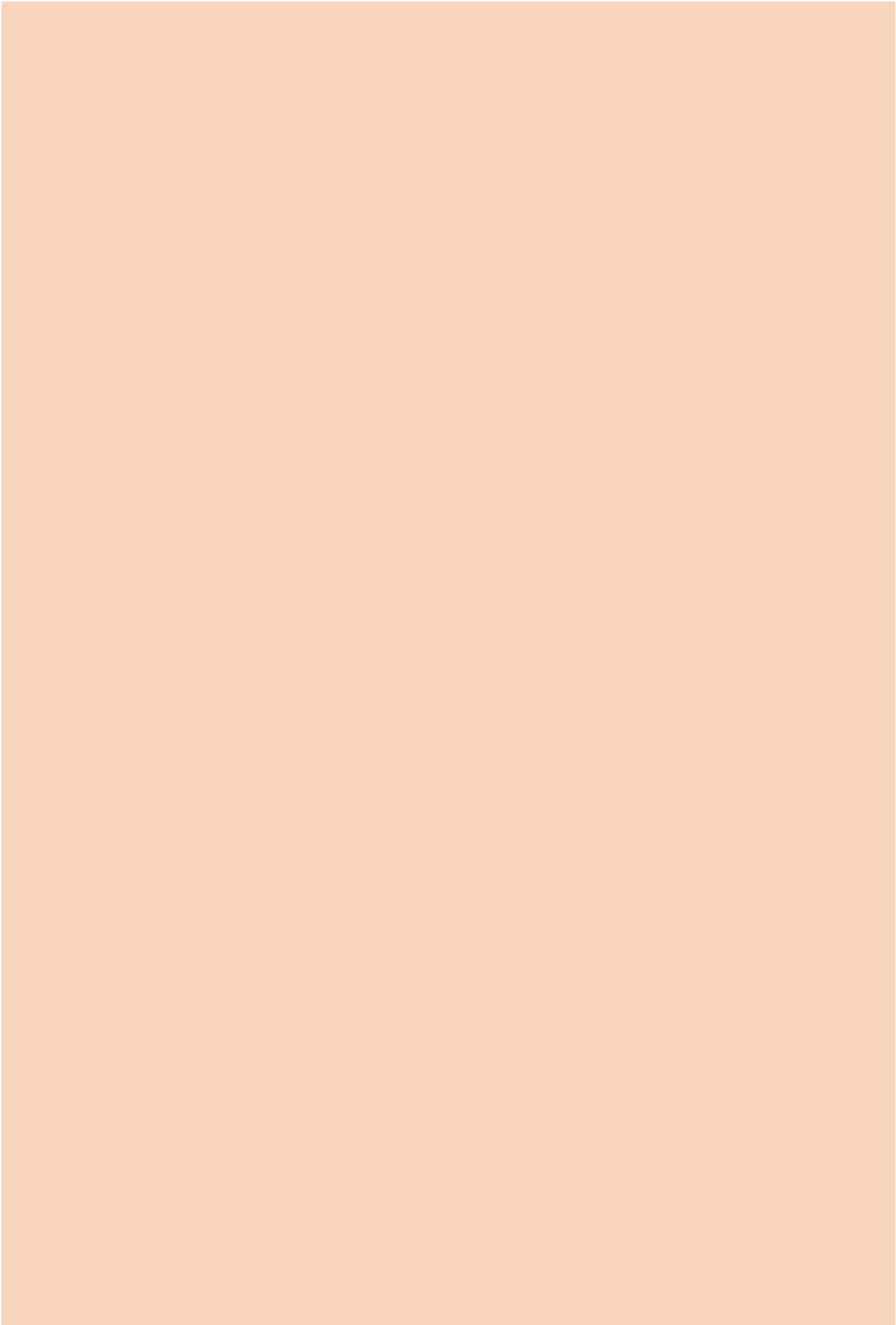


# 2013

## CSR Report

Corporate Social Responsibility Report






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## CEO Commitment



**We will contribute to developing a sustainable society by bringing together the abilities of each and every one of our employees**

**Hisao Tanaka**  
Director, President and CEO

### **Promoting CSR Management by Pursuing Unshakable Integrity**

As President and CEO of Toshiba, I recognize that the basis for setting ambitious goals for the innovations that will make Toshiba Group an even stronger global contender, and for realizing the accelerated globalization essential for our future, is to promote CSR management as the cornerstone of management policy. And we must do this with an unshakable integrity.

At Toshiba, integrity embodies two meanings. First, it refers to meeting our responsibilities to society. We seek to contribute to the future of a sustainable planet Earth by addressing global issues, such as global warming, and by carrying out social contribution programs. Beyond that, integrity refers to securing sound management and finances. To this end, we place the highest priority on human life, safety and compliance in all areas of business. As we work toward securing a strong financial footing, we will also endeavor to retain the trust of all our stakeholders.

### **Meeting the Expectations of our Many Stakeholders**

Toshiba Group strives to live up to the expectations of a diverse stakeholder base that includes shareholders, investors, customers, suppliers and local communities, and to promote CSR management that meets global standards. In 2004 Toshiba became a signatory to the United Nations Global Compact, as we share its commitment to human rights, labor standards, the environment and anti-corruption. We also observe ISO 26000, a set of international guidelines on social responsibility published in 2010.

We consider it our responsibility as a global corporation to request that our partners in our supply chain promote CSR management. Toshiba Group fully recognizes the serious human rights issue posed by trade in conflict minerals from the Democratic Republic of the Congo and adjoining countries. In contributing to finding a solution to this problem we have formulated a policy that we ask our suppliers to join us in observing.

We will continue to operate as a corporate citizen of planet Earth that contributes to the global environment while respecting the diverse histories, cultures and customs of different countries. As we do so, I hope that we may rely on your continued support and cooperation.

## **Continuing to Support Recovery from the Great East Japan Earthquake**

Toshiba Group has channeled extensive resources into supporting recovery from the devastating earthquake and tsunami that hit Tohoku on March 11, 2011.

As a first step, we arranged for the early supply of emergency aid, including provision of essential products manufactured by the Group. Following on from that, we believe that the most important contribution we can make to reconstruction is to create employment. Measures here include rebuilding the fishing industry by supplying fishing boats and assisting electrical appliance stores in resuming their business. We have also set up a fund and granted Toshiba scholarships to 230 university students who were victims of the disaster.

This is a long-term commitment, embodied in our "Toshiba East Japan ASHITA (Future) Plan." In FY2012, we will provide support worth 500 million yen for the continued reconstruction of fisheries and other job creation efforts, re-establishing the independence of local communities, and other areas of need. In April 2012, we dispatched 767 new employees to the stricken areas to support reconstruction efforts and to raise their awareness of the importance of embracing social responsibility.

As a developer of nuclear power generation systems, we realize the serious implications of the accident at the Fukushima Daiichi Nuclear Power Plant. At the request of the Japanese government and Tokyo Electric Power Company, Inc., we have made utmost efforts to implement measures that ensure the integrity of the site. Drawing on our technology and expertise, we developed highly efficient, stable contaminated water-disposal equipment that contributed to the cold shutdowns of Units 1 to 3. We have also developed portable water and soil disposal systems and proposed their application to administrative agencies and other entities.

Toshiba Group will continue support reconstruction activities in light of progress made. We will also offer support through our business operations and contribute to the reconstruction by proposing and implementing safe, environmentally aware city planning.

## **Worldwide Social Contribution Programs**

As it helps to ameliorate social problems through its business activities, Toshiba Group also promotes social contribution programs that support educational and cultural activities around the world. Education provides sustenance for future generations, and we have long made this, particularly science education, a focus area. In North America we have sponsored a K-12 student science contest since 1992; in China we have helped build elementary schools in the provinces since 2002 and also run a competition for science teachers; in Japan we work with NPOs to support hands-on science education.

We also contribute to preserving culture and the arts around the world. For instance, we have supported the Japanese galleries at Britain's Victoria and Albert Museum since 1986. In France, we have been installing LED lighting to illuminate the Louvre Museum since 2011. In 2012, we donated LED lighting and photovoltaic power generation systems to Chusonji Temple-a World Heritage site in Japan's Iwate Prefecture-to enhance the charms of its fabulous gold pavilion.

I will continue to take the lead in channeling the energy of the 200,000-plus people working for Toshiba Group around the world, to make it a group of companies that provides new value to customers, contributes to society on an ongoing basis; and in which each company works vigorously to achieve significant results.

As I do so, I would greatly appreciate your support and cooperation.

**Hisao Tanaka**  
Director, President and CEO  
Toshiba Corporation

## Corporate Philosophy

### Basic Commitment of the Toshiba Group

Toshiba Group's Corporate Philosophy emphasizes respect for people, creation of new value, and contribution to society. The Group slogan – “Committed to People, Committed to the Future. TOSHIBA.” – expresses the essence of our corporate philosophy. We recognize that it is our corporate social responsibility (CSR) to put our philosophy and slogan into practice in our day-to-day business activities. In doing so, we accord the highest priority to human life and safety and to compliance.

### Basic Commitment of the Toshiba Group

We, Toshiba Group companies, based on our total commitment to people and to the future, are determined to help create a higher quality of life for all people, and to do our part to help ensure that progress continues within the world community.

#### 1. Commitment to People

We endeavor to serve the needs of all people, especially our customers, shareholders, and employees, by implementing forward-looking corporate strategies while carrying out responsible and responsive business activities. As good corporate citizens, we actively contribute to further the goals of society.

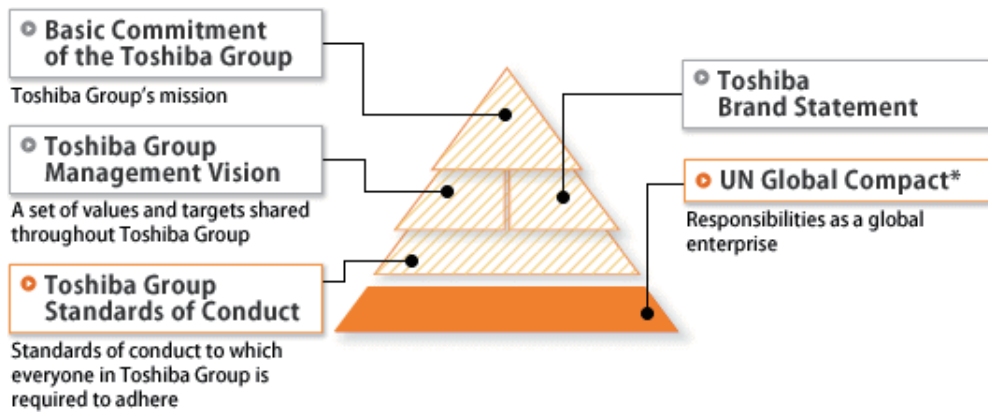
#### 2. Commitment to the Future

By continually developing innovative technologies centering on the fields of Electronics and Energy, we strive to create products and services that enhance human life, and which lead to a thriving, healthy society. We constantly seek new approaches that help realize the goals of the world community, including ways to improve the global environment.

#### Toshiba Group Slogan

**Committed to People,  
Committed to the Future. TOSHIBA**

## Framework of Toshiba Group's Management Philosophy



\*UN Global Compact: A voluntary corporate citizenship initiative concerning human rights, labor, the environment, and anti-corruption proposed by the former UN Secretary-General Kofi Annan in 1999 at the World Economic Forum. Toshiba joined the UN Global Compact in 2004

## Toward Realizing the Corporate Philosophy

### Toshiba Group's Integrity

#### Meet our responsibilities to society

Proactively contribute to solutions to social issues such as climate change through business activities

#### Secure sound management and finances

Ensure sound management by according the highest priority to human life and safety and to compliance so that Toshiba continues to be trusted by society

**Toshiba Group strives to constantly act with unshakable integrity and aims to continue to be trusted as a "corporate citizen of planet Earth"**

In CSR management, Toshiba Group emphasizes the keyword "integrity" with the above two connotations and ultimately seeks to fulfill its responsibilities toward a wide range of stakeholders.

## Toshiba Group Standards of Conduct

These Toshiba Group Standards of Conduct have thus been established in order to make our management principles and management vision a reality and as a basis to guide our activities so that we can operate under the principles of fairness, integrity and transparency and contribute to the formation of a sustainable society.

Introduction	Chapter 2
Chapter 1	SOC for Corporate and Individual Relationship
SOC for Business Activities	15. Human Resources
1. Customer Satisfaction	16. Corporate Information and Company Assets
2. Production and Technology, Quality Assurance	Chapter 3
3. Marketing and Sales	SOC for Community Relations
4. Procurement	17. Community Relations
5. Environment	18. Political Contributions
6. Export Control	Scope and Implementation
7. Competition Law	
8. Government Transactions	
9. Improper Payments	
10. Engineering Ethics	
11. Intellectual Property Rights	
12. Accounting	
13. Corporate Communications	
14. Advertising	

## Introduction

As the Toshiba Group looks to become an enterprise trusted by society, we have set up management principles respecting humanity, creating new values, and contributing to the lives and cultures of different countries around the world. At the same time, we operate our business under a management vision in which we aim to make adequate profits and sustainable growth and to bring our customers comfort and joy through the professional expertise and actions of each of our personnel and the collective efforts of our people. These Toshiba Group Standards of Conduct (hereinafter called the "SOC") have thus been established in order to make our management principles and management vision a reality and as a basis to guide our activities so that we can operate under the principles of fairness, integrity and transparency and contribute to the formation of a sustainable society. Each of the directors, corporate auditors, and officers (hereinafter called the "Directors") and employees (hereinafter called the "Employees") of Toshiba Group should comply with the SOC and strive to operate a sound and high quality business as a part of a global enterprise which emphasizes a balance between the environment, human rights and local communities under the principle of giving the highest priority to life, safety and compliance with laws, regulations, social norms and ethics.

## Chapter 1 SOC for Business Activities

### 1. Customer Satisfaction

#### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall supply products, systems and services (hereinafter called "products and services") that are based on voice of customer and comments and that satisfy customer needs and requirements, and which comply with laws, regulations and contracts.

#### 2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. supply safe and reliable products and services;
2. provide reliable information regarding products and services in an appropriate manner;
3. respond to requests and consultations from customers in an honest, prompt and appropriate manner;
4. respect voice of customer and endeavor to develop and improve products and services that satisfy customer needs; and
5. properly collect, use and manage customers' personal data.

## 2. Production and Technology, Quality Assurance

### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. observe all applicable laws and regulations, as well as contracts related to production, technology and quality assurance; and
2. promote constant technological innovation and product improvement and supply safe and high quality products and services that meet customers' needs and incorporate the most advanced technologies.

### 2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. assure the fulfillment of warranty commitments, with priority given to customer satisfaction, and ensure the safety of products;
2. promote the research and development of advanced technologies, products and services, and the continuous improvement of technology infrastructure; maintain basic technological and functional infrastructure so as to respond in a timely and appropriate manner to changes in the technological environment and to develop products and services that effectively utilize advanced technologies;
3. in undertaking production and technology-related activities, seek to secure and exploit intellectual property rights for Toshiba Group, while fully respecting the legitimate intellectual property rights of third parties. Directors and Employees shall not acquire third-party proprietary information by improper means, nor disclose or divulge to others trade secrets<sup>Note1</sup>, whether belonging to Toshiba Corporation, a Toshiba Group Company or a third party, without first obtaining the appropriate approval; and
4. in case they obtain information regarding accidents involving any products and services, or the safety of any products and services, verify the facts of such information instantly and take appropriate measures based on such verification.

Note1: Herein, "trade secrets" means trade secrets, know-how and other technical or business information which is used in business activities and is maintained as confidential.

## 3. Marketing and Sales

### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. deliver superior products and services that meet customer needs and requirements, and conduct marketing and sales activities in compliance with all applicable laws and regulations; and
2. recognize the value of information as an asset and endeavor to protect information on third parties (including trade secrets<sup>Note2</sup> of other companies and personal data) obtained through marketing and sales.

### 2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. follow sound and fair business practices in all dealings with customers;
2. promote marketing and sales that comply with all applicable laws and regulations, observe sound business practices and respect socially accepted ideas;
3. observe the SOC on "Competition Law" and endeavor to practice and promote free and fair competition;
4. if the customer is a governmental agency (hereinafter whether domestic or foreign, and including enterprises owned by national or local government), comply with the company rule on marketing activities toward governmental agencies and not engage in any illegal activities, such as bid obstruction<sup>Note3</sup> or competitor coordination on orders <sup>Note4</sup>, related activities or activities that may result in suspicion of engaging in such activities; and
5. acquire information on third parties only from legitimate sources and manage it properly and not disclose such information to any third party without first obtaining the appropriate approval.

Note2: Herein, "trade secrets" means trade secrets, know-how and other technical or business information which is used in business activities and is maintained as confidential.

Note3: Herein, "bid obstruction" means, when dealing with a governmental agency, inquiring about the agency's intentions regarding which prospective bidder will be contracted or the possible bid price, or acting in order for the agency to realize its such intentions.

Note4: Herein, "competitor coordination on orders" means exchanging information or coordinating with competitors regarding which prospective bidder will be contracted, bid prices and other information.

#### 4. Procurement

##### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. comply with all applicable laws and regulations and pay due consideration to the environment; and
2. provide suppliers (hereinafter including prospective suppliers) with equal opportunities for transactions with Toshiba Group.
3. endeavor to establish better partnerships with suppliers based on mutual understanding and trust.

##### 2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. prioritize suppliers who meet the following requirements:
  - comply with laws and regulations, emphasize consideration towards environment and have excellent technical ability
  - reasonable and economically rational pricing
  - have a stable supply, flexibility to address fluctuations in demand and supply and sound management
2. prior to procurement of necessary goods and services, undertake a comprehensive and fair evaluation in accordance with the standards set forth below:
  - environmentally friendly
  - appropriate quality and reasonable and economically rational pricing
  - deliver on schedule and with a stable supply
3. refrain from receiving any personal benefits from suppliers with regard to corporate procurement, and fulfill contractual obligations to suppliers in good faith, ensuring that all transactions fully comply with ethically sound commercial practices, and with all applicable laws and regulations to protect suppliers;
4. never employ illegal means to obtain confidential information from suppliers or other third parties in the course of procurement activities, and avoid disclosing proprietary information about Toshiba Group suppliers and third parties without first obtaining the appropriate approval; and
5. ensure that all purchases are authorized by the relevant purchasing, procurement, or subcontractor departments.

#### 5. Environment

##### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. strive to promote a sustainable environment with the recognition that the Earth is an irreplaceable asset and that there is a collective obligation to leave it to future generations in a sound state;
2. comply with international, regional and national standards, laws, regulations, agreements, industry guidelines and company rules related to the environment;
3. contribute to society by developing and offering excellent products that incorporate technologies for environmental protection; and
4. strive to reduce the environmental impact of business activities.

##### 2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. endeavor to do research and development activities and product manufacturing that support the reduction of the impact on the environment, and also work proactively to maximize the efficient use of energy, reduce the use of natural resources and recycle in the course of all business activities in order to prevent global warming and efficiently use resources;
2. continually improve environmental activities by implementing action plans from both short-term and long-term perspectives through daily operations;
3. conduct periodic measurements and inspections, and maintain records accordingly. When there is an irregularity, promptly take corrective and preventive measures;
4. perform timely and appropriate environmental impact assessments during the planning of new plants and plant relocations investment in production facilities, product planning and design and the purchase of new parts, components or materials;
5. try to avoid the use or emission of any substance that, although not prohibited by applicable laws or regulations, is recognized as a threat to the environment by the government or public environmental authority of any country or region in which Toshiba Group operates. If such a substance should be used by Toshiba Group Companies, for whatever reason, every effort shall be made to minimize its environmental impact, through application of the best available technology and know-how; and
6. try to maintain good and open communication channels such as disclosure of sufficient information regarding our environmental activities.

## 6. Export Control

### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. refrain from any transactions that may undermine the maintenance of global peace and security;
2. comply with all applicable export laws and regulations in each country and region of operation, and with those of the United States if we are engaged in transactions involving U.S. products and technological information; and
3. prepare and implement export control compliance programs (hereinafter called the "Export Control Programs") that stipulate corporate policies and procedures for assuring compliance with the foregoing laws and regulations.

### 2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. refrain from any transactions that may undermine the maintenance of global peace and security or any product or technology transactions that may violate the following laws and regulations:  
all applicable export control laws and regulations in each of the countries and regions where Toshiba Group operates  
the export control laws and regulations of the United States applicable to transactions involving U.S. products and technological information;
2. assure strict management of transactions, from the initial inquiry through the delivery of products and services, by observing the detailed procedures for control of transactions stipulated in the Export Control Program; and
3. prevent our products being used for development and manufacturing of conventional weapons and weapons of mass destruction by verifying the end use and the end user of products and technology.

## 7. Competition Law

### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. comply with any and all laws and regulations enacted for the purpose of maintaining free and fair competition (hereinafter called "Competition Laws"); and
2. prepare and properly implement Competition Laws compliance programs and company rules on marketing activities toward governmental agencies that set out corporate policies and procedures for assuring compliance with applicable Competition Laws and related regulations.

### 2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. observe the Competition Laws compliance programs as well as the company rules on marketing activities toward governmental agencies and promote free and fair business activities;
2. avoid agreements or understandings with competitors relating to pricing (including quotations and bids), the volume of production and sales, allocation of markets, customers or territories, or restrictions on production capacities or technology. The prohibition of such agreements is not limited to those actually recorded in writing by way of memoranda or minutes, but also extends to oral agreements;
3. if the customer is a governmental agency, observe the company rules on marketing activities toward governmental agencies and not engage in activities such as bid obstruction<sup>Note5</sup> or competitor coordination on orders<sup>Note6</sup>;
4. not engage in activities or organize or participate in meetings, make pledges or arrangements, or exchange information which may be a cause of concern in respect of paragraphs 2 and 3 above, or engage in any related activities or activities which may result in suspicion of engaging in such activities;
5. not require distributors or dealers to agree to or maintain resale prices for any Toshiba Group Company product; and
6. not allow third parties (including sales representatives) to engage in activities prohibited under paragraphs 2 to 5 above.

Note5: Herein, "bid obstruction" means, when dealing with a governmental agency, inquiring about the agency's intentions regarding which prospective bidder will be contracted or the possible bid price, or acting in order for the agency to realize its such intentions.

Note6: Herein, "competitor coordination on orders" means exchanging information or coordinating with competitors regarding which prospective bidder will be contracted, bid prices and other information.

## 8. Government Transactions

### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall engage only in conduct that does not violate local laws, regulations, company rules on marketing activities toward governmental agencies or breach the terms of any contract with a governmental agency.

### 2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. not provide false information, such as false estimates of contract prices, to any governmental agency or its officials (hereinafter including past officials);
2. not engage in bid obstruction<sup>Note7</sup> or any related activities or any activities that may result in suspicion of engaging in such activities;
3. not engage in competitor coordination on orders<sup>Note8</sup> or any related activities or any activities that may result in suspicion of engaging in such activities;
4. refrain from making improper payments to any governmental agency or its officials, such as entertainment, gifts or gratuities prohibited by the SOC for "Improper Payments";
5. not disclose confidential information received from government sources in such a manner as to breach any obligation of secrecy; and
6. when hiring former government officials, strictly examine the candidate in accordance with laws and regulations and internal regulations of the governmental agency in which he or she worked, and, after hiring such candidate, not allow him or her to engage in marketing activities for such governmental agency.

Note7: Herein, "bid obstruction" means, when dealing with a governmental agency, inquiring about the agency's intentions regarding which prospective bidder will be contracted or the possible bid price, or acting in order for the agency to realize its such intentions.

Note8: Herein, "competitor coordination on orders" means exchanging information or coordinating with competitors regarding which prospective bidder will be contracted, bid prices and other information.

## 9. Improper Payments

### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall observe prohibitions on payments illegal or improper under generally accepted sound business practices.

### 2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. neither make nor offer, either directly or indirectly, any payment or anything of value, whether in the form of compensation, business entertainment, gift, contribution, gratuity, or other form, that is illegal or unacceptable under generally accepted sound business practices, in any dealings with any governmental agencies, their officials, or members of any political party (including holders of a political office or candidates for such office);
2. refrain from offering cash or other benefits to representatives of foreign governments as a means to gain unlawful benefits or profits when conducting international business transactions;
3. ensure that reasonable compensation and all necessary terms and conditions are specified in advance when working with intermediaries, such as distributors or agents, and observe all measures required by the applicable laws and regulations of each country or region for such compensation;
4. respect the established practices of any customer, government entity or other party, as well as all applicable laws and regulations, regarding the provision of or the restrictions or controls over the acceptance of business entertainment, gifts or other business courtesies by its employees or officials; and
5. refuse participation or contributions by antisocial groups (i.e., groups that engage in any type of criminal activity or are deemed otherwise to be disruptive or pose a threat to society) in our business activities, and not promote their activities<sup>Note9</sup>.

Note9: Herein, "promote their activities" means subscription to or purchase of publications or books, purchase of goods, endorsement by advertisement, offering of services, offering of cash or goods, and any other activities providing favors or benefits.

## 10. Engineering Ethics

### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. engage in technology activities with a high level of ethics; and
2. comply with all applicable laws, regulations and contracts.

### 2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. utilize their expertise, skills and experience to contribute to the health and happiness of humans and the safety of society;
2. rely on scientific facts and recognize changes in laws, regulations, and conventional wisdom to make fair and independent judgments and act honestly with good faith;
3. continuously seek to improve their expertise and capabilities to create new and innovative technology and offer safe and excellent products and services;
4. endeavor to foster future engineers and bestow technology to them;
5. promote more active communication with relevant parties to create an open-minded and transparent working environment; and
6. fully comply with confidentiality obligations in relation to information obtained through customer contracts, and not disclose or divulge the Toshiba Group's confidential information to any third parties without prior approval.

## 11. Intellectual Property Rights

### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. observe laws and regulations associated with patent law, copyright law and other intellectual property rights<sup>Note10</sup> laws; and
2. protect the results of intellectual activities with intellectual property rights, make extensive use of those rights, and respect the legitimate intellectual property rights of third parties.

### 2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. proactively acquire and utilize intellectual property rights in order to strengthen business competitiveness;
2. understand and observe company rules providing that intellectual property rights in respect of any invention, utility model, design for or actual work, such as mask work (i.e., the layout of an integrated circuit chip), computer program or digital content, that is determined to have been made by anyone during the period of his or her services for or employment by a Toshiba Group Company, and the ability to apply for such rights, belong to the Toshiba Group Company;
3. adequately maintain intellectual property rights and take appropriate measures against infringement of these rights by a third party;
4. respect and take due care of the legitimate intellectual property rights of third parties; and
5. not acquire, use or disclose trade secrets<sup>Note11</sup> of Toshiba Group Companies or third parties without authorization.

Note10:Herein, "intellectual property rights" means patent rights, utility model rights, design patent rights, trademarks, copyrights, mask work rights, trade secrets, and any other such rights.

Note11:Herein, "trade secrets" means trade secrets, know-how and other technical or business information which is used in business activities and is maintained as confidential.

## 12. Accounting

### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall comply in full with any laws or regulations regarding accounting and conduct proper accounts management and financial reporting.

### 2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. maintain proper and timely accounts, and shall not report inaccurate information on accounts or provide misleading financial reports; and
2. endeavor to promote the prompt release of accurate accounts by maintaining and improving the accounting management system.

### 13. Corporate Communications

#### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. endeavor to obtain the understanding of stakeholders, including customers, shareholders and the local community, in respect of corporate activities, products and services, and further improve public recognition of Toshiba Group and its corporate image by means of positive and timely corporate communications activities on business information<sup>Note12</sup>, such as corporate strategy and financial data; and
2. ensure that management policies are well informed in the company, and promote information sharing as a means of raising morale and creating a sense of unity.

#### 2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. conduct corporate communications with integrity on the basis of objective facts;
2. conduct corporate communications by appropriate means, to enable customers, shareholders, potential investors and the members of the community of each country or region to obtain a reasonable understanding of Toshiba Group's activities; and
3. obtain prior consent from the persons responsible for corporate communications before disclosing business information to analysts and to the media, including newspapers, magazines and television stations.

Note12: Herein, "business information" includes any information regarding actions, or activities which may raise the suspicion of such actions, prohibited by these SOC (hereinafter called "Risk Compliance Information").

### 14. Advertising

#### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. use advertising activities to increase public awareness of the Toshiba brand and public awareness of, and trust in, Toshiba Group; and
2. seek heightened awareness of Toshiba Group as a global company and a "good corporate citizen" at national and regional levels.

#### 2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. increase public trust in the Toshiba brand and acquire the good will and trust of the people in each of the countries or regions in which Toshiba Group operates, thereby creating an environment whereby sustained business development and sales promotion activities may be achieved;
2. not use advertising to cast third parties in a negative light, in an attempt to make Toshiba Group appear more favorable, or for any other negative purpose; and
3. not make reference to politics or religion in advertising, cause offense or show disrespect by implying discrimination based on race, religion, sex, national origin, physical disability or age.

### 15. Human Resources

#### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. accept the different values of individuals and respect differences in character and personality based on a fundamental respect for human rights;
2. respect basic human rights on top of observing laws and regulations, and shall not engage in acts of discrimination or condone use of either child labor or forced labor;
3. as enterprises, respond promptly to any acts within Toshiba Group that infringe upon basic human rights and act resolutely to ensure the termination of such infringement;
4. develop a working environment where Employees may perform their duties creatively and efficiently so that they may achieve a work/life balance (i.e., balance between work and home); and
5. endeavor to ensure a safe and comfortable working environment for Employees.

#### 2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. act responsibly as self-reliant members of the company and of society with integrity and common sense;
2. accept and accommodate different values, and respect the character and personality of each individual, observe the right to privacy and human rights of each individual, avoid any discriminatory actions based on race, religion, sex, national origin, physical disability, age or sexual orientation, and avoid physical abuse, sexual harassment, power harassment (i.e., bullying or harassment by superiors in the office) or violation of the human rights of others;
3. accomplish their tasks to the utmost of their abilities, in light of their authority and the responsibilities assigned to them by the company, and endeavor to learn continuously and to improve their own abilities;
4. realize employees' work/life balance through various ways of working so that they can maximize their capabilities to the fullest extent;
5. cultivate a workplace environment that encourages the development of open-minded, cooperative and orderly work activities; and
6. maintain safety, cleanliness and good order in the workplace and endeavor to prevent industrial accidents, and try to maintain good health.

### 16. Corporate Information and Company Assets

#### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. properly manage corporate information<sup>Note13</sup> and company assets (hereinafter including the Toshiba brand and other intangible assets);
2. respect proprietary information and maintain corporate information as confidential, and prohibit disclosure or improper use of corporate information; and
3. assure the proper protection of personal data throughout their business activities.

#### 2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. not disclose or divulge corporate information, either during or after employment, without following appropriate internal procedures;
2. not use corporate information or company assets to benefit themselves or any third party, to harm the interests of Toshiba Group, or for any other improper use, either during or after employment;
3. not disclose or divulge to the company any confidential or proprietary information belonging to any third party acquired prior to their employment, in violation of their obligations to such third parties, including inter alia, former employees and clients;
4. protect any personal data, in accordance with all applicable laws, regulations and company rules, including observance of lawful and appropriate procedures for obtaining and maintaining personal data, and use personal data only for appropriate purposes;
5. not be party to any insider trading (i.e., using nonpublic corporate information in trading the shares or the like of a company);
6. make use of corporate information in accordance with the rules on information security;
7. endeavor to maintain company assets and not divert such company assets for any personal use;
8. refrain from making improper use of company equipment and facilities; and
9. not make unauthorized use of their position or authority within the company to benefit themselves or any third party or to impair the credibility or brand name of the company.

Note13: Herein, "corporate information" means all information (hereinafter including information relating to third parties) that is handled by the Directors and Employees in the course of conducting business, except information open to the public.

### 17. Community Relations

#### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. contribute to and cooperate with all local communities in which Toshiba Group operates and perform its duties as a member of these communities;
2. support Directors and Employees in undertaking voluntary activities and give full consideration to each individual's desire to exercise his or her civil rights;
3. make appropriate donations in each country and region where Toshiba Group operates, after considering the contribution to the community, the public nature and the reasons for making donations; and
4. try to improve the brand image in all aspects of their relationships with the communities.

#### 2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. assure that Toshiba Group Companies undertake all activities in harmony with the community, by respecting the local culture and community traditions and customs;
2. actively participate in developing communication with the local community, to encourage and maintain mutual respect and understanding;
3. actively participate in community social activities and voluntary activities;
4. pay due consideration on a daily basis to environmental issues, including global warming, and actively participate in environmental activities of local communities; and
5. maintain integrity and common sense in all aspects of their relationships with these communities.

### 18. Political Contributions

#### Toshiba Group Corporate Policy

Toshiba Group Companies shall not provide inappropriate benefits or favors to any politician or political organization.

#### 2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. not make contributions to political parties or committees, unless permitted to do so by applicable laws, regulations, and company rules;
2. not directly or indirectly engage in the activities described below on Toshiba Group's behalf, or by disbursing Toshiba Group funds, with politicians or political groups:  
make loans (including personal guarantees) or sales under conditions more favorable than those normal for commercial practices; or  
offer favorable benefits in the form of entertainment, gifts, or otherwise, except to the extent permitted by the applicable laws or regulations and ethical standards of the country or region concerned;
3. not pay monies or offer benefits to any politicians (including former members of any legislative body, or current or former secretaries of any such politicians) or any company a politician may be involved with, whether such monies are in the form of commissions or consulting fees, in connection with marketing activities toward governmental agencies; and
4. not allow third parties including intermediaries, such as distributors or agents, to engage in any activities described in paragraphs (1) to (3) above.

### 1. Scope of the SOC

1. These SOC shall, on their adoption by each Toshiba Group Company by resolution of the board of directors or other appropriate corporate actions, apply to all Directors and Employees, including advisors and contract employees.
2. Each Toshiba Group Company may modify these SOC upon their adoption for the reasons detailed below, but shall not make any modifications that contradict the general content and intent of the SOC:  
to accommodate local laws and government regulations, business practices, labor practices, values or the like, traditional to the country or region.  
to adopt SOC specific and appropriate to the company's field of business, products, services, and activities.

### 2. Implementation of the SOC

1. Each Toshiba Group Company shall appoint a "Chief Implementation Administrator" to assume overall responsibility for implementation of the SOC. The Chief Implementation Administrator of Toshiba Corporation shall be the Chief Risk-Compliance Management Officer.
2. Each Chief Implementation Administrator may appoint, as necessary, "Implementation Administrators," who shall be responsible for the implementation of each article of the SOC. Within Toshiba Corporation, the Company President of each in-house company and the General Manager of each staff division shall assume the role of Implementation Administrator. In this capacity, they are responsible for implementation of the SOC in their in-house companies or divisions and also for guiding implementation in Toshiba Group Companies for which they are responsible.
3. The corporate staff division of each Toshiba Group Company in charge of any of the items of these SOC shall formulate relevant rules or compliance programs and shall support that Toshiba Group Company's Implementation Administrators and any related companies by providing information and advice on formulating implementation rules and on developing educational programs.
4. Toshiba Corporation's Corporate Representatives responsible for overseas business in their respective regions shall guide, support and cooperate with Toshiba Group Companies' overseas offices and subsidiaries in implementing the SOC in the businesses for which they are responsible.
5. Toshiba Corporation's Corporate Social Responsibility Division and Legal Affairs Division shall be the bodies responsible for the maintenance of the SOC and the promotion and support for the adoption and implementation of the SOC by the Toshiba Group Companies.

### 3. In-house Information Reporting System and Protection of Information Providers

1. Toshiba Group Companies shall establish an in-house information reporting system to ensure that Toshiba Group Directors and Employees are able to report Risk Compliance Information<sup>Note14</sup> directly to Chief Implementation Administrators or the division responsible for risk-compliance matters.
2. Directors and Employees of each Toshiba Group Company are to report any Risk Compliance Information they have to their supervisors immediately or provide such information using the in-house information reporting system.
3. The Chief Implementation Administrators, the divisions responsible for risk-compliance matters and supervisors who receive Risk Compliance Information must respond and act promptly and appropriately.
4. Directors and Employees who provide Risk Compliance Information for good reason and in good faith must not be treated disadvantageously on the grounds that they provided such information.

### 4. Disciplinary Action

Any conduct in violation of these SOC shall be subject to disciplinary measures up to and including dismissal, according to and as set forth in each Toshiba Group Company's Disciplinary Rules/Staff Handbook.

Note14: "Risk Compliance Information" means any information regarding actions, or activities which may raise the suspicion of such actions, prohibited by these SOC

## Participation in External CSR Organizations

### Active Participation in and Cooperation with External CSR Organizations

Toshiba Group promotes participation and collaboration with external CSR organizations, industry associations, government, international organizations and NGOs.

### UN Global Compact

In January 2004 Toshiba joined the United Nations Global Compact, pledging to adhere to universal principles covering human rights, labor and the environment. The Global Compact is a voluntary corporate citizenship initiative proposed by UN Secretary-General Kofi Annan in 1999 at the World Economic Forum (annual meeting in Davos). The Global Compact envisages that in the course of business, companies' fulfillment of their corporate social responsibilities through compliance with internationally recognized principles concerning human rights, labor, the environment and anti-corruption will lead to the emergence of a sustainable global economy.



Then President Tadashi Okamura signed the Global Compact in January 2004.

As a participant of the United Nations Global Compact, in 2007, Toshiba participated as an advisory to the project utilizing GRI guidelines for "Communication on Progress (COP)", a report of the progress on the implementation of Global Compact principles.

Toshiba clarifies the implementation progress of the ten principles of the Global Compact by submitting a COP advanced level report once per year.

#### 10 Principles of the UN Global Compact

##### Human Rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.

##### Labor Standards

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labor;
5. the effective abolition of child labor; and
6. the elimination of discrimination in respect of employment and occupation.

##### Environment

7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies

##### Anti-Corruption

10. Businesses should work against all forms of corruption, including extortion and bribery.



The World Business Council for Sustainable Development (WBCSD), led by the CEOs of about 200 global corporations, aims to realize a sustainable future for business, society, and the environment. WBCSD provides constructive business solutions to realize sustainable societies by displaying leadership, offering effective opinions, and taking concerted action. Toshiba is a member of WBCSD, and Atsutoshi Nishida, Toshiba's Chairman, has served as a member of the WBCSD Executive Committee since 2010 and as one of its Vice Chairmen since 2012. As a core member of the Energy & Climate focus area group and a member of the ISO Smart Community Infrastructure Work Stream, Toshiba aims to act globally to contribute to the realization of sustainable societies.



### Participation in the World Economic Forum

The World Economic Forum (WEF) brings together corporate CEOs, political leaders, scholars, journalists, and others who take global leadership roles to discuss important issues facing the world such as those related to the environment, energy, and health. Toshiba is a WEF strategic partner, and at the 2013 annual meeting in Davos, we participated in the Infrastructure & Urban Development Community Initiative, which discusses how to achieve sustainable infrastructure and economic development. We also actively participate in regional meetings held in various places throughout the world in order to contribute to solving problems unique to the regions concerned.

### Participation in the STS Forum

The Science and Technology in Society Forum (STS Forum), which aims to ensure appropriate development of science and technology, gathers scientists, policymakers, business leaders, journalists, and others in one place to discuss and exchange opinions about issues related to science and technology as well as society from the perspective that these are issues shared by humanity. Toshiba has participated in the STS Forum since 2004. In addition, as a Council member, Chairman Atsutoshi Nishida is actively involved in guiding the direction of the Forum's activities.

## Stakeholders

Toshiba Group's business activities involve relationships with diverse stakeholders. In order to put our corporate philosophy into practice and fulfill CSR, we make clear our responsibilities to our stakeholders, while soliciting their requests and opinions in various ways, contemplating and reflecting the outcome in management objectives.

### Major Stakeholders, Toshiba Group's Responsibilities and Major Means of Identifying Stakeholders' Views and Requests



#### Customers

With its wide range of products - from home appliances, digital products, and electronic devices to social infrastructure systems - Toshiba Group has a diverse range of customers, including individual and corporate customers as well as government and public bodies.

##### Key responsibilities

- Supplying products in a stable manner
- Providing safe, secure products and services that offer great value
- Creating environmentally conscious products and services
- Promoting universal design
- Providing appropriate product information
- Offering excellent customer relations and support
- Managing customer information appropriately

##### Major means of identifying stakeholders' views and requests

- Routine sales activities
- Call center (via phone, email, etc.)
- Monitoring system
- Customer satisfaction (CS) survey



#### Shareholders / Investors

Toshiba has approximately 446,000 shareholders. Of the 4.24 billion shares issued, 37.3% are held by financial institutions, 32.4% by individuals and others, and 24.7% by foreign corporations (as of March 31, 2013).

##### Key responsibilities

- Disclosing information in a timely and appropriate way
- Providing an appropriate return of profits
- Maintaining and enhancing corporate value
- Responding to the needs of SRI organizations

##### Major means of identifying stakeholders' views and requests

- General Meeting of Shareholders
- Meetings with investors
- Questionnaire survey
- Investor Relations (IR) website



#### Suppliers

Toshiba deals continuously with some 6,000 suppliers worldwide (as of March 31, 2013).

##### Key responsibilities

- Selecting suppliers fairly and engaging in fair trading practices
- Respecting human rights in the supply chain
- Promoting environmental management in the supply chain

##### Major means of identifying stakeholders' views and requests

- Routine procurement activities
- Briefing session on procurement policy
- CSR survey



## Employees

Approx. 210,000 people work for Toshiba Group at 591 companies, including approx. 113,000 employees working in Japan and approx. 93,000 employees overseas (as of March 31, 2013).

<b>Key responsibilities</b> <ul style="list-style-type: none"> <li>■ Conducting fair assessment and treatment</li> <li>■ Optimizing human resources and promoting their growth</li> <li>■ Maintaining and enhancing skills and capabilities</li> <li>■ Respecting human rights and diversity</li> <li>■ Supporting diverse working styles</li> <li>■ Ensuring occupational health and safety</li> </ul>	<b>Major means of identifying stakeholders' views and requests</b> <ul style="list-style-type: none"> <li>■ Employee morale survey (TEAM Survey)</li> <li>■ Dialogues, information exchange meetings</li> </ul>
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## Local communities

Toshiba Group has major business sites in over 30 countries worldwide. In carrying out our business operations, we respect the cultures, history, and customs of people in each region.

<b>Key responsibilities</b> <ul style="list-style-type: none"> <li>■ Respecting different customs and cultures</li> <li>■ Engaging in corporate citizenship activities in local communities</li> <li>■ Preventing accidents and disasters at business sites</li> <li>■ Supporting neighboring communities in case of a disaster</li> </ul>	<b>Major means of identifying stakeholders' views and requests</b> <ul style="list-style-type: none"> <li>■ Dialogues, information exchange meetings</li> <li>■ Factory visits</li> <li>■ Employees' participation in community activities</li> </ul>
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## Governments and public bodies

Toshiba Group operates worldwide. Governments and public bodies of many countries are also our customers.

<b>Key responsibilities</b> <ul style="list-style-type: none"> <li>■ Complying with laws and regulations, and paying taxes</li> <li>■ Supporting government policies toward solving social issues</li> </ul>	<b>Major means of identifying stakeholders' views and requests</b> <ul style="list-style-type: none"> <li>■ Dialogues and proposals via economic associations and industry associations</li> </ul>
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## NPO • NGO

We cooperate with and draw on the strengths of NPOs and NGOs on areas such as the environment, human rights, and social contributions, and always endeavor to engage in constructive dialogue with them.

<b>Key responsibilities</b> <ul style="list-style-type: none"> <li>■ Providing support to solve diverse global issues</li> <li>■ Collaborating with and helping local communities solve their social problems</li> <li>■ Collaborating on our priority areas of corporate citizenship</li> </ul>	<b>Major means of identifying stakeholders' views and requests</b> <ul style="list-style-type: none"> <li>■ Dialogue through collaboration</li> <li>■ Exchange of views at stakeholder dialogues</li> </ul>
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## Global environment

In striving to become one of the world's foremost eco-companies, we are promoting business activities in harmony with the global environment.

<b>Key responsibilities</b> <ul style="list-style-type: none"> <li>■ Mitigating climate change</li> <li>■ Reducing waste discharges</li> <li>■ Reducing release of chemicals</li> <li>■ Conserving biodiversity</li> </ul>
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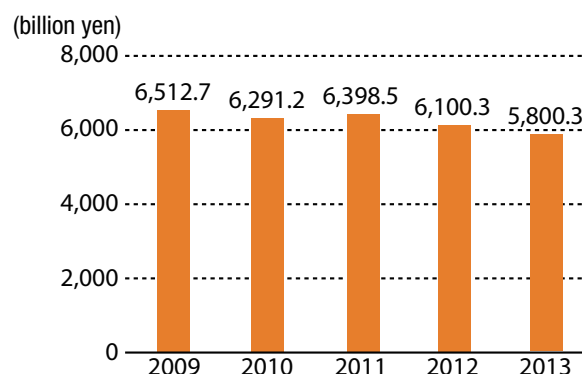
## Toshiba Group Business Overview

### Company Overview (as of March 31, 2013)

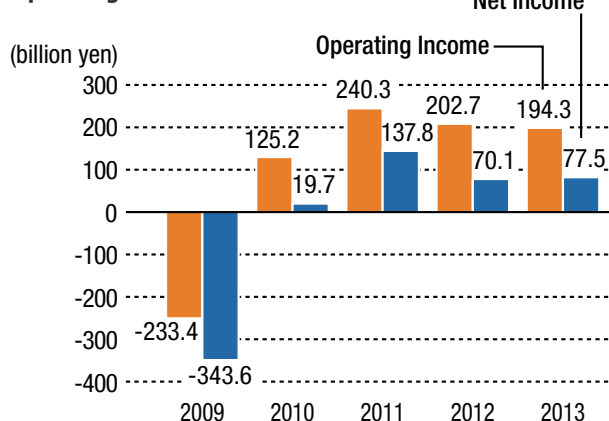
Company name	Toshiba Corporation
Headquarters address	1-1, Shibaura 1-chome, Minato-ku, Tokyo
Founded	July 1875
Paid-in capital	439.9 billion yen
Consolidated net sales	5,800.3 billion yen
Number of employees	206,087 (consolidated)
CSR-related international charters / guidelines Toshiba endorses	<ul style="list-style-type: none"> <li>• United Nations Global Compact</li> <li>• Global Reporting Initiative (GRI) "Sustainability Reporting Guidelines"</li> <li>• Electronic Industry Citizenship Coalition (EICC) Code of Conduct</li> </ul>
Number of affiliates accounted for by the enquiry method	446,000
Number of shares issued	4,237,600,000 shares
Number of consolidated subsidiaries	590 (183 in Japan, 407 overseas)
Number of affiliates accounted for by the equity method	200
Stock exchange listings	Tokyo, Osaka, Nagoya and London
Membership in CSR-related organization	Business for Social Responsibility (BSR) Council for Better Corporate Citizenship (CBCC) Electronic Industry Citizenship Coalition (EICC) World Business Council for Sustainable Development (WBCSD)

### Financial Results (Consolidated)

#### Net Sales



#### Operating Income & Net Income



Note : Years ended March 31

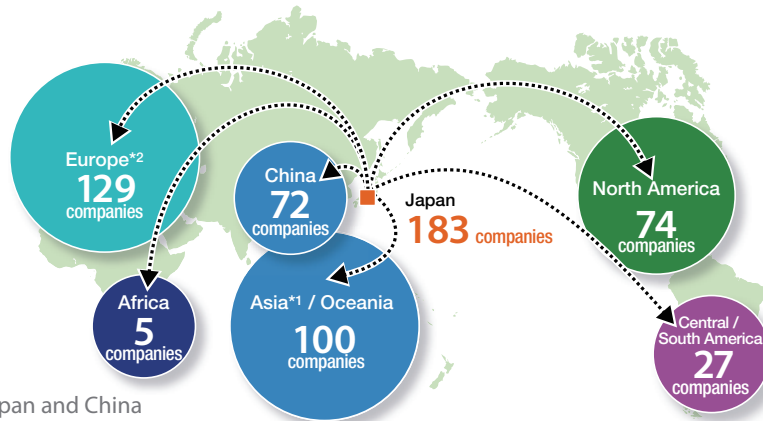
### Distribution of Economic Value to Stakeholders

Consolidated financial results for FY2012 indicate decreases in net sales and operating income compared to the last fiscal year and an increase in distribution to shareholders and the government/authorities.

Stakeholders	Amount distributed (billion yen) FY2012	Amount distributed (billion yen) FY2011	Calculation Method
Suppliers	5,606	5,893.6	Cost of sales (excluding personnel costs) and selling, general, and administrative costs (excluding personnel costs)
Employees	286.6	293.3	Data limited to Toshiba Corp. (figure derived by multiplying the total number of Toshiba Corp. employees by their average annual compensation, as mentioned in the Financial Reports)
Shareholders	42.5	37	"Dividends paid" on the cash flow statement
Creditors	32.7	31.8	"Interest" included in costs and expenses on the income statement
Government/ Authorities	59.8	64.2	Income taxes
Society	2.9	3	Expenditure for corporate citizenship activities* Details can be found in "Corporate Citizenship" page
Environment	43.1	54.7	Environment-related expenditure.* Equals environmental costs in environmental accounting.
Within company	43.6	40.5	Amount of net income minus dividends paid

\*Amounts distributed to society and to the environment are also included in those distributed to suppliers and employees

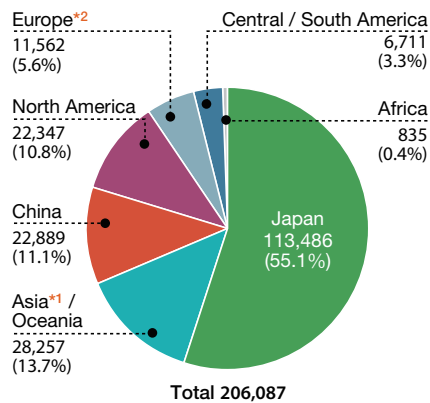
## Business Structure (numbers in the map indicate overseas consolidated subsidiaries)



\*1 Excluding Japan and China

\*2 Including Russia

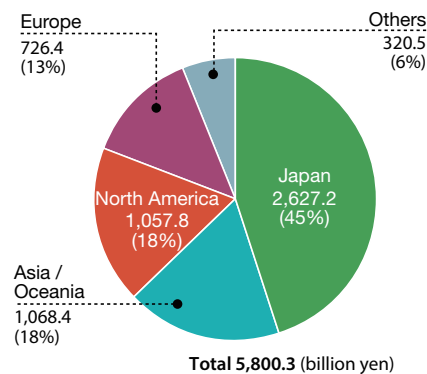
### Number of Employees by Region (as of March 31, 2013)



\*1 Excluding Japan and China

\*2 Including Russia

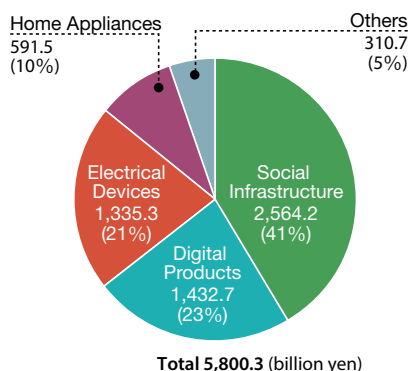
### Sales by Region (April 1, 2012 - March 31, 2013)



## Toshiba Group Business Domains

Founded in 1875, Toshiba Group consists of Toshiba and its consolidated subsidiaries throughout the world (590 companies in total, with approx. 210,000 employees, as of end of March 2013). The Group operates globally in the following four domains: social infrastructure, digital products, electronic devices, and home appliances.

### Sales by Business Segment (April 1, 2012 - March 31, 2013)



Note: Eliminations of sales among segments were 434.1 billion yen

### Main products / service

#### Social Infrastructure

Thermal/Nuclear/Hydroelectric/Photovoltaic power generation systems, Electric distribution/Industrial systems, Transportation/Social systems, Water supply/Sewerage & Environment systems, Broadcasting/Transmission network systems, Radar systems, IT solutions, Image diagnostic systems, etc.

#### Digital Products

LCD TVs, Blu-ray disc recorders, Notebook PCs, and Servers

#### Electronic Devices




NAND flash memory drives, CMOS image sensor, and Storage devices (HDD and SSD)

#### Home Appliances

Refrigerators, Washer-dryers, Kitchen appliances, Air-conditioners, and LED lights

## History of CSR Activities

### Concerned with environmental issues

2012	<p>Continued implementation of the PDCA cycle according to ISO 26000.</p> <p>Surveys of some 10,000 suppliers regarding their approaches to issues related to conflict minerals and CSR promotion.</p> <p>Achievement of 0.67 trillion yen in sales of excellent ECPs (Environmentally Conscious Products with the industry's highest level of environmental performance in terms of KPIs). </p> <p>Donation of LED lighting to the Golden Hall of Chusonji Temple: this lighting improvement project with the temple won the Japan Lighting Award.</p>
2011	<p>Implementation of PDCA cycle of checking, identification of issues, planning, action, and evaluation based on ISO 26000.</p> <p>Established Toshiba Group Conflict Mineral Policy.</p> <p>Revised Toshiba Group Procurement Policy and requested that suppliers continue to promote CSR in the supply chain.</p> <p>Formulation of the Fifth Environmental Action Plan. </p> <p>Reviewing the BCP based on the experience of the Great East Japan Earthquake and the floods in Thailand.</p>
2010	<p>Strengthened CSR management based on the principles of ISO 26000</p> <p>Initiated workplace meetings focusing on integrity</p> <p>Introduction of a system for visualizing working hours</p> <p>UD advisor system expanded to include non-Japanese employees</p> <p>Announcement of the new concept for environmental management at a business policy briefing (Greening of Process, Greening of Products and Greening by Technology) </p>
2009	<p>Ending production of general-use incandescent bulbs</p> <p>Formulation of Toshiba Group Biodiversity Guidelines </p> <p>Establishment of Sign Language Club</p> <p>Enforcement of the requirement to leave the office at the regular time for at least two days during the Family Week in Japan</p>
2008	<p>Collaboration with NPOs to promote experiential science education. (Supporting the activities of experiential science education research organizations)</p> <p>1st Toshiba Cup Contest among students specializing in science and math education at teacher-training universities in China to present their creative teaching plans.</p> <p>Reorganization of home appliance call centers (change to product-wise call centers)</p> <p>Implementation of on-site CSR audit (related to human rights, occupational health and safety, the environment) of suppliers in Thailand.</p> <p>Issue of Environmental Report. </p> <p>Announcement to allow the peak out of Toshiba Group's greenhouse gas emissions in 2012 and thereafter reduce the absolute emissions. </p>
2007	<p>Toshiba Group Environmental Vision 2050 is established. </p> <p>Structures and systems for Quality Control at Toshiba Group is reinforced.</p> <p>Ethical education to Technical Employees in Japan and overseas is provided.</p> <p>Toshiba Group Fourth Voluntary Plan is extended from FY2010 to FY2012, with New Targets Added. </p> <p>Statutory Ratio of Employment of People with Disabilities is fulfilled in all the subject Group Companies in Japan.</p>
2006	<p>Toshiba Group CSR Month is established.</p> <p>Toshiba Group Standards of Conduct is revised.</p> <p>The Clean Partner Line, a whistleblower system for suppliers and other business partners, is established.</p> <p>Toshiba Group 1.5 Million Tree-planting Project is launched.</p> <p>The New EASTER comprehensive audit system is put in place. </p>
2005	<p>Toshiba With Co., Ltd., a special subsidiary for employment of the disabled, is established.</p> <p>Toshiba Group CSR Conference is held.</p> <p>Toshiba "ASHITA" Award is established.</p> <p>The philosophy, policies and criteria for universal design are established.</p> <p>Standards of Conduct concerning Sales to Government and Authorities are established and thoroughly implemented.</p> <p>Participates in the Eco-Products International Fair </p>

2004	<p>Toshiba Group Standards of Conduct is applied throughout the Group.</p> <p>CSR report is issued.</p> <p>An organization dedicated to promotion of equal opportunity is established.</p> <p>Toshiba Group Procurement Policy based on CSR is established.</p> <p>Toshiba Group Environmental Vision 2010 is announced. 🌱</p> <p>Fourth Voluntary Environmental Plan is introduced. 🌱</p>
2003	<p>Company with committees system is adopted.</p> <p>CSR Division is established.</p> <p>CSR Website is opened.</p> <p>Factor T, an eco-efficiency indicator, is introduced. Joins Business for Social Responsibility (BSR), an international CSR association based in the U.S.</p> <p>Health and safety management system is introduced.</p> <p>Toshiba Group Standards of Conduct is revised.</p> <p>Joins UN Global Compact</p>
2002	<p>Internal free agent system is introduced.</p> <p>Zero emissions of waste is achieved. 🌱</p>
2001	<p>Japanese version and international version of the Standards of Business Conduct are integrated.</p>
2000	<p>Corporate risk management system is established.</p> <p>Environmental accounting is introduced. 🌱</p> <p>Third Voluntary Environmental Plan is introduced. 🌱</p> <p>Green procurement is introduced. 🌱</p>
1999	<p>In-house company system is introduced.</p> <p>Environmental report is issued. Environmental Protection &amp; Recycling Planning Center is established. 🌱</p> <p>Toshiba Customer Information Center is established.</p>
1998	<p>Executive officer system is introduced.</p>
1996	<p>Second Voluntary Environmental Plan is introduced.</p>
1995	<p>ISO 14001 certification is obtained. 🌱</p>
1993	<p>First Voluntary Environmental Plan is introduced. 🌱</p>
1992	<p>ExploraVision Award is started in the U.S.</p> <p>Family-care leave, child-care leave and short-time working hours systems are introduced.</p>
1991	<p>Corporate Environmental Protection Council is established. 🌱</p> <p>Toshiba Group Environmental Exhibition is started. Toshiba Thai Foundation is established.</p>
1990	<p>Basic Commitment of the Toshiba Group and the slogan are established.</p> <p>Toshiba Standards of Business Conduct and Toshiba International Standards of Conduct are established.</p> <p>Toshiba America Foundation is established.</p>
1989	<p>Basic Policy for Environmental Protection is established. 🌱</p> <p>Environmental auditing is introduced. 🌱</p> <p>Toshiba International Foundation is established.</p>
1988	<p>Environmental Protection Center is established. 🌱</p>
1975	<p>Toshiba Group Health and Safety Convention is introduced.</p>
1973	<p>Toshiba Management Philosophy is established.</p>
1971	<p>Consumers Department is established.</p>

## Toshiba Group Businesses and Responsibilities

Toshiba Group provides various products and services globally in the following four domains: social infrastructure, electronic devices, digital products, and home appliances. As part of its business activities, Toshiba Group strives to identify the concerns of its stakeholders and fulfill its responsibilities to help resolve social issues.

### Social Infrastructure

We contribute to meeting globally growing demand for electric power and mitigating climate change by providing highly efficient, safe, and reliable power generation solutions from basic power sources such as thermal, nuclear, and hydraulic power systems to renewable energy systems such as photovoltaic, geothermal, and wind power systems. In addition to providing safe, convenient elevators, we contribute to improving healthcare through the most advanced diagnostic imaging systems.



Elevators for  
TOKYO SKYTREE®  
©TOKYO-SKYTREE



Turbine for thermal  
power generation



High-speed,  
high-resolution,  
Dynamic Volume  
CT scanner



Photovoltaic Power  
Generation System



Electric  
locomotive

### Electronic Devices

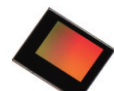
We provide semiconductors such as NAND flash memories, storage devices including SSDs and HDDs, as well as discrete and system LSI.



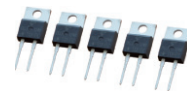
NAND flash memory



Storage devices  
(HDD and SSD)



CMOS image sensor



Schottky barrier diode



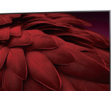
Flash AirSD Card

### Digital Products

We offer products with high environmental performance - Ultrabooks™ that can be used in various ways, energy-saving LCD TVs, etc.



Ultrabook™



LCD TV



Blu-ray Disk™ recorder



Tablet

### Home Appliances

We develop and provide wide range of products such as refrigerators, washer dryers, LED lightings, and commercial air-conditioning systems, all well thought out and designed to meet regional demand, providing better environmental performance.



Refrigerator



Air-cooled heat-pump  
heat source machine



Washer dryer



Residential-use  
storage battery



LED light

Note: Pie graphs indicate the percentage of each business domain to consolidated total sales and the percentage of its employees to the total in FY2012. (Total employees include 8% from corporate divisions and other businesses; total sales include 5% from businesses other than those mentioned above)

## With reference to ISO 26000

Core Subjects	Social Infrastructure	Electronics Devices	Digital Products	Home Appliances
Human Rights	<ul style="list-style-type: none"> <li>Respecting human rights in the supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Consideration to human rights throughout the supply chain</li> <li>Sourcing conflict-free minerals</li> </ul>	<ul style="list-style-type: none"> <li>Consideration to human rights throughout the supply chain</li> <li>Sourcing conflict-free minerals</li> </ul>	<ul style="list-style-type: none"> <li>Consideration to human rights throughout the supply chain</li> </ul>
Labor Practices	<ul style="list-style-type: none"> <li>Creating safe work environments</li> <li>Favorable labor-management relations and human resource development/training</li> </ul>	<ul style="list-style-type: none"> <li>Creating safe work environments</li> <li>Favorable labor-management relations and human resource development/training</li> </ul>	<ul style="list-style-type: none"> <li>Creating safe work environments</li> <li>Favorable labor-management relations and human resource development/training</li> </ul>	<ul style="list-style-type: none"> <li>Creating safe work environments</li> <li>Favorable labor-management relations and human resource development/training</li> </ul>
The Environment	<ul style="list-style-type: none"> <li>Making power generation equipment highly efficient</li> </ul>	<ul style="list-style-type: none"> <li>Energy conservation in clean rooms</li> </ul>	<ul style="list-style-type: none"> <li>Recycling end-of-life products</li> <li>Greater energy conservation during product use</li> </ul>	<ul style="list-style-type: none"> <li>Recycling end-of-life products</li> <li>Greater energy conservation during product use</li> </ul>
Fair Operating Practices	<ul style="list-style-type: none"> <li>Comply with laws and regulations in countries around the world</li> </ul>	<ul style="list-style-type: none"> <li>Comply with laws and regulations in countries around the world</li> </ul>	<ul style="list-style-type: none"> <li>Comply with laws and regulations in countries around the world</li> </ul>	<ul style="list-style-type: none"> <li>Comply with laws and regulations in countries around the world</li> </ul>
Consumer Issues	<ul style="list-style-type: none"> <li>Ensuring product quality and safety</li> </ul>		<ul style="list-style-type: none"> <li>Ensuring product quality and safety</li> <li>Enhancing customer satisfaction of after-sale services</li> <li>Promotion of universal design</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring product quality and safety</li> <li>Enhancing customer satisfaction of after-sale services</li> <li>Promotion of universal design</li> </ul>
Community Involvement and Development	<ul style="list-style-type: none"> <li>Coexistence and co-prosperity with local communities overseas</li> <li>Job creation</li> <li>Contribution to healthcare in local communities</li> </ul>	<ul style="list-style-type: none"> <li>Job creation</li> </ul>	<ul style="list-style-type: none"> <li>Job creation</li> </ul>	<ul style="list-style-type: none"> <li>Development of products that meet local needs</li> <li>Job creation</li> </ul>

## With reference to social challenges

Core Subjects	Social Infrastructure	Electronics Devices	Digital Products	Home Appliances
Securing of energy sources	<ul style="list-style-type: none"> <li>Supplying power generation equipment to emerging economies</li> <li>Establishment and reinforcement of business continuity plans (BCP)</li> </ul>	<ul style="list-style-type: none"> <li>Greater energy conservation during product use</li> </ul>	<ul style="list-style-type: none"> <li>Greater energy conservation during product use</li> </ul>	<ul style="list-style-type: none"> <li>Greater energy conservation during product use</li> </ul>
Mitigating climate change	<ul style="list-style-type: none"> <li>Realization of smart communities</li> <li>Making power generation equipment highly efficient</li> </ul>	<ul style="list-style-type: none"> <li>Energy conservation in clean rooms</li> </ul>	<ul style="list-style-type: none"> <li>Greater energy conservation during product use</li> </ul>	<ul style="list-style-type: none"> <li>Greater energy conservation during product use</li> </ul>
Solutions for water shortages	<ul style="list-style-type: none"> <li>Reduction in water consumption of production equipment</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in water consumption of production equipment</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in water consumption of production equipment</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in water consumption of production equipment</li> </ul>
Effective use of resources	<ul style="list-style-type: none"> <li>Effective use of product resources</li> </ul>		<ul style="list-style-type: none"> <li>Effective use of product resources</li> <li>Recycling end-of-life products</li> </ul>	<ul style="list-style-type: none"> <li>Effective use of product resources</li> <li>Recycling end-of-life products</li> </ul>
Taking measures to cope with natural disasters	<ul style="list-style-type: none"> <li>Development of disaster-resistant communities (Smart communities)</li> <li>Business continuity plans (BCP) for large-scale disasters</li> <li>Ensuring the safety of nuclear power stations</li> </ul>	<ul style="list-style-type: none"> <li>Business continuity plans (BCP) for large-scale disasters</li> </ul>	<ul style="list-style-type: none"> <li>Business continuity plans (BCP) for large-scale disasters</li> </ul>	<ul style="list-style-type: none"> <li>Business continuity plans (BCP) for large-scale disasters</li> </ul>
Response to declining birthrates and aging of societies	<ul style="list-style-type: none"> <li>Support for diverse working styles</li> </ul>	<ul style="list-style-type: none"> <li>Support for diverse working styles</li> </ul>	<ul style="list-style-type: none"> <li>Support for diverse working styles</li> <li>Promotion of universal design</li> </ul>	<ul style="list-style-type: none"> <li>Support for diverse working styles</li> <li>Promotion of universal design</li> </ul>
Response to human rights issues	<ul style="list-style-type: none"> <li>Consideration to human rights throughout the supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Consideration to human rights throughout the supply chain</li> <li>Sourcing conflict-free minerals</li> </ul>	<ul style="list-style-type: none"> <li>Consideration to human rights throughout the supply chain</li> <li>Sourcing conflict-free minerals</li> </ul>	<ul style="list-style-type: none"> <li>Consideration to human rights throughout the supply chain</li> </ul>
Improvement in healthcare and education	<ul style="list-style-type: none"> <li>Provision of medical devices for preventive medicine</li> </ul>		<ul style="list-style-type: none"> <li>Provision of equipment to support education</li> </ul>	<ul style="list-style-type: none"> <li>Provision of equipment to support education</li> </ul>
Advanced use of ICT	<ul style="list-style-type: none"> <li>Realization of smart community</li> <li>Security and measures to cope with cyber terrorism</li> </ul>	<ul style="list-style-type: none"> <li>Meeting demand for large-capacity data storage</li> </ul>	<ul style="list-style-type: none"> <li>Development of high-function, easy-to-use digital products</li> </ul>	<ul style="list-style-type: none"> <li>Development of highly functional digital home appliances</li> </ul>

Highlight 1

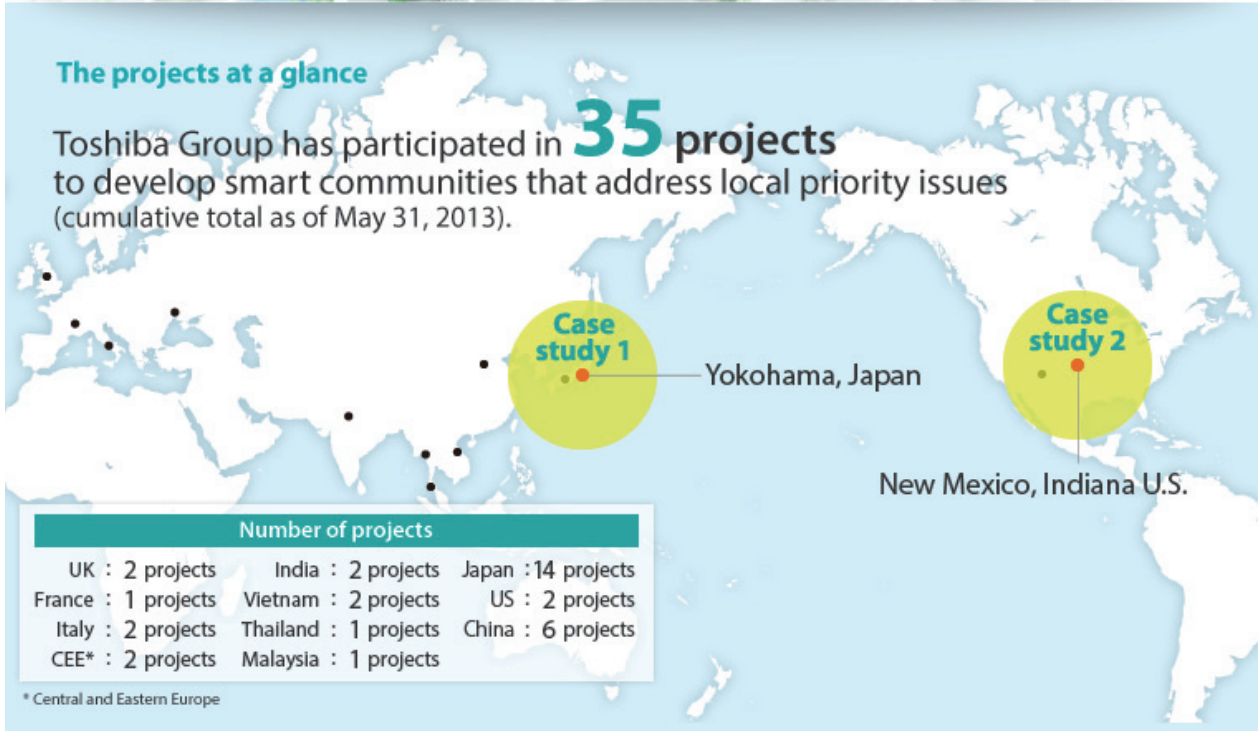
## Realization of smart communities



The rapid growth in world population, concentration of people in cities, increasing demand for energy, and information explosion due to ICT and networking—all of these issues are becoming an increasing concern resulting in the need to innovate in the areas of energy and storage urgently. At the same time, city dwellers seek comfortable, convenient, safe, and secure living environments and earnestly desire solutions that support such lifestyles. “Smart communities” are expected to be one such solution to balance these interests. In order to contribute to the development of affluent future communities, Toshiba Group will carry out smart community projects around the world.

### The projects at a glance

Toshiba Group has participated in **35 projects** to develop smart communities that address local priority issues (cumulative total as of May 31, 2013).



Case study 1  
Yokohama



## Yokohama Smart City Project (YSCP)

To Reduce CO<sub>2</sub> emissions by 25%<sup>\*1</sup>

### CEMS<sup>\*2</sup> Community energy management systems

HEMS<sup>\*2</sup>  
Home energy management systems

Introduced into  
**4,000**  
homes

BEMS<sup>\*2</sup>  
Building energy management systems

Introduced into  
**800,000m<sup>2</sup>**  
of building space

Electric Vehicles

Introduction of  
**2,000**  
electric vehicles.

<sup>\*1</sup> Goal to reduce CO<sub>2</sub> emissions by FY2020 compared to the FY1990 level as part of Yokohama City's action plan to cope with climate change

<sup>\*2</sup> Energy management systems (EMS) C=Community, H=Home, B=Building

### Current project status

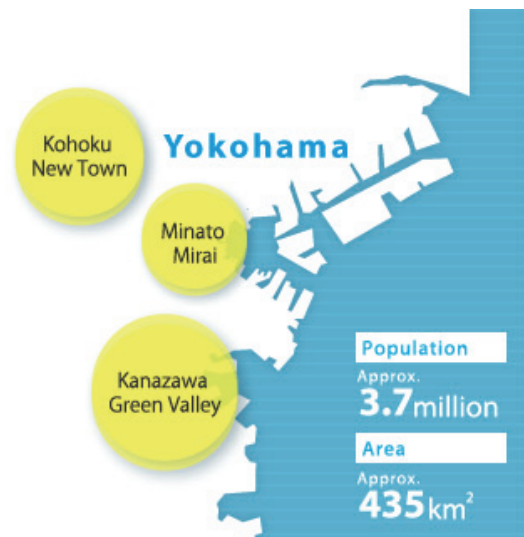
## One of Japan's largest experiments is now underway.

Yokohama Smart City Project (YSCP) consists of 15 projects that the City of Yokohama is implementing in collaboration with 33 businesses.

#### Goals

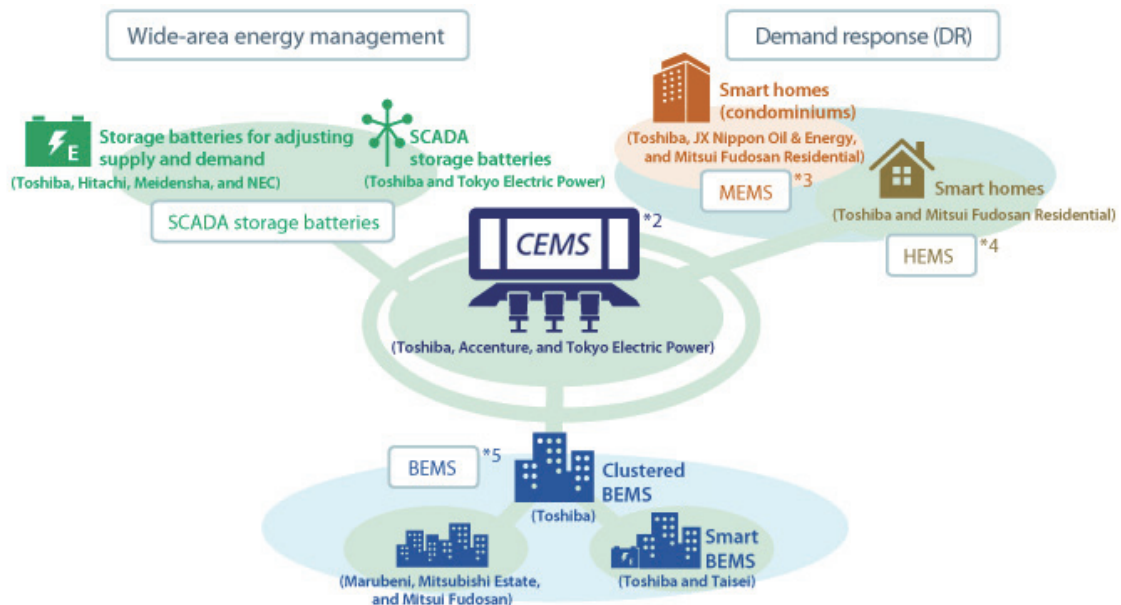
- Achieve an energy conservation rate of 20% through energy creation, storage, and conservation
- Achieve a peak shaving effect of 20% through demand response (DR)\*
- Reduce CO<sub>2</sub> emissions by 25%

\* Demand response refers to the action of end users to balance power supply and demand by modifying their electricity usage.



Toshiba Group provides wide-area energy management systems based on electric system monitoring and control technologies that we have developed.

#### Solutions provided by Toshiba Group



\*2 CEMS: Community Energy Management System

\*3 MEMS: Mansion Energy Management System

\*4 HEMS: Home Energy Management System

\*5 BEMS: Building Energy Management System

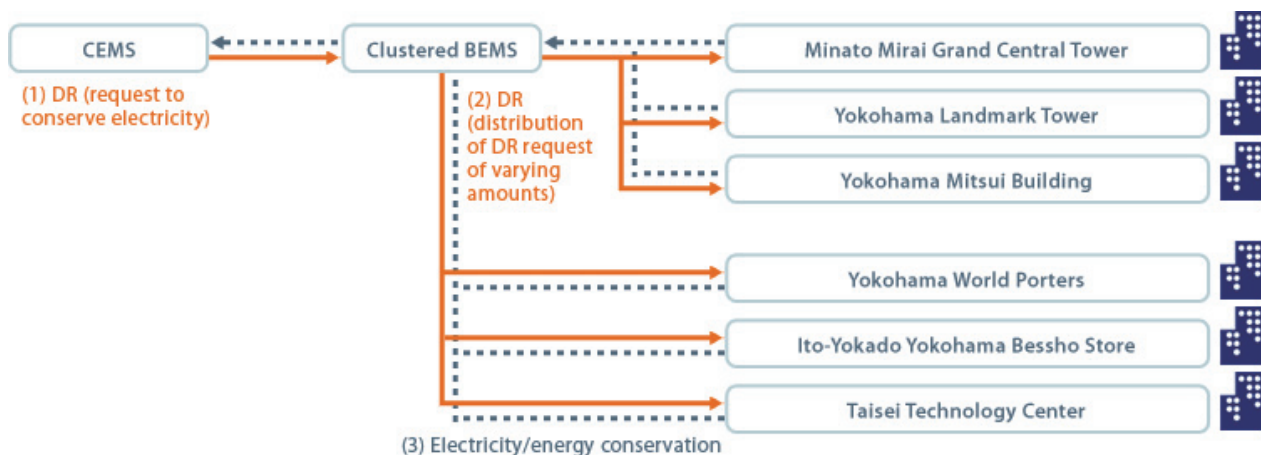
### We set and achieved a goal of maximizing peak power consumption cuts during winter.

In January 2013, we conducted winter demand response tests at six buildings. Our results showed an average reduction of 17% in peak power consumption.

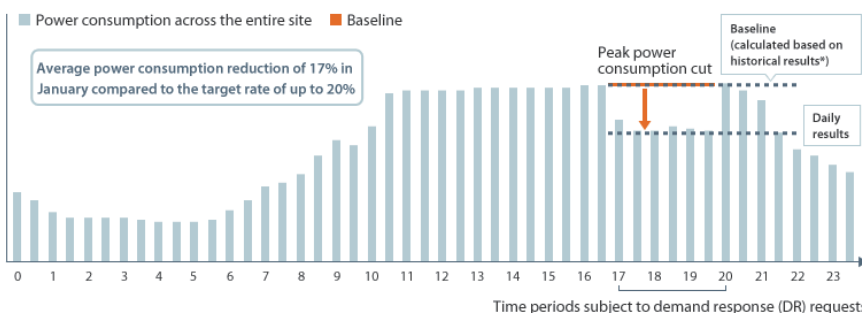
We will apply the functions and technologies that we tested and found to be effective as part of YSCP to other locations within and outside the city.

Also, Toshiba will effectively utilize the large amount of data and knowledge we have obtained from these tests in future projects.

#### Details of demand response experiments



### Results of demand response experiments (numerical data)\*6



\*6 Average peak power consumption for the same time period of 30 non-DR weekdays until just before the day preceding the issuance of a DR request

### Future development

## We will apply project results to the Tohoku region and overseas.

Based on Yokohama Smart City Project (YSCP) test results, Toshiba will contribute to launching other smart community projects in Japan in the future. Subsequently, the company will apply the results of these projects to effectively carry out projects overseas.



### Utilizing demand-side energy management effectively through energy creation, conservation, and storage

One initiative of Yokohama Smart City Project (YSCP) was to effectively make use of Toshiba's proprietary building management system. In cases where the highest temperature was predicted to be 8°C or lower, a request for demand response would be issued to curb maximum power consumption when electricity demand peaked. This initiative was implemented from January 8 to February 22, 2013 with the aim of reducing power consumption during peak hours by up to 20%. The results will be used in future projects.

### Comments

#### We expect Toshiba to serve as an indispensable partner of the City of Yokohama.

By promoting YSCP in collaboration with private companies, the City of Yokohama aims to realize a low-carbon, comfortable city with a stable energy supply. Toshiba is a key player that is making daily efforts toward realizing YSCP; the company is an indispensable partner of the City. We hope that Toshiba will contribute to facilitating next-generation smart lifestyles in Yokohama, where some 3.7 million people live, and apply the results of this project to other locations in Japan and abroad. We also hope that Toshiba will contribute to making Yokohama a city that is easy to live in—a city capable of serving as an example to the rest of the world.

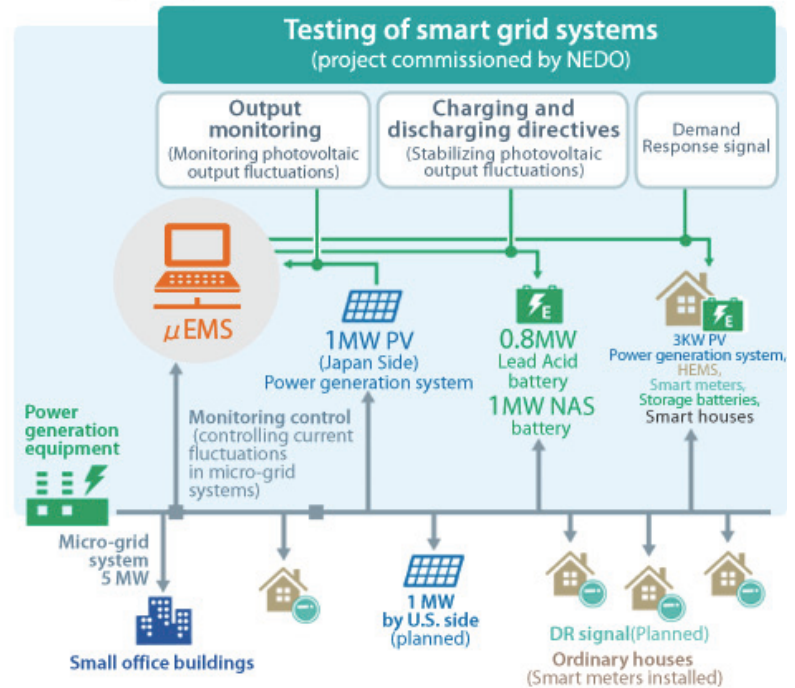


**Mr. Shiro Hamano**  
Director  
Climate Change Policy  
Headquarters  
City of Yokohama



## Ensuring stable energy supply

# Two projects in the United States



## New Mexico

## Japan and the U.S. are collaborating to carry out a test project.

In the state of New Mexico, Japan's New Energy and Industrial Technology Development Organization (NEDO) and the state government are working together to advance a Japan-US smart grid collaborative project.

NEDO is cooperating with the state government at two of the five locations where the test project is being carried out, and Toshiba Group is also participating at these locations.



## Meeting local residents' needs for a stable energy supply

In 2012, as part of the project commissioned by NEDO, two U.S. sites began operation: a micro-grid test site in a commercial building in May and a smart grid test site in September.

Of these two, the smart grid test aims to ensure a stable energy supply to local communities in order to overcome the problems that are likely to occur when large amounts of renewable energy, the output of which is unstable, are injected into distribution network.

At the smart grid test site, a large number of photovoltaic power generation systems, the output of which varies according to the weather, are connected to distribution. The objective is to construct and test a system that maintains the quality of electricity by controlling the electric current through the use of large storage batteries and demand response (DR)\*.

Toshiba is participating in this project as a leader in the smart grid test.

\* Demand response refers to the action of end users to help balance power supply and demand by modifying their electricity usage.

## Comments

### **We hope that Toshiba will continue to display leadership in the technological aspects of this project.**

The people of this region are highly interested in renewable energy because they depend on coal for nearly half of their electricity.

This project is attracting public attention as an opportunity to provide renewable energy to the local community as well as to test smart grid technology and its various applications. Researchers from NEDO and U.S. national laboratories are hoping that the data obtained from this experiment will lead to wider use of renewable energy worldwide.



**John E Arrowsmith**  
Utility Manager  
Department of Public  
Utilities  
County of Los Alamos

## Indiana

### Aiming for results that will lead to real expansion of electric vehicles

In Indiana, Toshiba is pushing forward with a plug-in ecosystem project that examines how electric vehicles (EVs) can come into wider use in areas that have already reached an advanced stage of motorization.

This project involves ensuring eco-charging by storing natural energy in storage batteries and enabling users to charge their EVs through such batteries without affecting the distribution network.



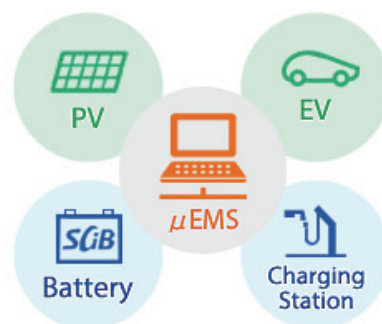
Toshiba has developed a storage battery system for the North American market by applying its latest storage battery and optimization control technologies.

In this project, Toshiba applied its latest storage battery and optimization control technologies to develop a commercial electricity storage system.

In Indiana, electric vehicles (EVs) will replace combustion-engine vehicles as government cars in the future. The system developed in this project will not only support this shift but also contribute to reducing CO<sub>2</sub> emissions while serving as a surefire measure to reduce the load on the electric power system and realize a more environmentally conscious society.

Going forward, Toshiba will work with its partner companies to conduct tests to evaluate the performance of the newly developed storage battery system and micro energy management system (μEMS\*). In the future, more charging stations need to be built to facilitate the spread of EVs and Toshiba aims to make such stations environmentally conscious. The company will also actively publicize the results of the project and apply them to other projects throughout the U.S.

\* μEMS is a smart grid monitoring and control system.



Highlight 2

## Support for recovery from the Great East Japan Earthquake



Toshiba Group has implemented support programs to help affected people and areas to recover from the disaster and to rebuild their communities as soon as possible. The Group also cooperates in providing assistance to maintain the stability of Fukushima Daiichi Nuclear Power Station and to hasten its decommissioning.

### Projects at a glance

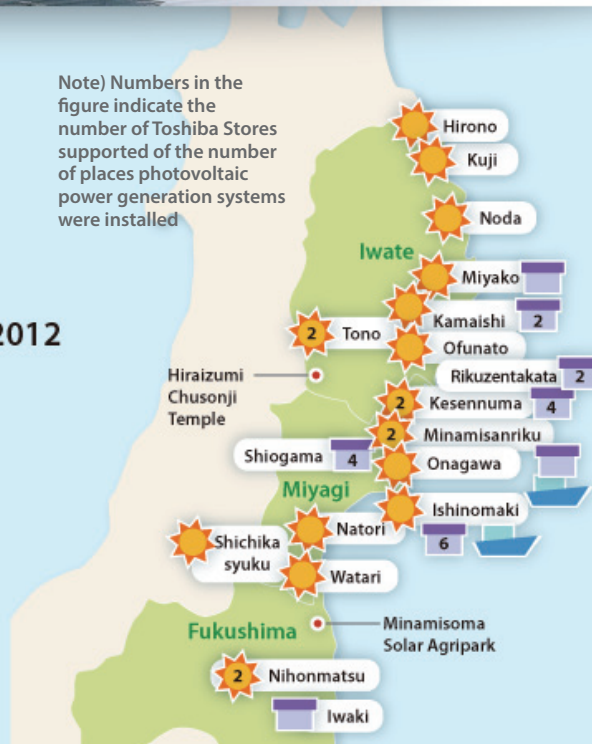
#### Addressing priority tasks in three prefectures of Tohoku

Providing support for reconstruction worth

about **500** million yen in FY2012

In April 2012, Toshiba announced its "Toshiba East Japan ASHITA (Future) Plan," a reconstruction support program aimed primarily at helping affected local communities to re-establish their economic independence. During FY2012, the Group provided reconstruction support worth 500 million yen, including scholarships, to follow-up on its efforts that began since FY2011.

Note) Numbers in the figure indicate the number of Toshiba Stores supported of the number of places photovoltaic power generation systems were installed



## Reconstruction of Key Local Industries and Job Creation

Since FY2011, in order to support the quick recovery of fisheries in affected coastal areas, Toshiba Group has been donating office equipment and funds for purchasing fishing boats to the Miyagi Prefecture Fisheries Cooperative (JF Miyagi). In FY2012, the Group offered 100 million yen to help rebuild branch offices that had been washed away by tsunami.



Fuel tanks donated to JF Miyagi



Station for sorting out goods

## Support for external exchanges and drawing people's attention to the affected areas

Toshiba Group invested 100 million yen to support the Minamisoma Solar Agri-Park project, which was launched by Fukushima Solar Inc. to help rebuild Fukushima Prefecture, Toshiba invested 100 million yen. And in Iwate Prefecture, the Group donated LED lighting and photovoltaic power generation systems to Chusonji Temple, which is one of the main assets of Hiraizumi in Iwate Prefecture, a World Heritage site to attract more tourists.

Further, Toshiba Group has been actively involved in various events, including Louvre Museum's exhibition in three Tohoku cities in 2012.



Minamisoma Solar Agri-Park

## Support for the growth of future generations

Toshiba Group is providing Toshiba scholarships in the amount of 100,000 yen per person per month to 230 university students living in Iwate, Miyagi, and Fukushima Prefectures from October 2011 until their graduation. These scholarships were awarded to students who encountered difficulty in continuing their education due to financial reasons as a result of the earthquake. 50 recipients graduated in March 2012. In FY2012, we continued to offer scholarships to 180 students.



Exchanges among scholarship recipients

## Support by Toshiba Group employees

Toshiba Group continues to collect donations from its employees and dispatch volunteers (primarily union members) to the affected areas. Toshiba sells specialty goods from the affected areas at its head office and plants as well as serves dishes made using ingredients from the three affected prefectures in its cafeterias.

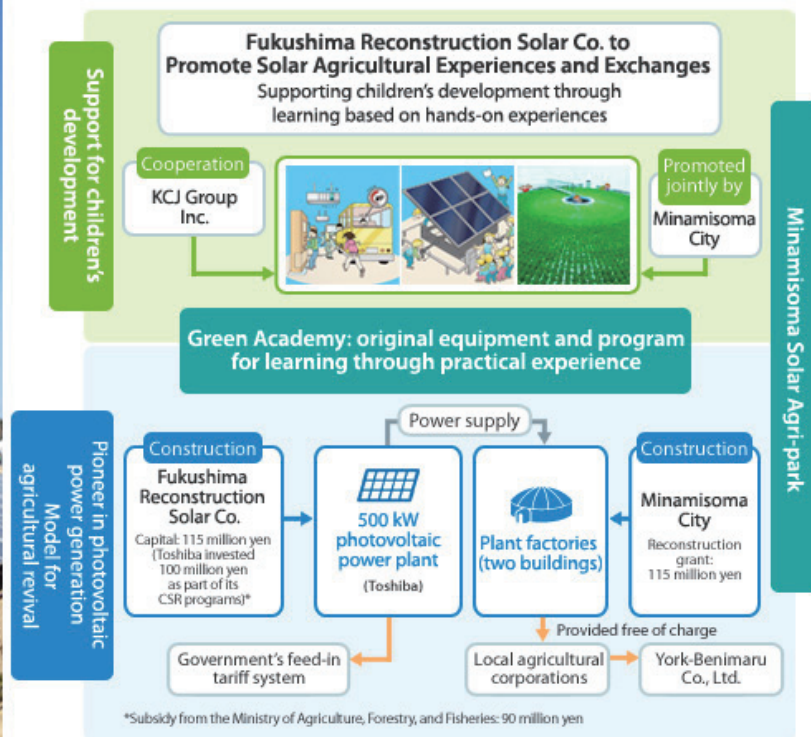
Since FY2012, new employees of Toshiba and its Group companies have helped ship wakame seaweed in affected areas as part of their training program.



New employees helping ship wakame



## Minamisoma Solar Agri-Park Project



### Current project status

## Operating agricultural factory using solar energy

Completed in March 2013, Minamisoma Solar Agri-Park project is a model of regional recycling that combines a photovoltaic power station and agricultural factory with hands-on learning experiences. Fukushima Reconstruction Solar and Agriculture Experience Association launched the Green Academy, which is a program for learning through practical experience that makes use of photovoltaic power generation and the plant factory in the park. Toshiba supported this project through investments and other means as well as cooperated in the construction of the photovoltaic power station.





Children witnessing a round of inspections at the photovoltaic power station



Experimental device for photovoltaic power generation



Shipping lettuce

### Cross-industry initiative for reconstruction and children's education

Students, primarily those from Minamisoma's municipal elementary schools, attend the Green Academy. In addition to learning about topics such as power generation systems that use natural energy and storage of electricity for electric vehicles, they experience the most advanced forms of agriculture at plant factories that use natural energy—an opportunity that encourages them to begin thinking about the future of agriculture.

Note: Production at and operation of the Green Academy are supported by KCJ Group Inc., which runs KidZania, a facility that provides children with the opportunity to experience various aspects of society.



Electric vehicle



Plant factory (vegetables)

### Pioneer in renewable energy

This photovoltaic power station is being built by Fukushima Reconstruction Solar Co. using its own capital and a subsidy from the Ministry of Agriculture, Forestry and Fisheries (for urgent projects to promote use of local resources in agricultural villages via small-scale implementation of hydropower, etc.) The station will send electricity to plant factories to locally produce vegetables for local consumption and sell excess electricity through the feed-in tariff system.

## Future development

### Continuing to support the reconstruction of affected areas

In April 2012, Toshiba formulated the “Toshiba East Japan ASHITA (Future) Plan,” a reconstruction support program aimed primarily at helping affected local communities to re-establish their economic independence. Support for the development of future generations is one of the central pillars of this plan. In the future, the company will continue to support Tohoku’s reconstruction in manners best suited to the situations of the affected areas.



### Aiming to provide support as a sustainable project

Since immediately after the Great East Japan Earthquake, Toshiba has provided support by offering its products and relief supplies. About six months after the disaster, while considering what kind of support to provide in the mid- to long-term, we received a proposal for this project (the Green Academy), which links children’s education to renewable energy use.

This project, which familiarizes children with photovoltaic power generation, is a perfect candidate for Toshiba’s support, and further is a wonderful project that opens up young people’s eyes to science and therefore we have decided to invest 100 million yen to this project.

As for what we can do to make the most of our strengths in the future, we believe that we can contribute to the education of future generations through our technologies. In particular, the Green Academy concept is excellent because it covers all stages, from the education of elementary school children through to research carried out by university students. Toshiba will continue to support this project by providing its technologies and know-how.



**Takeshi Yokota**  
Corporate Vice President  
Toshiba Corporation

## Comments

### We sincerely hope that Toshiba will support us in making the most of its technology.

From a very early stage in our planning, Toshiba decided to help our project by offering an exchange opportunity to children in Fukushima and the rest of the country that would allow them to experience photovoltaic power generation through an investment made as part of its social contribution activities. We are grateful to Toshiba for its support and trust. Today, we invited children from the local community to begin learning through hands-on experience; everything started from Toshiba’s support.

This facility currently allows elementary school students to learn about photovoltaic power generation through hands-on experiences, and we plan to provide education to other people on weekends and holidays as well as to enable participants to experience types of non-solar natural energy. We hope that Toshiba will send some of its many experienced engineers with technical abilities to serve as lecturers and extend its cooperation by offering creative ideas for programming. We hope that these children become engineers someday. They will certainly be a precious asset both for Japan and Toshiba. We will continue this project sustainably going forward.



**Eiju Hangai**  
Representative Director  
Fukushima  
Reconstruction Solar Co.

Highlight 2 Support for recovery from the Great East Japan Earthquake

## Ensuring the safety of Fukushima Daiichi Nuclear Power Station

**Toshiba is continuing to provide cooperation and support in maintaining the stability of the power station and advancing its decommissioning.**

### **Cooperation and support to ensure the safety of Fukushima Daiichi Nuclear Power Station**

Since immediately after the accident at the Fukushima Daiichi Nuclear Power Station, Toshiba Group has been working to the best of its ability to eliminate the consequences and ensure safety in response to a request by the government and the Tokyo Electric Power Company, Incorporated (TEPCO).

As a company engaged in nuclear power generation, we take the accident very seriously and have remained united in our resolve to overcome every difficulty.

#### **Preventing the release and discharge of radioactive materials Actions for step 1 (occurrence of the earthquake to July 2011)**

In April 2011, the government and TEPCO developed a preliminary roadmap consisting of three steps for termination of the accident.

In step 1, where we effectively reduced the high radiation dose rate, Toshiba Group worked to prevent the nuclear-contaminated cooling water injected into the damaged plants from flowing out into the ocean. Under harsh work conditions with blackouts and high levels of radiation, we built and began operating a circulation cooling system designed to purify and recycle contaminated water in order to cool the reactor core within the short period of two months. As a result, we were able to control the increase in contaminated water, preventing it from flowing outside the power plant premises.

#### **Achieving a stable state of cold shutdown Working toward step 2 (August to December 2011)**

A contaminated water treatment system developed by an overseas manufacturer was initially installed to deal with the emergency. The operation of this system led Toshiba to conclude that in order to process the massive amounts of contaminated water, it was necessary to improve the system's treatment capabilities and ensure its stable operation. Consequently, we proposed to TEPCO that we develop a new system in cooperation with partner companies in the United States and Japan. We commenced development in May and began operating the new system in August.

The new system, which we named SARRY™,\*1 was highly valued for its stable operational performance and high decontamination ability, and came to be used as the primary decontamination device from October onward. The stable operation of SARRY allowed us to effectively cool the nuclear reactors through the circulation cooling system, and to help achieve a state of cold shutdown for the Fukushima Daiichi Nuclear Power Station's Units 1 through 3 in December.

\*1 SARRY™ : Simplified Active Water Retrieve and Recovery System

## Decommissioning initiatives in FY2012

Toshiba developed quadruped robots to perform investigations and recovery work in places unapproachable by humans and then actually deployed these robots to worksites at the power station. In addition to SARRY™, the contaminated water treatment system currently in operation, we developed and installed Multiple Radio-nuclides Removal System (MRRS), which reduces the concentration of radioactive substances being treated to a level such that the environment is not affected. At the same time, outside the nuclear power station, Gammasight™, which is a gamma camera capable of rendering radiation levels visible, continues to be used effectively in decontamination work.



Quadruped robot



Adsorption tower of Multiple Radio-nuclides Removal System (MRRS) in the environs of Toshiba's Keihin Product Operations



Whole view of Multiple Radio-nuclides Removal System (MRRS) (from TEPCO's website)

### Gammasight™ a high-performance, small-size portable gamma camera capable of rendering the effects of radiation visible

Smaller in size and higher in performance than gamma cameras used in the power plant, this portable gamma camera renders the distribution of radiation effects, which are difficult to identify using ordinary dose rate meters alone, visible using different colors, thereby allowing decontamination to be performed effectively and efficiently as well as contributing to ensuring the safety and security of local residents.



Gammasight™

Highlight 3

## CSR Management in the Supply Chain

### Partnerships with suppliers



### Response to conflict minerals issue



In order to enable customers to use Toshiba products safely as well as to fulfill CSR in regards to human rights, labor, and the environment in cooperation with suppliers, Toshiba Group continues to ensure that its suppliers are also committed to improving working conditions and reducing their environmental impact.

### Review

## Promoting CSR management in various parts of the world

Addressing suppliers to follow Toshiba Group conflict mineral policy, conflict minerals survey

Some **10,000**  
companies in total

\* FY2012

Seminars on human rights, safety, and the environment

A total of **33,222** suppliers\*  
participated

\* Total for the period from FY2007 to FY2012

## Partnerships with suppliers



Toshiba distributes to suppliers worldwide the Toshiba Group Procurement Policy and the Supplier Expectations to promote understanding of our stance on CSR in procurement.

Toshiba Group holds seminars to explain to suppliers about our policies on human rights, safety, and the environment as well as conducts supplier surveys to check CSR performance in accordance to Toshiba Group Procurement Policy (including self-assessment). In FY2012, we visited some 850 suppliers in total to carry out field audits on human rights, safety, and the environment. If we find problems with suppliers during such audits, we provide them with guidance and assistance; if circumstances require, we take severe actions, such as suspending business.

Suppliers participating in seminars and those covered by the survey (Toshiba Group)			
Topic	Seminars	Surveys	Field Audit
Human rights and safety	11,032	6,928	1,339
Environment	22,190	23,309	5,080

(Cumulative data for Toshiba Group during the six-year period from FY2007 to FY2012)

### Initiatives at Toshiba Information Equipment (Philippines), Inc.

In 2002, Toshiba Information Equipment (Philippines), Inc. (TIP), a production base for hard disk drives (HDD), became the first Asian company to acquire SA8000\*1 certification. TIP not only objectively listens to its employees' opinions in order to improve its work environment but has also spread this initiative to its suppliers.

In order to enhance CSR management at its suppliers, TIP continues to implement monthly audits (12 suppliers per year). To date, a total of 125 audits have been conducted since 2005, when such audits began. TIP confirms the status of CSR initiatives at suppliers in accordance with the Toshiba Group Standards of Conduct, Toshiba Group Procurement Policy, SA8000 and OHSAS18001\*2 standards, EICC Code of Conduct\*3, and other guidelines. If suppliers fail to meet these standards, TIP demands corrective actions be taken and provides guidance and support for improvement.

Major problems pointed out for improvement during audits include those related to labor conditions (e.g., working hours and holidays) as well as health and safety management in the workplace. Going forward, TIP will continue to support its suppliers in promoting CSR initiatives so as to establish long-term partnerships through auditing and guidance.



Auditing of suppliers

\*1 SA8000 refers to a set of international standards established by Social Accountability International for evaluating work environments.

\*2 OHSAS18001 (Occupational Health and Safety Assessment Series) is a set of standards for identifying occupational health and safety risks as well as measures to cope with the same in addition to clarifying where responsibilities lie.

\*3 EICC is an abbreviation of Electronic Industry Citizenship Coalition.

## Response to conflict minerals issue

For humanitarian reasons, Toshiba Group's policy stipulates to prohibit the use of raw materials such as gold, tantalum, tungsten, and tin mined in the Democratic Republic of the Congo and its neighboring countries, which are helping to finance armed groups causing violation of human rights. In October 2011, we organized an internal system for conflict minerals issue, established the Toshiba Group Conflict Mineral Policy, and publicized this policy on our website. In addition, we are making united efforts to solve this issue primarily through cooperation with industry organizations and holding dialogues with NGOs.

In FY2012, we surveyed a total of 10,000 suppliers to determine to what extent they understood the issue of conflict minerals and what approaches they took toward this issue.

FY2012 **10,000** companies

\* Toshiba Group carried out a survey of its suppliers to determine to what extent they understood the issue of conflict minerals and what approaches they took toward this issue.

### Toshiba Group's response to conflict minerals issue



#### **Toshiba Group Conflict Mineral Policy (October 2011)**

For humanitarian reasons, Toshiba Group's policy stipulates to prohibit the use of raw materials such as gold, tantalum, tungsten, and tin mined in the Democratic Republic of the Congo and its neighboring countries, which are helping to finance armed groups causing violation of human rights.

#### **Supplier compliance**

In May 2012, in order to make the need to respect human rights throughout the supply chain, Toshiba Group revised the Toshiba Group Procurement Policy, adding two items to our supplier requirements: respect for human rights and support of the use of conflict-free minerals. The Group requested some 10,000 suppliers to comply with this policy.

#### **Cooperation with industry organizations**

Toshiba Group strives to cooperate with industry organizations to cope with the issue of conflict minerals. Examples include joining EICC, an organization that aims to promote CSR throughout the supply chain, in June 2011 and participating in the Responsible Minerals Trade Working Group of Japan Electronics and Information Technology Industries Association in November 2011.

#### **Communication with NGOs**

We also participate in roundtable discussions hosted by two NGOs: Enough Project and A SEED JAPAN, both of which are working on issues related to conflict minerals. In November 2011, we joined the Public-Private Alliance for Responsible Minerals Trade (PPA), a public-private project advocated by the U.S. government. Through these initiatives, we support efforts to help solve human rights issues by cutting off sources of funding for armed groups and providing economic support to the Democratic Republic of the Congo and its neighboring countries.

#### **Surveys on the use of conflict minerals**

##### **FY2011**

We conducted a pilot survey of some 300 Toshiba Group suppliers on the use of conflict minerals and about the smelters.

##### **FY2012**

We surveyed some 10,000 Group suppliers to clarify to what extent they understood the issue of conflict minerals and what approaches they took toward this issue.

##### **FY2013**

We started surveying our suppliers on sourcing of conflict minerals using EICC/GeSI Conflict Minerals Reporting Template. In May, we held a briefing session for suppliers to explain the procedures of Toshiba Group conflict minerals survey.

CSR Performance  
**Management Based on ISO 26000**

Toshiba signed the United Nations Global Compact in 2004 and has since taken steps to pursue CSR management in line with global standards. For CSR Report 2010, we aligned our reporting with the seven core subjects of the ISO/DIS 26000 Draft International Standard.

In FY2010 we also launched initiatives to integrate ISO 26000 into our overall management practices. We evaluated the status of our activities in line with the seven core subjects, confirmed and established medium-term key performance indicators (KPIs), and disclosed the results of evaluations in the CSR Report 2011.

In FY2011, we strove to ensure that ISO 26000 was implemented throughout Toshiba Group and made sure that the PDCA cycle of checking, identification of issues, planning, action, and evaluation based on ISO 26000 standard was implemented. We continued these efforts in FY2012.

In April 2012, a stakeholder dialogue between some of the experts involved in the formulation of ISO 26000 and members of Toshiba's CSR Office was held under the theme of the "essence of stakeholder engagement." The objective was to evaluate the way Toshiba implemented stakeholder dialogues and engaged with stakeholders as well as to examine how we should do so in the future.

## The Seven Core Subjects of ISO 26000



### > Organizational Governance

Organizational Governance



### > Human Rights

Due diligence, Human rights risk situations, Avoidance of complicity, Resolving grievances, Discrimination and vulnerable groups, Civil and political rights, Economic, social and cultural rights, Fundamental principles and rights at work



### > Labor Practices

Employment and employment relationships, Conditions of work and social protection, Social dialogue, Health and safety at work, Human development and training in the workplace



### > The Environment

Prevention of pollution, Sustainable resource use, Climate change mitigation and adaptation, Environmental protection, biodiversity and restoration of natural habitats



### > Fair Operating Practices

Anti-corruption, Responsible political involvement, Fair competition, Promoting social responsibility in the value chain, Respect for property rights



### > Customers (Consumer Issues)

Fair marketing, factual and unbiased information and fair contractual practices, Protecting consumers' health and safety, Sustainable consumption, Consumer service, support, and complaint and dispute resolution, Consumer data protection and privacy, Access to essential services, Education and awareness



### > Community Involvement and Development

Community involvement, Education and culture, Employment creation and skills development, Technology development and access, Wealth and income creation, Health, Social investment

Note: Core subjects and issues are based on the International Standard ISO 26000:2010, Guidance on Social Responsibility.

## The Ten Principles of the United Nations Global Compact

### Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

### Labor Standards

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labor;

Principle 5: the effective abolition of child labor; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

### Environment

Principle 7: Business should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

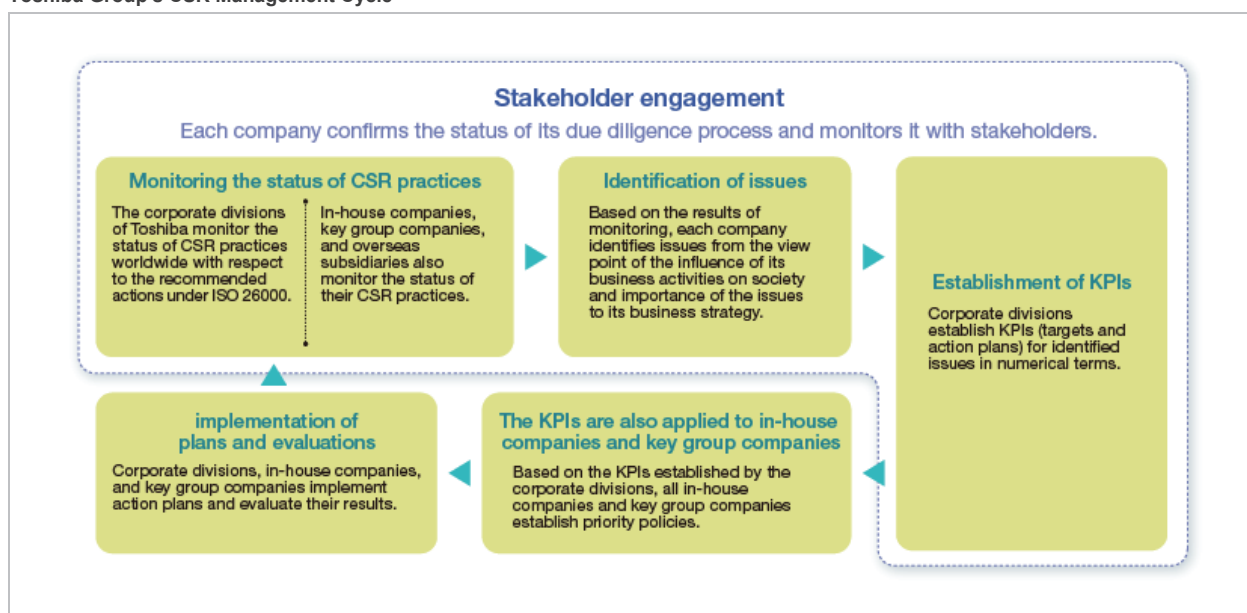
### Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

## CSR management based on global standards

Since FY2011, Toshiba Group has implemented the PDCA cycle, which consists of checking, identification of issues, planning, action, and evaluations based on the ISO 26000 standard.

### Toshiba Group's CSR Management Cycle



CSR Performance

**Major Achievements and Targets & Plans (KPI)**

In our CSR activities, Toshiba Group establishes medium-term key performance indicators (KPIs) according to the ISO 26000 core subjects. In FY2012, we placed particular emphasis on select KPIs and set quantitative targets.

**Organizational Governance**

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Corporate Governance</b>	Number of directors (GRI 4.3)	—	14	—
	Number of directors not concurrently serving as executive officers (GRI 4.3)	—	7 (Half of all directors)	—
	Number of female directors (ISO 26000 6.2)	—	1	—
	Attendance of outsider directors at board meetings	—	90-100% (Out of 10-12 meetings)	—

**Details of FY2012 Results**

- In FY2012, we disclosed financial data appropriately through financial statements and other documents in accordance with the revised Cabinet Office ordinance on information disclosure in Japan.
- We continued to hold meetings of the Board of Directors appropriately and ensured transparent management through independent directors.

**Challenges for FY2013**

- We will continue to disclose financial data appropriately through financial statements and other documents in accordance with the revised Cabinet Office ordinance on information disclosure in Japan.
- We will also continue to hold meetings of the Board of Directors appropriately and ensure transparent management through independent directors.

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Penetration of the CSR Management to all employees</b>	Workplace meetings focusing on integrity topics Number of meetings; Number of cumulative participants (ISO 26000 6.2)	3 meetings/yr; 280,000	3 meetings/yr; 280,000	3 meetings/yr; 290,000

**Details of FY2012 Results**

- A total of 280,000 employees in Japan cumulatively participated in meetings on integrity topics (Toshiba Group has approx. 110,000 employees in Japan). Major topics taken up during such meetings were "implementation of integrity," "illegal transactions," and "work-style innovation" (covered twice).

**Challenges for FY2013**

- We will prepare meeting materials in English and consider holding workplace meetings on integrity topics for employees of foreign nationality in Japan as well as at our overseas subsidiaries.

## Human Rights

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>In the Supply Chain</b> (Conflict minerals issue)	Number of companies surveyed about conflict minerals (ISO 26000 6.3.5; GRI human rights management approach; HR10)	10,000	10,000 suppliers in total were surveyed about their potential use of conflict minerals	Approx. 6,000 suppliers to be surveyed about their potential use of conflict minerals

### Details of FY2012 Results

- Toshiba Group surveyed a total of 10,000 suppliers to determine to what extent they understood issues related to conflict minerals and what approaches they are taking to address these issues.
- Toshiba Group has established structures and systems to conduct the conflict minerals survey using EICC/GeSI reporting templates.
- Toshiba Group participated in JEITA's Responsible Minerals Trade Working Group.

### Challenges for FY2013

- Toshiba Group will survey approx. 6,000 suppliers (those who continue to have at least a certain quantity of transactions with the Group) to confirm what approaches they are taking to issues related to conflict minerals.
- Toshiba Group will use "EICC/GeSI Conflict Minerals Reporting Template" to conduct due diligence on its suppliers as well as investigate about the smelters.

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Promoting Employment of People with Disabilities</b>	Employment rate of people with disabilities (Toshiba Corp.) (ISO 26000 6.3.7; GRI HR4)	2.0%	2.05%	2.0%
	Employment rate of people with disabilities (Toshiba Group in Japan) (ISO 26000 6.3.7; GRI HR4)	2.0%	2.24%	2.0%

### Details of FY2012 Results

- We continued to operate "Toshiba With", a special subsidiary company.
- We achieved 2.0% target employment rate for employees with disabilities in Toshiba Corp. by cooperating with the national and local governments' employment support agencies, by using employment support firms effectively, and by employing more people with disabilities at "Toshiba With".

### Challenges for FY2013

- We will continue to operate "Toshiba With", a special subsidiary company.
- We aim to achieve an employment rate of 2.0% for all Group companies mainly by cooperating with the national and local governments' employment support agencies as well as by using employment support firms effectively.
- We will promote diversity in workplace environments.

## Labor Practices

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Health and Safety Management in the Workplace</b>	Number of Group companies (manufacturing) that have acquired OHSAS18001 certification (ISO 26000 6.4.6; GRI LA9)	—	106	—
	Number of work-related accidents (Toshiba Group in Japan) (Frequency of accidents per million work hours resulting in death or injury that require four or more days off work) (ISO 26000 6.4.6; GRI LA9)	—	0.190	—

### Details of FY2012 Results

- Toshiba Group assessed risks related to OHSAS18001 and took measures to reduce such risks. (We finished implementing measures to cope with the largest risks identified during the previous year).

### Challenges for FY2013

- We will take thorough measures to reduce (or manage and monitor) risks identified through risk assessments (take measures to reduce all newly identified risks).

**Toshiba Group Fifth Environmental Action Plan: Greening of Products (creation of products with the highest level of environmental performance) and Greening by Technology (low-carbon energy technologies)**(ISO 26000 6.5; GRI Management Approach; EN1-30)

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Increasing Overall Eco-efficiency</b>	Improvement of overall eco-efficiency (compared to FY2000 levels)	2.5 times	2.59 times	2.7 times

#### Details of FY2012 Results

- In order to improve overall eco-efficiency, Toshiba Group actively promoted Greening of Products, Greening by Technology, and Greening of Process initiatives.

#### Challenges for FY2013

- Toshiba Group will continue to systematically carry out Greening of Products, Greening by Technology, and Greening of Process initiatives.

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Increasing Eco-efficiency for Products and Processes</b>	Improvement of product eco-efficiency (compared to FY2000 levels)	2.8 times	2.89 times	3.0 times
	Improvement of business process eco-efficiency (compared to FY2000 levels)	1.35 times	1.39 times	1.44 times

#### Details of FY2012 Results

- In order to improve product eco-efficiency, Toshiba Group actively carried out Greening of Products and Greening by Technology initiatives.
- In order to improve business process eco-efficiency, Toshiba Group actively carried out Greening of Process initiatives.

#### Challenges for FY2013

- Toshiba Group will continue to systematically carry out Greening of Products and Greening by Technology as well as Greening of Process initiatives.

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Overall Sales</b>	Increasing sales of excellent ECPs (Greening of Products)	0.5 trillion yen	0.67 trillion yen	0.8 trillion yen
	Increasing sales of energy-related products (Greening by Technology)	1.36 trillion yen	1.32 trillion yen	1.49 trillion yen

#### Details of FY2012 Results

- In order to increase sales of excellent ECPs, Toshiba Group inspected 100% of its eco-targets for all product lineups and confirmed the status of their implementations during audits of environmental technologies for products.
- In order to increase sales of energy-related products, Toshiba Group continued to support the business in regards to environmental aspects.

#### Challenges for FY2013

- Toshiba Group will strive to create more excellent ECPs for the mass market and accelerate the creation of excellent ECPs by making products tailored to specific customer needs, systems, and solutions.
- Also, Toshiba Group will continue to support energy-related businesses in regards to environmental aspects.

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Mitigation of Climate Change</b>	Reduction of CO2 emissions due to use of eco-products*1 (Greening of Products)	6 million tons	6.8 million tons	9 million tons
	Reduction of CO2 emissions due to use of energy-related products*2 (Greening by Technology)	450 million tons	450 million tons	460 million tons

#### Details of FY2012 Results

- In order to reduce CO2 emissions through the use of eco-products, Toshiba Group continued to create excellent ECPs and increase the sales thereof.
- Toshiba Group continued to reduce CO2 emissions resulting from the use of energy-related products by continuing to systematically operate overseas nuclear power generation systems.

#### Challenges for FY2013

- Toshiba Group will apply energy conservation technologies to mass market products as well as social infrastructure systems.

\*1 [CO2 emissions of assumed substitute products] – [CO2 emissions of shipped products] (Compares annual emissions during the usage stage and cumulates emissions for half the product life.)

\*2 Compared with CO2 emissions (rate to net production output) for average thermal power of the same fuel type; for nuclear power and renewable energy, compared with CO2 emissions (rate to net production output) for average thermal power of all types.

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Efficient Use of Resources</b>	Percentage of resource savings*3	33%	29%	35%
	Percentage of use of recycled plastics*4	2.6%	4.7%	5.0%

#### Details of FY2012 Results

- In order to increase the percentage of resources saved for products, Toshiba Group continued to reduce the weight and size of ECPs and prolong their service lives.
- In order to increase the percentage of recycled plastics used, Toshiba Group improved the percentage of recycled plastics used in each model and used recycled plastics in a wider range of models (application to other product lines).

#### Challenges for FY2013

- Toshiba Group will expand the range of recycled plastics used in products.
- Toshiba Group will improve the percentage of recycled plastics used for each product so that recycled products are uniformly used for all products.

\*3 The rate of increase in the amount of resources saved (compared to 2010 levels)

\*4 [Amount of recyclable plastics] / [amount of plastics used for products] × 100

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Management of Chemicals</b>	Reduction of Specified Chemical Substances contained in products (Reduction of PVC*5/BFRs*5)	20product groups*6	17product groups*6	30product groups*6

#### Details of FY2012 Results

- In order to reduce the amount of specified chemical substances contained in products, Toshiba Group created PVC/BFR-free flagship models and exhaustively followed up on the status of reduction at each company. However, we successfully reduced the use of such substances in only 17 product groups. One reason for our failure to achieve our goal was that evaluating substitute substances took a significant amount of time. Another reason was the high costs of substitute parts.

#### Challenges for FY2013

- The challenges are that it takes a significant amount of time to evaluate substitute substances and that PVC/BFR-free products are costly.

\*5 Polyvinyl chloride (PVC) is one of the most common plastics and is used in a wide range of products. However, there is concern over the generation of hazardous substances due to inappropriate treatment at disposal, as well as the toxicity of certain plasticizers (e.g., phthalate esters) added to PVCs.

Brominated flame retardants (BFRs) are used for plastics to make them noncombustible. Some BFRs are raising health concerns while others persist in the environment or are bioaccumulative. There is also concern over the generation of hazardous substances due to inappropriate treatment at disposal.

\*6 Special uses are excluded.

## Greening of Process (Environmentally Conscious Manufacturing)\*2

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
Mitigation of Climate Change	Reduction of total greenhouse gas emissions*7 (compared to FY1990 levels)	3.45 million tons <52%>	2.76 million tons <42%>	3.92 million tons <60%>
	Improvement in total energy-derived CO2 emissions per unit production*7 (compared to 2010 levels)	96%	90%	94%
	Improvement in total CO2 emissions resulting from product logistics per unit production (compared to 2010 levels)	98%	90%	97%

### Details of FY2012 Results

- Toshiba Group invested 3.7 billion yen in energy conservation efforts and continued to perform energy conservation diagnoses to reduce total greenhouse gas emissions and improve total energy-derived CO2 emissions per unit production.
- In order to improve total CO2 emissions resulting from product logistics per unit production, Toshiba Group continued to take various measures by promoting modal shifts and reorganizing distribution centers.

### Challenges for FY2013

- Toshiba Group will take countermeasures against increases in CO2 emissions (in Japan) due to the increased threat of climate change. We will also systematically follow up on efforts that we make after energy conservation diagnoses.
- In order to reduce CO2 emissions resulting from product logistics, Toshiba Group will change the mode of transportation for custom-made products for which customers require frequent responses.

\*7 3.50 t-CO2/10-thousand kWh is used for the power factor in Japan, and GHG Protocol data is used overseas.

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
Efficient Use of Resources	Reduction of waste emissions*8 (compared to FY2000 levels)	107,000 tons <56%>	92,000 tons <48%>	112,000 tons <59%>
	Improvement in the total volume of waste generated per unit production (compared to FY2010 levels)	100%	96%	96%
	Percentage of final waste disposal*9 (relative to Toshiba Group total emissions)	1.8%	1.7%	1.5%
	Improvement in the volume of water received per unit production (compared to FY2010 levels)	96%	87%	94%

### Details of FY2012 Results

- In order to reduce waste volume, improve the total volume of waste generated per unit production, and lower the percentage of final waste disposal, Toshiba Group completely sorted waste upon disposal and continued to take measures to turn waste into valuables.
- In order to reduce the volume of water received per unit production, Toshiba Group proposed measures to be taken for water stress areas and carried out other initiatives.

### Challenges for FY2013

- With respect to waste, Toshiba Group will reform manufacturing processes, reduce the volume of raw materials used, and develop new disposal facilities in areas with underdeveloped recycling infrastructure.
- In order to curb water consumption, Toshiba Group will step up initiatives at semiconductor production sites, which account for nearly 70% of the Group's total water consumption.

\*8 The volume of waste emitted is obtained by subtracting the volume of valuables from the total volume of waste generated (excluding that of waste disposal and power generation sites).

\*9 Toshiba Group's definition of "zero emissions" of waste is that the amount of landfill waste after treatment is equivalent to less than 0.5% for manufacturing sites and 1.0% for nonmanufacturing sites of the total amount of by-products and other items generated (total amount of waste discharged) as a result of business activities (excluding the sites with restrictions under laws and administrative guidance).

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Management of Chemicals</b>	Reduction of the total volume of chemicals discharged (compared to FY2000 levels)	1,694 tons <67%>	1,393 tons <55%>	1,625 tons <65%>
	Improvement in the volume of chemicals used per unit production (compared to FY2010 levels)	100%	94%	98%

#### Details of FY2012 Results

- In order to reduce the total volume of chemicals discharged and improve the volume of chemicals used per unit production, Toshiba Group actively installed VOC removal equipment and used substitute substances.

#### Challenges for FY2013

- The challenges are how to cope with increases in the volume of chemicals discharged as production plans increase and making large investments to install VOC removal equipment.

### Green Management(Upgrading Basic Activities Continuously)

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Conservation of Biodiversity</b>				
Development of Ecosystem Networks with Production Sites Playing a Central Role in Collaboration with Local Communities	Percentage of major production sites at which the biodiversity survey is conducted	50%	81%	100%

#### Details of FY2012 Results

- Toshiba Group initiated a biodiversity survey at 67 selected bases worldwide (48 in Japan, 3 in the U.S., 2 in Europe, 11 in China, and 3 in other Asian countries) and completed the survey at 54 of these sites.

#### Challenges for FY2013

- Toshiba Group will provide support to sites at which it is difficult to formulate a policy on conservation of biodiversity.

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Environmental Education/Human Resources Development</b>	Development of Toshiba eco-style leaders	200 leaders	230 leaders	400 leaders

#### Details of FY2012 Results

- In Japan, 230 Toshiba Group employees registered as eco-style leaders. In addition, eco-style leaders offered guided tours at environmental exhibitions, and organized meeting of eco-style leaders.

#### Challenges for FY2013

- Toshiba Group will globally implement the eco-style leader program such as in the Americas, Europe, Asia, Australia and China. We plan to systematically train certified eco-style leaders.

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Grasping the Status of Labor, Safety, and the Environment at Suppliers</b>	Number of suppliers at which the CSR survey is conducted (ISO 26000 6.3.5, 6.4.3, and 6.6.6; GRI Human Rights Management Approach; HR2, HR3, and HR4)	Approx. 6,000	Approx. 6,000	Approx. 6,000

**Details of FY2012 Results**

- Toshiba Group included the needs to consider labor, safety, and the environment as well as to prohibit child labor in our CSR promotion guidebook for suppliers and in our CSR procurement policy. We also confirmed total of 10,000 suppliers' compliance with the policy.
- Compliance with labor conditions of subcontractors and labor environment has been well managed within Toshiba Group.

**Challenges for FY2013**

- Through the CSR survey, Toshiba Group will confirm how suppliers are complying with the CSR procurement policy.
- Toshiba Group will require its electronic device suppliers to comply with EICC Codes of Conduct.

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Conflict Minerals Issue</b>	Percentage of suppliers fully aware of the Group's conflict mineral policy and percentage of suppliers at which the conflict minerals survey is conducted (ISO 26000 6.3.3 and 6.6.6; GRI Human Rights Management Approach; HR2)	—	Suppliers fully aware of the policy: 100%	Survey conducted: 100%

**Details of FY2012 Results**

- Toshiba Group circulated its Procurement Policy to all suppliers worldwide as well as surveyed them to determine to what extent they understood issues related to conflict minerals and what approaches they take (10,000 companies in total).
- Toshiba Group cooperated with industry organizations such as EICC and JEITA.
- By participating in the Public-Private Alliance for Responsible Minerals Trade (PPA), a public-private partnership project advocated by the U.S. government, the Group helped provide financial support in the Democratic Republic of the Congo and neighboring countries.

**Challenges for FY2013**

- Toshiba Group will conduct a conflict minerals survey of our suppliers using EICC/GeSI reporting templates. We will also hold briefing sessions for our suppliers on this issue.
- Toshiba Group will perform due diligence on the results of the response to the survey.

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Ensuring Thorough Compliance</b>	Percentage of self-audits conducted at Group companies based on "anti-bribery guidelines" and "guidelines on contacts with competitors" (ISO 26000 6.6.3; GRI SO7 and SO8)	100%	100%	100%

**Details of FY2012 Results**

- Visited major subsidiaries in Asia to ensure compliance.
- A plan to place a manager of legal affairs in each global region.

**Challenges for FY2013**

- Toshiba Group will increase the number of personnel responsible for legal affairs at overseas subsidiaries.

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Ensuring Thorough Compliance</b> (Provision of Education)	Information security education (GRI SO3 and SO7)	100%	91% (Approx. 180,000 persons)	100%
	Self-audits on information security	100%	100% (552 companies)	100%
	Self-audits on appropriate management of purchased package software licenses (ISO 26000 6.6.7)	100%	100% (166 companies)	100% (166 companies)

#### Details of FY2012 Results

- We provided all personnel with compliance education in accordance with their organizational level. At overseas subsidiaries, we provided e-learning about compliance.
- We provided information security education at Toshiba and all Group companies worldwide. At some overseas Group companies, the percentage of employees who attended the education remained low because the education program did not match their education schedules.
- Toshiba Group conducted self-audits of purchased package software licenses and confirmed that such software was not being used illegally.

#### Challenges for FY2013

- Toshiba Group will provide information security education sooner than originally planned using standardized teaching materials worldwide by the end of the fiscal year.
- In order to prevent delays in conducting self-audits of purchased package software licenses, Toshiba Group will take steps to confirm the progress of such audits midway.

### Consumers Issues (Customer)

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>False Statements and Exaggerated Expressions in Advertising and Information Communicated Externally</b>	Number of violations of the Act against Unjustifiable Premiums and Misleading Representations (ISO 26000 6.7.4; GRI SO8, PR6, and PR7)	0	0	0

#### Details of FY2012 Results

- In March 2013, Toshiba Group held a meeting for 150 managers and in-house staff and major Group companies to study advertising and labeling, thus ensuring full compliance with advertising and labeling regulations.

#### Challenges for FY2013

- We will continue to host similar study sessions to ensure full compliance.
- We will improve prior checking functions at Advertising Division on advertising and labeling.

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Improvement of Quality Management/Level</b>	Results of JUSE Quality Management Level Research survey. (GRI Product Liability Management Approach)	Third place or higher	First place	Third place or higher

#### Details of FY2012 Results

- Toshiba Group conducted 22 kinds of study sessions on quality worldwide.
- Toshiba Group began to measure training effects.
- In October 2012, Toshiba ranked first in the JUSE Quality Management Level Research conducted by the Union of Japanese Scientists and Engineers (with the support of Nikkei Inc.), which covered some 650 companies in Japan (Toshiba ranked fourth in the previous survey).

#### Challenges for FY2013

- Toshiba Group will expand its training programs to foster keener quality awareness among its employees.
- Toshiba Group will maintain or improve the rankings of external quality assessments.

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Compliance with regulations and standards for product safety</b>	Number of violations of the Electrical Appliance and Material Safety Law E-learning attendance rate (ISO 26000 6.7.4; GRI Product Liability Management Approach; PR2 and PR9)	0, 100%	0, 99.99% (Approx. 103,000 persons)	0, 100%

#### Details of FY2012 Results

- Toshiba Group conducted simultaneous inspections to confirm whether our products conformed to the appropriate technical standards of the Electrical Appliance and Material Safety Law, and whether our businesses had been appropriately submitted in accordance with the Law.
- In November 2012, Toshiba Group was commended (with the Distribution and Industrial Safety Policy Award given by the Director-General for Commerce) as a company that excelled in taking product safety measures (in the large manufacturer/importer category).

#### Challenges for FY2013

- Toshiba Group will continue to maintain our number of violations of the Electrical Appliance and Material Safety Law at zero.
- Toshiba Group will make preparations to comply with a FY2014 revision to the Law and provide e-learning courses to familiarize its employees with the revised Law.

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>System for retrieving products, announcements, and product recalls</b>	Percentage of information on serious accidents disclosed in accordance with the Consumer Product Safety Act (ISO 26000 6.7.4; GRI PR2)	100%	100%	100%

#### Details of FY2012 Results

- Toshiba Group reported serious product accidents to the competent authorities (the Consumer Affairs Agency) within the period stipulated by the Act.
- Toshiba Group disclosed accident information.

#### Challenges for FY2013

- Toshiba Group will report serious product accidents within the period stipulated by the Consumer Product Safety Act and disclose accident information in accordance with the Act.
- Toshiba Group will increase the percentage of recalled products collected.

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Promotion of Social Contribution Activities</b>	Number of participants in social contribution activities (ISO 26000 6.8.3; GRI SO1)	—	Approx. 110,000 persons	—
	Number of social contribution programs (ISO 26000 6.8.3)	—	1,449	—

**Details of FY2012 Results**

- In June 2012, ExploraVision Awards celebrated its 20th anniversary.
- The 1.5 Million Tree-planting Project was implemented in Germany in April, in the Philippines in July, and in Japan (Tokyo) in November.
- Toshiba Group hosted and supported events to raise awareness of the Pink Ribbon Campaign.
- Toshiba Group recognized employees' social contribution initiatives as Toshiba "ASHITA" Award; "supporting recovery from the Great East Japan Earthquake" and "collecting electrical products from employees" were among the winning initiatives.

**Challenges for FY2013**

- Toshiba Group will expand its social contribution programs in emerging economies.
- Toshiba Group will deepen its science education initiatives.

Index	Indicator	FY2012 Targets	FY2012 Achievements	FY2013 Targets
<b>Support for Recovery from the Great East Japan Earthquake</b>	Total amount of support (ISO 26000 6.8.3; GRI SO1)	—	500 million yen	—

**Details of FY2012 Results**

- Toshiba Group donated LED lighting to the Golden Hall of Chusonji Temple, helped fishers in JF Miyagi, and supported Fukushima Reconstruction Solar.
- A total of 767 new employees supported fisheries in Shinomaki and Minamisanriku.
- Toshiba Group hosted Tohoku region product exhibition at its head office and factories to help local food industries, used food ingredients from Miyagi Prefecture in its cafeterias, and expanded these initiative to include its suppliers
- Toshiba Group granted scholarships to 230 university students.

**Challenges for FY2013**

- Toshiba Group will continue to cooperate with Fukushima Reconstruction Solar and other organizations in their youth education programs.
- Toshiba Group will also continue to support Miyagi and Iwate Prefectures (support for local key industries).

CSR Performance  
**FY2012 Topics**

## Organizational Governance

### > CSR Management

- > Participation by a total of 280,000 employees in Japan in workplace meetings focusing on ethics.
- > Held a CSR Conference during CSR Month (December).
- > Selected for the 13th consecutive year to be a member of the Dow Jones Sustainability World Index (DJSI World), which contains approx. 300 leading sustainability leaders worldwide.

### > Corporate Governance

- > Appointment of a female outside director

### > Information Disclosure and IR

- > Ranked No. 1 in the electronics industry and sixth overall in the JCGIndex Survey, conducted by the Japan Corporate Governance Research Institute, Inc.
- > Continued to deepen communication with institutional investors worldwide.
- > Visited overseas institutional investors to explain about our initiatives related to ESG (Environment, Society, and Governance) factors in measuring an investment in a company or business.

### > Stakeholder Dialogue

- > Visited overseas institutional investors to explain Toshiba's CSR activities
- > Total of 29 "Top Executive Innovation Visits" worldwide

## Human Rights

### > Policies and Systems Related to Human Rights

- > Study session on business and human rights held by BSR, a U.S. organization promoting CSR.

### > Suppliers

- > Surveyed some 10,000 suppliers to check their understanding of conflict minerals issues and the approaches they have taken. Participated in JEITA's Responsible Minerals Trade Working Group. Contributed to establishment of industry standards.

## Labor Practices

### > Promotion of Diversity

- Achieved 2.0% target for percentage of employees with disabilities.

### > Support for Diverse Work Styles

- Won an award in Japan's Ministry of Economy, Trade and Industry's (METI) "Diversity Management Selection 100"
- Ranked third in the FY2012 Survey of Japan's Worker Friendly Companies, conducted by Nikkei Inc.

### > Occupational Health and Safety

- Acquisition of OHSAS18001 certification by 106 Toshiba Group companies.
- Frequency of 0.190 for work-related accidents—the frequency of accidents per million work hours resulting in death or injuries that require at least four days off work—at Toshiba and its Group companies in Japan.
- Ministry of Health, Labour and Welfare's Labour Standards Bureau Director's Award for a Type-5 no accident record (35.5 million hours) received by Toshiba TEC Corp. Shizuoka Business Center.

## The Environment

### > The Environment

- Achieved an eco-efficiency rate of 2.59 (target: 2.5).
- 0.67 trillion yen of excellent ECPs (Environmentally Conscious Products) sold (target: 0.5 trillion yen).
- Reduced total greenhouse gas emissions to 3.03 million tons (target: 3.45 million tons or less). Started to calculate Scope 3 emissions.
- Achieved our goal of developing 230 eco-style leaders.

## Fair Operating Practices

### > Risk Management and Compliance

- Visited the offices of all our major subsidiaries in Southeast Asia to fully ensure that they understand the need to comply with anti-trust and anti-bribery laws

### > CSR Management in the Supply Chain

- Conducted a CSR survey of some 10,000 suppliers.
- Selection of Toshiba International Procurement Hong Kong Ltd. as a Gold Award winner in the Sectoral Awards in the 2012 Hong Kong Awards for Environmental Excellence.

### > Protection of Personal Information

- Renewed the Privacy Mark certification after undergoing the seventh renewal assessment, the most for any company in the electronics industry.

## Customers

### > Quality Control

- Placed first in the Quality Management Level Research conducted by the Union of Japanese Scientists and Engineers

### > Product Quality and Safety

- Commended by the Ministry of Economy, Trade and Industry as a company that excels in taking product safety measures.

### > Disclosure of Product Information

- Strengthening of efforts to accelerate retrieving of products for which recalls have been announced

### > Customer Service and Support

- Provided full training in business manners to improve after-sales service and enhance customer satisfaction in emerging economies.
- Completion of construction of training tower for the elevator and building facility.

### > Universal Design

- Winning Germany's Universal Design Award for "Machine-Room-Less Elevator SPACEL-GR" and for "Easy-Access Electric Fan Packaging."

## Community Involvement and Development

### > Support for Local Community Development and Public Policies

- Received the Japan Lighting Award for the Chusonji Temple lighting improvement project.
- Invited students and teachers from schools that had won Energy Education Awards to visit Toshiba's Turbine Works.
- Sending doctors and dentists to communities surrounding the factory in the Philippines.
- New washing machine plant in Indonesia develops local-fit products.
- Conducting of joint research with local universities by Toshiba's R&D division in India.
- Celebration of 20th anniversary of the science and technology competition for children in the U.S. and Canada.
- Provision of LED lighting to the Louvre Museum in France.

### > Disaster Relief Efforts (Great East Japan Earthquake)

- Donation of LED lighting to the Golden Hall of Chusonji Temple.
- Received the Japan Light Award for the Chusonji Temple lighting improvement project.
- Opening to the public of Minamisoma Solar Agri-Park, a place for hands-on learning in which Toshiba invested.
- Supporting of fisheries by 767 new employees. Program to continue in FY2013.

### > Community Relations

- Investigated the potential effects of a new factory in Brazil on surrounding communities before starting construction.

CSR Performance: Organizational Governance  
**CSR Management**

**Major Progress and Achievements in FY2012**

- ✓ A total of 280,000 employees in Japan participated in workplace meetings focusing on integrity.
- ✓ The CSR Conference was held during CSR Month (December).
- ✓ Selected for the 14th consecutive year to be a member of the Dow Jones Sustainability World Index (DJSI World), which contains approx. 300 leading sustainability leaders worldwide.

## The Concept of CSR Management

One of the Toshiba Group Basic Management Policies is the promotion of CSR management. In accordance with this policy, we are committed to the mitigation of climate change and other social issues through our business activities. As part of CSR management, we urge our employees to act in accordance with the Group's Standards of Conduct as well as act with an unshakable integrity in meeting our responsibilities to society.

### Toshiba Group's Integrity

1. Meet our responsibilities to society  
Proactively contribute to solutions to social issues such as climate change through business activities
2. Secure sound management and finances  
Ensure sound business management by according the highest priority to human life and safety and to compliance so that Toshiba continues to be trusted by society.

### Medium-term CSR Management Plan

The CSR activity policy for FY2012 focused on solving social problems through our business activities. As one of the world's foremost eco-companies, four strategies such as Greening of Product, Greening by Technology, Greening of Process, and Green Management are implemented. We will also set medium-term goals for the period up to FY2015 and strive to achieve such goals.

The Group will establish key performance indicators (KPIs) to measure the results of activities in the areas of human rights, labor practices, the environment, compliance, supply chain management, and customer satisfaction. We will also set quantitative targets to the maximum possible extent and work to attain the targets.

In-house and key Group companies will set their own targets according to the characteristics of their respective businesses and work to achieve their targets.

## CSR Management Structure

### CSR Division / CSR Governance Committee

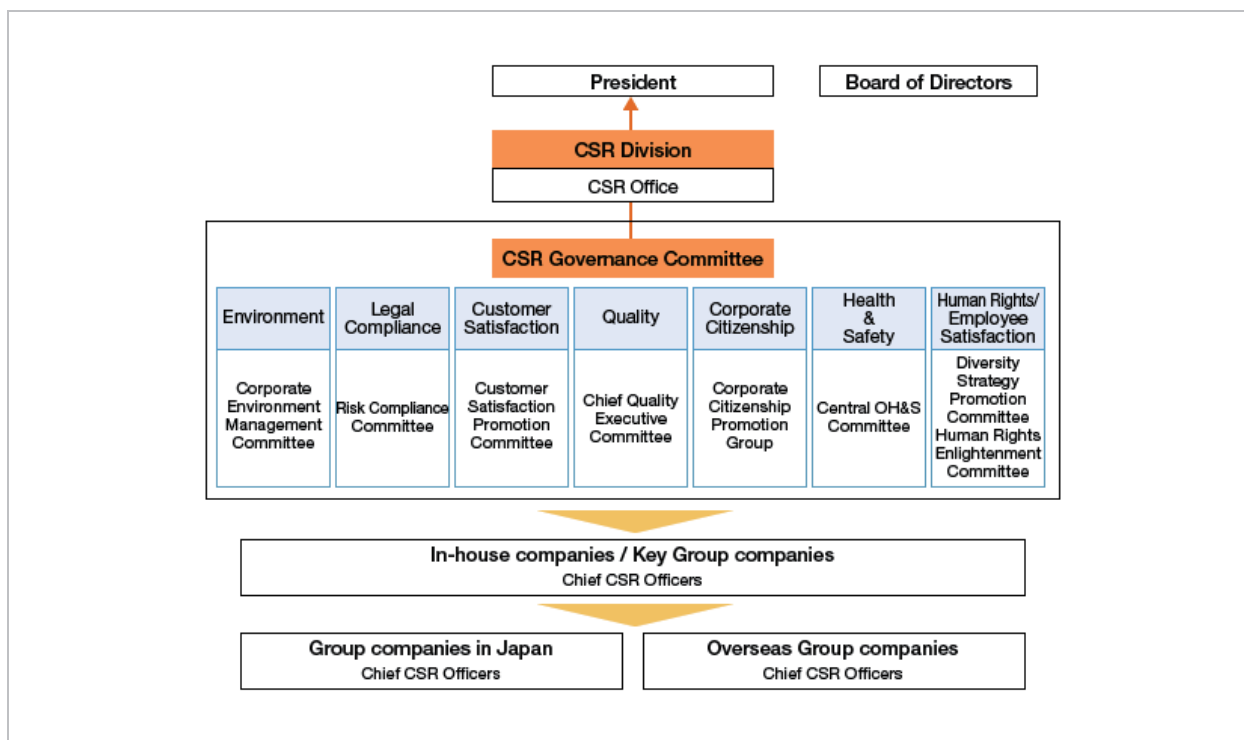
The CSR Governance Committee, consisting of the Corporate Senior Executive Vice President, who heads the CSR Division, and the executives concerned, holds meetings once a year with the attendance of the President, in order to discuss and determine Toshiba Group CSR Action Policies. Based on the policies determined, the Corporate Environment Management Committee, Risk Compliance Committee, Customer Satisfaction Promotion Committee, and other relevant committees (see the chart below) establish key performance indicators (KPIs) and implement action plans for each of the topics for which they are responsible.

As part of their business activities, in-house companies, business sites, and Group companies in Japan and overseas appoint their own Chief CSR Officers. To discuss CSR progress and issues, the CSR Division holds a monthly meeting called the Corporate CSR Meeting, which is attended by representatives from CSR-related divisions such as human resources, diversity, environment, and procurement.

### Chief CSR Officers

Since FY2006, Chief CSR Officers were appointed at in-house companies, operational sites, and Group companies worldwide.

Since FY2007, the CSR Office visited chief CSR officers at in-house companies and major Group companies twice a year to ensure thorough implementation of the Toshiba Group CSR Action Policies and to monitor the progress of priority themes.



## CSR Assessment and Internal Audit

In management audits performed by the Corporate Audit Division, we monitor the progress of activities regarding priority issues throughout the Group.

Since FY2010, Toshiba Group assess and checks the progress of its CSR initiatives and KPIs (Key Performance Indicators) against the issues of ISO 26000. And for our overseas Group companies, we conduct annual CSR survey based on the 10 principles of UN Global Compact to assess the performance of human rights and labor issues. Further, we monitor environmental issues through in-house environmental audits and anti-bribery issues have been addressed directly to the management of overseas Group companies to follow the guidelines. CSR performances are also self-assessed through the annual employee morale surveys.

## Results in FY2012

We conducted the CSR surveys of consolidated overseas subsidiaries which covered items such as placement systems to handle complaints of human rights infringements, the state of communication with labor unions, and confirmation of the CSR management status at the suppliers. Through these surveys, we confirmed that there were no problems in these areas.

Further, we identified issues such as "CSR management in the supply chain" and "environmental education and training of Toshiba eco-style leaders" as issues to be addressed proactively and added them to our list of KPI targets in FY2012.



We instructed all Group companies to follow all relevant environmental guidelines by implementing internal environmental audits. Similarly, in order to ensure compliance with anti-corruption guidelines, the Legal Affairs Division provided appropriate instructions directly to the management of overseas subsidiaries.

In addition, CSR-related items (e.g., compliance awareness) were included in the annual employee morale survey in order to track the Group's CSR progress.

In order to ensure that Toshiba Group's policies and plans are properly implemented, we also monitor the progress of company activities through quarterly reports submitted to the President as well as semi-annual interviews with Chief CSR Officers of in-house and Group companies conducted by the CSR Office.

## Outside Ratings for Toshiba Group CSR

Toshiba Group proactively disseminates information on its CSR activities to external parties. The table below shows high ratings from several mass media as well as SRI (Socially Responsible Investment) institutions, obtained by Toshiba Group in FY2012.

Rating	Toshiba's performance	Date of announcement
Member of Dow Jones Sustainability Index (DJSI)  In Collaboration with RobecoSAM	Selected for 14 consecutive years since 2000	September 2013
oekom research AG 	Toshiba ranked Prime among the world's 19 major IT manufacturers	June 2011
Corporate Integrity & Transparency Survey by IntegreX	6th place (3rd by industry)	March 2013
JCGIndex by Japan Corporate Governance Research Institute, Inc.	6th place	March 2013

## Enhancement of Employees' Awareness

### Toshiba Group's CSR Month

Toshiba Group has designated December as its CSR Month since FY2006. During this month, we assess our CSR initiatives and hold a variety of events, such as the Group-wide CSR Conference and other events at our companies and business sites focusing on social contribution and other CSR activities. In order to allow each and every employee to conduct self-assessments of their CSR awareness and practices, we provided e-learning from November 2012 to January 2013 on topics such as information security, protection of personal data, engineering ethics, and product safety. In addition to holding workplace meetings focusing on integrity, we asked our in-house companies and key Group companies to conduct self-assessments of their CSR activities in accordance with ISO 26000.

On December 18, we held our annual CSR Conference, which was attended by some 650 employees, including executive officers and labor union representatives. At the Conference, a ceremony was held to commend the teams that demonstrated outstanding practices with regard to health and safety as well as social contribution. In addition, examples of outstanding CSR efforts were shared. Toshiba Corporate Senior Executive Vice President, the head of CSR Division, reflected upon our CSR activities in FY2012 and spoke about issues to be addressed in FY2013.

In addition, the senior vice president of Toshiba America Inc. gave a special lecture entitled "Contributing to U.S. society through a national science and technology competition (ExploraVision Awards)." Through this lecture, attendees were able to re-confirm that the significance of a company's existence is validated through its business and the activities of each and every one of its employees.



Outstanding examples of CSR initiatives such as social contribution were officially recognized at the CSR Conference.



Mr. Shimomitsu, Corporate Senior Executive Vice President and Head of CSR Division, spoke about issues to be addressed in FY2013.

### Workplace Meetings Focusing on Integrity

In order to promote the concept of integrity throughout our entire organization, in FY2010 we initiated workplace meetings focusing on integrity for all our employees in Japan. In FY2012, we held these meetings three times at each workplace, with the participation of a cumulative total of 280,000 employees.

Three topics were offered for discussion at each meeting, and the participants discussed the one most relevant to their workplace for around 30 minutes. Major topics taken up during the year included work-style innovation, integrity, and illegal transactions.

Unlike conventional one-way education, this kind of workplace meeting aims to improve the workplace climate by encouraging each and every employee to be aware of integrity issues and to freely express their opinions. We will continue to hold these meetings in FY2013.

#### Examples of topics taken up in FY2012:

Work-style innovation

Implementation of integrity programs (disaster relief efforts by new employees)

Illegal transactions (illegal placement of PC orders)

### CSR Education

In order to enhance CSR awareness among all Toshiba Group employees and encourage them to put it into practice, the President explains the Group's policy with regard to CSR management on various occasions, such as at explanatory sessions at the beginning of the half-year terms in April and October, in his address for the company's anniversary, and in his New Year's greeting. These messages are also communicated to our subsidiaries in Japan and overseas through appropriate channels and also via in-house newsletters. In addition, Toshiba educates employees working in different job positions, such as new employees and newly appointed managers, and provides e-learning throughout the year on various CSR topics such as environment, information security, human rights, and engineering ethics. In FY2011 we chose ISO 26000 as a subject for engineering ethics and provided ethical education to all engineers in Toshiba Group worldwide.

CSR Performance: Organizational Governance  
**Corporate Governance**

**Major Progress and Achievements in FY2012**

- ✓ Appointment of a female outside director

## Corporate Governance Policy

Toshiba's corporate governance policy aims to enhance management efficiency and transparency, while maximizing corporate value from the shareholders' perspective.

## Toshiba's Governance System

As a "company with committees," Toshiba aims to enhance its management mobility, supervisory functions, and increase transparency. The board of directors consists of 16 members, half of whom are directors who do not form part of the executive management team ("the Non-Executive Directors"). The Non-Executive Directors include four outside directors (including one woman), the chairman, the vice chairman, and two full-time Audit Committee members. The benefit of this composition is that it allows the board to formulate basic management policy efficiently based on the actual status of management through the inclusion of Toshiba executives who are familiar with its operations but who devote themselves to supervision, though half of the eight are independent outside directors. Each committee has a majority of outside directors and the Nomination and Compensation Committees are both chaired by outside directors.

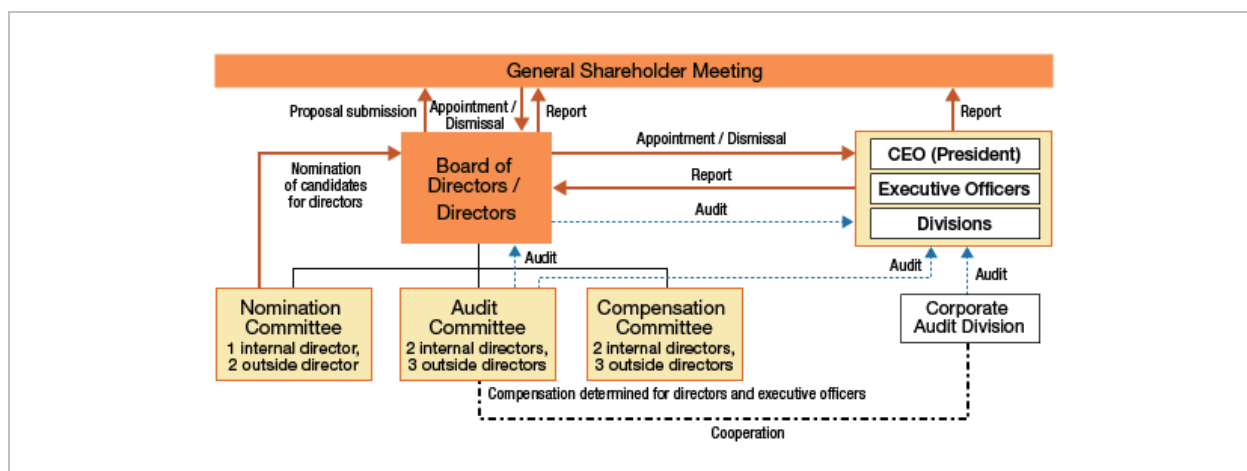
Notification has been filed regarding all outside directors as being independent directors stipulated in the Securities Listing Regulations of the Tokyo Stock Exchange.

The outside directors receive prior explanations on the matters to be resolved at board meetings from the staff in charge. They also attend the monthly liaison conferences of executive officers in order to oversee Toshiba's management.

To help the Audit Committee perform its duties, we have created the office for the committee. The personnel transfers of the staff members of the office are determined by prior consultation with the Audit Committee. The Corporate Audit Division, which is in charge of internal audits, consults with the Audit Committee in advance to formulate annual auditing policies and plans. The Corporate Audit Division also participates in discussions on the audited divisions and shares audit information through semimonthly liaison meetings with the Audit Committee.

Along with these activities, the Audit Committee normally draws on field surveys conducted by the Corporate Audit Division for detailed information. Though the Audit Committee obtains reports on the results of audits conducted by the Corporate Audit Division, it also conducts its own audits if deemed necessary.

### Corporate Governance Structure



## Compensation for Directors and Executive Officers

We have designed a compensation system for retaining talented human resources, and for providing incentives to directors and executive officers to effectively execute their duties. Directors receive fixed compensation according to their duties and their status as full-time or part-time directors.

Executive officers receive basic compensation based on their ranks and service compensation calculated according to their duties; 40% to 50% of the service compensation fluctuates from zero (non-payment) to double depending upon the year-end performance of the division for which the executive officer is responsible or that of Toshiba Corporation.

### Total Amount of Compensation Paid to Directors and Executive Officers (FY2012, Toshiba Corp.)

Position	Total Amount (Million of yen)	Basic Fixed Compensation (Million of yen)	Performance Based Compensation	Number of Persons
Directors (excluding Outside Directors)	236	236	-	11
Outside Directors	59	59	-	6
Executive Officers	1,199	1,101	98	36

### Directors and Executive officers whose total compensation exceed 100 million yen for FY2012

Name	Position	Company	Basic Fixed Compensation (Million of yen)	Performance Based Compensation	Total Amount (Million of yen)
Atsutoshi Nishida	Director	Toshiba Corporation	127	-	127
Norio Sasaki	Director	Toshiba Corporation	6	-	115
	Executive Officers		102	7	

## Internal Control Systems

The Toshiba Group Standards of Conduct prescribes the values and codes of conduct that all executives and employees should share. In response to the Companies Act of Japan, which came into effect in May 2006, we also determined basic policies on the internal control system at a meeting of the board of directors. Accordingly, in order to enhance the Group-wide internal control system, all group companies also adopted a similar resolution at respective board of directors' meetings and established related regulations. Thus they are continuing to strive to bolster their internal control systems. In addition, Toshiba Group has created an organization for the internal control reporting system and assesses the effectiveness of internal controls over financial reporting. We will continue our efforts to properly manage the internal control system regarding financial reporting.

In order to prevent damage due to antisocial forces, based on a resolution of the Board of Directors in June 2006, Toshiba revised the Toshiba Group Standards of Conduct to state clearly that the company refuses all involvement in business activities with antisocial forces. Based on these revised Standards of Conduct, the company has established a management system as shown below, thus ensuring sound management.

## Toshiba's Internal Control System

As a "Company with Committees system," Toshiba has put into place the systems listed below.

### Systems to ensure appropriate operation as a stock company

#### (1) System to ensure that Executive Officers' compliance with laws and regulations and the Articles of Incorporation.

- Executive Officers periodically report to the Board of Directors on their execution of their duties and are required to report on necessary items to the Board of Directors, as necessary.
- The General Manager of the Corporate Audit Division periodically reports to the Board of Directors on internal audit results.
- The Audit Committee periodically interviews Executive Officers and the General Manager of the Corporate Audit Division reports to the Audit Committee on internal audit results.
- Executive Officers report to the Audit Committee on any material violation of laws and regulations without delay in accordance with the Rules concerning Reporting to the Audit Committee.

#### (2) System for retention and management of information concerning Executive Officers' execution of their duties.

- In accordance with the Rules concerning the Document Retention Period, Executive Officers appropriately retain and manage material documentation, such as information materials for the Management Meetings and decision-making documents, and other documents such as account books and records.

2. Executive Officers run a system that allows Directors to access important information, such as information materials for the Management Meetings, decision-making documents, account books and records and business reports.

### **(3) Rules and other systems concerning risk management**

1. In accordance with the Basic Rules concerning Risk-Compliance Management, the Chief Risk-Compliance Management Officer (hereinafter referred to as the "CRO") formulates and promotes measures concerning crisis and risk management in his/her capacity as the chairman of the Risk-Compliance Committee.
2. Executive Officers formulate and promote measures necessary for continuously clarifying business risk factors and minimizing loss in the event that risk is realized.

### **(4) System to ensure that Executive Officers efficiently execute their duties**

1. The Board of Directors determines the basic management policy and approves the mid-term business plan and annual budgets prepared by the Executive Officers.
2. The Board of Directors delegates authority and responsibilities to Executive Officers in an appropriate manner and Executive Officers clarify the authority and responsibilities of the Executive Officers and employees in accordance with the Rules concerning Responsibilities of Division and the Rules concerning Managerial Duties.
3. Executive Officers set concrete targets and roles of organizations and employees.
4. Executive Officers make decisions on business operations based on appropriate procedures in accordance with the Board of Directors Rules, the Corporate Decision Making Rule, the In-house Company Decision Making Rule and other rules.
5. Executive Officers follow up annual budget implementation and appropriately evaluate performance evaluation by means of monthly meetings and the Performance Evaluation Committee.
6. Executive Officers promote strengthening of information security systems and operate the accounting system, the authorization system and other information processing systems in an appropriate manner.

### **(5) System to ensure that employees' performance of their duties conforms to laws and regulations and the Articles of Incorporation**

1. The President & CEO ensures, through continuous execution of employee education etc., that employees comply with the Toshiba Group Standards of Conduct clarifying values and codes of conduct to be shared by all officers and employees.
2. The CRO formulates and promotes measures concerning compliance with laws and regulations in his/her capacity as the chairman of the Risk-Compliance Committee in accordance with the Basic Rules concerning Risk-Compliance Management.
3. The Executive Officer in charge endeavors to detect problems early and deal with them in an appropriate manner by making use of the whistle-blower system.

### **(6) System to ensure the appropriateness of business operations of Toshiba Group**

1. Toshiba Corp. requests its subsidiaries to adopt and implement the Toshiba Group Standards of Conduct.
2. Toshiba Corp. requests its subsidiaries to report to Toshiba Corp. in accordance with the Operational Communication Arrangement in the event that material issues arise in their business operations.
3. Toshiba Corp. formulates appropriate measures for internal control, including that of its subsidiaries, and requests its subsidiaries to promote the measures according to their situations.
4. Toshiba Corp. requests its subsidiaries to establish audit systems in accordance with the Toshiba Group Auditors' Audit Policy.
5. Toshiba Corp. executes management audits of its subsidiaries, as necessary.

### **Items Necessary for the Audit Committee's Performance of its Duties**

#### **(7) Employees assigned to assist the Audit Committee in the performance of its duties**

1. In order to assist the Audit Committee in the performance of its duties, the Audit Committee Office consisting of five or so staff is established. No director is assigned to assist the Audit Committee in the performance of its duties.

#### **(8) Independence of employees mentioned in the preceding paragraph from Executive Officers**

1. Personnel transfer of employees of the Audit Committee Office is discussed with the Audit Committee in advance.

#### **(9) System for reporting by Executive Officers and employees to the Audit Committee and other systems concerning reporting to the Audit Committee**

1. Executive Officers and employees report to the Audit Committee in accordance with the Rules concerning Reporting to the Audit Committee in the event that any material issue arises that may affect operation and financial performance.
2. The President & CEO provides auditors designated by the Audit Committee with opportunities to attend important meetings, including the Management Committee meetings.

#### **(10) System to ensure that audits by the Audit Committee are conducted effectively**

1. The President & CEO periodically dialog with the Audit Committee.

2. Executive Officers and employees report the execution of their duties to the Audit Committee by means of the periodical interviews conducted by the Audit Committee and circuit interviews.
3. The General Manager of the Corporate Audit Division discusses the policy and the plan for internal audits at the beginning of each fiscal year with the Audit Committee in advance and timely reports the internal audit results to the Audit Committee.
4. The Audit Committee has accounting auditors provide explanations and reports concerning the accounting audit plan at the beginning of each fiscal year, the situation of accounting audits during each term and the results of the accounting audits at the end of each fiscal year.
5. The Executive Officer in charge provides explanations to the Audit Committee concerning the interim settlement of accounts and settlement of accounts at the end of fiscal year as well as quarterly settlement of accounts prior to the approval by the Board of Directors.
6. The President & CEO informs the Audit Committee in advance and provides explanations concerning the assignment of the General Manager of the Corporate Audit Division, taking into consideration the independence of the General Manager of the Corporate Audit Division from other Executive Officers and organizations.

## Internal Control System over Financial Reporting

In view of the introduction of the internal control reporting system in accordance with the Financial Instruments and Exchange Act of Japan (J-SOX) from the fiscal year ended March 2009 onward, Toshiba has established an organization at the corporate level to promote assessment of the effectiveness of internal control system over financial reporting; and each in-house company and group company both inside and outside Japan has put in place an organizational structure in response to J-SOX and made the assessment accordingly. Based on the assessment of the effectiveness of internal control system over financial reporting, we will endeavor to improve reliability of Toshiba Group's financial reporting.

## Takeover Defense Measures

With the goal of protecting and enhancing the Company's corporate value and the common interests of its shareholders, Toshiba has implemented countermeasures against large scale acquisitions of shares in the Company.

For more information visit: [Renewal of Countermeasures to Large-Scale Acquisitions of Toshiba Corporation Shares \(Takeover Defense Measures\)](#) [PDF 217MB/31 pages]

## Evaluation of Corporate Governance

- Toshiba was ranked 6th in the JCGIndex Survey conducted by the Japan Corporate Governance Research Institute, Inc. (March, 2013)
- Toshiba stock was selected for the Corporate Governance Fund of the Pension Fund Association.

CSR Performance: Organizational Governance  
**Information Disclosure and IR**

## Policy on Information Disclosure

In accordance with the Toshiba Group Standards of Conduct, the basic policy of Toshiba Investor Relations activities is to provide proper and timely disclosure of corporate information, such as management policies and financial data, in order to allow investors to obtain a correct understanding of Toshiba.

### Basic Policy on Profit Distribution

Toshiba, while giving full consideration to such factors as the strategic investments necessary to secure medium- to long-term growth, seeks to achieve continuous increases in its actual dividend payments, in line with a payout ratio in the region of 30 percent, on a consolidated basis.

## Information Disclosure Framework

Regulations/Standards and procedures for timely disclosure were established on October 1, 2003, which defined responsibilities for related work.

## Information Disclosure Checks and Audits

Toshiba clarifies the delegation of authority, enhances internal control, and ensures the appropriateness of information content by assigning multiple divisions to prepare and verify management policies, financial data, and other corporate information from their individual perspectives. Toshiba does its utmost to ensure reliable, timely disclosure based on double checking by the division concerned and Legal Affairs Division.

## Evaluation of the IR Website by External Parties

Toshiba's constant upgrades of its IR website to ensure fair disclosure have earned recognition. Awards won by the website in FY2012 are indicated below, and the site also gained high evaluations from several agencies that survey Socially Responsible Investment (SRI).

### Evaluation of the IR Website by External Parties (FY2012)

Organization	Toshiba's Achievement
Gomez IR Site Ranking by Morning Star Japan k. k. (surveyed: 3,502 Japanese companies)	Excellent Company: Gold Medal
Internet IR Best Company Award by Daiwa Investor Relations Co., Ltd. (surveyed: 3,593 Japanese companies)	Grand Prix (Best Company Award 2012 for eight consecutive years) Special Award (English version of the website)
Ranking Survey of Excellent Websites by Nikko Investor Relations Co., Ltd. (surveyed: 3,570 Japanese companies)	Second place overall

### Evaluation by SRI (FY2012)

Organization	Toshiba's Achievement
Member of Dow Jones Sustainability Index (DJSI)	Selected for 14 consecutive years since 2000
Corporate Integrity and Transparency Survey by Integrex (Japan)	6th place
The 11th JCGI Index Survey by Japan Corporate Governance Research Institute, Inc.	6th place

## Timely, Appropriate and Proactive IR Activities

Toshiba discloses information in a timely and appropriate manner in accordance with pertinent laws and regulations. We also disclose important corporate information that is likely to influence investor decisions even when such disclosure is not required by law or regulation.

Toshiba Group is striving to promote deeper understanding among investors showing high interest in its individual businesses chiefly by hosting meetings to explain about such businesses while paying attention to the timing of disclosure and by participating in seminars organized by securities firms.

## Communication with Shareholders and Investors

### Communication with Individual Shareholders

#### Publication of Shareholder Newsletters

Toshiba Group strives to communicate with individual shareholders through our shareholder newsletters and also gave lectures on our elevator business at the seminar hosted by IR support companies.



Shareholder Newsletter

#### Enhancement of IR Website

We updated our corporate investor relations website by adding a smartphone-accessible homepage in order to allow smartphone users to easily use the website as well as by offering a menu that organizes all content related to corporate governance.

#### General Meeting of Shareholders

We held the General Meeting of Shareholders at Tokyo on June 22, 2012. The meeting was attended by 4,665 shareholders. We will continue to enhance our communication with our shareholders through such meetings.

At the site, there were exhibition corners set up to easily explain to the shareholders about various Toshiba products such as electronic devices, social infrastructure systems, digital products, home appliances and medical equipment as well as Toshiba Group's relief efforts in the Great East Japan Earthquake that hit northern part of Japan on March 11, 2011. Also, copies of Toshiba Group CSR-Report, which features the various CSR efforts for the Group, and Toshiba Group Annual Report 2012 were distributed at the meeting.

## Communication with Institutional Investors and Securities Analysts

In FY2012, Toshiba hosted meetings to explain its R&D strategy and outlined its storage business at seminars for investors organized by securities companies. In February 2013, Toshiba managers made visits to overseas institutional investors to explain and promote understanding of Toshiba Group's CSR programs and heard their various opinions, including challenges and expectations. The managers also visited overseas institutional investors to explain about our ESG (Environment, Society, and Governance) factors in measuring an investment in a company or business.

CSR Performance: Organizational Governance  
**Stakeholder Communication**

**Major Progress and Achievements in FY2012**

- ✔ Visited overseas institutional investors to explain Toshiba's CSR activities
- ✔ Total of 29 "Top Executive Innovation Visits" Japan and overseas

**Communication with Customer**



[Point of contact: Customer Satisfaction Division]

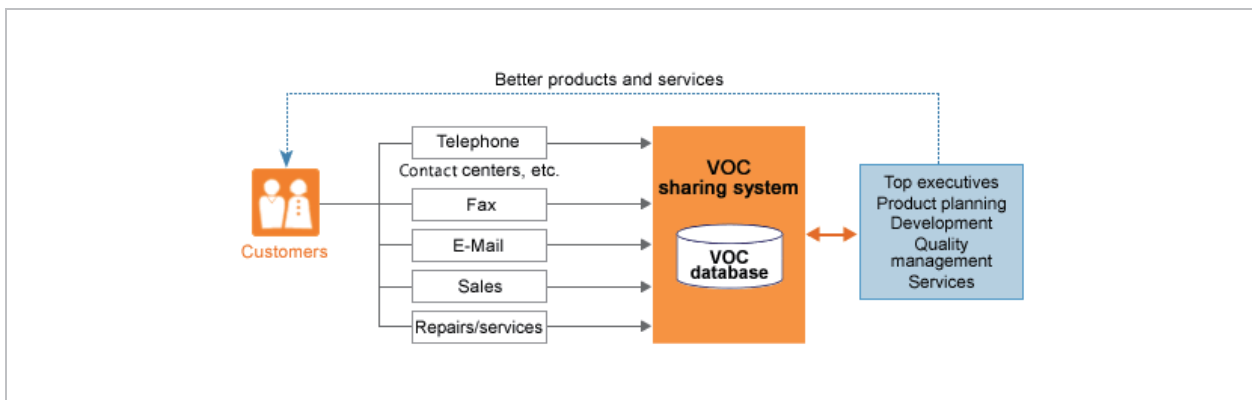
**Utilization of customer voices**

We receive comments and requests for products and services in our daily operations, which are shared among related personnel including top management, and use them to improve product quality and repair services.



Toshiba PC customer support

**Framework for Reflecting VOC in Business Activities**



**Communication with Shareholders**



[Point of contact: Legal Affairs Division and Corporate Communications Office]

**Publication of shareholder newsletters**

We endeavored to communicate with individual shareholders via shareholder newsletters. At meetings organized by securities companies, we gave lectures on our elevator business. We updated our corporate investor relations website by adding a smartphone-accessible homepage as well as by offering a menu that organizes all content related to corporate governance in one place.

## Communication with Investors



[Point of contact: Corporate Communications Office]

### Briefing for investors

At investors' requests, we held meetings to explain our R&D strategy. In addition, we provided opportunities to promote better understandings of our focus businesses among investors in Japan and overseas by, for example, working with securities firms to hold meetings in which the directors in charge of our semiconductor and storage system businesses explained their strategies.

### Visiting overseas institutional investors

In February 2013, we visited overseas institutional investors to explain about our ESG (Environment, Society, and Governance) factors in measuring an investment in a company or business.

## Communication with Suppliers



[Point of contact: Procurement Division]

We ask suppliers to promote CSR management through regular meetings to explain procurement policy and daily procurement operations. In FY2012, we revised our procurement policy so that the priority requirement when choosing new suppliers upon starting or continuing business relationships is to comply with laws and ordinances as well as social codes, and we made this revision fully known to each of Toshiba Group's more than 10,000 suppliers in Japan.

## Communication with Employees



[Point of contact: Innovation Promotion Division / Human Resources and Administration Division / Diversity Development Division]

### Visits by top to business sites

We actively provide opportunities for direct exchange of opinions between top management and employees. In FY2012 we organized 29 "Top Executive Innovation Visits," which involved top executives visiting manufacturing sites and other facilities to talk directly with employees in Japan and overseas.



Top Executive Innovation Visit

### Kirameki Forum

With diversity as its main theme, since 2005, the Kirameki Forum provides the President and employees with an opportunity to communicate directly with each other.

## Communication with Local Communities



[Point of contact: Each company and business site]

### Environmental communication

We organize plant tours, hold meetings, and communicate information to enable a broad range of stakeholders such as communities around plants and offices, schools, customers, businesses, and students to learn about Toshiba Group's activities, and to invite them to think about the environment.



[Point of contact: CSR Office and Corporate Environment Management Division]

### Support for and collaboration with NPOs and NGOs

We are making the most of our strengths to establish partnerships with NPOs and NGOs across a wide range of areas such as environmental protection, human rights, and social contribution by holding active dialogues with such organizations.

We review our support for and collaboration with NPOs and NGOs based on criteria such as the degree of contribution to solving social problems, relationships with Toshiba's priority business sectors, creativity, pioneer spirit, and relations with local communities.

### Dialogue with environmental NGO

Reflecting feedback from environmental NGOs in promoting our environmental management by holding periodic stakeholder dialogues with them.

CSR Performance: Human Rights

## Policy and Management System on Human Rights

### Major Progress and Achievements in FY2012

- ▼ Study session on "business and human rights" lectured by BSR, a U.S. CSR promotion organization.

## Policy on Respect for Human Rights and Prohibition of Discrimination

In order to encourage the development of organizations imbued with respect for human rights and valuing diversity and creativity, Toshiba Group provides education on human rights to all employees.

"Toshiba Group Standards of Conduct" stipulates adherence to all relevant laws and regulations, respect for fundamental human rights, and prohibition of discriminatory treatment, child labor and forced labor. It requires that respect be accorded to diverse values, individuality, and privacy of individuals, prohibits discriminatory behavior based on race, religion, gender, nationality, disability, age, or sexual orientation, and prohibits physical abuse, sexual harassment, abuse of power, and any other actions that disregard the dignity and individuality of others.

Also, our participation in the UN Global Compact is another aspect of our support for universal principles concerning human rights and labor, and our determination to put those principles into practice.

We also recognize the importance of implementing our human rights policies not only within the Group but also throughout our supply chain. To this end, we stipulate the policy of respecting human rights in our supplier code of conduct "Supplier Expectations" and request their compliance with the policy, which we then verify through CSR surveys.

### Ensuring the three rights of labor to employees

Toshiba supports the principles of the Universal Declaration of Human Rights, the United Nations Global Compact, and the OECD Guidelines for Multinational Enterprises, and works to ensure that its employees have fundamental labor rights. In the labor agreement concluded with the Toshiba Labor Union, Toshiba stipulates that the Labor Union has the three rights of labor (the right to association, the right to collective bargaining, and the right to act collectively).

### Human Resources Management Policy

In our Human Resources Management Policy, Toshiba Group specifies human resources to be the Group's most valuable assets. Our global common policy includes stipulations on equal treatment and diversity. In accordance with these policies, we ensure that personnel policies are implemented based on respect for fundamental human rights and the social norms of different countries and regions. Based on these policies and concepts, we formulate and promote various programs for recruitment, assessment and treatment of personnel.

#### Human Resources Management Policy (Global HR Policy)

##### Human Resources are Toshiba's Most Valuable Assets.

##### Equal treatment

We provide all employees with opportunities to develop and maximize their capabilities as well as to realize their potential.

##### Performance-based evaluation system

Promotions are based on actual ability and performance measured via the merit system.

##### Diversity

Diverse people and ways of thinking invigorate the organization.

##### Right person in the right place

Basic human resources management policy is to develop and cultivate human resources effectively.

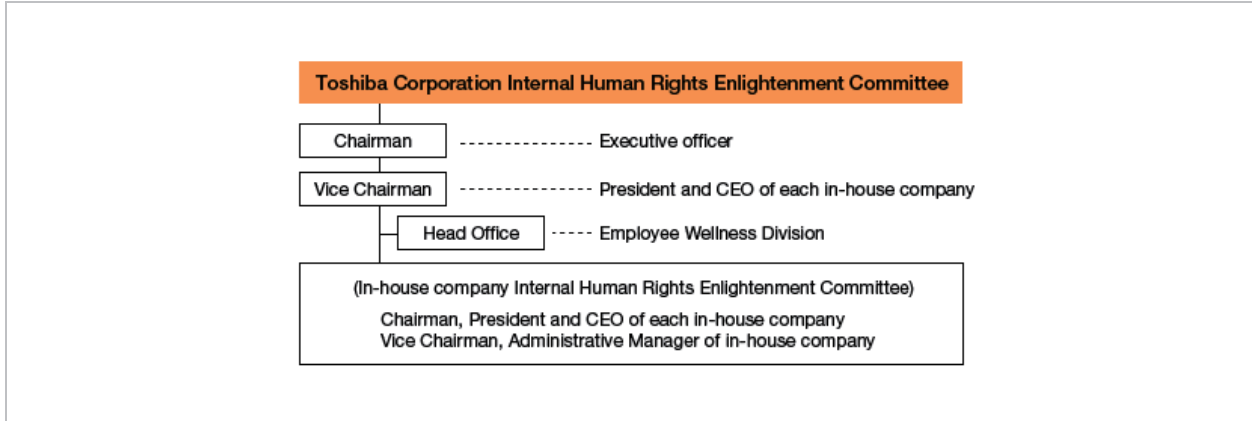
## Framework for Respecting Human Rights

Based on the policy of respect for people and diversity and prohibition of discrimination, Toshiba is working to raise awareness of the importance of respect for human rights by providing enlightenment training on human rights.

### Promotion Structure

In accordance with the above policy and the structure shown below, Internal Human Rights Promotion Committee of each in-house company formulates and implements a concrete education and training plan in order to provide enlightenment on human rights.

#### Toshiba Corporation Internal Human Rights Enlightenment Committee Structure



## Education on Respect for Human Rights

Toshiba Group strives to be a discrimination-free organization in which employees enjoy optimal job satisfaction, based on our policy of respecting fundamental human rights and the diverse values of individuals and prohibiting discriminatory treatment; and foster an awareness of human rights among our employees through the activities of the Human Rights Enlightenment Committee. In addition, we undertake initiatives that place an emphasis on human rights and diversity. For example, "Toshiba Group Standards of Conduct" has been translated into 15 different languages so that the awareness takes root within all companies and business sites.

Education on human rights is provided to new recruits and to employees at the time of promotion to managerial positions. In December every year during Human Rights Week, Toshiba holds a Human Rights Week Memorial Lecture at the Toshiba headquarters as a Toshiba Group CSR month event. In FY2012, the theme of the lecture was "A barrier-free society—a revealing experience," and 140 managers from the general affairs, human resources, and other administrative departments of Toshiba Group companies attended the lecture. In addition, we invited a representative of BSR, a U.S.-based CSR promotion organization, to lecture at a study session we held under the theme of "business and human rights." Attendees obtained a deeper understanding of how to handle labor, human rights, and other issues in Asia and other emerging markets.



Study session on "Business and human rights"

CSR Performance: Human Rights

## Respecting Employees Human Rights

### Prohibition of Forced Labor and Child Labor

Toshiba Group strives to create a work environment where human rights are respected and diversity and creativity are nurtured. As a participant of the UN Global Compact, with universal principles concerning human rights and labor, it pledges to adhere to all relevant laws and regulations, respect fundamental human rights, and ensure prohibition of discriminatory treatment, child labor and forced labor.

### Labor-Union Relations

Toshiba maintains a good relationship with the Toshiba Union, which represents our employees. Management and union representatives periodically negotiate and discuss employee working conditions and other matters.

At the Toshiba Group Labor-Management Congress held every six months, Toshiba discusses the Toshiba Group's business policies with representatives of the Association of Toshiba Group Unions, with which the labor unions of Toshiba and Toshiba Group companies in Japan are affiliated.

Toshiba Group companies overseas hold discussions with their labor unions or employee representatives in accordance with the laws and regulations of the countries in which they operate.

### Protection of Employees' Personal Data

Toshiba obtains and uses employee personal data after first obtaining the consent for the purpose of use. The Human Resources and Administration Division play a central role in strictly managing employee personal data. Also, with regard to personal data of job seekers, retention period is determined, and data is used appropriately within the scope of the purpose of use for which consent was secured and is protected strictly.

### Prevention of Sexual Harassment and Abuse of Power

The Toshiba Group Standards of Conduct, a code of conduct for executives and employees, stipulates respect for diverse values, individuality, and privacy of individuals, prohibition of discriminatory behavior based on race, religion, sex, nationality, disability, age, or sexual orientation, and prohibition of physical abuse, sexual harassment, abuse of power, and any other actions that disregard the dignity and individuality of others.

In accordance with this policy, the employment regulations and the labor agreement prohibit sexual harassment and abuse of power and stipulate disciplinary punishment for any person found guilty.

### Provision of Consulting Services for Employees

Toshiba Group provides consulting services regarding employee problems and grievances on an individual basis. Expert consultants respond to employee inquiries via telephone, fax, e-mail or postal mail regarding problems related to work environment, interpersonal relationships, personnel treatment, sexual harassment, and abuse of power.

CSR Performance: Human Rights

## Respecting Human Rights in the Supply Chain

### Major Progress and Achievements in FY2012

- ✔ Toshiba Group surveyed some 10,000 suppliers on conflict minerals.
- ✔ Toshiba participated in Responsible Minerals Trade Working Group of JEITA, thereby contributing to initiatives aiming to establish industry standards.

## Policy for Respecting Human Rights in the Supply Chain

Having recognized the importance of implementing our human rights policy not only among Toshiba Group employees but also throughout our supply chain, we urge our suppliers to respect human rights in their business activities in accordance with our supplier code of conduct "Supplier Expectations," which is specified in the Toshiba Group Procurement Policy. Their compliance is monitored through our CSR survey.

## EICC membership

In June 2011, Toshiba joined the Electronic Industry Citizenship Coalition (EICC), which is a CSR promotion group in the electronics industry. We support the EICC Code of Conduct and promote CSR throughout our supply chain. In May 2012, we revised the Toshiba Group Procurement Policy to specify the use of conflict-free minerals as an additional request to our suppliers in the area of human rights and to present specific examples of inhumane acts such as slavery and human trafficking.



## Support for the Use of Conflict-Free Minerals

For humanitarian reasons, Toshiba Group's policy stipulates that raw materials such as gold, tantalum, tungsten, and tin mined in the Democratic Republic of the Congo and adjoining countries experiencing armed conflicts must not be used. In October 2011, we built an internal system for conflict minerals and established the Toshiba Group Conflict Mineral Policy and publicized it on our website.

In November 2011, as a part of our efforts to perform due diligence, we participated in JEITA's\*1 Responsible Minerals Trade Working Group, promoting closer ties among industry organizations. We conduct surveys with the suppliers of our semiconductor department and other departments regarding the use of conflict minerals and the smelter verification using the EICC-GeSI\*2 reporting templates.

We are also a participant in the Public-Private Alliance for Responsible Minerals Trade (PPA), which is a public-private partnership project advocated by the US Government. We hope to eliminate the fund sources of armed groups and provide economic support to the Democratic Republic of the Congo and adjoining countries. In February 2012, we exchanged opinions with a US NGO (Enough Project) and A SEED JAPAN, which are working on issues related to conflict minerals.

In 2011, we conducted a pilot survey of 300 suppliers in the semiconductor and other sectors using the "EICC-GeSI Conflict Minerals Reporting Template" to identify their use, and to single out smelters of conflict minerals.

In 2012, we surveyed a total of about 10,000 suppliers on their understanding of the issue of conflict minerals, and what initiatives the suppliers had in place.

In June 2013, Toshiba Group commenced a full-scale survey of suppliers regarding any potential uses of conflict minerals and began collecting information on smelters using EICC/GeSI Conflict Minerals Reporting Templates.

Toshiba Group Conflict Minerals Initiatives(PDF:58KB)

\*1 Japan Electronics and Information Technology Industries Association

\*2 Global e-Sustainability Initiative (an initiative for achieving integrated social and environmental sustainability through ICT)

### **Toshiba Group Conflict Mineral Policy**

We are taking steps to develop and implement a policy prohibiting use of cassiterite (tin ore), wolframite (tungsten ore), coltan (tantalum ore) and gold, or their derivatives, whose extraction or trade supports conflict in the Democratic Republic of Congo or adjoining countries, and/or contributes to inhumane treatment, including human trafficking, slavery, forced labor, child labor, torture and war crimes in the region.

In this regard, we will carry out supply chain due diligence with reference to the OECD guidance. We will use the EICC-GeSI due diligence tool to communicate up and down our supply chain.

Once a validated supply chain is established through initiatives such as full-fledged smelter verification under EICC-GeSI's Conflict-Free Smelter or development of a mineral tracing program, we will require our suppliers to procure the minerals through that validated supply chain.

Our efforts are not intended at altogether banning procurement of minerals from the DRC and adjoining countries but to assure sourcing from responsible sources in the region.

We ask our suppliers to cooperate with us in our efforts to assure procurement of non-conflict minerals.

CSR Performance: Labor Practices

## Stable Employment

### Basic Policy on Human Resources

In our Human Resources Management Policy, Toshiba Group specifies human resources to be the Group's most valuable assets. Our global common policy includes stipulations on equal treatment and diversity. In accordance with such policies, we ensure that labor conditions conform to the relevant laws and regulations. Furthermore, having established the action guidelines for stable employment, which were accepted by both labor and management, we are carrying out business activities in line with the spirit of these guidelines.

#### Human Resources Management Policy (Global HR Policy)

##### Human Resources are the Most Valuable Assets

###### Equal treatment

We provide all employees with opportunities to develop and maximize their capabilities as well as to realize their potential.

###### Performance-based evaluation system

Promotions are based on actual ability and performance measured via the merit system.

###### Diversity

Diverse people and ways of thinking invigorate the organization.

###### Right person in the right place

Our basic human resources management policy is to develop and use human resources effectively.

#### Toshiba Group Employees (as of March 31, 2013)

Region	Number of employees	Business domain	Number of employees
Japan	113,486	Digital Products	34,926
China	22,889	Electronic Devices	36,050
Asia*1 & Oceania	28,257	Social Infrastructure	92,886
North America	22,347	Home Appliances	25,471
Central & South America	6,711	Others 13,338	13,338
Europe*2	11,562	Common to the Group	3419
Africa	835		
Total	206,087	Total	206,087

\*1 Excluding Japan and China

\*2 Including Russia

### Promoting labor-management dialogue

We provide various opportunities to promote labor-management dialogue in order to facilitate labor-management relations and corporate business activities. Labor and management have agreed that important matters such as business plans, business performance, and major organizational reforms must be periodically explained to the labor union, and that other matters such as changes in labor conditions must be discussed in advance by labor and management.

CSR Performance: Labor Practices  
**Fair Evaluation and Treatment**

## Policy on Fair Personnel Evaluation and Treatment

In Toshiba's view, the purposes of employee evaluation are pertinent personnel deployment and the bringing of employee motivation and abilities into full play through the assessment of job skills and performance and on the basis of fair treatment for all. Based on this view, in employee evaluation Toshiba adopts "Evaluation Perspectives by Job Function," a method of clarifying the skills and results corresponding to each job function, and distributes a handbook explaining the evaluation system to all employees. In employee evaluation, Toshiba uses a point-addition scoring method to fairly evaluate the skills and job performance results of each individual, without regard to gender, age, ethnic origin, nationality or other demographic attributes.

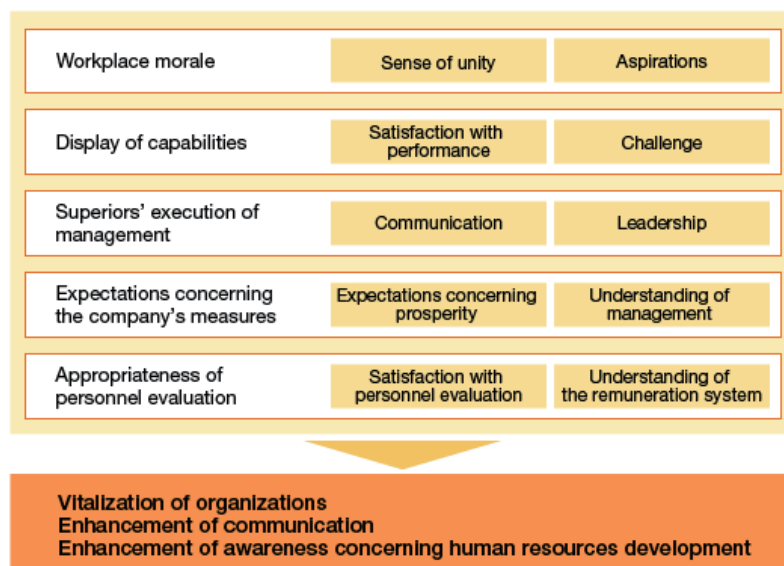
## System for Promoting Fair Personnel Evaluation and Treatment

Toshiba promotes fair personnel evaluation and treatment in accordance with the personnel evaluation and treatment system established by the Human Resources and Administration Division.

## Training for Fair Personnel Evaluation and Treatment

Toshiba encourages Group companies to conduct the TEAM Survey for the purpose of soliciting the opinions of employees. In FY2012, 33 Toshiba Group companies in Japan conducted this in-depth survey of employee values and attitudes concerning company policies, attitudes toward and evaluation of workplaces and superiors, and attitudes toward employee evaluation and treatment. Participating companies hold meetings at each department and, in light of the findings of the survey, implement measures to enhance communication in the workplace and vitalize organizations.

### Objectives of the employee morale survey (TEAM survey) and execution method



### TEAM survey execution cycle (annual)



CSR Performance: Labor Practices

## Human Resources Development

### Principle of human resources cultivation

Toshiba's principle of human resources cultivation is to provide all employees with opportunities for skills development and self-actualization in a fair and non-discriminatory manner.

### Cultivating Global Human Resources

Based on Toshiba's corporate philosophy, Toshiba Group emphasizes the importance of cultivating well-rounded global human resources who have a deep cross-cultural understanding and the ability to perform their jobs through direct communication with stakeholders around the world.

In an effort to develop such human resources, we offer country and/or region-specific education programs such as "Toshiba Value Education" to cultivate the desired attitude and mindset fostered over the course of Toshiba's history, and provide "Liberal Arts Training" to develop well-rounded individuals who can embrace diversity. Such region-specific education has a long history, with Europe and Asia boasting the longest with programs commencing more than 15 years ago.

Furthermore, we offer global-integrated training programs such as the "Innovation Leaders Program" targeted at future leaders of Toshiba Group companies around the world.



Europe Manager Education

### Using Full-fledged Career Development Systems

Toshiba supports the career development of each employee in an effort to maximize their current and future job performance.

We have well-developed career development systems in place. For example, our performance management system gives each employee a semi-annual opportunity to review with their superior their job performance over the past six months and to discuss their job objectives for the next six months. The career design system provides each employee with an annual opportunity to share their medium-term goals for skills development as well as their planned means of developing and utilizing such skills, and to review their long-term career development plan with their superior.

We also have career development systems that allow employees to build their careers autonomously. For example, our internal job posting system allows each employee to apply for personnel transfer in order to fill a vacant post announced by a division, and the internal FA system enables each employee to apply for personnel transfer to a division of their choice.

#### Job Transfers Involving Use of Open Recruitment in Toshiba Group and the In-house Free Agent System

System	Eligibility	FY2011	FY2012
Open recruitment in Toshiba Group	Full-time employees of the eligible Toshiba Group companies who have been employed by the company for 3 years or more	27	39
In-house free agent	Full-time employees who have been employed by the company for 5 years or more.	20	19

## Training Programs at Toshiba Group

Toshiba Group has various training and development programs in place such as those that aim to cultivate certain shared values in all employees and others based on individual needs and career stage requirements.

Training Category	Outline
Toshiba Value Training	Includes Innovation (MI) Training, Toshiba Value Education and Liberal Arts Training. (Liberal Arts refers to developing intellectual capabilities and cultivating the power of thinking in people.)
Global Training	Seeks to develop global-minded people who can not only perform the jobs within the scope of their countries or regions but at a global level as well as people who can work by communicating with a wide range of stakeholders and accept cross-cultural differences.
Training by Grade	A compulsory program that must be taken by all employees at the time they join the company and each time they are promoted or assigned to a managerial position. This program allows participants to acquire the skills and knowledge that are required for their new roles and responsibilities.
Training by Job Function	Aims to equip employees, based on their career stages, with knowledge and skills required for different job functions.
Leadership Development	A training program based on selection that aims to develop future leadership candidates for Toshiba Group.

## Systems for Soliciting Employee Opinions (Checks and Audits for Development of Employee Capabilities)

Toshiba encourages Group companies to conduct the TEAM Survey for the purpose of soliciting the opinions of employees. In FY2012, 33 Toshiba Group companies in Japan conducted this in-depth survey of employee values and attitudes concerning company policies, attitudes toward and evaluation of workplaces and superiors, and attitudes toward employee evaluation and treatment. Participating companies hold meetings at each department and, in light of the findings of the survey, implement measures to enhance communication in the workplace and vitalize organizations.

CSR Performance: Labor Practices  
**Promotion of Diversity**

**Major Progress and Achievements in FY2012**

- ▼ We achieved a disabled persons employment rate of 2.0%.

**Promotion Structure for Nurturing Diversity**

The maximization of the capabilities and strengths of diverse employees is critical for active innovation and corporate growth. Based on this belief, Toshiba Group has positioned the promotion of diversity as one of its management strategies. The president has, in his start-of-term addresses to employees and at “Kirameki Forum” for employees (which also features experts from outside the company), spoken directly on the importance of diversity.

We have established a dedicated division, the Diversity Development Division, with the aim of promoting diversity by taking measures including improvement of the personnel management system.



**Education and Training on Respect for Diversity of Human Resources**

Toshiba Group strives to create an organizational culture where the individuality and values of employees worldwide are respected and where each employee is provided the opportunity to maximize their capabilities and strengths. As part of efforts to enhance employee understanding of diversity so that employees have respect for it, diversity training is also incorporated into the training program called training by grade. Other training programs include career training for young female employees who have worked for the company for five to ten years; training for persons with disabilities, which is designed to develop skills that emphasize their strengths; and communication training for departments that receive persons with hearing impairments. Through these efforts, we are enhancing our diversity training programs.

Also, Toshiba has set up a mail address for counseling related to workplace grievances. Based on the opinions and requests from employees, special networking site is organized to provide opportunities for interactions among various employees.

**Recruiting more non-Japanese employees**

As part of our diversity promotion program, we are increasing the recruitment of non-Japanese employees. Since 2006, in addition to employing people who have studied in Japan as foreign exchange students, we have conducted our “global recruitment” program in an effort to directly recruit students graduating from foreign universities. To facilitate their adaptation to life and work in Japan, we provide a wide range of life-related assistance as well as work-related support such as providing each non-Japanese employee with a mentor who provides them with guidance based on a tailor-made job skill improvement plan.

Since FY2011, we have conducted regular assessment of job duties and work environments in order to improve them by presenting good examples from other workplaces in which those employed through global recruitment and their superiors discuss what they each respectively regard as the challenges and good methods/means of encouraging foreign national employees to actively involve themselves in their workplaces. Training is also provided for managers and trainers in workplaces receiving those who are newly employed through global recruitment.

## Employment of People with Disabilities

As of April 1, 2013, Toshiba Corp. had 531 employees with disabilities, accounting for 2.05% of the overall workforce. Of the 130 Group companies, 124 have already achieved the statutory employment ratio of people with disabilities. We are striving for Group-wide achievement of this statutory target. We have also been making efforts to improve work environments for employees with disabilities. In FY2010, we established a network connecting seven divisions engaged in supporting people with disabilities, including the Human Resources and Administration Division and the Design Center. This network has enabled us to devise and implement comprehensive measures to support such employees.

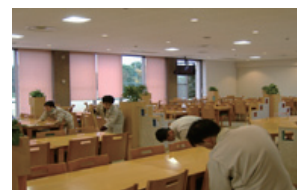
### Employment Ratio of People with Disabilities

		June 2011	June 2012	April 2013
Toshiba Corp.	Number of people	503	512	531
	Employment ratio	1.93%	1.96%	2.05%
Toshiba Group in Japan (including Toshiba Corp.)	Number of people	1,787	1,760.5	1,788
	Employment ratio	2.13%	2.16%	2.24%
	Number of companies meeting the ratio	138	134	124

#### Toshiba Initiative: Toshiba With to promote employment of people with disabilities

Toshiba With was established in February 2005 as a special subsidiary company which, in accordance with Toshiba's basic policy, aims to employ people with disabilities. It was named "With" in the hope of creating an environment where people with and without disabilities can live and work together.

Currently, 25 employees, most of whom have intellectual disabilities, are working at five business sites of Toshiba Group.



Clean-up activities by employees at Toshiba With

#### Toshiba Initiative: Sign language club members attending the Eco Products Exhibition

Toshiba Group has been providing employees with a monthly sign language lesson, "Toshiba sign language club," since FY2009. At the club, employees with impaired hearing serve as instructors, teaching sign language to facilitate smooth communication and providing information to promote understanding of hearing disabilities. By FY2012, a total of 1,337 people have participated in such lessons.

The sign language club members are engaged in activities outside the Company as well. Since FY2010, they have attended the Eco-Products environment exhibition and provided explanations of exhibits and presentations using sign language at the Toshiba booth. In addition, since FY2011, they have served as sign language teachers at a summer educational program of an elementary school near the Toshiba headquarters.



Sign language interpretation at the Eco-Products exhibition

## Active utilization of older employees

In 2001, amidst the backdrop of the declining birthrate and aging of the society, Toshiba Corp. established a system to extend the employment of older employees until they reach age 65. Under this system, wage levels are determined according to skills and abilities. We expect employees to continue to display their abilities even after reaching the mandatory retirement age of 60 and pass on high-level skills to the next generation. Thus, we provide workplaces in which older employees can play active roles in daily operations.

The revised Act on Stabilization of Employment of Elderly Persons came into force in April 2013. As a general rule, in consideration of the purpose of the revised Act, we have decided to extend employment opportunities to all persons reaching age 60 in April 2013 or thereafter if they so desire.

We will continue to actively encourage older employees to play active parts in their workplaces according to their work styles, needs, and skills.

CSR Performance: Labor Practices  
**Support for Diverse Work Styles**

**Major Progress and Achievements in FY2012**

- ▼ Toshiba was awarded the Diversity Management Selection 100 by the Ministry of Economy, Trade and Industry.
- ▼ Toshiba ranked third in Nikkei Inc.'s FY2012 Survey on Japan's Worker-friendly Companies

**Work-Style Innovation**

Work-style innovation (WSI) refers to a campaign aimed at creating a positive spiral, where employees work very hard and efficiently and also make the most of their private lives to rejuvenate and improve themselves so that they can add higher value to their work.

In connection with this, Toshiba Group has been promoting a work-style reform through the following two approaches: the self-management approach, taken by each employee, and the team management approach, led by a team leader. We have also been conducting a campaign with the catchphrase "Enjoy your work!", for which we have created a related web page on our intranet as a way of letting employees learn from the experiences of top managers and co-workers.



Intranet website "Enjoy your work!"

**Toshiba initiative: Fact-finding survey on nursing care**

Due to changes in family compositions and the increase in two-income households, we expect an increasing percentage of employees to provide nursing care to family members while working for the company. Therefore, in FY2012, Toshiba conducted a sampling survey of employees aged 40 or older to find out the actual situation regarding nursing care in their homes. The survey asked them whether they were currently providing or likely to provide nursing care in the future, whether they had worries about nursing care, and to what extent they were familiar with and understood the company's current support system. We will effectively use the results of this survey to enrich our support system.

**Toshiba Initiative: Use of the system for visualizing working hours**

In order to promote WSI, it is necessary to accurately monitor the work hours of each employee. For this purpose, Toshiba introduced a system that allows employees to display and visually monitor hours worked on their computers. We also operate the systems for work record notification and work record display, in order to ensure that employees and their superiors pay constant attention to work hours. The work record notification system automatically sends an e-mail to each employee and their superior to inform them of their work record.

The work record display system uses the three colors of traffic lights (red, yellow, and green) to classify each employee's current work record, thereby drawing attention to overtime work hours. Thus, this system supports the visualization of work hours.

## Supporting Employees' Work and Childcare

Toshiba Group strives to enhance the flexibility and scope of systems that allow employees to change their working styles according to their personal circumstances. Toshiba has supported the concept of work-life balance since the 1990s, implemented various measures based on the Act on Advancement of Measures to Support Raising Next-Generation Children since FY2005, and established support systems that exceed the statutory requirements.

### Diverse Working Style Options and Employee Participation (Toshiba Corp.)

System	Period	FY2011	FY2012
Childcare leave	Until the child becomes 3 years old,	Male:16	Male:12
		Female:258	Female:296
Paternity leave	Up to 5 days including the day of birth within 6 weeks of the birth*1	Male:399	Male:423
Familycare leave	Up to 365 days per person requiring nursing	Male:2	Male:6
		Female:5	Female:6
Short-time shift	For childcare: Until the child finishes the third grade of elementary school*2 For nursing care: Up to 3 years per person	Male:7	Male:9
		Female:398	Female:409

\*1: Until FY2011: Up to 5 days including the day of birth within 2 weeks of the birth

\*2: Until FY2011: Until the child finishes grade three of elementary school

### Toshiba Initiative: Awarded the Diversity Management Selection 100 by the Ministry of Economy, Trade and Industry

In FY2012, the Ministry of Economy, Trade and Industry launched its new Diversity Management Selection 100 project. This project selects and recognizes companies that have achieved excellent results in diversity management by encouraging diverse human resources to display their abilities to realize innovation and create value. Toshiba was chosen and officially commended as one such company in the project's first year.



Awarded the Diversity Management Selection 100 by the Ministry of Economy, Trade and Industry

### Toshiba initiative: Ranking third or higher in Nikkei Inc.'s Survey on Japan's Worker-friendly Companies for the third consecutive year

Toshiba has ranked third or higher overall in Nikkei Inc.'s Survey on Japan's Worker-friendly Companies for three consecutive years (second place in FY2010, third in FY2011, and third in FY2012).

### Evaluation by External Parties

We implemented measures in accordance with the Next Generation Education and Support Promotion Act since April 2005 and obtained the Next Generation Support Certification Label in 2007.

With these pace-setting initiatives Toshiba won the Nikkei Kosodate ("Child-Rearing") Award in 2007.



Certification Label  
(May 2007)

### Our internal childcare center “Kirame-kids”

In an effort to support the work-life balance of employees, we opened an internal childcare center named “Kirame-kids Yokohama” on the premises of one of our business sites, Yokohama Complex, in April 2011. Its flexible childcare services such as two-day-a-week care, three-day-a-week care, and temporary care are designed to meet the diverse needs of working mothers, and are often used by working fathers as well. The center, which has a large garden and abundant greenery, provides full-time high-quality childcare in a relaxed atmosphere. Throughout FY2012, the childcare center hosted various age-appropriate events for children.



Kirame-kids Yokohama



Handmade signboard

### Toshiba Initiative: Male employee participating in childcare

Masaomi Nakahata  
Mechanical Component Technology Research Center  
Corporate Manufacturing Engineering Center

I took a three-month-long childcare leave. Since we got married, my wife, who also works as an engineer, and I have equally shared the household chores. After I experienced living with our child alone, I realized that rearing a child by oneself was much tougher than I had expected. It is important to balance work and childcare and to divide household chores between husband and wife so that there is never too heavy a burden placed on one of the two.



## Consideration of Working Hours

At Toshiba, there is a provision of flextime so that employees can work more efficiently according to their independent time management. We aim to increase work efficiency by cultivating a corporate culture that emphasizes self-motivation and creativity.

### “Family Day” initiatives and days set to leave the office at normal quitting time

In order to accelerate WSI and create time for employees to spend with their families, Toshiba Group is implementing various initiatives, such as ensuring that all employees leave work at the official quitting time at least two days during Japan's “Family Week” in November. During others months also, particular days are fixed for each operation site to encourage employees to leave the office at normal quitting time during such days. ◦

## Long Leave System

In order to encourage employees to take leaves for clear and meaningful objectives, Toshiba has introduced a long leave system so that each employee can avail of a maximum of 20-day accumulated leaves for self-development, social contribution activities, nursing, and treatment of non-occupational injuries and diseases and conditions, including infertility.

## Benefits

### Toshiba Corporate Pension Plan

In addition to old-age pension plans by government-managed welfare pension insurance, Toshiba has a corporate pension plan for increased benefits.

### Teatime, a selective welfare system

Toshiba offers a selective welfare system called “Teatime” under which employees can make choices according to their needs from a wide range of welfare benefits and can receive subsidies from the company for such choices.

## Education and Training on Nurturing Diversity

Listed below are some of Toshiba's activities to enhance employees' awareness of the importance of nurturing diversity and inclusion, while promoting WSI.

### "Kirameki Forum" (from FY2005)

Toshiba Group has positioned the promotion of diversity and WSI as one of its management strategies. The president has, in his start-of-term addresses to employees and at "Kirameki Forum" for employees (which also features experts from outside the company), spoken directly on the importance of diversity every year.

### "Kirameki" Booklet (from FY2004 to 2006)

Internal PR magazines focusing on the importance of a healthy work-life balance were distributed to all employees. (Approximately 80,000 copies of the nine issues of the magazine were distributed, including to employees at group companies in Japan)



"Kirameki" Booklet

### Distribution of Work-Style Innovation Handbook (FY2007-FY2008)

Since FY2007, we have established a training program to help employees acquire the skills to work more efficiently according to priorities. In FY2008, we distributed to all our employees in Japan copies of the work-style innovation handbook (approximately 100,000 copies) that summarizes the management know-how for working efficiently and the concept of WSI, also providing examples of the various WSI initiatives at business sites.

### "Kirameki Times" Newsletter (from FY2007 onward)

As part of our awareness-raising activities regarding diversity and WSI, we issue a quarterly internal newsletter called the "Kirameki Times." This Japanese-English bilingual newsletter carries messages including from the president and other executive officers, offering examples of the implementation of WSI. (Approximately 120,000 copies distributed, including to employees at Group companies in Japan)



Kirameki Times

### Handbook on support of work-life balance (from FY2006)

A brochure on systems designed to support the achievement of a healthy work-life balance and communication concerning maternity, childcare, etc. at workplace was distributed to all employees.

### Handbook on systems to support child-rearing (from FY2008 onward)

An easy-to-understand brochure on systems designed to support working mothers and fathers from pregnancy through to their return to work, including necessary procedures, was distributed to employees concerned.

### Handbook on plans to support nursing care (from FY2010 onward)

A handbook that provides information on the various plans supporting family/nursing care so as to help balance work and family care.

### Workplace Meetings on WSI (from FY2012)

Workplace meetings held for all Toshiba Group employees to ensure the pervasiveness of integrity throughout the organization took up WSI (Work-Style Innovation) as their subject in the two sessions held in FY2012 with the aim of spreading the concept and educating employees about efficient ways of working.

CSR Performance: Labor Practices

## Occupational Health and Safety

### Major Progress and Achievements in FY2012

- ✓ Number of Toshiba Group companies that have acquired OHSAS18001 certification: 106
- ✓ Frequency of work-related accidents at Toshiba and its Group companies (frequency of accidents per million work hours resulting in death or injuries that require four or more days off work): 0.190
- ✓ The Director of the Labour Standards Bureau of the Ministry of Health, Labour and Welfare commended Toshiba TEC Corp.'s Shizuoka Business Center for its record of no Type-5 accidents (after 35.5 million hours).

## Policy

In line with the "Commitment to People" Basic Commitment of the Toshiba Group, we position employees' health and safety as the foundation of our business and one of our top priority management issues. In April 2004, the Toshiba Group OH&S Policy was formed by incorporating a personal endorsement of the former President in order to share a determination to ensure OH&S among all Toshiba Group employees. The basic principles of this policy will remain unchanged, but the policy will be reviewed as necessary in accordance with changes in the Group's business and the risks presented by daily work. In line with our CSR-oriented management, Toshiba Group OH&S Policy reflects the top priority placed by upper management on human life, safety and compliance in all our business operations as well as our commitment to provide products and services of the utmost quality and safety in order to maintain our integrity as a trusted corporate citizen of planet Earth.

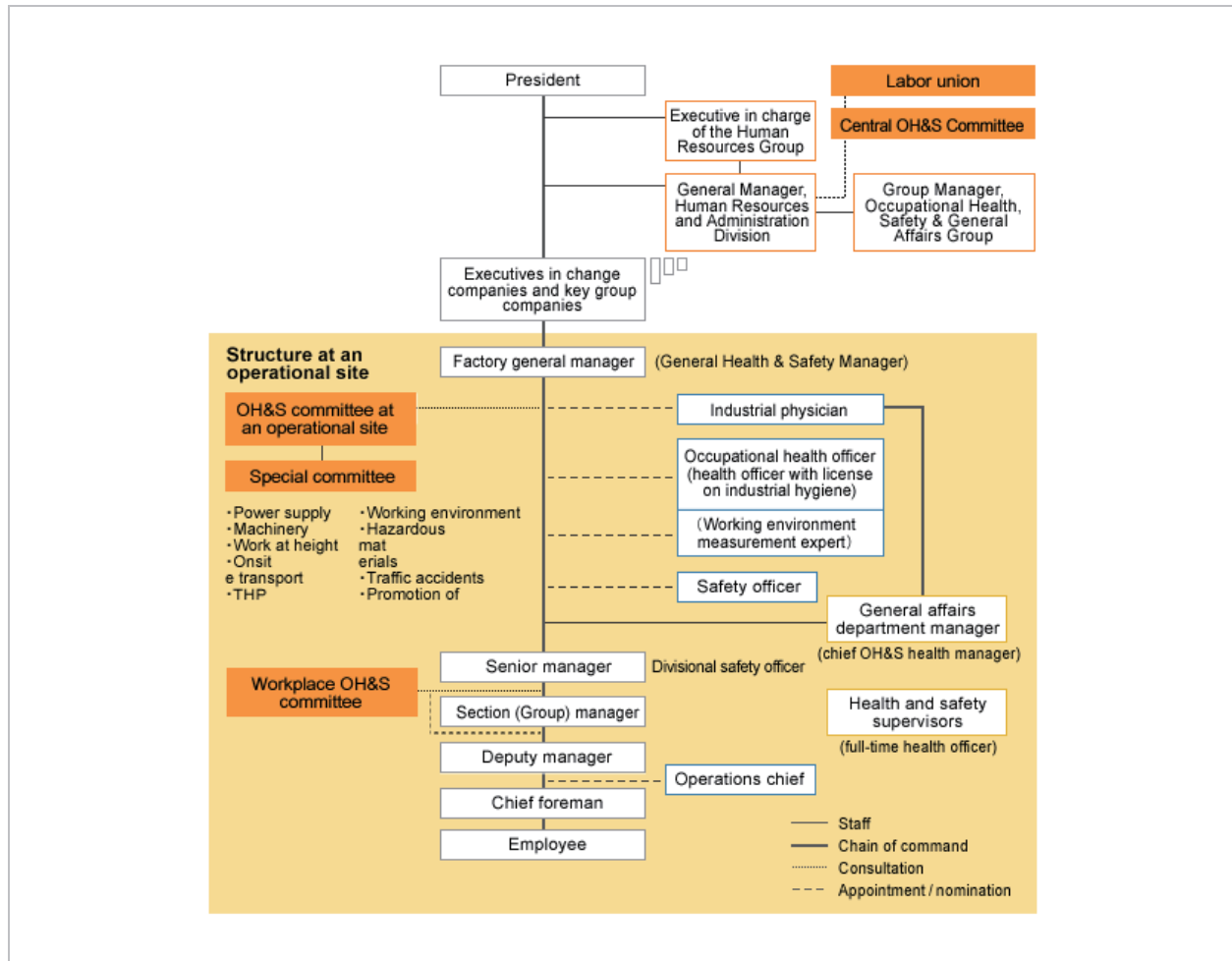
### The Toshiba Group Occupational Health and Safety Management Policy

Toshiba Corporation is a global enterprise active in businesses centering on electronics and energy. We conduct all activities in accordance with the Basic Commitment of the Toshiba Group and our corporate philosophy, "Committed to People, Committed to the Future," and accord full respect to the culture and customs of the societies in which we operate. In our business conduct, we place the highest priority on human life, safety and legal compliance, and we make concerted efforts throughout our operations to create safe and healthful workplace environments.

1. We position health and safety as one of the most important issues for management, and strive to prevent occupational injury and disease in the workplace and achieve continual improvement in occupational health and safety management.
2. We comply with legally mandated requirements and also with other requirements to which Toshiba Group voluntarily subscribes that relate to our occupational health and safety hazards.
3. We set objectives and targets and act decisively to achieve the:
  - (1) Eradication of occupational accidents and disease in the workplace, and the mitigation of risks that may cause such accidents and disease;
  - (2) Maintenance and promotion of physical and mental health in order to enable all employees to bring their individual capabilities into full play
4. We expect our suppliers and subcontractors to accord appropriate importance to occupational health and safety, and provide them with support in doing so, in order to ensure the safety and health of everyone involved in Toshiba Group's business.
5. We proactively disclose our commitment to occupational health and safety and the results we achieve, in order to contribute to society's enhancement of health and safety management standards.

The chart below shows the framework for the management of health and safety issues across the Toshiba Group. Under the central guidance of the Human Resources and Administration Division, OH&S activities fall within the management jurisdiction of each of the in-house companies and major Group companies and are developed at the level of operational sites (or individual Group companies). Statutory activities at each site (or Group company) include the appointment of dedicated OH&S staff and the establishment of an OH&S committee. Many sites and Group companies go beyond this to set up specialist or workplace committees, among other autonomous OH&S activities.

**Toshiba Group OH&S Management Structure (as of April 2013)**



## External Recognition of OH&S Activities

Various commendations have been received for the excellent OH&S performance of various companies of Toshiba Group. Toshiba has also garnered praise for various activities presented at OH&S-related conventions and conferences.

### External Commendation

Recipient entity	Award / commendation	Award period
Toshiba TEC Corp. Shizuoka Business Center	Ministry of Health, Labour and Welfare Labour Standards Bureau Director's Award for a Type-5 no accident record (35.5 millions hours)	May 2012
Toshiba Corp. Oita Operations	Ministry of Health, Labour and Welfare Labour Standards Bureau Director's Award for a Type-5 no accident record (35.5 millions hours)	March 2011
Toshiba Corp., Toshiba Fuchu Complex, Takeyoshi Okuyama	Health, Labor and Welfare Minister Award for Safety Foreman	January 2011
Toshiba Corp., Ome Complex, Cooperative Association of Occupational Health and Safety	Minister of Health, Labor and Welfare Association Award	July 2010
Toshiba E&I Control Systems, Inc.	Minister of Health, Labor and Welfare Incentive Award (Health Assurance Measures)	July 2007
Iwate Toshiba Electronics Co., Ltd.	Minister of Health, Labor and Welfare Incentive Award (Safety)	July 2007
Toshiba Multimedia Devices Co., Ltd.	Minister of Health, Labor and Welfare Incentive Award (Health Assurance Measures)	July 2006
Toshiba Corp., Ome Complex	Minister of Health, Labor and Welfare Award for Excellence (Safe Workplace Environment Assurance)	July 2006
Toshiba Semiconductor (Thailand) Co., Ltd.	Prime Minister's Industry Award (Safety Management)	August 2006

## Publications

Convention / conference	Reporting entity	Content	Timing of publication
National Industrial Safety and Health Convention	Toshiba Corp.	The effect of walking program on mental health and metabolic syndrome in works	October 2010
	Toshiba Corp.	Utilization of medical checkup data (second edition)	November 2009
	TMD	Minimization of workplace risk through small group activities	November 2008
	TFPD Corp.	Creating a risk assessment database	November 2007
	Toshiba Corp.	Toshiba's mental health program	November 2007
	Toshiba Corp.	A study of the use of medical checkup data	November 2007
Japan Society for Occupational Health	Toshiba Corp.	Aiming for health guidance that meet individual employees' needs	May 2012
	Toshiba Carrier Corp.	Symposium: "Occupational health and suicide prevention – Issues in regards to revision of Policy of Suicide Prevention"	May 2012
	Toshiba Corp.	Walking program improves sleeping habit	May 2011
	Toshiba Corp.	Effectiveness of the education on organizational equity to managers and supervisors as a measure to prevent metabolic syndrome	May 2010
	Toshiba Corp.	Effectiveness of the occupational working program on mental and physical health	May 2010
	Toshiba Corp.	Discussions on effective measures to prevent metabolic syndrome in case of people who stay awake and are active during night instead of daytime	May 2010
	Toshiba Corp.	Research on finding the method to forecast trends based on health checkup data	May 2009
	Toshiba Corp.	Correlation between QOL related to labor health and organizational fairness	May 2009
	Toshiba TEC Corp.	Health-related activities and health awareness of people with no abnormal findings upon health examination	May 2009
	TMD	Measures to prevent infectious disease such as tuberculosis	May 2009
	Toshiba Carrier Corp.	Activities aimed at improving the health and safety of dispatch workers	May 2009
Booklet (The Science of Labor)	Toshiba Corp.	Labor health and safety management system	January 2009

## Raising Awareness and Education for Ensuring Employee Health and Safety

Toshiba's OH&S activities go all the way back to 1914 when Toshibumi Gamo, who dedicated himself to promoting industrial safety in Japan, started safety movement at Toshiba's predecessor, Tokyo Electric. Toshiba Group has inherited this DNA, and at present, a wide range of OH&S activities are being carried out, as a top priority concern for the management.

### President's Messages to All Employees for National Occupational Health and Safety Weeks

Every year, during National Safety Week in July and Occupational Health Week in October, Toshiba's President sends all employees a message relating his unshakable determination to ensure occupational health and safety. At all business sites and in all Group companies, the top management sends a similar message to all their employees. In addition, these sites and companies carry out their own OH&S initiatives.



Toshibumi Gamo

First held in 1975, Toshiba Group Health and Safety Congress is held every December. Participants include management from Toshiba and Group companies, labor union representatives, and people in charge of OH&S activities. The President's Award is conferred to companies and operation sites for excellent OH&S-related activities that set an example for others, as well as to small-group activity program and improvement proposals. In order to raise the level of OH&S activities and generating greater awareness about health and safety management, the commended OH&S activities were shared in the Congress to learn from their experiences.

Since FY2008, the Congress has been integrated into the CSR Conference and put a broader perspective, and thus recognizes OH&S efforts of overseas Group companies.

## Occurrence of Work-related Accidents

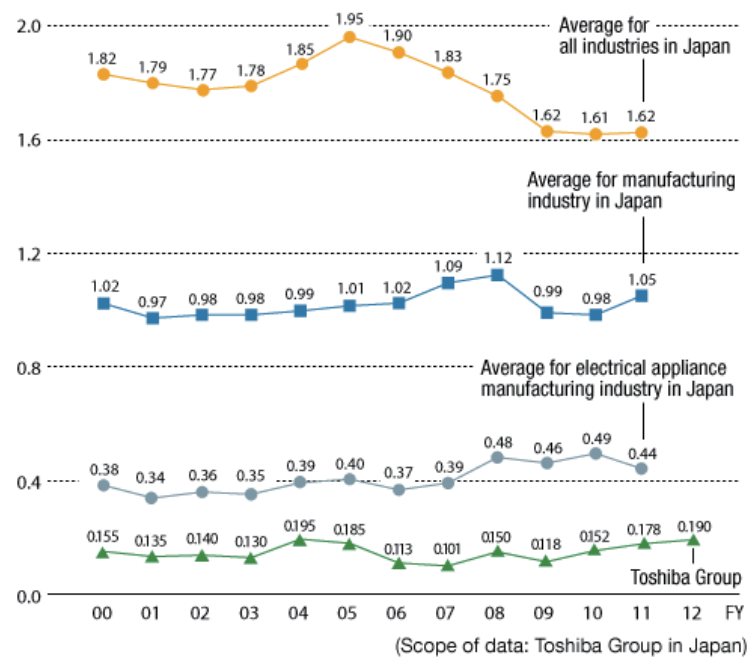
Based on our "Commitment to People," the basic commitment of the Toshiba Group, we have been striving to ensure the health and safety of our employees.

Currently, the frequency of work-related accidents of the Toshiba Group in Japan is much lower than the national average for the manufacturing industry. We will continue to implement further measures to prevent work-related accidents.

In particular, we will place priority on the reduction of hazardous risks that could lead to serious injuries and diseases and conduct a risk assessment of all workplaces and tasks. Based on the results of this risk assessment, we will systematically take necessary measures such as risk identification, review of work methods to eliminate risks, improvement of equipment to reduce and control risks, and exhaustive employee training.

### Frequency of occupational accidents leading to absence at Toshiba Group

(Number of accidents per million work hours resulting in at least 4 days off work)



Note: figures other than those for the Toshiba Group are calculated based on industrial accidents statistics issued by the Ministry of Health, Labor and Welfare.

## Group-wide efforts to obtain occupational health and safety management system certification

In FY2007, the Toshiba Group introduced OHSAS 18001, an international certification standard for its occupational health and safety management system, to ensure global integration of the health and safety management activities of the Group. By the end of FY2008, all Group-wide manufacturing consolidated subsidiaries had obtained the certification. The implementation of this management system enables us to identify health and safety issues and make continuous improvements according to priority order based on the degree of risks involved. In order to further enhance global Group governance, we will step up our efforts to grasp chronologically the status of health and safety management and issues to be addressed, ensure sharing of safety management know-how among similar processes and work procedures, and systematize such know-how.

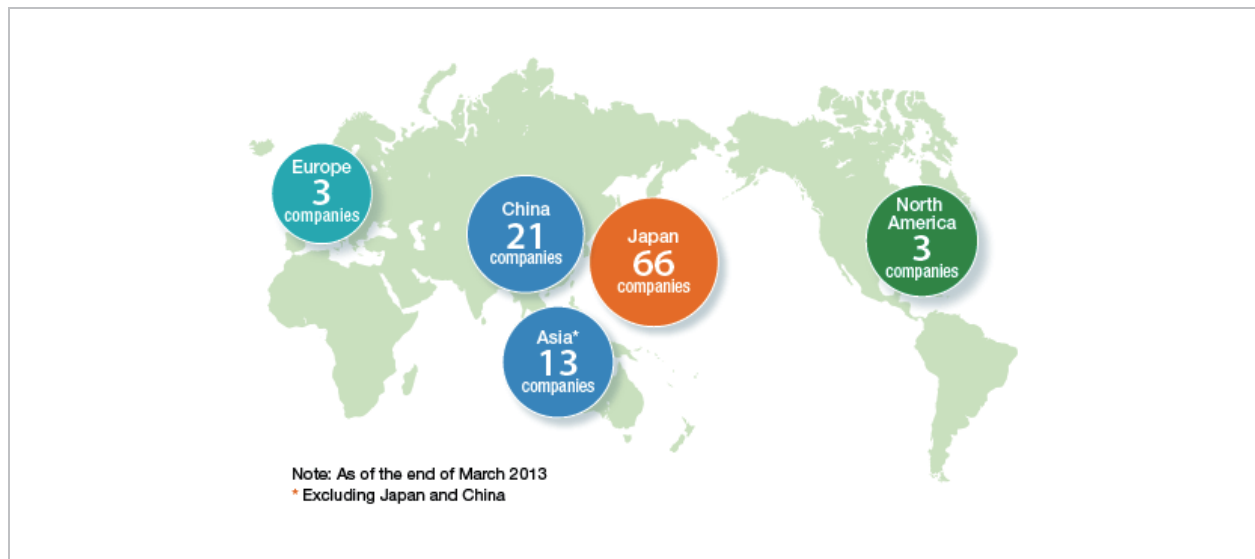
Note:

OHSAS: Occupational Health and Safety Assessment Series



OHSAS18001 Certificate of Registration

### Manufacturing Consolidated Subsidiaries with OHSAS18001 Certification (As of the end of March 2012)



## Ensuring Health Management

Toshiba Group strives to raise employees' awareness of the importance of health and takes various measures to maintain their physical and mental health. With a view to promoting standardization and greater efficiency of medical checkups and follow up measures, we introduced a system that centrally manages the results of medical checkups and medical interviews for the purpose of using the data to implement effective measures such as the provision of health guidance and education. In addition to health education provided at each business site, we provide various services designed to help each employee improve their quality of life. These services include the provision of physical as well as mental health counseling by telephone as well as in person. These health-related services have been provided in cooperation with the Toshiba Health Insurance Association.

Employees assigned to work overseas have to cope with drastic lifestyle changes, so it is important to ensure that such employees can perform their work without unnecessary health concerns. To this end, we implement a range of measures such as organizing hospitals and the local ambulance service in the event of an emergency and offer overseas medical service visits whereby an industrial health specialist periodically visits and consults with these employees.

### Periodic Medical Checkup System

In 1997, Toshiba developed a company-wide integrated system to support periodic medical checkups for all employees in order to standardize medical checkups and remedial measures as well as to improve the efficiency of related administrative procedures. The system was upgraded in 2004 so as to link to HR-related database and to provide intranet access to data. At present, the system is being used throughout the Group.

Employees can access the system over the intranet in order to complete questionnaires, change scheduled times for checkups or follow-up interviews or view the results of checkups. Industrial physicians and healthcare staff can have access to medical checkup data, as necessary, for use in formulating health management programs.

To facilitate swift and effective remedial action if required, medical test results and responses are compiled, on a priority basis, to draw health checkup report charts or graphical illustrations presenting five risk areas such as diet, alcohol, smoking, exercise and mental health. These charts or graphs are designed such that they are readily understood by employees.

### Interview Guidance for Employees Working Excessive Overtime

Long working hours or excessive amounts of work can be detrimental to health, leading to cerebrovascular and cardiovascular diseases. Toshiba Group employees working for more than 80 hours of overtime per month are required to go through an interview guidance with an industrial physician. This is in line with the revised OH&S legislation that came into force in Japan in April 2006, which entitles any employee working over 100 hours of overtime per month the right to request a medical check. In compliance with this law, Toshiba has instituted clear safety standards and initiated measures to prevent any work-related damage to the health of employees.

### Overseas Medical Service Visits

Employees assigned to work overseas have to cope with drastic lifestyle changes. In order to ensure sound health of these employees as well as their accompanying families, Toshiba assigns medical doctors to those parts of the world with inadequate medical care to provide healthcare services and consultations. These industrial health specialists have been assigned to countries and regions around the world, including Mexico, China, Taiwan, UAE, India, Indonesia and some parts of Europe.



Overseas medical service visit to Toshiba Home Appliances Manufacturing (Nanhai) Co., Ltd.

Toshiba was one of the first Japanese companies to address the issue of employees' mental health by developing a comprehensive system of care covering employees' work and daily life. Toshiba associates mental well-being of the employees with the company's well-being and therefore initiates measures to promote mental health and boost motivation of the employees.

### On-site Health-related Consultation System

Industrial physicians and occupational health nurses at Toshiba respond to on-site health-related inquiries and coordinate with sites, households and medical institutions as required. They also respond to inquiries from workplaces as well as from individuals.

### Helpline for Mental and Physical Health

Toshiba offers an Employee Assistance Program (EAP) in conjunction with its in-house health insurance association to provide counseling for both mental and physical health issues by external specialists. The program ensures privacy of the individuals seeking help. Employee family members can also avail of the helpline.

### Self-care

Mental health awareness and educational activities are conducted through a special magazine "Kenpo information" published by Toshiba's health insurance association, and via the company website. A self-care pamphlet is covering topics on mental health related to "workplace," "female health," "families," "children" and "elderly people."



### Employee Education

Toshiba was among the first companies in Japan to conduct training of "listeners" for managerial ranks, which it started in 1977. At present, each site of Toshiba offers health-related self-care education programs to employees as well as courses for managers. An in-house training center provides optional management seminars on mental health-related topics. In FY2012, Toshiba strove to improve employees' healthcare knowledge and skills by introducing self-care e-learning programs to all Group companies.

### Convalescence Support Program

In 2003, Toshiba was the first company in Japan to introduce a convalescence support program to facilitate employees to gradually resume full-time work following a lengthy absence from work due to mental health problems, and reviewed the program in 2011. Industrial physicians and occupational health nurses coordinate with the employee's doctor, workplace members and family to devise proposals for appropriate working hours, place and time.

### Promoting communication in the workplace

Employees are encouraged to pay attention to their co-workers and talk to them in order to detect any unusual signs that imply poor health. This practice has become the norm in the workplace.

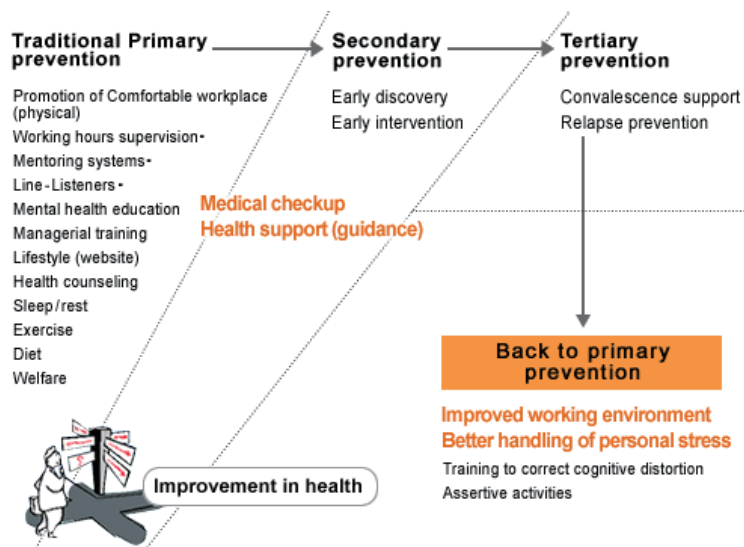
In order to raise health and safety awareness at each workplace, we have been promoting communication by holding periodic informal workplace meetings.

### Mental health survey

Since FY2011, we have been conducting a mental health survey as a part of our effort to protect employees' mental health in order to promote stress management for individual employees and workplaces.

## Future Challenges

### Comprehensive Approach and Primary Prevention



While Toshiba already has an advanced mental health program in place, employee stress remains an inevitable part of doing business. Toshiba aims to create a working environment where employees are able to develop the capabilities to handle stress effectively. This helps to keep employees motivated, while equipping them with valuable skills applicable throughout their lives.

## Employee Health Promotion Programs

Through follow-up health guidance, industrial health specialists provide employees with lifestyle-related suggestions to help them realize their potential and enhance their quality of life. In addition to the health and safety measures at the business sites, Toshiba also undertakes initiatives, in cooperation with its in-house health insurance association, in order to help employees cultivate better health, such as providing healthy lifestyle support information through a special website, in addition to the site-based health education programs.

### Measures to Prevent Brain and Heart Diseases

Since FY2011, Toshiba Group has analyzed the results of regular health examinations according to a classification of jobs shared across all Group companies. Based on the results of this analysis, the Group provides employees at high risk of developing brain and heart diseases with priority support, such as work management and health guidance.

### Healthy Lifestyle Support Website "Karatto"

The website "Karatto" provides tips on developing healthier lifestyle and management of health on daily basis for employees and their families.

#### Available Services:

- Walking program: This helps to develop the habit of walking by comparing the daily steps recorded against the targets set. The webpage also allows to manage such data for the entire family.
- Checks on lifestyles: This helps to manage data such as weight, rate of body fat, blood pressure, abdominal measurements, and sleeping hours as well as helps to check habits such as brushing teeth, washing hands and gargling.
- My challenge : This helps to monitor one's lifestyle and reduce the risk of metabolic syndrome. It is a tool to support people who are diagnosed as well as who are likely to be diagnosed with metabolic syndrome to challenge for a certain period of time.
- Information on medical expenses: Employees can look up the details of their medical expenses for the past 13 months.
- Health information corner: This corner provides tips on treating metabolic syndrome and information related to mental health.

### Occupational Health Project

Toshiba Group has established multiple project teams consisting of industrial doctors, public health nurses, and other nurses sent from various Toshiba companies in order to enhance the health management system and implement various measures to maintain and improve employee health.

### Toshiba Medical Congress

This Congress, held annually, aims to provide a forum for interaction and study for Toshiba's health professionals, which mainly comprise of industrial professionals (industrial physicians and nurses) working at business sites and clinical health professionals (doctors and nurses) employed at the Toshiba group hospitals. At the Congress, academic meetings are held featuring presentations of research findings as well as the results of OH&S-related studies of business sites. Such activities help to enhance the specialized OH&S-related knowledge and boost the motivation of the participants.

### Industrial Physician Meeting

Industrial physicians in Japan attend this meeting twice every year and are updated on Toshiba's management as well as management status of OH&S-related activities. The physicians exchange information on the daily health-related issues, report on the activities of the occupational health project and engage in group discussions on issues pertaining to maintenance of occupational health. The meeting also provides a forum for presenting on research activities.

## Infectious Disease Countermeasures

Based on information released by the Ministry of Foreign Affairs concerning outbreaks of infectious diseases in foreign countries and their transmission, the Legal Affairs Division compiles the latest information on the matter and distributes it to the subsidiaries in the affected countries via the related divisions of supervisory in-house companies and major group companies in order to alert the employees on such risks.

### Countermeasures for Influenza

With regard to the global outbreak of influenza A virus subtype H1N1 in April 2009, Toshiba Group adopted a uniform measure for the Group as a whole. The Group specifically initiated measures such as 1) safety measures at each business site (washing hands properly, gargling, strict monitoring at the entrance gate, etc.) and 2) appropriate measures based on the warnings issued by WHO and the government, such as restrictions on foreign visits.

Keeping in view of the possibilities of the influenza strain (H1N1) of developing into more deadly form or the more deadly avian flu (H5N1) developing into H1N1, Toshiba Group will continue to update its measures to ensure employee health and safety, such as formulating guidelines at each stage of outbreak.

Toshiba Group Business Continuity Plan provides explicit guidelines on the priority businesses and the continuity of activities based on the nature of the business for each business domain, in the event of large-scale absenteeism owing to the outbreak of the influenza strain (H1N1).

### Raising Awareness on Infectious Diseases

Toshiba organizes provides orientation to family members accompanying employees assigned overseas, on medical, safety and other lifestyle-related issues pertaining to the relevant country. Once the overseas assignment is confirmed, an orientation is held, including prior medical checkups and courses of vaccination.

New recruits in Japan are provided with booklets also containing information about HIV AIDS. Other awareness-raising programs also cover topics such as the prevention of HIV infection and the prohibition of unfair discrimination due to insufficient knowledge about the disease.

In addition, at the time of the outbreak of the influenza H1N1, all employees were notified of the appropriate countermeasures and were asked to adopt them on a daily basis.

## **Environmental Policy**

### **Toshiba Group's Basic Policy for the Environment**

Based on the recognition that it is our responsibility to maintain the health of the global environment as an irreplaceable asset for future generations, Toshiba contributes to the development of a sustainable society by promoting environmental activities designed to realize a world that is low carbon, recycling based and environmentally harmonious.

#### **Promoting environmental management**

Toshiba considers environmental stewardship to be one of management's primary responsibilities and promotes environmental activities in harmony with economic activities.

Toshiba assesses the impacts of its business activities, products and services on the environment, including with regard to biodiversity, and specifies objectives and targets with respect to the reduction of environmental impacts and prevention of pollution.

Toshiba strives to continuously improve environmental management through internal audits and reviews of activities.

Toshiba complies with all laws and regulations, industry guidelines it has endorsed, and its own standards concerning the environment.

Toshiba strives to enhance the awareness of all its employees with respect to the environment and requires that they make a practical contribution to the environment through their work.

Toshiba operates globally, and accordingly, promotes environmental activities throughout Toshiba Group.

#### **Providing environmentally conscious products and services and reducing their environmental impact through business activities**

Toshiba recognizes that natural resources are finite and implements vigorous environmental measures to promote their effective and practical use in terms of both products and business processes.

Toshiba develops and provides environmentally conscious products and services which contribute to the reduction of environmental impacts throughout their life cycles.

Toshiba strives to reduce the environmental impacts of all business processes, encompassing design, manufacturing, logistics, sale, and disposal, with a particular focus on the prevention of global warming, efficient utilization of resources and control of chemical substances.

#### **As a corporate citizen of planet Earth**

Toshiba contributes to society through its environmental activities, which include the development and provision of excellent, environmentally conscious technologies and products and cooperation with society at large and with local communities.

Toshiba is committed to maximizing disclosure and transparency in communication with stakeholders and society at large in order to facilitate mutual understanding.

Revised June 1, 2010

We report "Environment" on Toshiba's webpage on Environment.  
Environment Report is planned to be published in September 2013.

CSR Performance: Fair Operating Practices

## Risk Management and Compliance

### Major Progress and Achievements in FY2012

- ✓ Visits made to major subsidiaries in Southeast Asia to ensure the need to comply with anti-trust and anti-bribery laws.

## Policy

At Toshiba, throughout our worldwide operations, we strive to ensure compliance with laws and regulations, social and ethical norms, and internal rules. Giving top priority to human life and safety and to compliance in everything we do underpins our commitment to promoting business activities through fair competition and serving the interests of customers to the best of our ability.

We consider thorough adherence to the Toshiba Group Standards of Conduct (SOC), which embody the Basic Commitment of Toshiba Group, to be the foundation of our compliance. Thus we are working toward making the SOC an integral part of the entire Toshiba Group

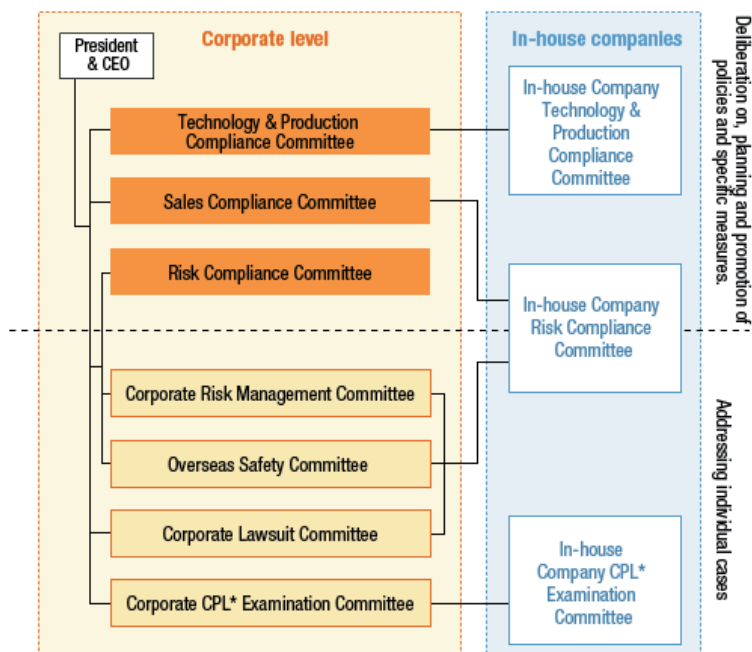
## Management Structure

In order to ensure thorough risk compliance management at Toshiba, a board member is assigned the responsibility of overseeing risk compliance.

If a serious noncompliance incident occurs, we swiftly consider how to deal with it and take the necessary action in the risk compliance system.

Furthermore, we endeavor to reinforce risk compliance management by closely examining ways to prevent SOC violations and the recurrence of similar incidences through cooperation among the relevant divisions.

### Management Structure



\*CPL is an abbreviation combining CL (contractual liability) and PL (product liability)

## Education

Toshiba Group has translated Toshiba Group Standards of Conduct (SOC) into 15 languages and distributed copies to overseas subsidiaries for compliance training. With a view to ensuring compliance with the SOC, Toshiba Group provides various education programs such as education based on the needs of different organizational levels and job functions, as well as seminars on compliance topics for top executives. We also provide e-learning for all employees on a continual basis.

For overseas subsidiaries, we have developed e-learning materials in English with a view to preventing serious SOC violations such as the formation of cartels and bribery. We offer such e-learning to our subsidiaries in Europe, the United States, and Asia. In China, we have compiled risk compliance examples based on local circumstances and distributed these materials for compliance education in Toshiba Group companies in China.



Booklets on Toshiba Group Standards of Conduct in various languages

### Developing various measures to promote rigorous compliance

In light of global regulatory trends, Toshiba has been making rigorous efforts to prevent cartelization and bribery. In FY2012, the Company continued to step up its initiatives to ensure thorough compliance.

Specifically, the initiatives involve Toshiba Group companies worldwide performing self-audits based on two Toshiba-developed guidelines: one on antitrust and the other on anti-bribery. Through these audits, Toshiba Group aims to identify compliance levels at the companies concerned and to provide thorough compliance education.

Furthermore, in order to ensure compliance with relevant anti-trust laws and prevent bribery to foreign public officials, Toshiba managers visited major subsidiaries in Southeast Asia to inspect their states of compliance, including conducting interviews with their top management, and provided compliance training to Japanese and local personnel.

Toshiba promotes rigorous compliance with business-related laws and regulations by providing education, effectively utilizing databases that contain relevant information, and performing periodic self-audits.

In addition, Toshiba's compliance initiatives are objectively evaluated by outside lawyers once a year. We make improvements to reduce risks pointed out by third parties in order to continue to enhance our compliance structure.



Trainer education for subsidiaries in Asian countries

## Response to Compliance Violations

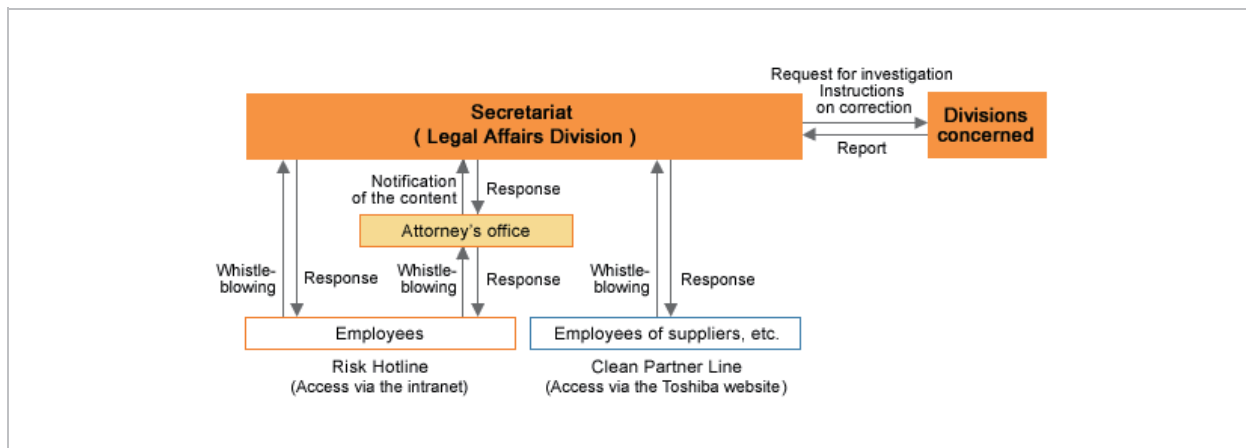
In the event of a major noncompliance incident, Toshiba investigates all facts to identify the cause of the violation, treats the facts seriously, and handles such violations rigorously by imposing appropriate disciplinary sanctions on the offenders or implementing other such measures. It makes every effort to prevent recurrence and discloses information in a proper and timely manner as necessary.

In FY2012, in response to a dishonest act committed by a Group company employee that was revealed in FY2011, Toshiba Group took up "illegal transactions" as a subject for its workplace meetings on integrity topics. Thus the Group continues to make efforts to prevent the recurrence of similar inappropriate business dealings.

### Whistleblower System

In January 2000, Toshiba established a whistleblower system to collect internal information on SOC violations, particularly those concerning laws and regulations, and to deal with wrongdoing through a self-rectification system. Under this system, an employee can report an incident and seek advice. In April 2006, Toshiba also set up a supplier whistleblower system to receive reports from suppliers and business partners to prevent SOC violations by employees in charge of procurement and order placements for construction and other works.

By putting in place systems to receive reports from inside and outside the company, Toshiba anticipates that the system will play a role in deterring SOC violations in addition to self-rectification. Toshiba Group companies have also introduced a similar whistleblower system.



## Compliance Situation Inspection and Audit

The Legal Affairs Division periodically communicates with the Corporate Audit Division in order to confirm the state of implementation with respect to the various compliance measures. Based on the actual state of implementation, steps are taken to enhance the effectiveness of management audits and the audit results are reflected in compliance measures.

Every year Toshiba conducts an intranet-based employee survey on the Toshiba Group Standards of Conduct(SOC). The results are used in formulating measures for enhancing awareness on compliance.

### Developing measures to continue breaking relationships with anti-social groups

In 1997, the Board of Directors resolved to end relations with anti-social forces such as sokaiya (groups of racketeers). In 2006, Toshiba Group revised its Standards of Conduct to state expressly that it refuses all involvement in the business activities of such forces. Since then, the Group has strictly dealt with approaches from third parties to obstruct our lawful and appropriate corporate activities.

In addition, in order to further ensure that all relations with anti-social forces are cut off, all Toshiba Group companies have taken various measures, such as reviewing their contract clauses on the exclusion of dealings with crime syndicates and educating all employees about the need for compliance in this area. Toshiba Group also works with the police, corporate attorneys, and third-party organizations such as the National Center for the Elimination of Boryokudan to establish systems that enable us to respond to approaches from anti-social forces in an appropriate and timely manner.

### Fostering a compliance-oriented culture through workplace meetings

Toshiba Group places the highest priority on "life, safety, and compliance" as part of its CSR management. Each workplace holds meetings focusing on integrity to raise the awareness of each and every employee with regard to compliance matters so as to make compliance an integral part of the corporate culture.

These meetings aim to prevent SOC violations by encouraging managers and employees to discuss various problems that are likely to arise in the workplace and to share their thoughts with each other in order to create a work environment where they can easily seek advice on all kinds of problems.

In FY2012, meetings were held on topics concerning compliance related to illegal transactions as well as other topics, such as efficient ways of working.

In addition, having created a database to compile information about the implementation status of the meetings as well as by soliciting the frank opinions of employees via their workplace managers, we are now able to monitor the level of compliance awareness at each workplace and to develop new measures in the future.



Meeting at which participants actively exchange opinions

## Political Contributions

The Toshiba Group Standards of Conduct stipulates that Toshiba Group shall not provide inappropriate benefits or favors to any politician or political organization.

In the case of offering political contribution, procedures in accordance with internal rules are followed as well as compliance with the Political Funds Control Law in case of Japan is strictly ensured.

## Business Continuity Plan (BCP)

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Failure to respond appropriately to large-scale disasters such as earthquakes, typhoons, and floods could result in the long-term closure of operations, triggering significant financial losses, ultimately affecting our stakeholders.

Toshiba implements measures to ensure the safety of employees and their families, support recovery of devastated areas, and maintain business sites and factories. In addition, Toshiba continually updates its Business Continuity Plan (BCP) covering those businesses that have large social and economic impacts in order to minimize any interruption in the supply of goods and services in the event of natural or other disasters such as an influenza pandemic.

Following the Great East Japan Earthquake, Toshiba Group reviewed the damage expected under our BCP, which we had worked out on a nationwide scale starting in 2007. Based on the revised assumptions, the Group is confirming ways to ensure the safety of all employees at each business site and taking measures to ensure business continuity.

### Developing measures to provide a stable supply of parts based on BCP procurement guidelines

In response to the Great East Japan Earthquake and the floods in Thailand, both of which occurred in 2011, Toshiba's procurement division is aiming to establish a more disaster-resistant procurement system.

In order to respond to the risk of supply chain disruption in the event of an emergency, the division included "ensuring continuous supply when an unforeseen disaster occurs" in its procurement policy and has asked suppliers for their cooperation. In addition, the division is working on risk assessment and risk hedging daily in accordance with the BCP Procurement Guidelines. It also considers procurement from diverse suppliers and from wider geographical areas to be one of its most important measures and aims to minimize the risk of supply chain disruptions and to reduce the amount of time required for resolving supply chain disruptions. In 2012, the procurement division built a system for managing information on upstream suppliers in the supply chain. Global implementation of this system has reinforced the Group's ability to respond to emergencies.

In addition to these initiatives, the division works with related divisions to cope with other risks such as unavailability of products containing rare earths and power shortages caused by the suspension of operation of nuclear power stations.

## Support for Customers' Business Continuity

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In July 2012, Toshiba Solutions Corp. built the Tokyo No.2 Data Center. It features the latest seismic base-isolating systems, and is located in the least earthquake-prone area of Tokyo. In January 2013, it opened the Sapporo Data Center, which will be used as a remote backup facility. In order to support customers' business continuity, the company will provide safe and secure cloud computing services via technologies allowing for no-fuel-supply datacenter operation and disaster recovery among others.

In December 2012, Toshiba Digital Products & Services Company developed technology for detecting hard disk drive failures in advance. Collecting data obtained from notebook PCs on the number of HDD read errors and the length of operating time as well as data from failed HDDs and analysis of large amounts of data thus obtained has enabled the company to detect failures in advance. This technology allows backups of HDD data before the HDD fails, preventing important data from being lost at the customers and thereby contributing to ensuring business continuity.

CSR Performance: Fair Operating Practices

## Fair Competition and Trading Practices

### Supply Chain

#### Fair Trading Policy

Toshiba strives to build sound partnerships with suppliers through fair trading in compliance with procurement-related laws and regulations.

Suppliers play a pivotal role in Toshiba Group's ability to provide quality products to its customers. To enable the suppliers to thoroughly understand Toshiba Group's procurement policy and secure their cooperation in promotion of CSR, we prepared a document outlining Toshiba Group's CSR stance in procurement in light of the Toshiba Group Procurement Policy and distributed it to all suppliers worldwide in February 2005.

In May 2012, we also revised the Toshiba Group Procurement Policy to accord priority to suppliers that comply with laws and regulations as well as social norms when beginning new transactions or continuing existing ones. In addition, in reference to the UK Bribery Act, we added the prohibition of bribery to all interested parties as a requirement for suppliers and made an announcement to that effect to all suppliers in Japan and overseas.

#### Framework for Fair Trading Practices

Toshiba strives to build sound partnerships with suppliers through fair trading in compliance with procurement-related laws and regulations.

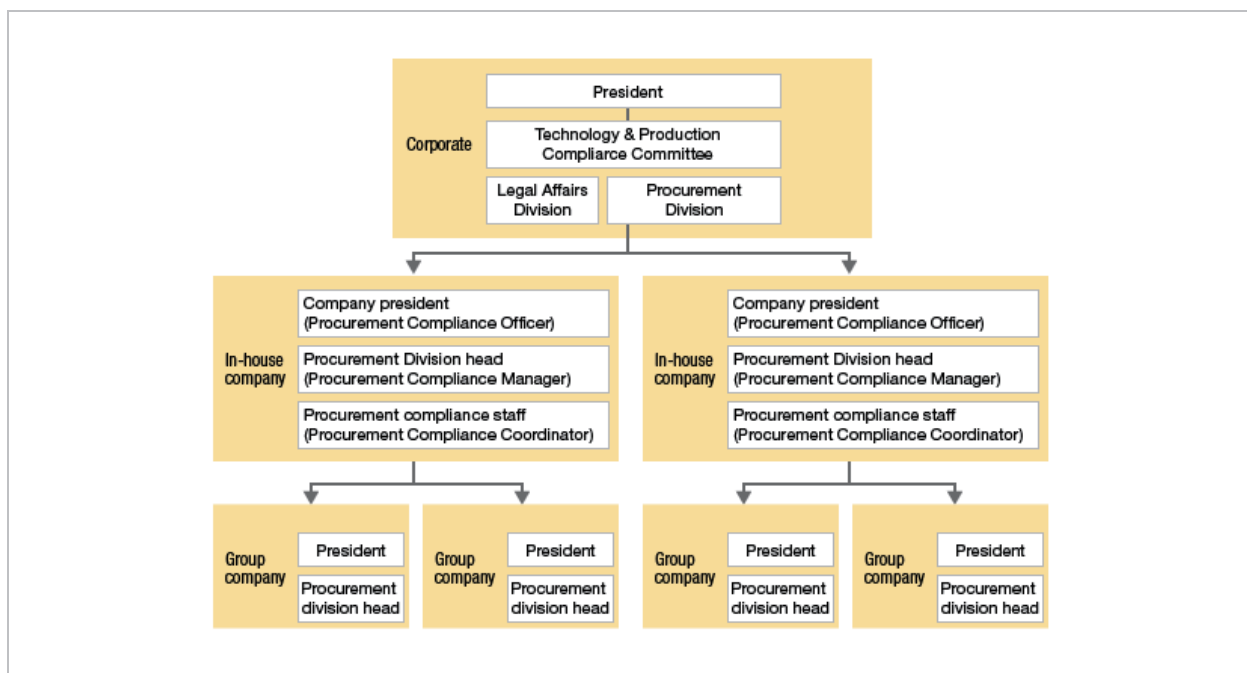
A dedicated CSR organization established in April 2007 within the Procurement Division is working to ensure fulfillment of CSR in Toshiba Group's procurement and on the part of suppliers.

It is essential to ensure that procurement complies with applicable laws and regulations worldwide. Toshiba Group has established a system for ensuring compliance concerning procurement, which is connected with the Toshiba Group Procurement Division.

Information related to compliance concerning procurement is thoroughly informed to Group-wide companies through this system.

Moreover, measures are thoroughly informed by means of Procurement Compliance Liaison Meetings, organized by the Procurement Division and attended by Compliance Managers and Compliance Coordinators

#### Toshiba Group CSR Procurement Promotion Structure



### Whistleblower system for suppliers and business partners

We have established a whistleblower system for business partners called Clean Partner Line. We notify our business partners of this system and request that they make use of it to report any issues regarding noncompliance and unfair trading practices that involve Toshiba Group employees to enable such concerns to be promptly resolved.

### Checks and Audits of Fair Trading Practices (Thorough Compliance with the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors)

In Japan, we continued with audits against the Act for the applicable Group companies with regard to subcontracted transactions.

Regarding items requiring improvement as identified by the audits, follow-up is conducted in accordance with improvement plans to ensure thorough compliance.

### Training to Ensure Fair Trading Practices

At Toshiba Group, various training programs on compliance in procurement are provided to ensure fair trading practices. For example, in FY2007, we conducted training for employees of Group companies in Japan on relevant acts, such as the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors. We also provide compliance education for employees engaged in procurement at various phases of their careers. Furthermore, we foster auditors specialized in the Act to ensure fair transactions with subcontractors.

In addition, Group companies in Japan conducts periodic training on the Subcontractor Act for employees engaged in procurement.

### Cooperation with Suppliers

Toshiba Group establishes fruitful partnerships with suppliers based on mutual trust.

Suppliers are expected to ensure stable supply of environmentally conscious, excellent goods and services at appropriate prices. In addition, the activities listed below are vigorously promoted to strengthen "win-win" relationships advantageous to both Toshiba Group and suppliers.

1. Collaborative development of strategic components, utilizing suppliers' unique technologies
2. Collaborative projects for enhancement of the quality of goods and services and reduction of manufacturing costs, utilizing Toshiba Group's technological capabilities
3. Reduction of procurement costs of suppliers in collaboration with Toshiba Groups procurement operations

### Free and Fair Competition in Accordance with Prevailing Regulations

Toshiba Group strives to ensure that its business activities are carried out in accordance with not only prevailing laws and regulations but also sound business customs and social norms. We provide guidelines on compliance with antitrust laws and other regulations and conduct business through free and fair competition based on these guidelines. We regard information as important assets and use appropriate methods to manage confidential and personal information concerning third parties obtained through our business activities.

CSR Performance: Fair Operating Practices

## CSR Management in the Supply Chain

### Major Progress and Achievements in FY2012

- ✔ Toshiba Group conducted a CSR survey of some 10,000 of its suppliers.
- ✔ Toshiba International Procurement Hong Kong Ltd. was chosen as a Gold award winner at the 2012 Hong Kong Awards for Environmental Excellence.

### Supply Chain Checks and Audits

In order to enable customers to use Toshiba products safely as well as to fulfill CSR in regards to human rights, labor, and the environment in cooperation with suppliers, Toshiba Group continues to ensure that its suppliers are also committed to improving working conditions and reducing their environmental impact.

We also believe that in addition to proper management of working hours and wages, ensuring improved communication between workers and managers, as well as paying attention to occupational health and safety and to the environment in areas around factories will boost employee morale and contribute to improved work efficiency.

Accordingly, Toshiba Group will continue to share its management know-how acquired through experience with suppliers worldwide, particularly those in emerging economies.

Toshiba distributes to suppliers worldwide the Toshiba Group Procurement Policy and the Supplier Expectations to promote understanding of our stance on CSR in procurement.

In FY2012, Toshiba Group revised our Procurement Policy to add provisions on the consideration of human rights and promotion of the use of conflict-free minerals. We also requested that some 10,000 of our suppliers comply with our revised Procurement Policy.



Supplier audit in the Philippines

### Focus issues

In addition to problems regarding the use of conflict-free minerals, there are increasingly diversified concerns about CSR among stakeholders, including laws on human trafficking and slavery, such as the California Transparency Act and the UK Bribery Act, and environmental issues. With a view to resolving these issues, Toshiba Group will focus its efforts on programs for CSR in the supply chain.

### Procurement Policy (CSR-related Requirements): Checks and Audits on Compliance

Toshiba Group monitor the status of CSR management of its ongoing suppliers at manufacturing sites at the time of quality audits and request improvements and provide guidance as necessary. For new procurement transactions, we confirm conformity with Toshiba Group's procurement and selection policies not only with respect to the goods and services procured, but also suppliers' manufacturing sites, management systems and the state of their operations.

**CSR Survey of suppliers**

	Survey targets		Survey items	Remarks
	Areas, items handled, etc.	Number of companies		
FY2006	100 suppliers having a high percentage of their business with Toshiba	100	Product quality, environmental initiatives, information security, human rights & labor, health and safety, etc.	New survey items such as human rights, labor conditions, and occupational health and safety were included in addition to the previous categories such as quality, the environment and information security.
FY2007	Continuing major suppliers in Asia	265	Human rights & labor, health and safety, and environmental protection	
FY2008	Selected Thai suppliers	3	Human resources, environment, procurement, etc. (on-site audits)	No serious non-compliances were identified, however, Toshiba provided instructions with regard to improving H&S management structure and controlling oil leakages at the factory
FY2009	Selected suppliers in southern China, Malaysia, and Indonesia	3	Human resources, environment, procurement, etc. (on-site audits)	No serious non-compliances were identified, however, Toshiba provided instructions with regard to improving H&S management structure and controlling oil leakages at the factory
FY2010	China-based companies to which Toshiba outsources the assembly of finished products under the Toshiba brand	17 locations at 16 companies	CSR audits included interviews with employees, environmental protection efforts, labor management, and confirm CSR requirements to the secondary suppliers, and Toshiba requested improvements as necessary.	Auditors confirmed that each supplier was emphasizing employee dialogues and improving its employee welfare programs. They also confirmed that each supplier's environmental protection activities were appropriately managed through both measurements and certification by third parties.
FY2011	Suppliers of certain products	300	Conflict minerals	Toshiba conducted a pilot survey. Based on the results, we plan to carry out a full-scale survey in FY2013.
FY2012	Toshiba Group suppliers	Approx. 10,000 in total	Request for cooperation in the Toshiba Group Procurement Policy; inquire their degree of understanding of issues related to conflict minerals and their approaches to such issues	Toshiba Group conducted an on-line survey of its suppliers

**Items covered by the CSR Survey**

Category	Items
Human rights and labor conditions	<ol style="list-style-type: none"> <li>1. Prohibition of forced labor</li> <li>2. Prohibition of inhumane treatment</li> <li>3. Prohibition of child labor</li> <li>4. Prohibition of discrimination</li> <li>5. Appropriate wages</li> <li>6. Working hours</li> <li>7. Workers' freedom of association</li> </ol>
Occupational health and safety Equipment safety measures	<ol style="list-style-type: none"> <li>1. Equipment safety measures</li> <li>2. Workplace safety</li> <li>3. Workplace sanitation</li> <li>4. Occupational accidents and occupational diseases</li> <li>5. Emergency response</li> <li>6. Consideration concerning work that is physically onerous</li> <li>7. Facilities safety and sanitation</li> <li>8. Employee health management</li> </ol>

**Major survey items during the audit of outsourced Toshiba-brand manufacturers**

Category	survey items
Status of CSR management at the companies audited	Labor disputes Communication with employees Labor agreements and working hours Workplace safety Employee health conditions Environmental initiatives such as the acquisition of ISO14001 certification
Status of CSR management with regard to the supply chain of the companies audited	Adoption of CSR policy that encompasses consideration for human rights, labor conditions, and the environment; Communication of the CSR policy to suppliers and their status of compliance with the policy; and compliance with laws Regulations concerning plant wastewater and air emissions

**CSR Awareness in the Supply Chain****CSR Guidebook Published**

We urge our suppliers to promote their CSR and provide necessary support for the same. In November 2011, we held seminars, inviting the managers from 81 key suppliers to explain our management philosophy and procurement policy.

In addition, in order to guide the suppliers in incorporating CSR into their operations, we developed the Toshiba Group Supply Chain CSR Deployment Guidebook\* to introduce our policies on management of health and safety and the environment in four languages - Japanese, English, Chinese and Thai. The Guidebook is also available on our corporate website.

\* The Guidebook complies with the Supply-Chain CSR Deployment Guidebook published by Japan Electronics and Information Technology Industries Association (JEITA)

TOSHIBA Group Supply-Chain CSR Deployment Guidebook (Japanese) (PDF:418KB)

TOSHIBA Group Supply-Chain CSR Deployment Guidebook (English) (PDF:149KB)

TOSHIBA Group Supply-Chain CSR Deployment Guidebook (Chinese) (PDF:260KB)

TOSHIBA Group Supply-Chain CSR Deployment Guidebook (Thai) (PDF:219KB)

**Status Survey**

Toshiba Group holds seminars on environmental measures, human rights, and occupational health and safety, and conducts a survey on the situation regarding the procurement policy (including self-audit).

**Suppliers participating in seminars and those covered by the survey**

Topic	Seminars	Surveys	Field Audit
Human rights and safety	11,032	6,928	1,339
Environment	22,190	23,309	5,080

(Cumulative data for FY2007-2012) (Unit : Number of supplier companies)

**Actions on Suppliers in the Event of Breach of the Procurement Policy**

If a supplier violates the procurement policy, we request the supplier to implement remedial measures and provide guidance and support, as necessary. If the remedial measure is deemed to be unsatisfactory, we suspend transactions with the supplier.

**Suppliers subject to guidance & support and suspension of transactions**

Topic	Support	Suspension of transactions
Human rights and safety	1,208	8
Environment	4,253	38

(Cumulative data for FY2007-2012) (Unit: Number of supplier companies)

**Examples of supplier guidance and instructions (FY2012)**

Environmental Activities	<ul style="list-style-type: none"> <li>■ Guidance on procedures for carrying out a drill based on the assumption that an abnormality has occurred</li> <li>■ Guidance on carrying out REACH surveys at neighboring business sites</li> <li>■ Support in establishing management systems at companies to which production is outsourced</li> </ul>
Human Rights and Occupational Health & Safety	<ul style="list-style-type: none"> <li>■ Review of 2S and 3-area management (roads, work areas, and storage)</li> </ul>

**Topics: Toshiba International Procurement Hong Kong Ltd. was chosen as a Gold award winner at the 2012 Hong Kong Awards for Environmental Excellence**

In May 2012, Toshiba International Procurement Hong Kong Ltd. became the first Japanese-affiliated company to win the Gold Award (first place) in the export and trade category at the 2012 Hong Kong Awards for Environmental Excellence\* sponsored by the Hong Kong administrative authorities.

The company received special recognition for its continuing environmental and CSR education activities for suppliers carried out through regular survey and on-site audits. The awards ceremony received a great deal of attention in Hong Kong's mass media, which reported on the operations of the company winning the Gold Award in the export and trade category.



\* Hong Kong Awards for Environmental Excellence program

Initiated by the Hong Kong Productivity Council in 2008, this environmental protection program evaluates and recognizes corporate environmental protection activities in 11 categories such as manufacturing, trade, logistics, and construction through public institutions (e.g., universities and environmental organizations) and selects and officially commends the best company in each category.

## EICC Membership

In June 2011, Toshiba Group joined the Electronic Industry Citizenship Coalition (EICC), the electronics industry's CSR promotion organization. In order to fulfill CSR for labor, occupational health and safety, the environment, and ethical standards throughout the supply chain in accordance with the spirit of the EICC Code of Conduct, we provided education on the Code of Conduct for those working in semiconductor manufacturing plants in Japan and overseas.



## Support for the Use of Conflict-Free Minerals

For humanitarian reasons, Toshiba Group's policy stipulates that raw materials such as gold, tantalum, tungsten, and tin mined in the Democratic Republic of the Congo and adjoining countries experiencing armed conflicts must not be used. In October 2011, we built an internal system for conflict minerals and established the Toshiba Group Conflict Mineral Policy and publicized it on our website.

As a part of our efforts to carry out due diligence, in November 2011 we began participating in the Responsible Minerals Trade Working Group of JEITA\*1, thereby establishing closer ties with industry organizations. We also investigated the use of conflict minerals and smelters of suppliers using the EICC-GeSI\*2 Conflict Minerals Reporting Template.

We are also a participant in the Public-Private Alliance for Responsible Minerals Trade (PPA), which is a private public project advocated by the US Government. We hope to eliminate the fund sources of armed groups and provide economic support to the Democratic Republic of the Congo and adjoining countries. In February 2012, we exchanged opinions with a US NGO (Enough Project) and A SEED JAPAN, which are working on issues related to conflict minerals.

In 2011, we conducted a pilot survey of 300 suppliers in the semiconductor and other sectors using the "EICC-GeSI Conflict Minerals Reporting Template" to identify their use, and to single out smelters of conflict minerals.

In 2012, we surveyed a total of about 10,000 suppliers on their understanding of the issue of conflict minerals, and what initiatives the suppliers had in place.

From 2013 on, the Group continue surveying suppliers about any potential use of conflict minerals or implicated smelters, using the "EICC-GeSI Conflict Minerals Reporting Template."

Toshiba Group Conflict Minerals Initiatives (PDF:58K)

\*1 Japan Electronics and Information Technology Industries Association

\*2 Global e-Sustainability Initiative (an initiative for achieving integrated social and environmental sustainability through ICT)

#### **Toshiba Group Conflict Mineral Policy**

We are taking steps to develop and implement a policy prohibiting use of cassiterite (tin ore), wolframite (tungsten ore), coltan (tantalum ore) and gold, or their derivatives, whose extraction or trade supports conflict in the Democratic Republic of Congo or adjoining countries, and/or contributes to inhumane treatment, including human trafficking, slavery, forced labor, child labor, torture and war crimes in the region.

- In this regard, we will carry out supply chain due diligence with reference to the OECD guidance. We will use the EICC-GeSI due diligence tool to communicate up and down our supply chain.
- Once a validated supply chain is established through initiatives such as full-fledged smelter verification under EICC-GeSI's Conflict-Free Smelter Program or development of a mineral tracing program, we will require our suppliers to procure the minerals through that validated supply chain.
- Our efforts are not intended at altogether banning procurement of minerals from the DRC and adjoining countries but to assure sourcing from responsible sources in the region.
- We ask our suppliers to cooperate with us in our efforts to assure procurement of non-conflict minerals.

## **Green Procurement**

Adhering to its Basic Policy for the Environment, Toshiba Group is implementing environmentally conscious approaches in all business processes and products, focusing on creation of new value in harmony with the Earth.

It is necessary to perform comprehensive assessment of environmental impacts of our products throughout their life cycles from production and usage through to recycling and final disposal. Toshiba Group is promoting green procurement as a measure to minimize environmental impacts in the production phase.

In accordance with the Green Procurement Guidelines established in 2003, Toshiba Group prioritizes procurement of products, parts, and materials with minimal environmental impacts from suppliers who are proactively promoting environmental protection. Later, as stricter statutory restrictions have come to be placed on chemical substances contained in products in order to reduce environmental impacts and risks (e.g., hazardous chemicals), environmental protection efforts throughout the entire supply chain have become indispensable.

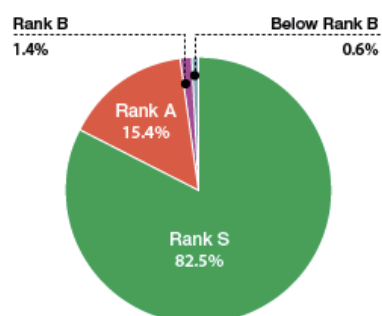
Under these circumstances, Toshiba Group thoroughly revised the Green Procurement Guidelines in 2006 and 2011 to address emerging needs.

In our endeavor to contribute to the emergence of a sustainable society, we request our suppliers' cooperation in the promotion of green procurement. Also, we assess suppliers' environmental performance and survey and assess the presence of chemical substances in procured items.

## Selection/Evaluation of Suppliers based on the Level of Greenness

With regard to the environmental performance, we conduct a voluntary assessment of the level of greenness of suppliers (Toshiba standards) based on the environmental standard ISO 14001. In selecting suppliers, we accord priority based on the ranks of the suppliers and also urge them to improve their level of greenness.

The level of greenness of suppliers during FY2012 was 97.9%  
(includes Rank S and Rank A)



Rank S (excellent)

Rank A (good)

Rank B (requires guidance)

Below Rank B (requires guidance)

## For Stationery and Other Office Supplies

With regard to procurement of stationery and other office supplies, Group-wide companies strive to select procurement items that have lower environmental impacts. For example, environmentally conscious products such as Eco Mark certified products, products made of recycled materials, recyclable products, and products that can be separated for collection are registered as environmentally recommended products for procurement by Toshiba Group.

We are implementing green procurement for personal computers, copiers, copier paper, stationery and other office supplies.

CSR Performance: Fair Operating Practices

## Export Control

### Export Control Policy

As indicated in Toshiba Group Standards of Conduct, Toshiba Group's basic export policy is to comply with all applicable export control laws and regulations of the countries and regions where we operate, including the Foreign Exchange and Foreign Trade Law in the case of Japan and US export control laws and regulations with respect to transactions involving items of US origin. The Group also maintains a basic policy of not engaging in any transaction that could potentially undermine international peace and security.

In accordance with this policy, Toshiba Group has established the Export Control Compliance Program (ECCP). Based on this program, the necessity of export licenses for goods and technology is determined and transactions are strictly screened. In addition to periodic export control audits and education for all executives and employees, in-house companies and corporate staff divisions provide instructions and support to the group companies they supervise.

#### Toshiba Export Control Compliance Program

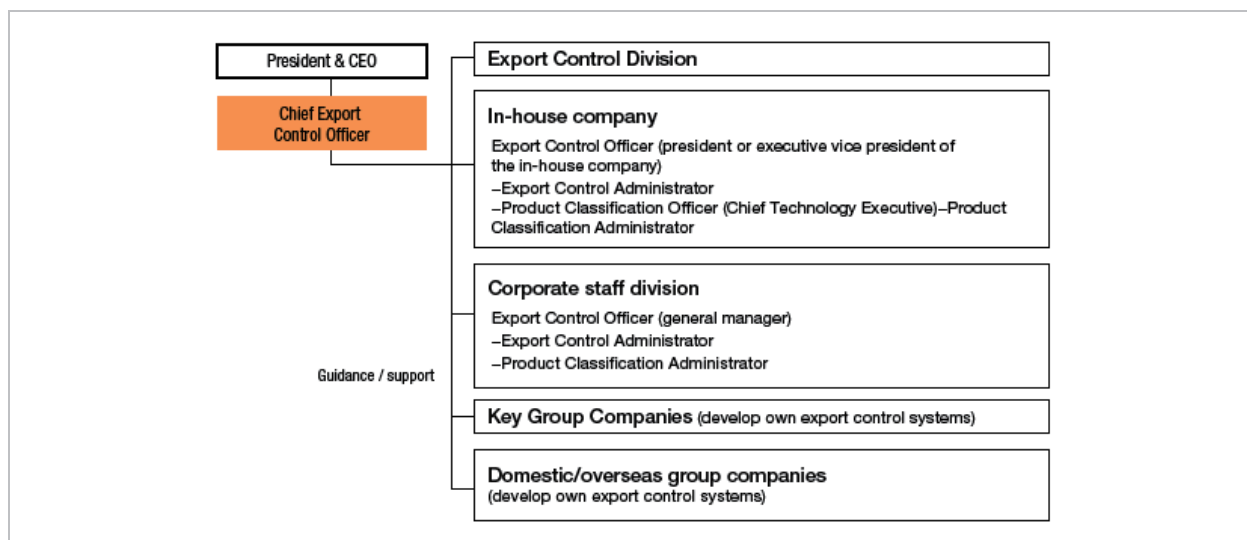
The program stipulates the following provisions to ensure compliance with Japan's Foreign Exchange and Foreign Trade Control Law and U.S. export control laws.

- Chapter 1 Statement of Corporate Policy
- Chapter 2 Definition of Terms
- Chapter 3 Export Control Organizations
- Chapter 4 Control Procedures
- Chapter 5 Education
- Chapter 6 Compliance Reviews
- Chapter 7 Notification of Violation and Corporate Sanctions
- Chapter 8 Group Companies

### Export Control System

Toshiba's export control system is organized under the Chief Export Control Officer who has ultimate responsibility for the corporation's export control. The Chief Export Control Officer must be a representative director or an executive officer corresponding thereto. Under the Chief Export Control Officer, the Export Control Division is responsible for overseeing the export control implemented pursuant to the Toshiba Export Control Compliance Program (ECCP). Each Toshiba in-house company and corporate staff division has its own export control infrastructure led by the Export Control Officer who is in charge of the division. The Export Control Officer must be the president or executive vice president of the same in-house company or the general manager of the same corporate staff division. Toshiba Group companies have also established export control systems.

#### Toshiba Group Export Control System



## Product Classification

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The purpose of product classification is to determine whether or not an export license from the Minister for Economy, Trade and Industry (METI) would be required for products to be exported. In Toshiba, product classification is conducted in individual divisions by qualified engineers who are familiar with technical background of products. Each classification result is reviewed and approved by a Product Classification Administrator. Furthermore, the Export Control Administrator in charge reviews classification results at each in-house company or corporate staff division. This ensures that all classification results are consistent with all applicable laws and regulations.

## Transaction Review

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The purpose of the transaction review is to ensure that our products are not destined for end-uses or end-users of concern, regardless of whether they are restricted or not restricted under the relevant laws and regulations. Sales sections at in-house companies and corporate staff division are required to carry out this transaction review for each transaction. Review results must be double-checked and approved by the Export Control Administrator in charge. In addition, transactions requiring an export license from minister of economy, trade and industry or destined for a country or region of concern are subject to thorough review and approval by the Export Control Division.

The division conducts the transaction only after receiving export license from minister of economy, trade and industry or the US Government, where necessary.

## Export Control Audits

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To ensure that group companies are appropriately implementing their export controls in compliance with the relevant laws and regulations, the Export Control Division conducts periodic export control audits of in-house companies and group companies supervised by corporate staff divisions. In-house companies conduct similar periodic audits of group companies they supervise. Group companies that were determined to require corrective measures would be required to develop and submit their corrective action plans. Effectiveness of each corrective measure will be evaluated by the Export Control Division or the supervising in-house company.

## Export Control Trainings

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Training courses on export controls (regular and specialized courses) are offered by the Export Control division for in-house companies, corporate divisions, and Group companies to educate employees on the importance of export control and to raise awareness and knowledge of the Toshiba Export Control Compliance Program (ECCP) and related internal regulations.

Furthermore, following the revision of the Foreign Exchange and Foreign Trade Act, the Export Control Division provides compulsory export control education for all employees through an e-learning system every year. In FY2012, a total of 31,224 employees participated in the e-learning program.

## Guidance and Support for Group Companies

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Export controls at group companies including those located overseas are modeled after that of Toshiba, which is implemented under the Toshiba Export Control Compliance Program (ECCP). Export control audits are conducted periodically to evaluate their performances. The Export Control Division convenes a monthly meeting with the in-house companies and key group companies. Besides providing information on relevant international situations and regulatory trends, or advices on specific issues, this meeting also provides a forum for exchanging related information and opinions. In-house companies provide guidance on export controls and related support to group companies they supervise.

In addition, in order to reinforce our support to overseas Group companies, we have been holding workshop meetings for export control personnel in such companies, including meetings in Hangzhou, China in FY2010 and in the Middle East, Africa, and Singapore in FY2012.

CSR Performance: Fair Operating Practices  
**Information Security Management**

## **Policy on Information Security**

Toshiba regards all information, such as its customer information, management information, technical and production information, handled during the course of business activities, as its important assets and adopts a policy to manage all corporate information as confidential information and to ensure that the information is not inappropriately disclosed, leaked or used. In view of this, Toshiba has a fundamental policy "to manage and protect such information assets properly, with top priority on compliance." The policy is stipulated in the chapter "Corporate Information and Company Assets" of the Toshiba Group Standards of Conduct, and managerial and employee awareness on the same is encouraged.

In response to regulatory changes and changes in the social environment, Toshiba revises the related rules on an ongoing basis so as to rigorously manage its information security.

We are rolling out information security management programs to our subsidiaries in Japan and overseas. In formulating rules and guidelines in promoting information security at our overseas subsidiaries, we also take into account the local circumstances.

## **Information Security Management Framework**

Addressing information security as a management priority, Toshiba Group has established, under the supervision of the Chief Information Security Officer, the General Executive of Information & Security Group, an information security management structure in which the head of each organization, such as president of each in-house company, head of corporate staff division as well as president of each group company are responsible for information security.

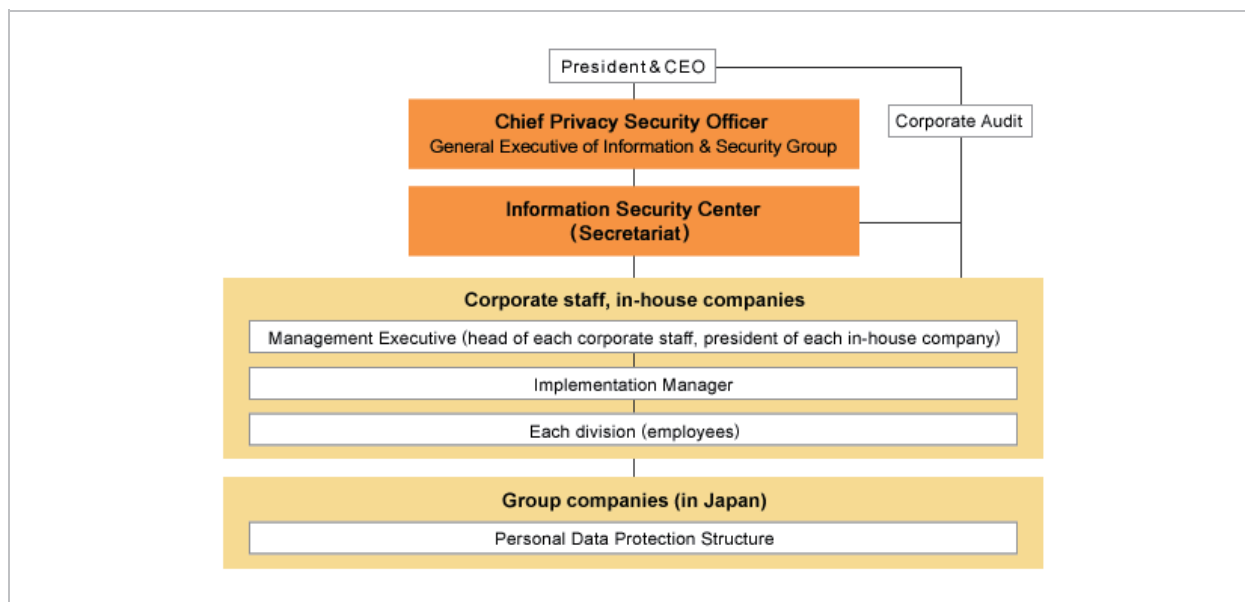
The Chief Information Security Officer periodically convenes meetings of the Corporate Information Security Committee to engage in deliberations necessary for reliable implementation of Company-wide information security. The head of the Information Security Center, apart from assuming a Secretariat of the Corporate Information Security Committee, assists the Chief Information Security Officer, and formulates and implements policies and measures to ensure that internal regulations related to information security are implemented smoothly, efficiently, and reliably.

The CRO (Chief Risk-Compliance Management Officer) and the head of the Information Systems division, Legal Affairs division, Human Resources division, Intellectual Property division, and other concerned divisions serve as committee members and are responsible for matters necessary for thorough implementation of information security in the business processes under their control.

At the Toshiba in-house companies, the company presidents serve as Information Security Management Executives and bear full responsibility for managing information security at their respective companies. The Information Security Management Executives appoint Information Security Implementation Managers who are responsible for operation of the information security management system.

At the in-house companies, the company presidents serve as Information Security Management Executive, bearing full responsibility for information security at their respective companies. The Information Security Management Executive appoints Information Security Implementation Managers who are responsible for operation of the information security management system.

The Information Security Management Executives provide guidance and assistance to the group companies under their control to ensure that they implement information security of a level equivalent to that of Toshiba.



## Information Security Checks and Audits

Toshiba, with its wide portfolio of businesses, considers the autonomous implementation of PDCA (Plan-Do-Check-Action) cycle by each business or division to be vital for ensuring information security of the company. With this in view, every divisions conduct an annual self-audits in terms of compliance with internal rules, for the purpose of formulating their own improvement plan.

Toshiba Information Security Center evaluates the results of these self-audits and the related improvement activities, provides guidance and assistance where necessary and reports the status to the Chief Information Security Officer.

In addition, these self-audits are applied throughout Toshiba Group worldwide. In addition to Toshiba Corporation, all Group companies conduct self-audit to improve the level of information security every year.

Furthermore, particularly those business units which handle important and confidential information have acquired ISMS (Information Security Management System) Certification. As of April 2013, 22 companies (25 divisions) including Toshiba Corp. have acquired the certification.

## Information Security Measures

Toshiba Group implements information security measures from four perspectives (see the table below). The Information Security Center incorporates these measures into regulations and guidelines and makes them fully known to all Toshiba Group companies through notices and briefings.

### Implementation of Information Security Measures from Four Perspectives

Category	Description
(1) Organizational measures: Establish an organizational structure and rules	<ul style="list-style-type: none"> <li>■ Periodic reviews of information security-related regulations</li> <li>■ Development and maintenance of structure</li> <li>■ Implementation of audits, etc.</li> </ul>
(2) Personal and legal measures: Ensure adherence to rules	<ul style="list-style-type: none"> <li>■ Regulation of information protection duties and disciplinary measures for breach of duties in rules of employment</li> <li>■ Provision of periodic employee education and training</li> <li>■ Contractor information security evaluation and conclusion of confidentiality agreements, etc.</li> </ul>
(3) Physical measures: Support implementation of rules in terms of physical security	<ul style="list-style-type: none"> <li>■ Carry-in/carry-out control of information devices</li> <li>■ Facility access control, room / facility entry control</li> <li>■ Locking of highly important information , etc.</li> </ul>
(4) Technical measures: Support implementation of rules in terms of technology	<ul style="list-style-type: none"> <li>■ Virus protection and hard disk encryption</li> <li>■ Application of security patches</li> <li>■ Appropriate management of network firewalls, etc.</li> </ul>

Especially on the Technical measures, in order to prevent cyber attacks and other forms of unauthorized access from the outside, which become increasingly sophisticated each year, as well as to avoid exposure of information, Toshiba Group is implementing effective measures to protect server data released to the public. We are also working to strengthen the monitoring of internal systems and to implement protection systems to enable us to take quick action in the event of a virus infection.

## Providing yearly education on information security

Toshiba Group provides education on information security and the protection of personal data to all employees on an annual basis to ensure adherence with internal rules. In FY2012, nearly 180,000 Toshiba Group employees, including some 30,000 from Toshiba, received such education through e-learning and other educational programs.

In addition to the periodic education, Toshiba provides specialized courses to relevant security implementation staff members. A total of 91 staff members had received such education in FY2012. Also, introductory education on information security is provided to newly hired employees, and in FY2012, all new employees attended an orientation on information security.

## Confidential Information Protection Policy

Toshiba has established regulations concerning information security and appropriately ensures protection of confidential information. With the November 2005 revision to the Unfair Competition Prevention Act, Toshiba revised and reinforced its regulations which enforced the appropriate management of information and confidential customer information obtained from contracts and prohibition of the mixing of information of other companies with that of Toshiba.

In order to ensure adherence to these regulations, in FY2006, Toshiba obtained from all employees written confidentiality pledge at the time of information security education and has subsequently obtained the same from newly hired employees.

## Confidential Information Protection Framework

### Confidential Information Protection Framework

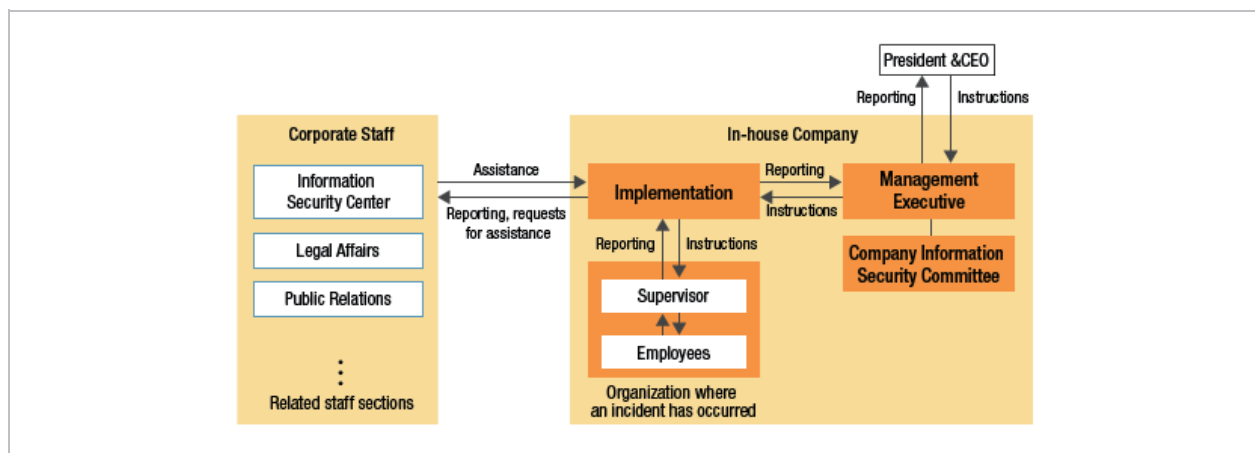
Toshiba has developed an information security management framework, designated information security roles and responsibilities, and operates the framework in accordance with regulations.

In the information security regulations, Toshiba has stipulated Information Owner Section, which develops information or obtains information from third parties under duty of confidentiality or duty of care. The Head of Information Owner Section plays an important role in the protection of confidential information by evaluating the importance of information in terms of confidentiality, integrity, and availability; decides methods of handling information; etc.

### Response to Incidents Such as Leakage of Confidential Information

In the event an information security incident such as the leakage of confidential information occurs, Toshiba responds promptly in accordance with the information security incident reporting structure.

#### Information Security Incident Reporting Structure



When an employee becomes aware of the occurrence or potential occurrence of an incident involving the leakage of corporate information, the employee promptly reports to the Implementation Manager. The Implementation Manager, upon receipt of such report, devises necessary measures, such as an investigation into the cause and consideration of actions to prevent recurrence. In the case of the occurrence or potential occurrence of a serious leakage of confidential information that may be a violation of laws or ordinances, Toshiba implements measures in accordance with the applicable law or ordinance, such as disclosure, following discussion among the related corporate staff divisions.

## Incidents Related to Confidential Information

In FY2012, no incident related to leakage of information possessed by Toshiba occurred. We will further reinforce our efforts to prevent information security-related incidents.

CSR Performance: Fair Operating Practices

## Protection of Personal Information

### Major Progress and Achievements in FY2012

- Renewed the Privacy Mark certification after undergoing the seventh renewal assessment, the most for any company in the electronics industry.

## Personal Data Protection Policy

Toshiba protects personal data obtained from its stakeholders in the course of business activities appropriately, recognizing that personal data is an important asset of each stakeholder and also an important asset for Toshiba, leading to creation of new value.

Toshiba was quick to recognize the importance of protection of personal data, and in 2000 established the Toshiba Personal Data Program based on JIS Q 15001, management system standard in Japan, and in 2001 obtained the Privacy Mark certification. Toshiba strives for continual improvement on management system and accordingly, renewed the Privacy Mark certification after undergoing the sixth renewal assessment in April 2011.



Purpose of Personal Information Use

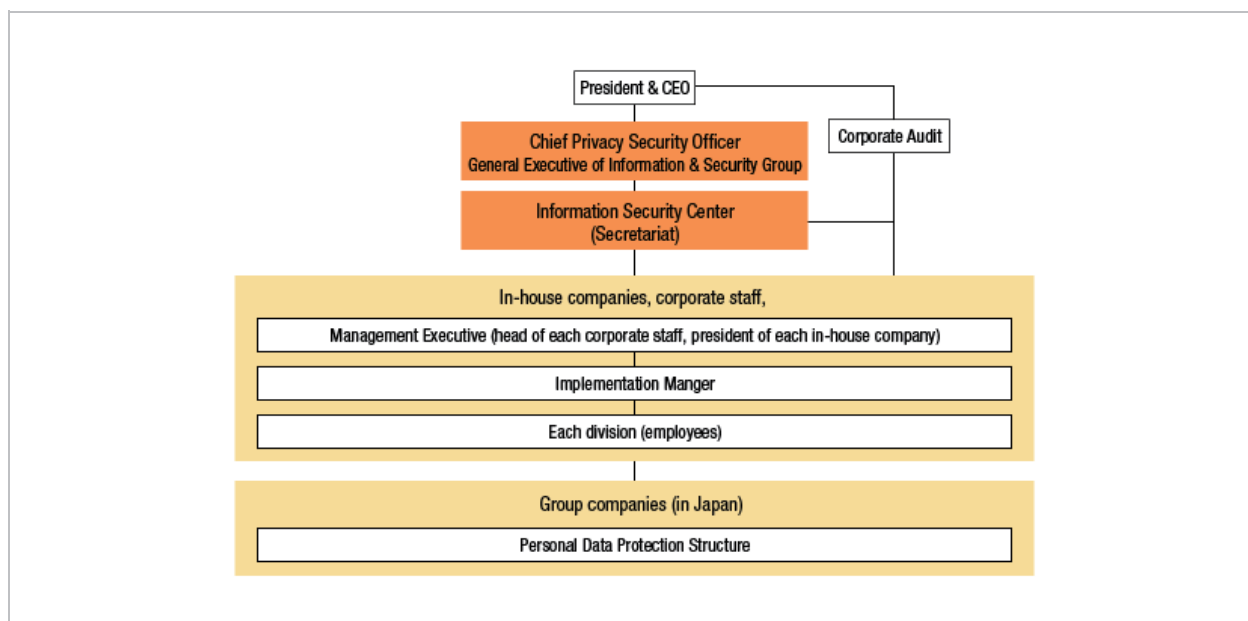
## Personal Data Protection Framework

In May 2000, Toshiba established internal regulations and developed a personal data protection framework with the aim of acquiring the Privacy Mark. The General Executive of Information & Security Group serves as Toshiba's Chief Privacy Officer. The secretariat provides assistance to the Chief Privacy Security Officer with the implementation of personal data protection policies and measures.

With respect to internal organizations, president of each in-house company and the head of each corporate staff division, bears the responsibility for personal data protection at their respective divisions as personal data protection Management Executive. Each division establishes a framework in which the head of the general affairs section serves as the personal data protection Implementation Manager and the persons in charge of planning and information systems serve as Assistant Implementation Managers and implements personal data protection.

In accordance with the Act on the Protection of Personal Information, which went into full effect in April 2005, group companies in Japan have developed similar structure and implemented personal data protection. Toshiba group companies outside Japan implement personal data protection based on the legal system of the countries where these companies located in.

### The Toshiba Group Personal Data Protection Structure



## Response to Incidents such as Leakage of Personal Data

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As a countermeasure for any eventuality related to personal data, Toshiba Group has put in place a system for dealing swiftly and ensuring data disclosure.

In the event that an incident occurs, Toshiba responds in accordance with internal procedures. In the event a leakage of personal data or a situation that poses the risk of leakage occurs, the Implementation Manager of each division communicates and reports to the Information Security Center.

Upon receiving the report, the Information Security Center, in accordance with relevant laws, ordinances, and ministerial guidelines, consults with the Planning and Compliance Group and other divisions involved, to reach upon a conclusion after considering the possibility of infringement of the rights and interests of the affected parties.

## Personal Data Protection and Management Checks and Audits

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Toshiba Group considers the autonomous implementation of a plan-do-check-action (PDCA) cycle to be a reliable means for appropriate management of personal data and confidential data. In view of this, each division conducts a self-audit regarding personal data protection. Based on the internal checklist for information security and personal data protection, each division performs a self-audit to identify discrepancies and implements necessary measures to rectify them.

Personal data protection is also a compliance item in the management audit conducted by the Corporate Audit Division at each division.

As Privacy Mark certification is an effective approach for guaranteeing the effectiveness of personal data protection, as of April 2013 a total of 23 companies have obtained Privacy Mark certification, including Toshiba and group companies including those that handle large volumes of customer personal data, as contractors.

## Incidents Related to Personal Data

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In FY2012, no incident related to leakage of personal data managed by Toshiba Group in Japan occurred. We will further reinforce our efforts to prevent incidents related to personal data protection.

## Personal Data Protection and Management Education

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Toshiba provides yearly education concerning personal data protection along with information security education to executive officers and both regular and temporary employees. In FY2012, Toshiba further enhanced the awareness of employees by providing education on careful handling of personal data and its protection.

## Protection of Customer Personal Data

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Toshiba clearly states the purpose while using customer personal data and, in principle, obtains direct personal data based on the consent of customers and other individuals.

Essentially, the personal information obtained includes basic personal data such as name, address, telephone number and email address. The main purposes for the use of personal data available with Toshiba are mentioned in our website.

Toshiba appropriately handles personal data in accordance with internal regulations and rigorously controls personal data using a framework integrated with the information security management structure.

Furthermore, personal data of shareholders, entrusted to a trust bank dealing with shareholder affairs, is also strictly managed.

## Protection of Employee Personal Data

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Toshiba obtains and uses employee personal data after first obtaining consent for the purpose of use. The Human Resources and Administration Division plays a central role in rigorously managing employee personal data.

Personal data of job seekers is appropriately protected by using such data only within the scope of the purpose of use for which consent is secured.

## Personal Data Management at Contractors

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When Toshiba contracts the handling of personal data to an outside contractor, in accordance with Toshiba's Information Security Evaluation Criteria it selects an appropriate contractor such as a company that has acquired Privacy Mark certification. In addition to the regular contractor agreement entered into with selected contractors, Toshiba concludes a memorandum concerning personal data protection or obligates the contractor to submit a written pledge concerning personal data protection. Toshiba periodically confirms the state of personal data handling at contractors through on-site audits, etc.

## Policy on Intellectual Property Protection

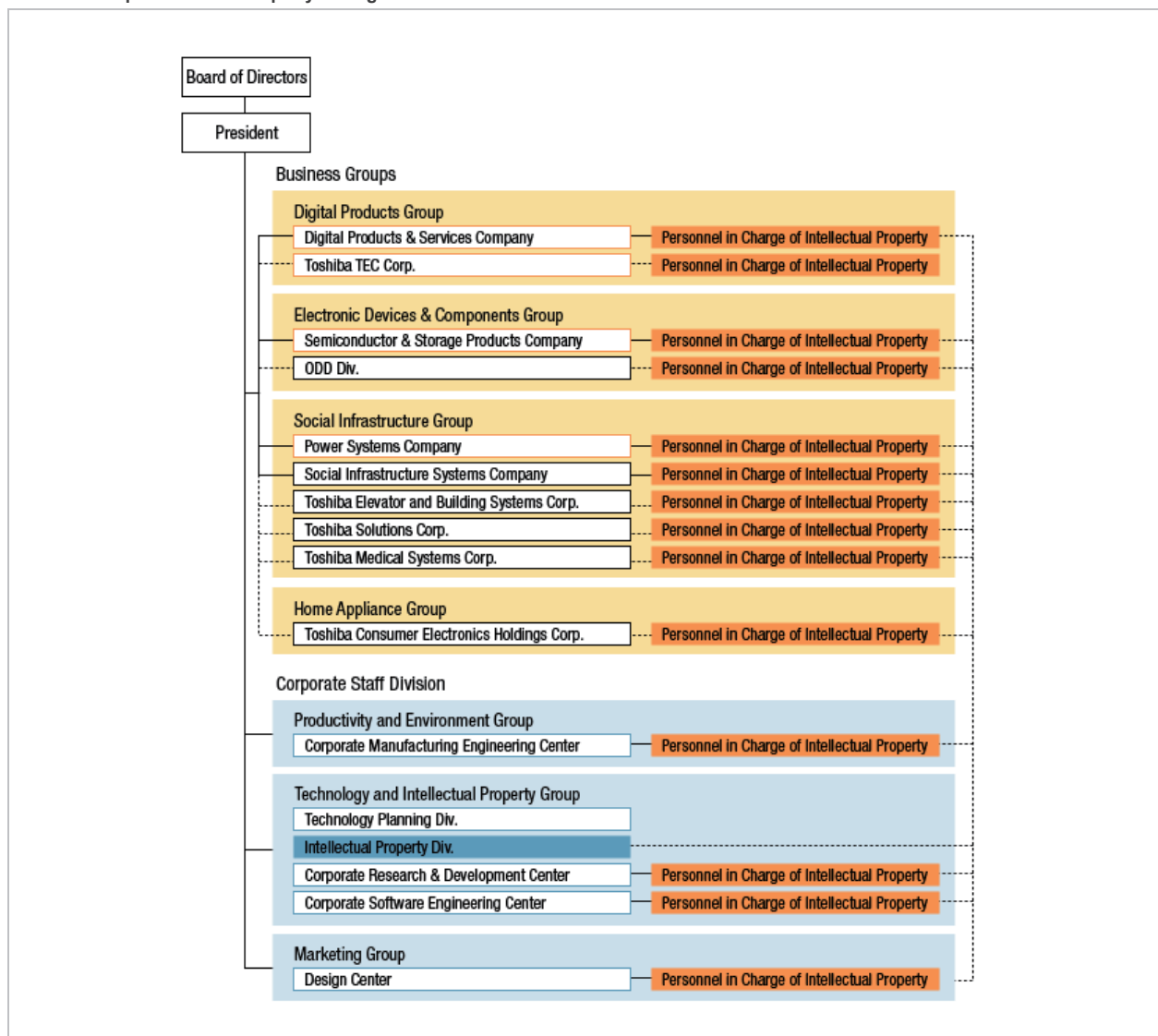
Toshiba Group's policy on intellectual property rights is to observe laws and regulations associated with them, to protect the results of intellectual activities with the rights and make extensive use of those rights, and to respect the legitimate intellectual property rights of third parties. This policy is stipulated in the Toshiba Group Standards of Conduct.

As part of this policy, for example, we are working with the regulatory authorities of each country to eliminate counterfeit products that damage the Toshiba brand.

## Toshiba Group Intellectual Property Management Structure

At Toshiba, the Intellectual Property Division, a corporate staff division, is responsible for the protection of intellectual property rights. In-house companies and key group companies also establish their own organizations responsible for intellectual property protection.

### Toshiba Group Intellectual Property Management Structure



## Intellectual Property Protection Checks and Audits

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In the course of business, we are likely to be at risk of infringing the intellectual property rights of third parties or facing lawsuits for violating their patents. To reduce or eliminate such risk, Toshiba investigates third party patents and other intellectual property rights related to its business in advance before developing new businesses and implements the necessary measures to avoid any infringement of third party rights.

Also, In order to prevent unauthorized use of copyrighted software, we conduct periodic surveys on appropriate software management in Toshiba and its Group companies worldwide.

## Intellectual Property Protection Education

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With the widespread use of the Internet, opportunities to browse through third-party copyrighted works have been increasing, enabling anybody to easily copy others' works such as computer software. Under these circumstances, there is an increasing need to prevent the unauthorized use of copyrighted works. In view of this, we conduct education of top executives and employees at Toshiba and its Group companies worldwide.

## Measures against Counterfeit Products

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Failure to take action against counterfeits of Toshiba products would pose not only the risk of damage to Toshiba's brand value and public confidence, but also the risk of purchasing counterfeit products that do not meet the quality expectations of customers who mistake them for genuine products.

Accordingly, to ensure that customers can purchase Toshiba products with confidence and peace of mind, we are striving to eliminate such counterfeit products that infringe Toshiba's intellectual property rights, in cooperation with public agencies. In the event that counterfeit products are discovered in the overseas market, we will take constructive and systematic countermeasures by directly visiting the local government official in order to exchange opinions about necessary measures. In China, the "TOSHIBA" and "Toshiba" (in Chinese characters) have been recognized as well-known trademarks. In recent years, various counterfeit products have been discovered and skillful counterfeiting cases are increasing. By utilizing the "well-known trademark" recognition, we will continue reinforcing preventive measures to achieve a fundamental solution to the problem of counterfeits products, which is expected to become larger and more complex in the future.

## Disputes, Litigation, and Judicial Decisions Related to Intellectual Property

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As of June 30, 2013, there are no matters related to intellectual property rights that correspond to operational risks recorded in the annual securities report.

CSR Performance: Customers (Consumer Issues)

## Quality Control

### Major Progress and Achievements in FY2012

- ✓ Toshiba placed first in the Quality Management Level Research by the Union of Japanese Scientists and Engineers.

## Quality Control Policy

Based on Toshiba Group Quality Control Policy, we aim to provide our customers with safe and reliable products, services and systems, and we are working to ensure superior quality as perceived by our customers. By increasing our sensitivity to potential risks and dealing with them swiftly, we strive to eliminate product accidents and provide unrivaled customer satisfaction.

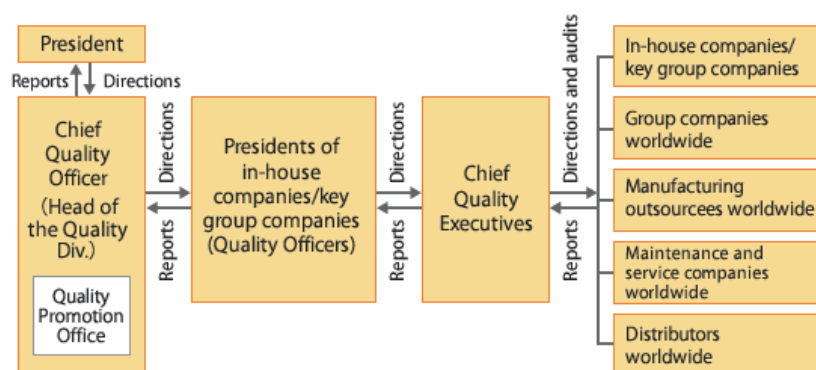
### Toshiba Group's Basic Policy on Product Assurance: Standards of Conduct

1. We engage in quality assurance from the customers' point of view.
2. We observe relevant laws and contracts and respect the rights of customers and third parties.
3. We maintain quality systems aimed at achieving 100% quality.
4. We ensure that all of our departments and all of our employees act on this Quality Control Policy.
5. We aim for essential improvement by investigating the root causes of process failures.

## Quality Promotion Structure

Under the global quality control structure, the Chief Quality Officer is responsible for quality control throughout the Group, while Chief Quality Executives are in charge of quality control within in-house companies and key group companies. The Chief Quality Officer convenes periodic meetings to develop policies and discuss quality control measures with the Chief Quality Executives who are responsible for providing guidance and conducting audits of factories, suppliers, maintenance and service companies and manufacturing outsourcers worldwide to enhance the quality level throughout product life cycles, from development and production through to final disposal.

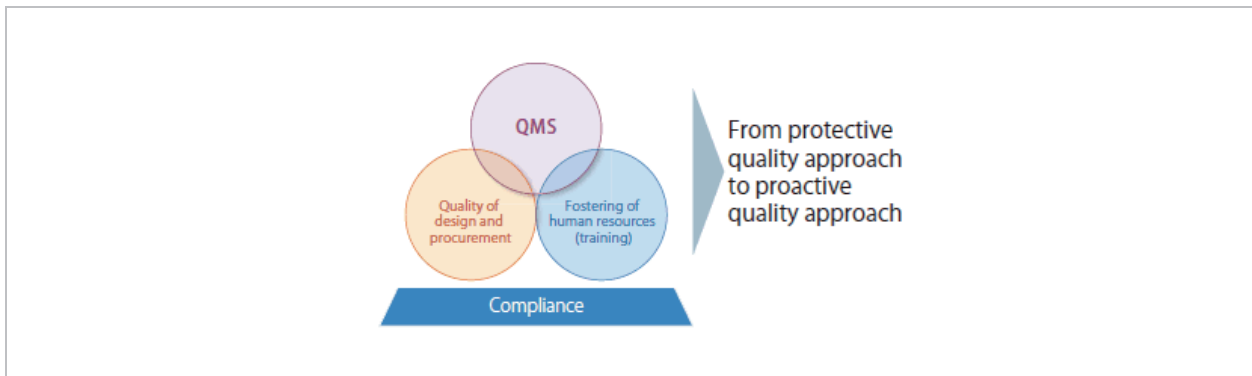
### Quality Promotion Structure



## Promoting initiatives aimed at enhancing capabilities to ensure product quality

Toshiba Group is working to enhance its capabilities to ensure quality by adopting a proactive approach to quality rather than the conventional protective one. Of the four main pillars of quality listed below for promoting initiatives, we focus on improving the Quality Management System (QMS), not simply obtaining ISO 9001 certification but also improving the system by means of raising the quality of design and procurement, the root cause of losses, as well as by enhancing the training of personnel who can support the development of the system. Compliance is the foundation for all these activities.

### Four pillars to enhance quality capabilities



In order to enhance our capabilities to ensure product quality, Toshiba Group is promoting failure mode and effects analysis (FMEA) mainly for design work as one of our Design for Quality (DFQ) initiatives for ensuring high quality design. To further reinforce FMEA activities, we formed a working group to exchange information obtained from these activities and trained instructors to make FMEA an integral part of all four of our business domains, thus preventing product defects starting from upstream processes.

## Training personnel in charge of quality assurance

We established the Toshiba Quality Training System to foster personnel who can contribute to quality improvement at all concerned divisions. We develop and promote education programs to improve awareness on quality management depending upon the requirements of each division, as well as to improve skills on reliability techniques and quality control methods.

In order to foster personnel that are capable of taking charge of quality assurance, we develop and implement 22 quality training programs for employees in all divisions related to product life cycles on methods of analyzing the causes of product accidents and preventing them. In FY2012 a total of 1,354 employees participated in the training programs. We also provide compliance training and e-learning on the Electrical Appliance and Material Safety Law for approximately 103,000 Group employees and overseas subsidiary staff at a Group-wide level.

### Promoting local-based training programs in the key manufacturing base of China

The Toshiba China Academy of Toshiba China Co., Ltd. plays a central role in Toshiba Group in raising the skills of quality assurance personnel and improving the education system. In FY2011, in addition to existing training programs, “improvement of the quality of procurements,” and “quality innovations,” we implemented the following programs in which various cases were incorporated as training materials, “Quality awareness and quality risk management,” and “How to audit suppliers.” 307 employees participated in the training programs conducted in Dalian, Shanghai, Guangzhou, and other areas in 2012. We will continue our efforts to contribute to the improvement of quality levels in China.



Quality improvement training program at the Toshiba China Academy

## Strengthening the system to prevent reoccurrence of serious product accidents by sharing information within Toshiba Group

In 2011 we created the "Guidebook for Preventing Reoccurrence of Accidents," which is a compilation of accident cases that have occurred since 2004 in Toshiba Group. The Guidebook was distributed to division managers and meetings were held to explain the content to the persons in charge of quality issues in the Group in order to strengthen measures to prevent reoccurrence of accidents. In addition, the information was converted into an e-book for access by personnel in charge of quality and safety-related issues in the Company via the intranet. A serious accident not only signals an alarm for the quality and safety of products, but also can provide precious insight into product development and assessment. We will promote the system of sharing information within the Group and strive to prevent reoccurrence of product accidents.



Guidebook for Preventing Reoccurrence of Accidents

## Workplace Improvement and Quality Evaluation by Third Parties

In order to improve product quality, it is necessary to analyze factory processes and remove defective factors. In addition to the close examination, evaluation, and testing of each process, Toshiba is strengthening its awareness of hidden problems and reviews them proactively so that it can detect latent risks and take measures swiftly even after product shipment, in response to the opinions of customers. We also actively participate in the Quality Management Level Research conducted by the Union of Japanese Scientists and Engineers (JUSE). In this research, quality management levels are evaluated from six perspectives: managers' commitment, quality training and human resources development, strengthening the foundations of quality management, daily management and improvement, development of new products, and response to customers and quality assurance. The companies surveyed are ranked in consideration of all the aforementioned aspects.

### Toshiba placed first in the Seventh JUSE Quality Management Level Research and was officially commended as an excellent company.

Toshiba placed first in the overall category in the Seventh JUSE (Union of Japanese Scientists and Engineers) Quality Management Level Research in FY2012.

In terms of "strengthening of the foundations of quality management," we were evaluated highly for our established system in which, as one measure to prevent the recurrence of similar quality problems, quality control managers and engineers were able to view 19 examples of problems that had occurred at Group companies via booklets and the company intranet. In the area of "development of new products," we were rated highly for our efforts to develop unique power generation and energy conservation technologies. Two specific examples are the development of predictive control technologies, which reduce the time required to activate thermal power generation turbines based on an appropriate analysis of market needs, and the "ENE-FARM", which can be operated continuously even in the event of a power failure.

\* Toshiba placed fourth in the Sixth JUSE Quality Management Level Research in FY2010.  
Reference website: Union of Japanese Scientists and Engineers' website (Quality Management Level Research)



Then Vice President Shozo Saito received a certificate of commendation from Dr. Hiroshi Osada, chairman of the screening committee.

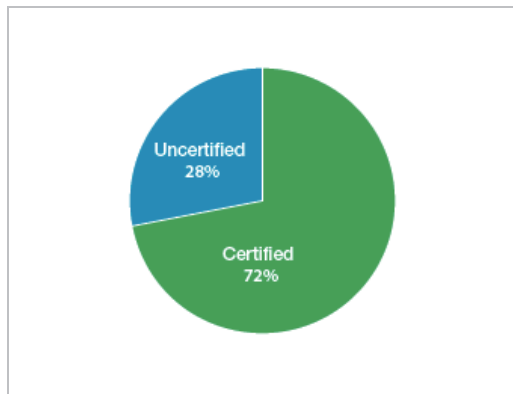


Excellent company award for quality management

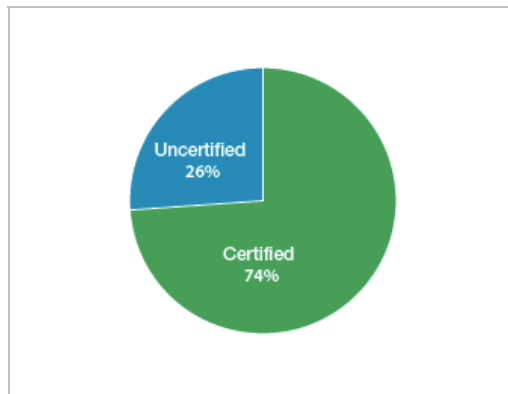
## Acquisition of ISO 9001:2000 Certification

Our product operation sites and Toshiba Group companies have put in place management systems for obtaining certification for the ISO 9000 family of standards for quality management systems.

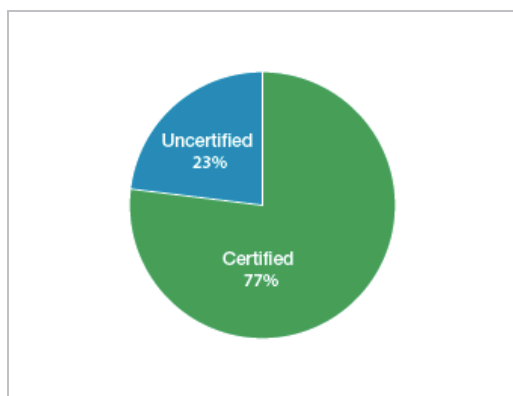
Toshiba Corporation



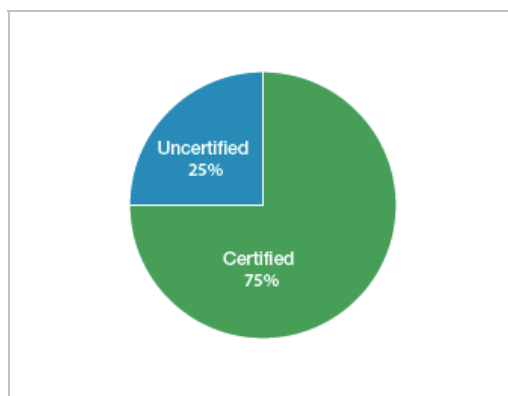
Toshiba Group (in Japan)



Toshiba Group (overseas subsidiaries)



Toshiba Group (in Japan and overseas subsidiaries)



Note1: Certification ratio = Number of employees of certified sites / Number of all employees

Note2: Data as of March, 2013

## Securing Cooperation from Suppliers to Ensure Quality

Suppliers are Toshiba Group's indispensable business partners and ensuring the quality of procurement items is being increasingly important. In order to ensure the quality of procurement items, we distribute TOSHIBA Quality Assurance Guidelines for Suppliers summarizing Toshiba Group's quality assurance policy and supplier expectations. Based on cooperation among procurement, quality assurance and engineering operations, Toshiba Group audits suppliers at appropriate intervals in view of the types and importance of the procurement items in order to ensure quality of procurement items.



Toshiba Quality Assurance Guidelines for Suppliers

## Maintaining Product Quality for Emerging Countries and Outsourced Products

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The development of new products for emerging markets continues to accelerate. In order to ensure stable product quality in each country and territory and thus prevent quality problems, Toshiba Group has prepared guidebooks on subjects such as product specifications, user environments, and country-specific problems while taking benchmarking against other companies' products into consideration. With the recent diversification in production methods, use of ODM (original design manufacturing ) in which manufacturing, including development and design, is outsourced to third party organizations and EMS (electronics manufacturing service) in which only production is outsourced, is increasing. Against this backdrop, we have put together a guidebook on matters to consider ensuring production quality and safety, important control and audit points, and various case studies, and we request contractors to follow them.



Emerging Country Quality Guidebook



Global Guidebook for the use of ODM/EMS

## Disclosure of Information on Quality

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In the event that incidents related to quality occur, information is disclosed on the Toshiba website in order to notify customers of such incidents as quickly as possible.

The Ministry of Economy, Trade and Industry (METI) has been announcing serious product accidents since the revised Consumer Product Safety Act came into force on May 14, 2007. On our website, Toshiba Group actively discloses all serious product accidents announced by METI, even those for which METI has not made public the name of the company because it has not yet been determined whether the accidents were caused by the use of products.

CSR Performance: Customers (Consumer Issues)

## Ensuring Product Safety

### Major Progress and Achievements in FY2012

- ▼ Commended by the Ministry of Economy, Trade and Industry as a company that excels in taking product safety measures.

## Basic Policy on Product Safety

Based on Toshiba Group Basic Policy on Product Safety, we are committed to eliminating product accidents. In order to ensure customer safety, we comply with the prevailing safety-related laws and regulations and proactively disclose full information to customers.

### Toshiba Group Basic Policy on Product Safety

1. We comply with the applicable laws and regulations on product safety in Japan and overseas.
2. We widely gather information on product safety incidents and disclose such information in a proactive manner.
3. We swiftly report product safety incidents to the competent authorities in accordance with laws and regulations.
4. In the event of a serious incident attributable to any of our products, we swiftly institute a product recall and notify customers without delay.
5. We issue alerts, as necessary, and employ warning labels to encourage safe use.
6. We thoroughly analyze the causes of any product safety incident and strive to prevent recurrence.

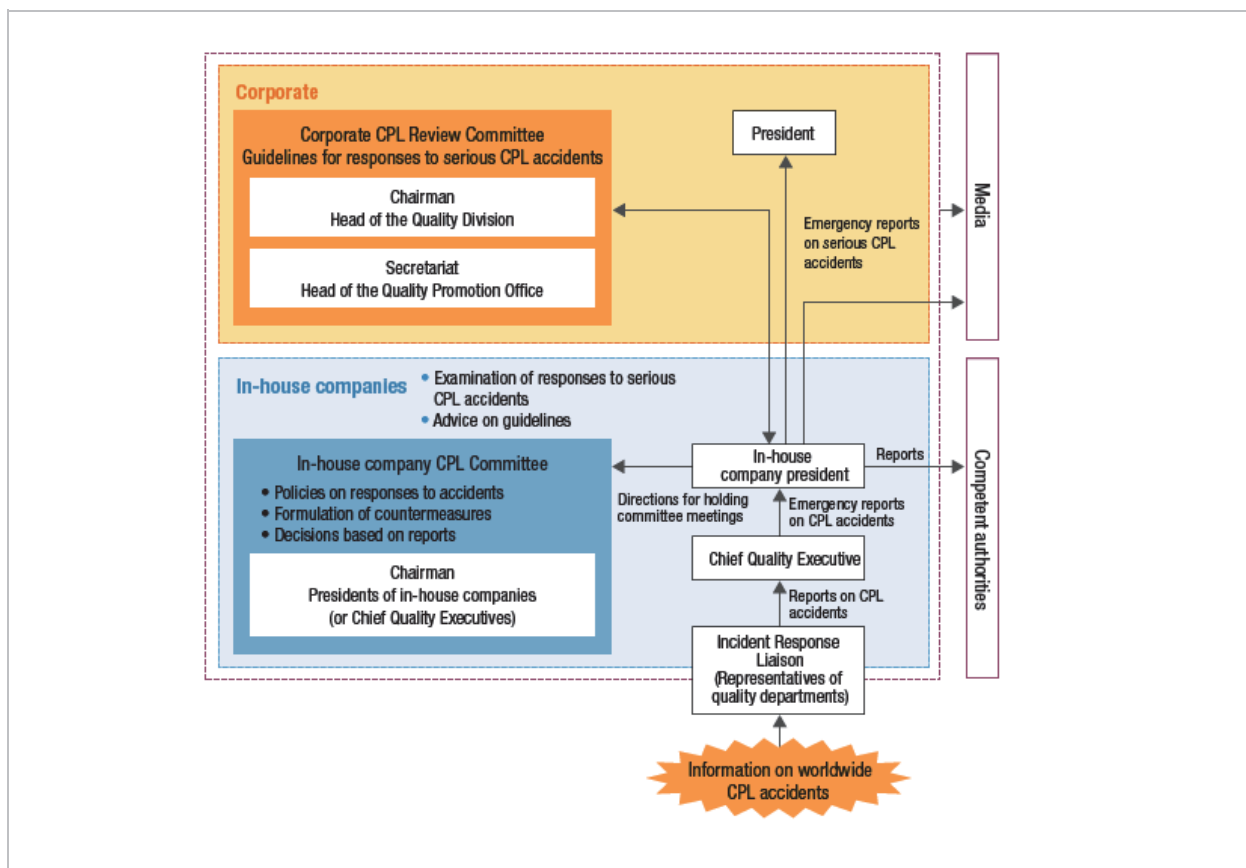
## Providing information on product accidents

An employee who becomes aware of information concerning a Toshiba product accident must alert the division(s) in charge of dealing with safety issues concerning the product in question. The CPL Committee,\* chaired by the President of the in-house company, then acts upon the matter. In the event of an accident attributable to a product that is likely to recur, we inform customers of the danger and request that they cease using such products, promptly report to the competent authorities, and establish countermeasures as soon as possible.

In FY2012, Toshiba disclosed a total of 47 accidents in the list of serious product accidents in our website: 20 cases that were suspected to have been caused by products, 25 cases the cause of which was unknown, and two cases in which it was determined that the accident had not been caused by the product (as of April 9, 2013).

Furthermore, we are developing an information system to enable swift communication with quality assurance divisions and top management regarding information on product accidents obtained by repair and service staff as well as on how such incidents are being handled by Toshiba.

\* CPL Committee: CPL is an abbreviation combining CL (contractual liability) and PL (product liability). The CPL Committee, chaired by a senior executive, promptly determines measures to deal with product accidents and quality issues.



## Strengthening the system to prevent reoccurrence of serious product accidents by sharing information within Toshiba Group

In 2011 we created the “Guidebook for Preventing Reoccurrence of Accidents,” which is a compilation of accident cases that have occurred since 2004 in Toshiba Group. The Guidebook was distributed to division managers and meetings were held to explain the content to the persons in charge of quality issues in the Group in order to strengthen measures to prevent reoccurrence of accidents. In addition, the information was converted into an e-book for access by personnel in charge of quality and safety-related issues in the Company via the intranet. A serious accident not only signals an alarm for the quality and safety of products, but also can provide precious insight into product development and assessment. We will promote the system of sharing information within the Group and strive to prevent reoccurrence of product accidents.



Guidebook for Preventing Reoccurrence of Accidents

## Response to long-term used product accidents

To ensure safety we have asked our long-term users of CRT TVs to conduct safety checks. For refrigerators, to prevent electric fires or smoke caused by long-term use and deterioration, we distributed flyers requesting customers to stop using products that had been used for more than 25 years since the purchase.

We also provide information on inspection and labeling system for long-term use products and also provide consultations.

## Measures to Building Safety Product Culture

Since FY2008, we particularly worked on reinforcing our management system for ensuring compliance with the Electrical Appliances and Material Safety Law in Japan (hereinafter “the Law”), since the Law has an important bearing on the Group’s products. The Chief Quality Executives and the person in charge of the Law initiated a revision of the internal regulations and created common audit items related to the Law for the entire Group. We also verified the business notification status and compatibilities of the technical standards based on the Law. Furthermore, education through e-learning was provided to all concerned employees in Japan and working overseas (approx. 103,000 in total participated in 2012)

### Toshiba Initiative: Promoting Product Safety Information Sharing

In Toshiba Group, the plans and results of product safety-related activities of in-house companies and key group companies are investigated and the information is shared by the Group. As part of the process, information is organized from the perspectives of "organization," "process," "technology," "human resources/ culture," and "information," and the results of activities in relation to the target are evaluated on a self-assessment basis.

To boost activities, in FY2011, the persons in charge of product safety issues in in-house companies and Group companies began holding meetings to exchange opinions and information. Even though products differ from person to person, they can learn much from each other by sharing views on product safety, thereby helping to improve product safety.

Such product safety exchange meetings were rated highly by third parties and cited by the Ministry of Economy, Trade and Industry as a reason for officially commending Toshiba as a company that excelled in taking product safety measures. In FY2012, we held such meetings four times.

## Safety Considerations Concerning Electromagnetic Waves

Toshiba Group is involved in standardization work of the International Electrotechnical Commission through the activities at the Japan Electrical Manufacturers' Association (JEMA) for home appliances and the activities at the Association of Radio Industries and Businesses (ARIB). These activities allow Toshiba Group to keep abreast of the latest information. We are adhering to the standards specified by these organizations to ensure safety concerning electromagnetic waves.

## Product Safety Evaluations by Third Parties

We ensure thorough compliance with the product safety-related rules and regulations throughout the Group and also conduct periodic audits. The Chief Quality Executive plays a central role in holding product safety-related events aimed at raising the safety awareness of employees and proactively discloses information on initiatives for product safety based on third-party evaluations.

**Example: Toshiba Group officially commended in FY2012 as an outstanding company that excelled in taking product safety measures. Toshiba received Director-General for Commerce, Distribution and Industrial Safety Policy Award in the METI Minister's Awards for Best Contributors to Product Safety**

In November 2012, Toshiba Group was officially commended by a Director-General for Commerce, Distribution and Industrial Safety Policy Award the Ministry of Economy, Trade and Industry as an outstanding company that excelled in taking product safety measures in the FY2012 6th METI Minister's Award for Best Contributions to Product Safety.



### Important Evaluation Points in the Screening Process

#### Initiative for ensuring sharing of product safety information among businesses

As different businesses are subject to different statutory limitations and product risks, Toshiba Group has set up a new series of meetings for exchanging product safety information in order to ensure that each business unit's effective methods for taking safety measures are shared with others. In this way, the Group works to better realize our safety initiatives.

#### Evaluation tests to prevent product defects

Toshiba Group strives to prevent product accidents by using both thermal fatigue simulations and multiple stress tests in our PC and TV development processes to predict product defects.

#### Establishing a product safety management system led by quality supervisors

By assigning to each business a quality supervisor responsible for overseeing quality and safety throughout product life cycles, Toshiba Group has built a product safety management system across our wide range of business sectors and simultaneously established closer cooperation among our business units.

**Example: Toshiba TEC Corp. officially commended in FY2009 as an outstanding company that excelled in taking product safety measures with a Minister of Economy, Trade and Industry award**

Group companies also develop their own programs for product safety. Toshiba TEC Corp. developed its product safety program with the aim of winning an award for its product safety measures from the Ministry of Economy, Trade and Industry and received a METI Minister's Award in the FY2009 in the METI Minister Awards for Best Contributors to Product Safety in the category of "large manufacturer and importers". We will continue to make challenges at Toshiba Group.



Toshiba TEC receiving the award from METI



CSR Performance: Customers (Consumer Issues)

## Information on Product Safety

### Major Progress and Achievements in FY2012

- Enhanced efforts to accelerate the collection of products subject to recall

## Policy on Information and Labeling Related to Products

### Accurate Product Information and Appropriate Advertising

Toshiba Group provides accurate product information and executes appropriate advertising in accordance with the Toshiba Group Standards of Conduct, the Code of Fair Competition for Home Appliances<sup>1</sup> and other policies.

Quality assurance organizations of in-house companies and affiliated companies monitor the safety standards of the countries where products are marketed and technical standards such as the UL Standards<sup>2</sup> and CE Marking<sup>3</sup> to ensure that their product labeling is in compliance with the relevant standards.

- <sup>1</sup> Code of Fair Competition for Home Appliances: Authorized by Japan Fair Trade Commission in 1978 in accordance with the Act against Unjustifiable Premiums and Misleading Representations, implementation of this code is governed by the Home Electric Appliances Fair Trade Conference. The code specifies prohibition of misleading representations, matters requiring representation, standards for representation of certain matters, etc. The objective is to contribute to consumers' 'well-informed selection of products, prevent inducement of customers by means of unjustifiable premiums and misleading representations, and ensure fair competition.
- <sup>2</sup> UL Standards: Safety standards issued by Underwriters Laboratories Inc., a U.S. not-for-profit product-safety testing and certification organization. UL has developed standards for materials, products and facilities.
- <sup>3</sup> CE Marking: This mark indicates that the product bearing it is in compliance with safety standards of the European Union (EU). CE Marking is mandatory for certain types of products sold in the EU.

## Education on Product Information and Labeling

### Study Session on Advertising and Labeling

In March 2013, a study session jointly organized by Toshiba's Corporate Government & External Relation Division and Advertising Division was held among approximately 150 persons in charge of in-house companies and key group companies in order to reinforce compliance with the laws related to advertising and labeling.



Study session on advertising and labeling

## Disclosure of Product Safety and Quality Information

In the event of a defect or accident resulting from a Toshiba product or service, we promptly report the details to the competent authorities in accordance with prevailing laws and regulations. Also, in order to notify customers of such accidents as quickly as possible, depending upon the severity of damage or frequency of occurrence, we disclose product accident information to our customers via newspapers, websites, etc. Through our corporate website, we disclose information on accidents involving our products as posted on the website of the Consumer Affairs Agency. We also proactively disclose information concerning serious accidents, even when it is unclear whether such accidents are attributable to Toshiba products or not.

In addition, we allow accessibility through the use of mobile phones to information on the safety and quality of our products listed in the section of "Important Notices to Customers of Toshiba Products" on our corporate website (Japanese).

Also, we prepare flyers on products subject to recall that have particularly high risks of causing a fire, such as air conditioners, cleaners, drum-type washing machines, and compact fluorescent lights. When visiting customers for repairs or inspections, we check whether they have any defective products in order to recall our products more quickly.



Flyer showing products subject to recall (Japanese)

## Disclosure to Ensure Safe Use of Products

Although products are equipped with various safety features, they may not be sufficient to ensure complete safety if products are in use for very long periods of time or the operating environment or conditions are extreme. To ensure safe use of products, Toshiba Group describes correct handling of products in users' manuals and, if necessary, through alerts placed in newspapers and on the website, or communicated by means of leaflets, etc.

### Disclosure of information to Toshiba product users

#### How to reduce the power consumption of Toshiba products

Audiovisual/digital equipment and home appliances

#### How to have Toshiba products repaired and what to do during a power outage

Audiovisual/digital equipment and home appliances

#### Housing equipment

#### Systems, energy, and social infrastructure

#### How to prevent Toshiba products from toppling over

Audiovisual/digital equipment and home appliances

### Toshiba Initiative: Raising awareness to prevent incidents due to long-term use of household electrical appliances

In order to prevent accidents attributable to the deterioration of home appliances over long-term use, in April 2008, the METI promoted consumer awareness on this issue by distributing nationwide cautionary circulars. To further raise awareness on this issue, Toshiba Group distributes cautionary flyers during repair visits, publicizes information on its website and has put in place a call center\* to respond to inquiries from customers. In April 2009, the Consumer Product Safety Act was revised, and inspection and labeling system for long term use of products was enforced. While complying with the requirements under this system, Toshiba Group is also providing necessary information to the customers through its website as well as consultations through the call center\*.



Cautionary circulars

\* An inquiry center for providing guidance on the long-term use of home appliances

### Toshiba Initiative: Education on the proper way of using elevator and escalator

Toshiba Elevator and Building Systems Corp. organizes nationwide safety campaigns to provide instructions concerning the correct use of elevators and escalators, mainly to children in kindergartens and elementary schools. This event has been continuing for over the last 30 years, thanks to the cooperation of local communities, including the children and guardians who participated in such events.

Recently, the number of participants has been growing, owing to the growing concern in the safety of elevators and escalators. In FY2012, the campaigns were held nationwide with the total of 1,259 children and their guardians' participation. We also held a safety campaign to demonstrate how to respond in a situation in an elevator during an earthquake or power failure. Furthermore, the Company have provided animated version of DVD as an educational tool to demonstrate the correct way of using elevators and escalators as an appendix to children's magazine "Mebae", which was distributed to 270,000 households. In FY2012, Toshiba Elevator and Building Systems Corp. nominated as a candidate for an award at Corporate Citizenship Activity Shinagawa, an event organization organized by Shinagawa Ward, where its head office is located. The Company also promoted local resident-oriented activities, including making a presentation at a lecture session held by the Shinagawa Ward CSR Council.



Elevator / Escalator safety campaign at a kindergarten

**Toshiba Initiative: Toshiba Medical System Corp.**

In order to provide safe and reliable medical equipment to customers, Toshiba Medical System Corp. is promoting services through the development of remote maintenance system to permit the rapid collection of abnormal images and information related to malfunction directly from the site via state-of-the-art computer technology and network communication. This service, based on the theme of promptly rectifying the malfunction, rectifying the malfunction before the customer is aware of it and rectifying before the malfunction occurs, is available to customers in Japan. For overseas customers, through its website, the company offers guideline to operate the equipment as well as an e-learning center to enable customers to take lessons on maintenance of the equipment.

**Toshiba Initiative: Notices to ensure safe use of products**

To ensure safe use of household electrical appliances, Toshiba publishes notices on correct use with illustrations on its website.

Products: Refrigerator, Japanese-style electric heater, electric stove, electric blanket, rice cooker, etc.

**Toshiba Initiative: Seminars for consumers on electric appliances**

Toshiba assigns employees to serve as instructors at seminars for consumers held by consumer affairs bureaus to communicate accurate product information and advice on safe usage. During the seminars held 18 times in FY2012, over 400 consumers participated.

## **Compliance with Regulations on Advertising and Labeling**

In FY2012, as a result of our strict implementation of the Manufacturing Labeling Standards, there were no violations of the Act Against Unjustifiable Premiums and Misleading Representations among Toshiba Group companies.

- \* Manufacturer Labeling Standards: These standards were authorized in 1978 by the Japan Fair Trade Commission in accordance with the provisions of the Act Against Unjustifiable Premiums and Misleading Representations. In the home appliance industry, these standards are implemented by the Home Electric Appliances Fair Trade Conference. The Manufacturer Labeling Standards stipulate rules regarding the prohibition of false labeling, items necessary for labeling, and standards for labeling specific items. The standards aim to ensure fair competition by helping general consumers appropriately choose products and by preventing unfair means from being used to attract consumers.

CSR Performance: Customers (Consumer Issues)

## Enhancement of Customer Satisfaction

### Toshiba Group Customer Satisfaction Policy

Adhering to the Toshiba Group Customer Satisfaction Policy established in 2003, we aim to enhance customer satisfaction (CS) through the provision of safe and innovative products, systems and services as well as through communication with customers.

#### Toshiba Group Customer Satisfaction Policy

We make the voice of customers the starting point for all ideas and provide products, systems and services that deliver customer satisfaction.

1. We provide products, systems and services that are safe and reliable.
2. We respond to requests and inquiries from customers sincerely, rapidly and appropriately.
3. We value the voice of customers and endeavor to develop and improve products, systems and services to deliver customer satisfaction.
4. We provide appropriate information to customers.
5. We protect personal data provided by customers.

### CS Promotion Structure

Toshiba's CS promotion structure, established in 2003, was reorganized in 2007 by placing CS Promotion Manager under the CS Promotion Committee in order to accelerate implementation of initiatives designed to enhance customer satisfaction.

For cross-functional activities in accordance with the Toshiba Group Customer Satisfaction Policy, the following working groups (WGs) have been set up.

#### After-sales Service Enhancement WG

Members: After-sales service sections of Group companies in Japan

Activity: Implementation of measures to enhance the quality of after-sales services.

#### Contact Center Enhancement WG

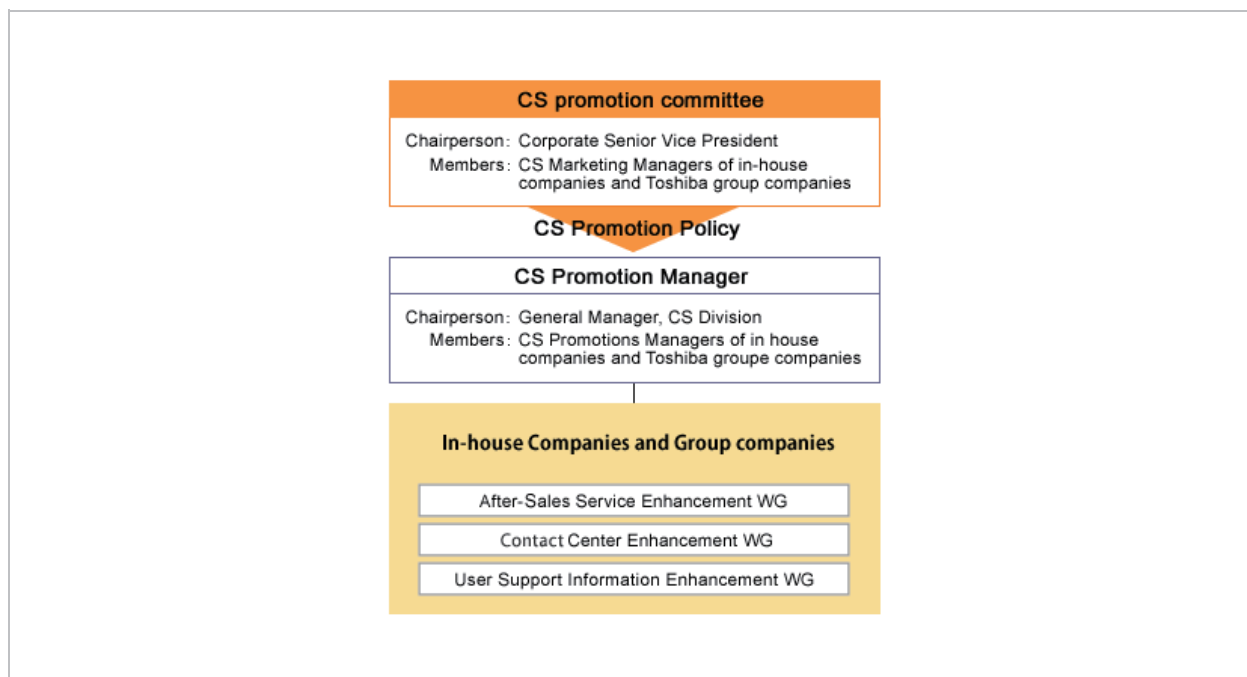
Members: Over 30 Contact centers of Group companies in Japan

Activity: Implementation of measures to enhance the quality of Contact Center services.

#### Activity: Implementation of measures to enhance the quality of Contact Center services.

Members: Corporate staff divisions and divisions of in-house and Group companies responsible for providing product information

Activity: Promoting enhancement of information for user support (product and service information on user manuals and websites) based on the VOC survey



## Customer Satisfaction (CS) Survey

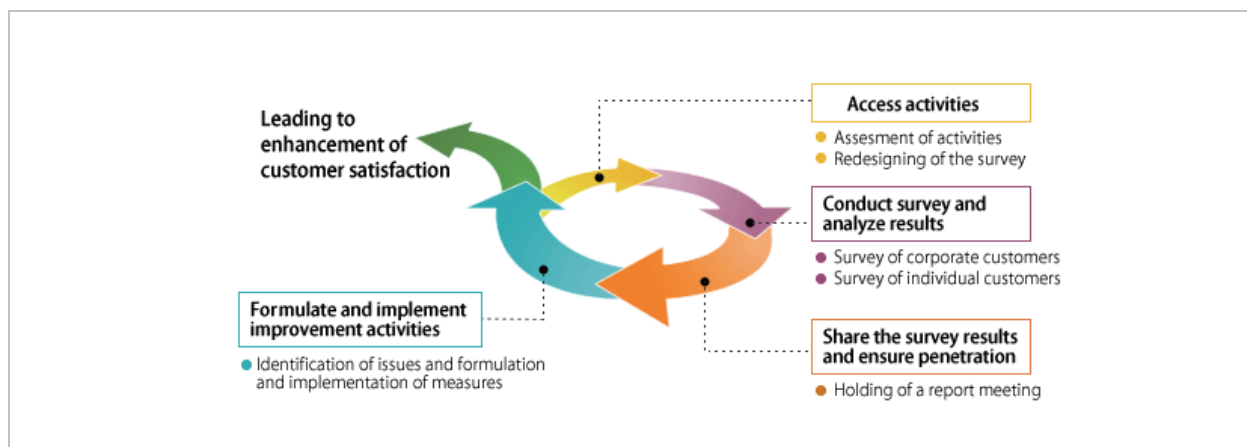
Toshiba Group conducts a CS survey (also called Voice of Customer survey) for implementation of a PDCA (Plan-Do-Check-Act) cycle for continuous improvement of customer satisfaction.

Since FY2005, the CS survey has been conducted Group-wide, covering individual and corporate customers to find out their views on Toshiba Group's products, prices, repair services, etc. The findings are shared among the personnel concerned, including senior executives, and executed in activities to enhance CS.

### Reinforcement of Efforts

In order to further enhance customer satisfaction, Toshiba Group strives to reinforce the efforts to effectively utilize the voice of customers.

#### Toshiba Group's CS Promotion Cycle



### Conduct surveys and analyze the results

Based on the periodic survey conducted every year, the positioning of Toshiba against other competitors as well as changes in VOC are constantly examined, and strategies and measures for improvement are formulated. (Surveys have been conducted eight times as of June 2013.)

To develop strategies suited to the needs of emerging economies, we have enhanced our surveys of individual customers in developing countries since 2011 in order to develop products and sales strategies that meet local needs.

### Share the survey results and ensure penetration

Chief Business, Marketing and Technology Executives gather to share the survey results in their department and to ensure that the voice of customers is widely and thoroughly penetrated.

For issues which are common to the entire Group, a cross-functional project is set up to implement the improvement activities.

### Formulate and implement improvement activities

Survey of Corporate Customers: For customers providing continuous and strict feedback, improvement measures are formulated without fail. From onward, the structure will be further reinforced to achieve improvement activities.

Survey of Individual Customers: Based on the voice of the customers who also use competitors' products, the strengths and weaknesses of Toshiba products can be analyzed to better understand the needs of the customers and help in product development.

### Assess activities

A self-assessment of the improvement measures of the past one year was conducted against the survey results. As a result, the issues appear highlighted so that more effective measures can be implemented.

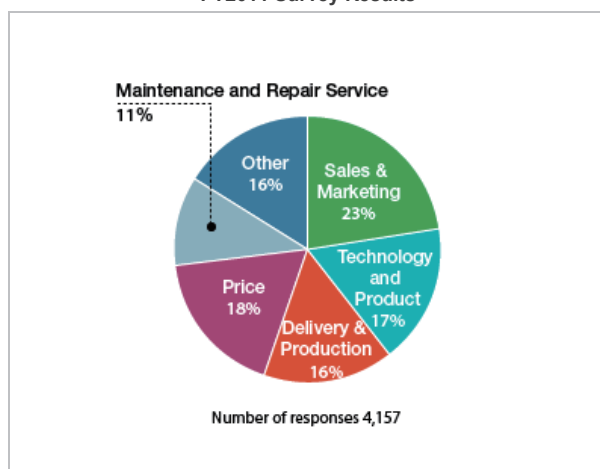
## CS Survey of Corporate Customers

Survey respondents	Corporate customers of Toshiba's products and services
Survey items	Evaluation of the degree of satisfaction with regard to Toshiba products, sales activities, and maintenance and repair services Other customer requests related to the above

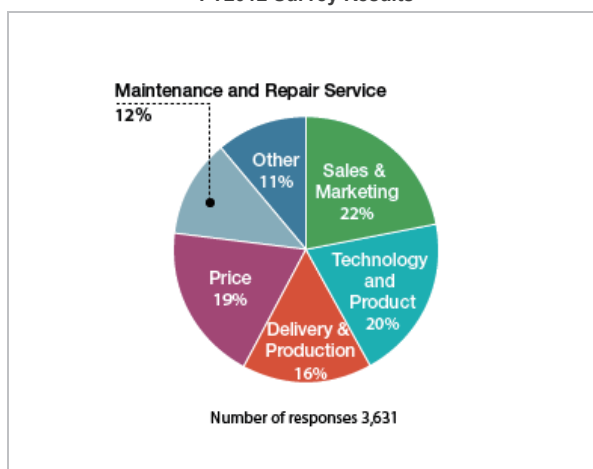
### Survey Results

In FY2012, we received responses from approximately 2,700 people representing over 850 corporate customers, and executed the results of response analysis to improve sales and marketing, products and services, as well as in better provision of information to customers. In addition, we received a total of 4,157 opinions and requests. As a result, a total of Group-wide improvements plans are being promoted upon analysis of such opinions and requests.

FY2011 Survey Results



FY2012 Survey Results



## Opinions and Requests

### Sales & Marketing

Request to provide proposals that meet our needs on timely manner  
Request to provide ground-breaking proposals for the future  
Desirable if sales people possess technical skills  
Desirable to have speedy information on new products and technological trends  
Request better coordination with technical and maintenance divisions  
Regular visits are desirable

### Technology & Product

Request that product development be specifically based on consumer needs  
Request to enhance proposals based on advanced technologies  
Request to further enhance product quality and reliability

### Delivery & Production

Desirable to speedily inform the delivery status of goods  
Request better coordination between the sales team and the production team

### Price

Desirable to provide an easy explanation of the basis of calculation of quotations  
Request that the costs include the running costs as well as the initial cost

### Maintenance & Repair Service

Request for improvements on service maintenance menu and other remediation in response to customer needs  
Desirable to eliminate the differences in technical levels  
Request for an easy explanation of the details of repair services

## Activities Based on the Survey Results

### Strengthen Providing Suggestions and Proposals

At Toshiba Semiconductor & Storage Products Company, we have established an expert organization within the company's sales division in order to strengthen our system proposal capabilities. This organization serves as a customer service desk and provides technical information and proposals. The new system enables us to enhance marketing functions and to make proposals regarding high value-added systems that coordinate across all product areas.

### Enhancement of Maintenance & Repair Service

Post-installation maintenance service is critically important in the social infrastructure business. In order to meet customers' various needs for maintenance services, all related divisions, including sales, engineering, quality, and customer service, are working together to make improvements.

### Reinforcement of the Structure for Executing Improvement Measures

At our transportation systems business unit, in order to strengthen CS activities, we share survey feedbacks not only with corporate divisions but also with Group companies in charge of maintenance and repair services, and with our distributors relevant to the business unit, having all of the concerned parties involved in the corrective action process. In FY2012, we shared the details of opinions and requests raised by the customers with our distributors.

### Reinforcement of the Structure for Executing Improvement Measures

At Toshiba Information Equipments Co., Ltd., since FY2012 we have significantly expanded the scope of surveys in order to reflect the opinions and requests of more customers in our services. All related divisions of the company share survey results in order to provide services that meet customers' needs in all areas of the PC and systems solution business.

### CS Survey of Individual Customers

Survey respondents	Individual customers who purchased Toshiba products Individual customers considering to purchase Toshiba products
Survey items	Evaluation of the degree of satisfaction with regard to Toshiba products and services General comments from customers

### Overseas CS Surveys

In an effort to make improvements based on VOC, Toshiba Group continuously conducts nationwide CS surveys (VOC surveys). In FY2012, we conducted VOC surveys on the use of home appliances and living conditions in several emerging economies. We received responses from approximately 200 households in metropolitan areas, from among which we chose 20 households to conduct personal interviews. Survey results are analyzed and shared among related divisions in Japan and overseas to develop product planning and sales promotion strategies. Related divisions will discuss the target countries and timing for future VOC surveys.

## Policy for Customer Information Protection

Toshiba clearly states the purpose while using customer personal data and, in principle, obtains direct personal data based on the consent of customers and other individuals. The majority of personal data is basic personal data essential for contacting customers or providing services, such as name, address, telephone number, and email address. The principal purposes of use of personal data with Toshiba are published on the following website.

Toshiba appropriately handles personal data in accordance with internal regulations and rigorously controls personal data using a framework integrated with the data security management structure.



Purpose of Personal  
Information Use

CSR Performance: Customers (Consumer Issues)  
**Customer Service and Support**

**Major Progress and Achievements in FY2012**

- ▼ Comprehensive manner training in order to improve customer satisfaction with after-sales services in emerging countries
- ▼ A facility training building for elevators and building facilities completed at the Fuchu Complex

**Policy on Customer Support**

In accordance with the Toshiba Group Standards of Conduct and Toshiba Group Customer Satisfaction Policy, Toshiba Group employees are committed to responding to requests and inquiries from customers sincerely, rapidly and appropriately. The basic approach, "Serve all customers with care," formed in 1999 underpins Toshiba Group's customer support.

**Revision of Rules and Manuals**

In line with the establishment of the JIS Q10002 management system for handling complaints, "Quality Management-Customer Satisfaction-Guidelines for Complaints Handling in Organizations," in June 2005, Toshiba revised its Customer Complaint Manual and the Basics of Dealing with Customers in April 2007, and has conducted business operations in accordance with the revised manual. We will continue to revise the manual, as needed, endeavoring to ensure inculcation of the revised manual by posting it on the intranet and conducting orientations.

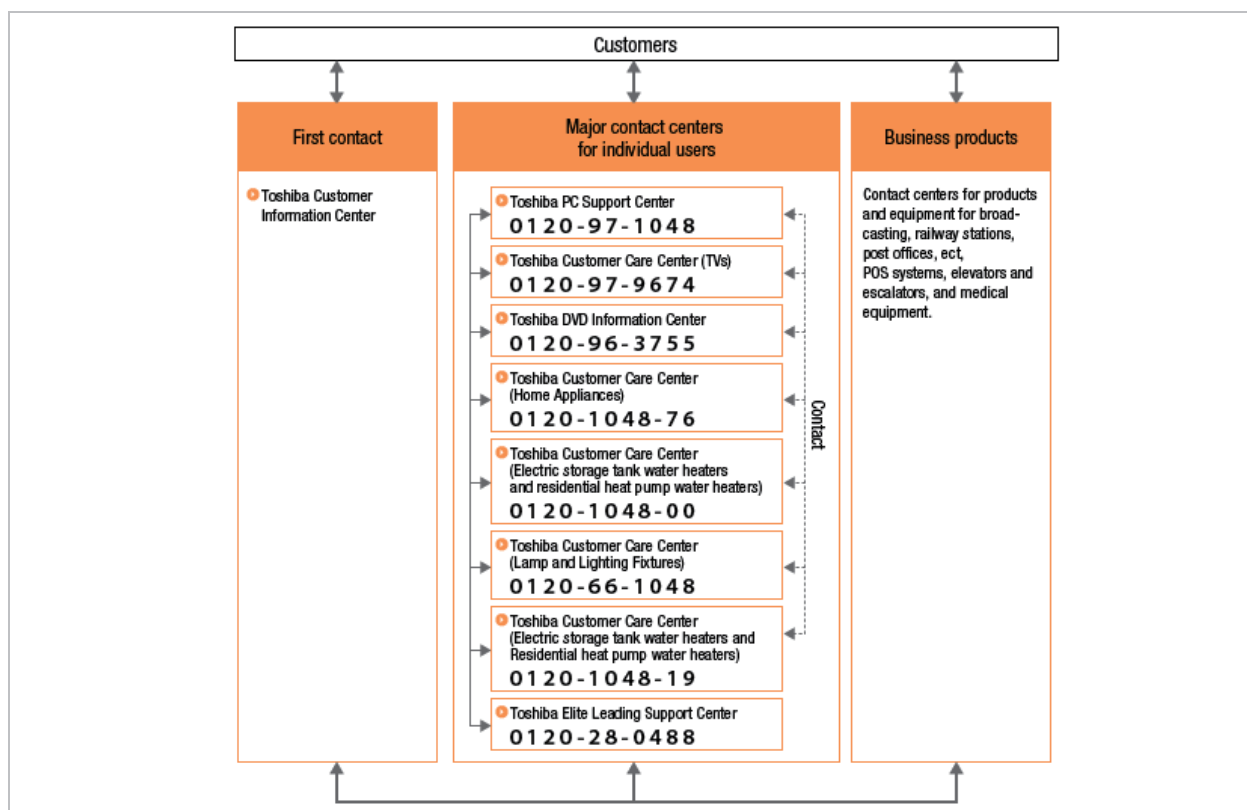
**Structure for Customer Support**

**Customer Support**

We have set up product-wise call centers in various countries. Each call center formulates its own targets for improving the quality of customer support.

The managers in charge of the contact centers in Japan meet regularly since FY2005 to exchange information on developing and implementing plans, including telephone response skill training, CS awareness surveys for contact center staff, and self-checks on response quality.

**Major Contact Centers for Individual Users**



## Structure for Repair and Service

Toshiba Group's structure for repair and service is organized according to products. We are working to enhance repair and service quality so that customers can use Toshiba products safely for a long time.

In Japan, Toshiba Group is working toward improving the quality of services. For the same, an "After service Enhancement Working Group" has been set up to share issues and develop improvement measures.

## Education and Training for Repair and Service Staff on Customer-oriented Service

Toshiba Group companies in charge of repairing home appliances, elevators, medical systems, POS systems, digital MFPs, and PCs have formed a working group to share information on problems and make improvements.

To facilitate the provision of services tailored to the needs of individual customers and companies, the working group established a sub-group called the Toshiba Group CS Service Committee, which has close ties with the local community.

In emerging countries, to improve customer satisfaction with after-sales services, we started providing education on customer-oriented service and etiquette training in FY2011. In FY2012, we conducted training in India, Singapore and China. In addition, with a view to improving the quality of operators' services at call centers, we formulated service quality standards for operation management. In China, we also prepared a Chinese translation of a pamphlet on service etiquette circulated in Japan, and distributed a total of 20,000 copies to six local subsidiaries and service agencies in China.



Joint training for field engineers in Japan



Customer satisfaction awareness training for service technicians in Vietnam



Business call center in India (TVs and PCs)



Customer-oriented service training for service engineers in India



Service manner pamphlet (Chinese language edition)



## Enhancement of Response and Support to Customers

### Initiatives for Handling Inquiries from Customers

Contact Center Enhancement working group develops and implement plans for Toshiba Group companies such as providing training on telephone response skills, conduct CS awareness surveys for contact center staff, and conduct self-checks on response quality. In addition, since FY2009, Toshiba Group Contact Center Awards is held every year.

In November 2012, we held the 4th Toshiba Group Contact Center Awards involving the participation of 28 operators in charge of customer services, selected from 21 contact centers. Through such events, we rewarded the efforts of skilled, customer-oriented operators and shared their skills and outstanding responses among the contact centers as a means to enhance overall quality.

### Prompt maintenance support and new services in Toshiba Elevator and Building Systems Corporation

On the day of the Great East Earthquake, the staff of Toshiba Elevator and Building Systems Corporation began visiting buildings in difficult circumstances due to major aftershocks and disruptions of public traffic and communication systems. The following day on March 12, the first group of employees and staff arrived in the Tohoku area. Staff from branches and offices, manufacturing sites, and business partners as well as technicians arrived from all over Japan by registered emergency vehicles via emergency access roads. The support staff have been working on the prompt recovery of affected elevators by utilizing an integrated system of design, manufacturing through maintenance service, and a nation-wide service network, and their efforts continue to this day. As part of the measures to prepare for post 3.11 aftershocks and scheduled blackouts due to exceeding demand for power, the Company also established an information service for "elevator operation information during earthquakes," in which information on the operation of elevators can be checked via computer when earthquakes occur, and a "service to stop elevator operation by remote control" that is free of charge from September 1, 2011 (Disaster Prevention Day in Japan). In response to the experiences gained from the Earthquake, Toshiba Group companies that provide aftersales services are currently working on revisions of disaster response manuals to improve our system to offer better services without interruption in the case of a disaster.

### Providing quick services after the Great East Japan Earthquake

As a result of the Great East Japan Earthquake, the Sendai service station of Toshiba Service & Engineering Co., Ltd., which is responsible for repairing home appliance products, had to suspend its operations mainly because its buildings were damaged. However, on March 22, eleven days after the disaster, the company resumed its operations on a full scale as the communication infrastructure returned to normal.

During this interval, its personnel continued to attend to repair requests at the contact center. In particular, there were many requests from affected people for repair of LCD TVs and water heaters, and at one time, the number of such requests rose to ten times as many as usual. In order to provide services quickly, a total of over 120 field engineers from the company nationwide were shifted to the Tohoku region for repair services. In addition, in cooperation with Toshiba Carrier Corporation, a temporary service station specializing in water heaters was set up in Sendai.

Despite the fact that some of the field engineers had also been affected by the earthquake, they promptly attended to repair requests, and this was greatly appreciated by many customers.

### Toshiba Medical Systems Corp.

Toshiba Medical Systems Corp. (TMSC) established a Customer Support and Training Center (CSTC) as a part of its efforts to improve customer services in February 2009 in headquarters, Japan. CSTC provides education and training for service engineers and user training worldwide in cooperation with its training center in Europe and training academy in the US. The inside of the CSTC has been built as a virtual hospital, with a training room for each product.

Also, training for image transfer using LAN is offered. In addition, for worldwide customers who are planning to purchase TMSC products, the center also offers practical training programs.



Service training for X-ray CT equipment



Customer Support and Training Center (Japan)

### Toshiba Initiative: Toshiba Service & Engineering Co., Ltd.

Toshiba Service & Engineering Co., Ltd., a provider of repair and maintenance services for home appliances in Japan, has been continually providing training to enhance technical skills. In addition, since 2006, the company has held annual training for enhancing the quality of response to customers for all service engineers, including those of partner companies nationwide, and in FY2012, about 2,000 participants including field engineers of partner companies and managerial staff attended such training. Every semester, the company has been implementing trainings under different topics to improve the quality of skills for customer satisfaction.

## Education and Training of Employees on Dealing with Customers

Understanding the importance of customer satisfaction is emphasized in Toshiba Group employee training on the skills necessary for dealing with customers.

In addition, we also provide a variety of manuals, including the Customer Service Manual and Collection of Telephone Responses to Customers, as well as raise employees' customer service awareness through employee briefings and publication of information on the company website.

## System to Facilitate Handling of Customer Inquiries and Claims

We have a database system to compile major customer inquiries and claims which we report to the concerned division and the top management.

We not only deal with customer inquiries and claims but also make efforts to prevent the recurrence such claims.

## Checks and Audits concerning Customer Support

Since 2005, self-audits of major call centers have been continuously performed once a year since FY2005 using the Contact Center Quality Checklist unique to Toshiba.

High priority items which have low implementation status are focused, and targets are set. Accordingly, measures for improvement are implemented, such as customer response skill training, monitoring, etc.

### Case Studies on Efforts to Improve Customer Support

#### Toshiba Initiative: Digital Products & Services Company

Digital Products & Services Company is expanding the scale of its contact center in line with the increasing number of users. The company provides easy-to-understand tutorial software for beginners along with the purchase of PCs. Also, video clips available on the website that show actual operation of a PC corresponding to frequently asked questions are being enhanced quantitatively and qualitatively. Furthermore, Toshiba PC support service uses remote support so that customers, who are PC novices, can be guided to operate the PC.

The Japanese product website "dynabook.com" for the notebook PC dynabook contains a special feature, namely, "Your dynabook.com" which displays only necessary information, such as product specifications and support information on the PC model connected to the internet. Also, the video manuals have been enhanced leading to high ratings from questionnaire survey firms.



Your dynabook.com (Japanese website)

#### Toshiba Initiative: Toshiba Home Appliances Corp. and Toshiba Consumer Marketing Corp.

Inquiries regarding the use of products account for the majority of inquiries on Toshiba's home appliance products. To meet users' needs, we are working to provide easier access to information on those products for which we frequently receive inquiries. To this end, we are improving the content of FAQs presented in product instructions and on our company websites so that users can obtain the necessary information more quickly and easily.

Also, in response to frequent inquiries regarding how to purchase cleaner parts (floor brushes, hoses, etc.), we started to sell cleaner parts on our e-commerce site (Toshiba Living Direct online shop) in FY2012.

**Toshiba Initiative: Toshiba Elevator and Building Systems Corp.**

Toshiba Elevator and Building Systems Corp. constructed a new facility training building on the site of the Toshiba Fuchu Complex. This new building, which also functions as a showroom, is designed for providing maintenance services for elevators and building facilities as well as for conducting engineer training in order to improve facility construction skills. The building is equipped with a high-rise elevator shaft for skills training on the maintenance of high-speed elevators. Such elevators have been increasing in number in recent years as increasingly taller buildings are erected. This facility training aims to ensure safety and comfort during high-speed elevator operation. In addition, the East Japan Service Information Center, which provides round-the-clock support services, including remote monitoring of Toshiba elevators and building facilities, relocated to this building and expanded its office in order to provide a variety of technologies designed to ensure security for customers. A maintenance support system that makes use of mobile phones is also available to facilitate speedy recovery from damage suffered due to an accident or large-scale earthquake.



Toshiba Elevator and Building Systems Corp. facility training building

**Toshiba Initiative: TOSHIBA TEC Solution Service Corp.**

TEC Engineering Corp., in charge of POS system maintenance, monitors networks around the clock throughout the year for customers with service contracts and provides support, remote maintenance, and failure recovery services.

In order to enhance the level of customer satisfaction, the company solicits customer opinions to understand customer needs and mobilizes them to improve the level of services as well as daily operations.



TOSHIBA TEC Solution Service Corp. Contact Center

CSR Performance: Customers (Consumer Issues)

## Sharing and Utilization of Voice of Customer

### Policy on Sharing and Utilization of Voice of Customer

The Toshiba Group Standards of Conduct and the Toshiba Group Customer Satisfaction Policy state that Toshiba values the voice of customer and strives to provide products, systems and services that deliver customer satisfaction.

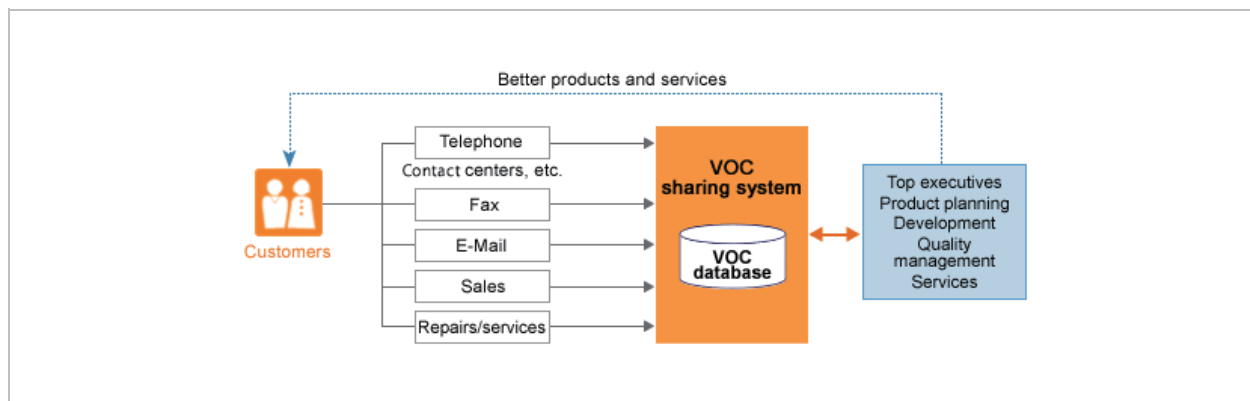
### Framework for Sharing and Utilization of Voice of Customer (VOC)

At Toshiba Group, all parties concerned, including top executives, share information on customers' complaints, opinions, and requests about our products and services received through our daily sales, repair, and service activities, and via telephone or the internet, in order to improve the quality of our products and repair services.

Based on frequent inquiries from customers about Toshiba Group's video and information devices and home appliances, we discuss how to make improvements for each product at periodic meetings held by divisions in charge of product design and development in order to have customer feedback reflected in our products.

### Improving products and services with VOC as the starting point of concept development

After the launch of new home electronic products, Toshiba Group collects VOC via its sales team, service personnel at contact centers, and the website. The VOC is analyzed and the results are shared with product planners, quality managers, and sales groups so as to use it effectively for product improvements. This mechanism has become an integral part of the Group's business operations. In overseas markets, Toshiba Group conducts VOC analysis and in-person visit surveys to identify the needs of customers in regions with various climates and customs. In FY2012, in Vietnam we visited customers' homes in Hanoi and Ho Chi Minh City to conduct an interview survey. The survey provided valuable opportunities to have face-to-face conversations with customers and hear their comments and requests regarding their daily lifestyles and use of home appliances. We will share the survey results with the product planning and design divisions to enhance development and improvement efforts so as to provide products and services that meet customers' needs.



### Toshiba Initiative: Improvement of instruction manuals

Toshiba Group is working to improve instruction manuals in response to customer requests for “more easy-to-understand instruction manuals” by establishing a company-wide trans-sectional working group.

In addition to evaluating the achievement of improvements on the basis of regular VOC surveys, we apply for “Japan Manual Awards,”\* a process that entails evaluation by external experts in the area. In FY2012, a Toshiba MFP (multi-function peripheral) manual won an award.

“Easy Operation Guide,” a Toshiba MFP manual, provides explanations of frequently asked questions in a Q&A format. The manual was highly rated for its effective use of color illustrations, which give an overall impression of peace of mind.



Toshiba MFP manual that effectively uses color illustrations

※ The Japan Manual Contest has been held annually by the Japan Technical Communicators Association since 1997 with the aim of improving the quality of manuals, along with the skill of designing manuals, to provide users with easy-to-understand explanations of how to use products safely.

### Toshiba Initiative : VOC-based knowledge disclosure on the Toshiba PC support website in Canada

Toshiba's Digital Products & Services Company, taking into account the fact that many inquiries at its contact centers in Japan and overseas were related to the use of PCs, has enhanced the information on its website.

For example, Toshiba of Canada, Ltd. (TCL) inserts links to its customer support site “Ask Toshiba” as desktop icons on PCs, on the tool bar of Web browsers, on “favorites” menu bars, and so on in advance, making it easy for customers to access the customer support site. “Ask Toshiba” enables customers to search its knowledge database for answers to their inquiries by PC model, thus increasing customer convenience. This improvement has helped to reduce the number of telephone inquiries related to the use of PCs.



TCL's “Ask Toshiba” website

### Toshiba Initiative: Disclosing VOC of “REGZA” customers

Toshiba Digital Products & Services Company has been executing opinions of customers to enhance the “Omakase Donpisha Kougashitsu” (automatic adjustment of the highest image quality) function and hard drive recording function, and to improve the REGZA Program Guide of our REGZA LCD TVs.

In addition, part of the VOC is disclosed on our website as reference for the selection and use of the products.

### Toshiba Initiative: Development of a mammography system minimizing discomfort and anxiety

One reason for the low rate of breast cancer screening using mammography is discomfort and anxiety at the time of screening. To reduce patient discomfort and anxiety, we developed a system that reflects the opinions of radiological technologists and patients.

At Toshiba Medical Systems Corporation, application specialists, who serve as the interface between medical fields and development teams, gather the opinions of medical specialists and patients for execution in product development.

The patient-friendly design based on ergonomic principles, which provides features, such as armrests to cushion the arms (patent pending), use of material conducive to comfort for those portions that come into contact with the body, and rounded contours to help create a relaxed atmosphere, has won numerous design awards in Japan and abroad, including the Good Design Gold Prize 2007, Germany's Universal Design Award 2008, IF Design Award 2008, and Red Dot Design Award 2008.

CSR Performance: Customers (Consumer Issues)  
**Universal Design**

**Major Progress and Achievements in FY2012**

- ▼ Toshiba Group won the Universal Design Awards in Germany for "Machine-Room-Less Elevator SPACEL-GR", and for "Easy-Access Electric Fan Packaging."

**Policy Related to Universal Design**

Toshiba Group is promoting universal design (UD) to contribute to realization of a society where everyone can live at ease and in comfort regardless of age, gender and abilities.

In 2007, with a view to promoting universal design throughout Toshiba Group, particularly with the support of Universal Design Working Group (WG), we established Toshiba Group UD Philosophy, UD Vision and UD Guidelines.

**Toshiba Group Universal Design Philosophy**

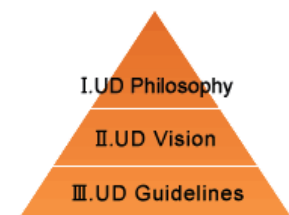
We create products attuned to people's aspirations. Toshiba Group contributes to realization of a society where everyone can live at ease and in comfort regardless of age, gender and abilities

**Toshiba Group Universal Design Vision**

Transforming "can't use" to "able to use", "hard to use" to "easy to use", Toshiba's universal design aims to create products accessible and safe to use for everyone. With the perpetual drive for innovation, Toshiba continues to explore ways to create more convenient and easier to use products which, in our hope, will meet even greater number of peoples' standard for "want to use".

**Toshiba Group Universal Design Guidelines**

- Intuitive use
- Simple use
- Low physical effort
- Equitable use
- Safety and minimal anxiety



(The Guidelines consists of the above five main principles and 15 sub principles.)

**Universal Design Promotion Structure**

The Universal Design (UD) Promotion Working Group (WG) established in 2005 is striving to incorporate the universal design concept in development steps and is promoting dissemination of information on Toshiba's universal design internally and externally.

In FY2007, Toshiba Group initiated a UD advisor system and invited employees with disabilities to register with the system with a view to obtaining their cooperation in the development and evaluation of UD products, irrespective of the divisions to which they belong.

In FY2010, the Group expanded the scope to include foreign national employees in order to step up UD promotion to meet the needs of overseas markets, including emerging economies.

In FY2012, those who were not accustomed to reading braille, including UD advisors as well as adventitiously blind and people with poor eyesight, evaluated elevator buttons with raised letterings that we developed for Keio Corporation. In order to develop railroad station elevators that can be used easily by as many people as possible, we designed raised letterings for elevator floor buttons that can be easily read not only by sight but also by touch. These raised letterings buttons have been in use at Keio Railway Chofu station since August 2012.



Buttons with raised letterings



Examining buttons

## Development of Universal Design Products

In developing products related to a wide range of fields such as home appliances, housing facilities, information equipment, and public facilities, Toshiba adopts the human-centered design process emphasizing users' perspectives, incorporating the needs of many customers as possible.

Toshiba's  
UNIVERSAL DESIGN

### External Evaluation: Winner of German Universal Design Awards in 2013

In February 2013, Toshiba Group won the Universal Design Awards in Germany for "Machine-Room-Less Elevator SPACEL-GR", and for "Easy-Access Electric Fan Packaging", which are evaluated by a group experts.

#### Key points about the award-winning products

##### Machine-Room-Less Elevator SPACEL-GR

- Easy to read by sight: The design of the LCD indicator screen was certified as the industry's first color universal design in Japan. The screen is designed to present information for daily use and emergencies in multiple languages.
- Easy to read by touch: Prototypes of operation buttons with raised letterings were repeatedly redesigned with letters of different shapes and sizes in order to optimize the design based on evaluations by visually disabled people.  
For details, please see the information page(Japanese).

##### Easy-Access Electric Fan Packaging

- Reduces physical burden: The shape of the box was redesigned so that even small-sized person and those with weak arms can work from a stable, comfortable posture.
- Intuitive use: The wide opening makes it possible to work while keeping the entire operation in view so that it is easy to understand the functions of the different parts.  
For details, please see the information page (Japanese).



Machine-Room-Less Elevator SPACEL-GR



Easy-Access Electric Fan Packaging

\* These international design awards are organized by the Hannover-based Universal Design Association and Universal Design GmbH in Germany. There are two universal design awards given in Germany: the Universal Design Award given by an expert review committee led by Professor Fritz Frenkler of the Technical University of Munich and the Universal Design Consumer Favorite Award selected by 100 general consumers.

### Toshiba Initiative: Participation in the International Conference for Universal Design in Fukuoka 2012

At the International Conference for Universal Design held in Fukuoka in October 2012, Toshiba Group displayed our products at our company booth. In addition to the design of Easy-Access Electric Fan Packaging, which won a German Universal Design Award in 2013, we exhibited a Heavy Ion Radiotherapy System, an air conditioner (with a voice controller), and elevator buttons with raised letterings developed for Keio Corporation. We widely advertised Toshiba Group's UD products that we have developed in a wide range of areas, from home appliances to industrial machines. We also interviewed visitors to listen to their opinions and to collect information on international UD trends in order to further promote universal design.



### Promotion of Universal Design

Toshiba's UD efforts have created a great impact on the quality of life for many people. Toshiba recognizes that such efforts should be communicated to as many people as possible, and participates in the International Association for Universal Design, Association for Electric Home Appliances, etc. to create social awareness on universal design.

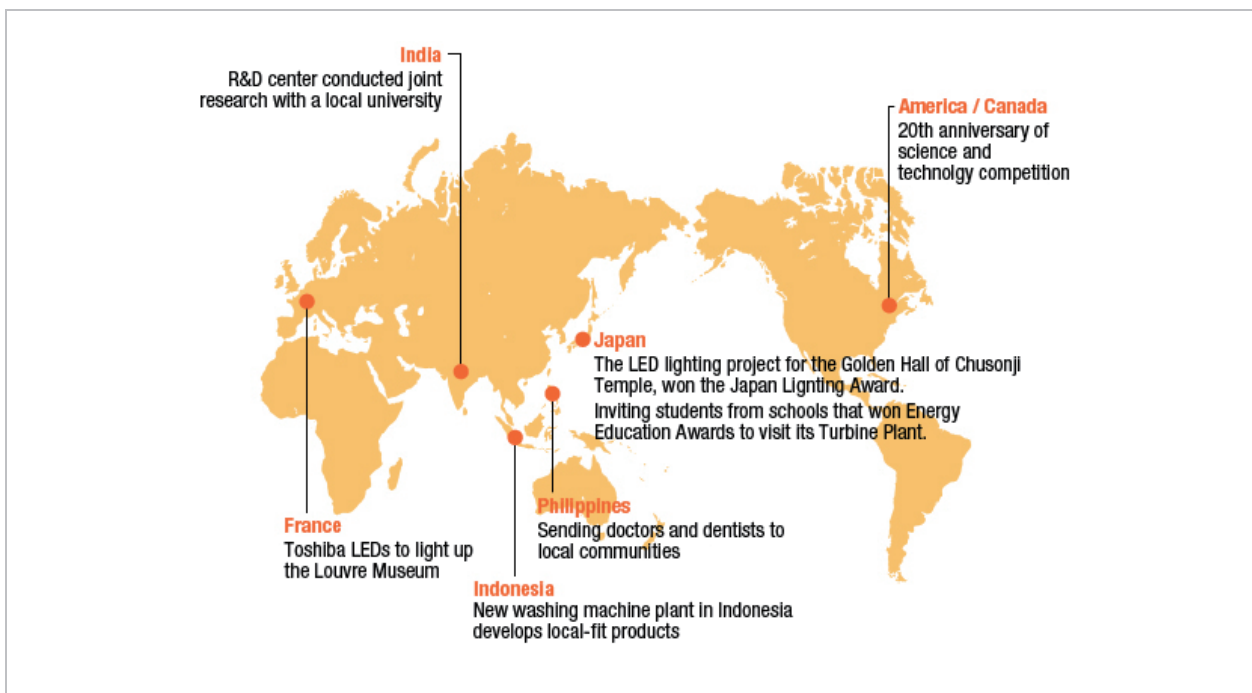
CSR Performance: Community Involvement and Development

## Support for Local Community Development and Public Policies

### Contributing to economic, educational, and cultural development in countries around the world where we do business

Toshiba Group contributes to the development of local communities and solution to issues imposed on them through not only our business activities, but also our worldwide corporate citizenship activities. At our manufacturing sites, we have been making efforts to localize management, foster management development, and promote local procurement. We have also contributed to the development of social infrastructure in developing and emerging countries in addition to the development of products that meet the needs of local communities. In an effort to provide continuous support to the areas affected by the Great East Japan Earthquake, we are making plans for the restoration and development of local communities in these areas based on local interviews and the analysis of local needs.

#### Major Progress and Achievements in FY2012



## Cosideration of Effects on Local Communities

### Engaging with Local Communities on Environmental Issues

Since its establishment in 1992, Yokkaichi Operations, our semiconductor manufacturing site, has held an annual meeting with the local municipality. At the meeting, we explain the results obtained from the measurement data on air and water quality emissions from our facilities and exchange opinions with municipality representatives.

In collaboration with the Yokkaichi City Board of Education, we offer classes at junior high schools, where we explain the mechanism and production process of semiconductor products in an attempt to raise children's interest in science.

We also provide classes to nearby primary and junior high schools regularly on the environment to encourage children to come up with their own ideas and put them into practice.

Moreover, the Yokkaichi Operations publishes a Japanese-English bilingual enviromental report and also makes it available to the public via its website.



Classes offered at local junior high schools

### Support for Education and Cultural Activities

#### Toshiba invited students and teachers from schools that won an Energy Education Awards to visit its Turbine Works and the Toshiba Science Museum.

Toshiba is promoting a program to encourage students to take greater interest in the environment and science in general by inviting students from schools that have won a top prize (including the Screening Committee Member Special Award) at the Energy Education Awards sponsored by the Japan Electric Association to visit our business sites and other facilities. From January to March 2013, we invited students and teachers of the winning schools at the Seventh Energy Education Awards to take a tour of the Keihin Product Operations' Turbine Works and the Toshiba Science Museum. The invited schools were Sapporo Miyanomori Junior High School, Yamagata Prefectural Higashine Technical High School, Iwate Prefectural Kurosawajiri Technical High School, and Iwaki Municipal Onahama Dai-ichi Elementary School in Fukushima Prefecture.



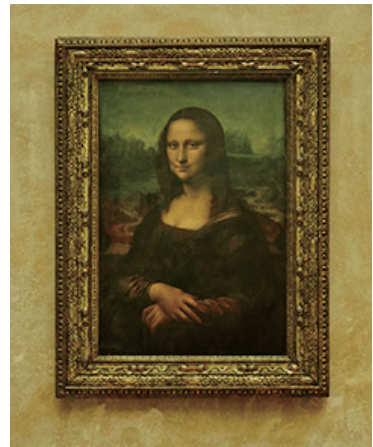
Students from Sapporo Miyanomori Junior High School visiting the Turbine Works

#### Louvre Museum, France: LED Lights Illuminate the Museum's Great Treasures

In June 2010, Toshiba entered into a partnership with the Louvre Museum regarding the lighting replacement project implemented as part of the Museum's environmental conservation activities. The Museum replaced the conventional lighting of its Pyramid, Pyramidion, and Pavilion Colbert with Toshiba's LED lighting in December 2011 and that of the Napoleon Courtyard in May 2012. This helped reduce environmental impact, including power consumption by approximately 73%. In June 2013, we replaced the exclusive lighting system for the Mona Lisa and the ceiling lights for the Red Rooms with our LED lighting. The new LED lighting system for the Mona Lisa faithfully reproduces the shades of color in the painting by improving the uniformity of luminance, displays the artwork in an environment close to that of natural light using the newly developed color temperature adjustment system, and controls exposure to ultraviolet and infrared rays, which make the work appear brownish. In the Red Rooms, the control power source successfully maintains the intensity of illumination for the paintings in the galleries exposed to sunlight. Further, the new system reduces power consumption approximately 60% and weight by 72% (total weight of the lighting apparatuses).

The Museum aims to install Toshiba LED lighting in the Square Courtyard and Napoleon Hall in 2014. In addition to the Louvre, the French government highly evaluated our efforts to reduce environmental impact while pursuing great artistry. Then President Norio Sasaki was presented with the Grand Mecenat Award\* in December 2011.

\* Award given to individuals or businesses that have made a significant contribution to the development of culture in France by the French Government. Mr. Sasaki is the second Japanese to receive the award.



Toshiba LED lighting, which illuminates Louvre paintings of historic importance (top: Mona Lisa, bottom: Red Room)

### Golden Hall of Chusonji Temple: LED Lighting Illuminates a World Heritage

In FY2012, Toshiba donated LED lighting equipment and photovoltaic power generation systems to Chusonji Temple, a key asset of Iwate Prefecture's Hiraizumi, which is a World Heritage site. This initiative aims to attract more tourists to the prefecture as part of Toshiba's programs to support recovery from the Great East Japan Earthquake.

Toshiba received a vase, the "immeasurable light" modeled after the gold-covered pillars in the inner sanctum of Chusonji Temple as a token of appreciation.

This lighting improvement project, which we carried out jointly with the temple, received the Japan Lighting Award.



Flower vase inlaid with mother-of-pearl presented to Toshiba by Chusonji Temple

### Science and Technology Competition for Children in the U.S. and Canada

Since 1992, Toshiba Group has worked with the National Science Teachers Association to host the ExploraVision Awards (EVA), a science and technology competition for k-12 in the United States and Canada.

EVA is a competition aiming to encourage dreams in which children make predictions about technologies that they believe will become feasible within 20 years based on today's science and technology. The program celebrated its twentieth anniversary in June 2012, commemorating its long history as a Japanese company's science education support program in North America. The number of participants to date totals more than 300,000, and more than 90,000 applications have been filed. Each year, we invite eight teams that have made excellent proposals to attend an awards ceremony held in Washington, D.C. We also provide opportunities for each winning team to present their award-winning work and visit their local Congressional representatives to report on their winning EVA. Toshiba employees cooperate in holding the event and guiding teams on their visits.



Awards ceremony in Washington, D.C.

### Supporting social education for elementary and middle school students in a mountainous area in Shikoku

Inan Electric Co., Ltd., a Group company which manufactures small light bulbs for automobiles, operates its business in a community with a population of around 10,000 people located in a mountainous area in Uwajima City, Ehime Prefecture. In an effort to support social education for children, the company has invited local elementary students to see the manufacturing process of small light bulbs every year since 1990. Since 2000, the company has also invited middle school students to the workplace to provide hands-on education for three days.

The steady efforts of this company of around 100 employees are an indispensable part of elementary and middle school education in this local community.



Elementary school children learning the manufacturing process of small light bulbs

### Donating PCs and TVs to Filipino Schools

To enhance the educational environment in the Philippines, we supported a project promoted by the Ayala Foundation and provided multimedia equipment to schools in the Philippines. For four years starting from FY2007, we donated 440 PCs to 44 high schools in the Province of Laguna, which means that Toshiba Information Equipment (Philippines), Inc. supported about 35% of the high schools in the province in which it operates.

Over three years starting from FY2012, we will donate TVs to 850 public elementary schools. During FY2012, we gave one TV each to 303 schools.



PC donation ceremony

### Supporting the Construction of Hope Elementary Schools in China

Toshiba Group companies in China have supported the construction of Toshiba Hope Elementary Schools since 2001. Since 2005, we have constructed two schools every year in collaboration with the China Youth Development Foundation. To date, a total of 21 schools have been built, and temporary buildings are being offered to four schools. After the schools open, we continue to support them through donations of personal computers, books and stationary.



Children at a Toshiba Hope Elementary School

### Donating Elevators for Use by Visitors to Himeji Castle during Its Restoration

Himeji Castle, a world cultural heritage in Hyogo Prefecture, Japan, is currently undergoing restoration and preservation of the main keep under a three-year project that began in March 2010. Since Himeji Castle is the greatest tourist attraction in the region, it would have been extremely detrimental to the local economy to refuse visitors for such a long period. To solve this problem, Toshiba Group donated two elevators to Himeji City. The elevators are installed inside the roofed scaffolding and they take castle visitors to the main keep where visitors can observe the progress of the restoration.



The elevators enable visitors to see the progress of the repair of the main keep from the inside

## Job Creation and Skill Development

### New thermal power generation facility plant in India contributes to job creation and local development

In February 2012, Toshiba JSW Turbine & Generator Pvt. Ltd. in Chennai, India began the integrated production of steam turbine bodies. The company ships products to domestic markets in India as well as markets in emerging countries in Southeast Asia and the Near and Middle East, where the demand for energy is rapidly growing. As part of its efforts to develop a production system managed by local personnel, the company is focusing on the recruitment and training of personnel. It plans to increase the number of local employees, which numbered around 200 in February 2012, to approximately 500 by 2014. To build the factory, the company developed a site measuring 400,000 m<sup>2</sup> and constructed roads and sewerage facilities in the surrounding area. The company will further contribute to the development of public infrastructure in the area, including requesting the state government to develop roads from around the factory to the port.



Steam turbine factory in Chennai



A production line operated by local employees

### Creating Employment in Vietnam by Establishing a High-efficiency Motor Manufacturing Factory

In September 2010, we established Toshiba Industrial Products Asia Co., Ltd. in Ho Chi Minh City in Vietnam for the purpose of manufacturing high-efficiency industrial motors. We plan to increase the number of local employees to prepare for future expansion of production. Prior to the commencement of production, we dispatched a number of employees from Japan to offer technical guidance to local companies from which we plan to procure precision parts for the motors. Under our ambitious local procurement policy, we will make continuous efforts to increase the local procurement ratio. Toshiba Industrial Products Asia Co., Ltd. Marks Official Opening of New Industrial Motor Manufacturing and Sales Base in Vietnam



Production line using locally procured parts

## Supporting the training of industrial product designers in Thailand in cooperation with JEITA

In September 2012, Toshiba offered an intermediate course in industrial design in Bangkok in cooperation with the Federation of Thai Industries (FTI) and the Japan Electronics and Information Technology Industries Association (JEITA).

The FY2012 training session, the third in its series, was held for 23 employees of local companies, most of whom were engineers. Based on their understanding of and experience in design thinking, designers from the Toshiba head office guided trainees through a series of design processes, from identification of issues in fieldwork to proposal and verification of solutions using prototypes, thus supporting the development of industrial designers.

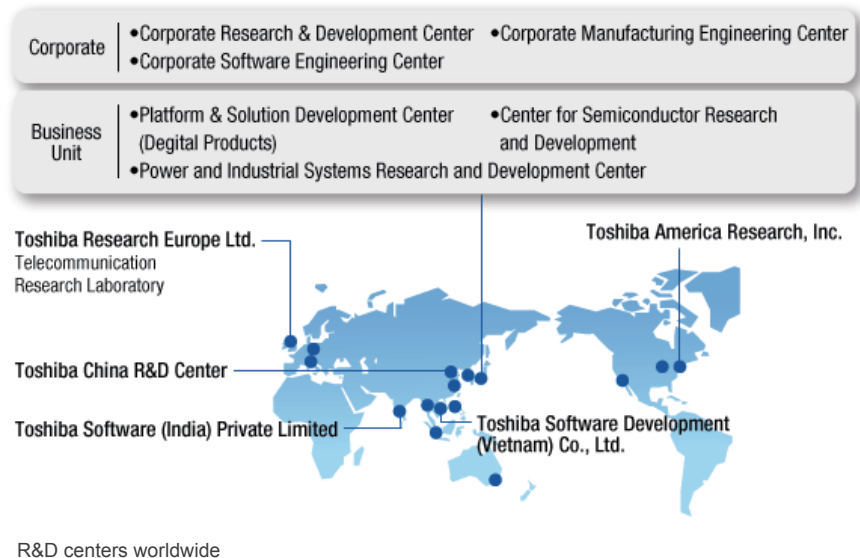


Designer education session

## Cooperation with Local Universities and Research Institutes

### Establishment of an R&D Division in India

In order to enhance its capabilities to respond swiftly to market changes in R&D and to contribute to the development of local human resources, Toshiba Group is establishing R&D bases inside and outside Japan and building closer ties with local universities and research institutes. In Asian countries, the Group promotes joint R&D with local universities and business firms by establishing not only production bases but also engineering and development bases in each major area in which it operates. As part of these efforts, we set up an R&D division in India (Bangalore) in January 2013. We have launched industry-academia partnerships mainly by working with leading local universities to choose joint research subjects and accepting students under internship systems associated with joint research projects.



## Development of Products that Meet Local Needs

### New Washing Machine Plant in Indonesia develops local-fit products

In November 2012, Toshiba Group established a new washing machine plant in Indonesia. In the Southeast Asian and Middle and Near Eastern markets, twin-tub washing machines account for about 40% of total sales. In particular, such sales represent about 70% of the Indonesian washing machine market; therefore, we started production of twin-tub washing machines in the country.

The new plant is one of the Group's global production bases that not only produces products that meet local needs but also supplies washing machines to the rest of Southeast Asia, the Middle and Near East, and Japan.



P.T. Toshiba Consumer Products  
Indonesia's washing machine plant

### Launch of a vacuum cleaner for China

In urban areas of China, brooms and mops are being replaced by vacuum cleaners as a result of the change in aesthetic values and living conditions, including increases in the number of condominiums. Using the catch phrase, "Farewell to the age of brooms," Toshiba Home Appliances Manufacturing (Shenzhen) Co. Ltd. launched a vacuum cleaner for Chinese homes in October 2011. In order to develop the product, the company's manufacturing, planning, and engineering staff worked together to research customer needs and reflect them in the product design. In order to achieve a reasonable price for the product, the company's staff also increased the rate of local parts procurement and developed a low-price motor.



Horsehair broom brush suited to tiled and wooden floors



The VC-B50C vacuum cleaner launched in China

### Development of LCD TVs for Southeast and South Asian countries

Toshiba's Digital Products and Services Company conducts interview surveys on the use and design of LCD TVs in Indonesia, Vietnam, and India, and develops products based on analysis of survey data.

The company produces products with specifications and functions that meet local needs, such as Auto Clean (a function that projects beautiful images on TV screens without lowering image quality even in areas where it is difficult to receive broadcasting waves), equipping TV sets with large speakers to suit the preferences of viewers in India and other Asian countries, and including price competitive models in the LCD TV lineup.

Since Asian models with large speakers have been well received, such speakers are now again being used for models destined for the Japanese market.

## Contributing to Local Medical Care

### Sending doctors and dentists to areas around a factory in the Philippines

Toshiba Information Equipment (Philippines), Inc. since 2006 has been providing medical and dental examination services to promote and improve the physical well-being of intended beneficiaries in the nearby community.

In FY2012, the company continued to dispatch a team consisting of doctors, dentists, nurses, and many employee volunteers. In addition, it offered education programs on occupational health and safety as well as environmental protection to residents while waiting for their examinations.



Medical examination of local residents by doctors sent by the company

## Support for Promotion of CSR Management

### Holding a CSR Symposium for Small and Medium Entrepreneurs in Thailand

In Thailand, our second largest overseas manufacturing base after China, we held our CSR Symposium Thailand for the first time in November 2010. This symposium was held in response to a request from the Federation of Thai Industries and attended by 250 people including the Deputy Minister of Industry of Thailand and small and medium entrepreneurs.

At the symposium, Atsutoshi Nishida, the Chairman of Toshiba, introduced Toshiba Group's CSR management policy, while the general manager of the CSR Implementation Office highlighted its various CSR activities and the challenges it faces.

Furthermore, through our local subsidiaries in Thailand, we have been conducting various corporate citizenship activities such as mangrove tree-planting events and educational support programs.



Chairman Nishida addressing the symposium

CSR Performance: Community Involvement and Development  
**Corporate Citizenship Activities**

## Toshiba Group Basic Policy on Corporate Citizenship Activities

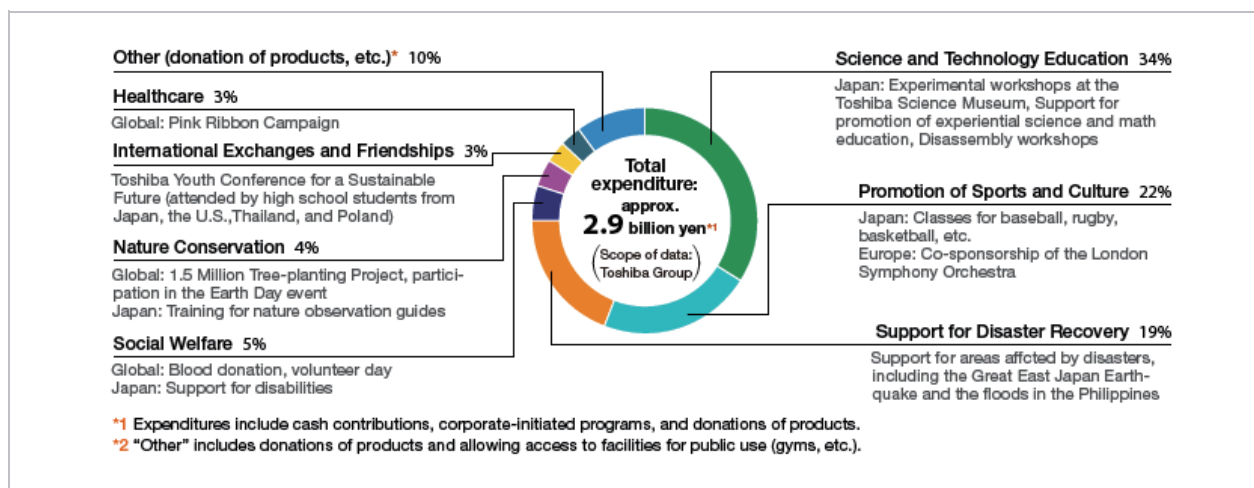
Guided by standards of conduct based Toshiba Group's slogan of "Committed to People, Committed to the future," we engage in our social contribution activities.

### Toshiba Group Basic Policy on Corporate Citizenship Activities

1. In accordance with the Basic Commitment of the Toshiba Group and Toshiba Group Standards of Conduct, we make vigorous efforts to contribute to society.
2. In contribution to society, we focus on the following fields: protection of the natural environment, science and technology education, promotion of support and culture, social welfare, and international exchange and friendship.
3. We support employees' voluntary activities.

## Expenditures for Corporate Citizenship Activities

### Expenditures for Corporate Citizenship Activities (FY2012)



CSR Performance: Community Involvement and Development  
**Community Relations**

**Major Progress and Achievements in FY2012**

- ▼ We investigated the potential effects of a new factory in Brazil on the neighboring community before starting construction.

## Community Involvement and Development

The following policies related to local communities are laid down in the Toshiba Group Standards of Conduct.

### Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. contribute to and cooperate with all local communities in which Toshiba Group operates and perform its duties as a member of these communities.
2. support Directors and Employees in undertaking voluntary activities and give full consideration to each individual's desire to exercise his or her civil rights.
3. make appropriate donations in each country and region where Toshiba Group operates, after considering the contribution to the community, the public nature and the reasons for making donations; and.
4. try to improve the brand image in all aspects of their relationships with the communities.

## Structure for Community-related Corporate Citizenship Activities

The General Affairs division at each site or company is responsible for handling relations with local communities, including constant communications with community associations and other organizations.

## Examination and Evaluation of Community-related Corporate Citizenship Activities

Development of good relations with local communities is one of the points checked in internal management audits. For manufacturing sites, the Toshiba Environmental Audit also evaluates the extent to which operations have an impact on the local environment. All operational sites are working toward maintaining good relations with the local communities. Furthermore, Toshiba Corporation's 15 business sites in Japan all acquired ISO14001 certification by 1997 and have maintained their certification to the present day. Also, all 200 business sites of Toshiba Group have acquired ISO14001 certification.

## Communication with Local Communities

Toshiba Group engage in communication suitable to the characteristics of their business operations and the interests of local communities.

### Examples of Communication Activities at Operations for FY2012

- Plant tours (tours of manufacturing lines, environmental facilities, etc)
- Practical learning programs for school students
- Opening of grounds and sports facilities to the public
- Festivals to promote amicable relations with local communities
- Blood donation by employees
- Neighborhood clean-ups by employees

## Evaluation of Local Impact in Establishing New Operational Sites

When establishing new business operations, companies at Toshiba Group adhere to laws and regulations, engage in dialogue with local authorities and residents and strive to maintain harmony with the community. Once operations are underway, the companies disclose information about their business activities and environmental protection initiatives and thus engage in fruitful communication with local residents. In addition to creating jobs, the Betim factory of Toshiba International Corp. in Brazil, for which the opening ceremony was held in May 2013, plans to invite local residents as well as elementary and junior high school students to tour the production lines and environmental systems, and provide recyclable paper, plastics, and other products to local organizations in the future.

## Management of Issues As a Result of Business Activities

With regard to environmental matters of high concerns to local residents, many Toshiba operational sites proactively hold meetings, inviting the local residents to their facilities and soliciting opinions. For instance, for announcing a meeting with local residents, Toshiba's Ome Complex in Japan invited local residents by announcing the event in the Ome City newsletter and local cable network. Responding to rising interest in the environmental issues in Thailand, Thai Toshiba Electric Industries Co., Ltd. (TTEI) held a one-day event for local exchange.

The company invited 50 local residents to its premises for an explanation of the home appliance manufacturing process at the plant, focusing on the safety and environmental systems installed to protect the environment.

In the years ahead, Toshiba will continue to engage in face-to-face dialogue with local communities.



Local resident tour at Ome Complex, Japan



Dialogue at TTEI, Thailand

## Prevention of and Response to Accidents due to Business Activities

To prevent fire and other accidents, each operational site performs periodic safety inspections of equipment and chemicals in accordance with fire and safety laws and regulations. Also, depending upon the requirement of each site, manuals and checklists are prepared for fire and disaster prevention and for safety management. As a precautionary measure for any disaster or accident, periodic emergency drill is conducted to prepare for taking prompt action, including providing information to the concerned and working to prevent damage to the neighboring areas.



Local residents in an emergency drill using earthquake simulation vehicle (Kitashiba Electric Co., Ltd.)

## Contribution to Local Communities through Job Creation

Toshiba Group employs approximately 210,000 people around the world. The jobs created contribute to local communities, especially the production facilities which employ a considerable number of local people.

## Contribution to Local Communities through Tax Payments

By paying taxes in accordance with national laws and regulations, group companies make an economic contribution to the regions where they operate. The local taxes paid by employees augment the contribution, particularly in areas where production facilities are located.

## "Saiban-in" (Lay Judge) System Leave

Toshiba set up a new leave system called "Saiban-in" (Lay Judge) System Leave to coincide with the commencement of the Lay Judge System from May 2009 in Japan. This leave facilitates the employees to participate as citizen jurors in criminal court procedures.

Based on the law for implementation of the "Saiban-in" system in criminal court procedures, the salary per day for the employee selected to participate in such system amounts to the basic salary per day. Also, based on the above law, the number of leave days provided under this system equals to the maximum number of participation days under the Lay Judge System.

CSR Performance: Community Involvement and Development  
**Government and Authorities Relations**

## Policy on Relations with Government and Authorities

Throughout our worldwide operations, Toshiba Group seeks to collaborate with national and local governments as well as industry. We also offer appropriate opinions and proposals as well as make approaches as a responsible corporate citizen in order to help improve conditions and resolve issues confronting society.

## Recommendations on Public Policies

Toshiba executives participate in various government committees to make recommendations on public policies and provide assistance in order to realize an optimal society.

### Examples of Involvement of Toshiba Executives

- Information and Communications Council (supervised by the Ministry of Internal Affairs and Communications)  
Chairman: Atsutoshi Nishida, Chairman, Toshiba Corporation
- Industrial Competitiveness Committee of the Industrial Structure Council (supervised by the Ministry of Economy, Trade and Industry)  
Member: Atsutoshi Nishida, Chairman, Toshiba Corporation
- Council on Economic and Fiscal Policy  
Member from the private sector: Norio Sasaki, Vice Chairman, Toshiba Corporation

## Participation in Industry Associations

Toshiba actively participates in the activities of Keidanren (Japan Business Federation), Japan Electrical Manufacturers' Association, the Japan Electronics and Information Technology Industries Association, the Home Electric Appliances Fair Trade Conference, the Association for Electric Home Appliances, the World Business Council for Sustainable Development (WBCSD), the World Economic Forum (WEF), and other industry organizations to help address various issues such as the realization of a sustainable society and protection of the global environment.

### Examples of Participation in Industry Organizations

- Japan Chamber of Commerce and Industry and the Tokyo Chamber of Commerce and Industry  
Chairman: Tadashi Okamura, Advisor, Toshiba Corporation
- Japan Machinery Federation  
Chairman: Tadashi Okamura, Advisor, Toshiba Corporation
- WBCSD  
Vice Chairman: Atsutoshi Nishida, Chairman, Toshiba Corporation
- Japan Tax Association  
President: Atsutoshi Nishida, Chairman, Toshiba Corporation
- Japan Institute of Logistics Systems  
Chairman: Atsutoshi Nishida, Chairman, Toshiba Corporation
- Keidanren  
Vice Chairman: Norio Sasaki, Vice Chairman, Toshiba Corporation
- Japan Electronics and Information Technology Industries Association  
Chairman: Norio Sasaki, Vice Chairman, Toshiba Corporation

CSR Performance: Community Involvement and Development  
**Relations with NPOs and NGOs**

### Policy on Relations with NPOs and NGOs

We develop collaborative partnerships with NPOs and NGOs in a wide range of fields, including the environment, human rights, and corporate citizenship, and engage in proactive dialogues and exchange meetings with them.

Prior to provision of support to and collaboration with NPOs and NGOs, we screen them based on criteria, including the extent of their contribution to resolving social issues, their relevance to Toshiba's priority areas, creativity and pioneer spirit, and relationships with communities.

### Framework for Dealing with NPOs and NGOs and Checks and Audits

Depending upon the nature of the work (e.g. related to the environment, corporate citizenship, etc.) or geographical area, respective divisions serve as the contact points for the NPOs and NGOs.

Donations to NPOs and NGOs are made based on the judgment of legal compliance and appropriateness in accordance with the internal rules. The Corporate Citizenship Committee checks the details of the support provided to NPOs and NGOs.

### Support for and Collaboration with NPOs and NGOs

Toshiba Group is promoting a wide range of CSR activities through collaboration with NPOs and NGOs worldwide, including science education, support in response to disasters and other social contributions and environmental activities.

#### Toshiba Initiative: Support for Science Education

In collaboration with the Real Science Education Institute, an NPO, and by capitalizing on Toshiba's technological strengths, Toshiba is contributing to the resolution of a pressing issue in Japan, namely, the growing disinclination to study mathematics and science coupled with a perceived decline in educational aspirations among young people.



(Japanese)



Toshiba Experiential Science Education

#### Toshiba Initiative: "Home Appliance Disassembly Workshop"

In order to help children deepen their understanding about home appliances and other inner workings, in Japan, Toshiba Group has been holding Disassembly Workshops for elementary and junior high school students every year in cooperation with the "Seikatsu-Kobo (Lifestyle Design Center)" of the Setagaya Arts Center(Japanese) since 2005. Toshiba employees participate voluntarily in such workshops as Disassembly Doctors. The children learn about the application of the tools from Disassembly Doctors and disassemble home appliances familiar to them to understand the technology of the inner parts and their recycling.



Disassembly Workshops

#### **Toshiba Initiative: Forest Maintenance at Tokyo Metropolitan Area**

Based on the agreement signed with Tokyo Metropolitan Government in November 2008 regarding the preservation of forest in Tama area, Toshiba has been involved in the maintenance of the protection forest (24.5 ha) at Hachioji City.

The three parties, Toshiba, the metropolitan government and an NPO "Mori to Hitono Network"(Japanese) (network between forest and people) hold meetings to develop plans to promote forest maintenance as well as to provide Toshiba employees and local citizens opportunities to experience the importance of nature.

"Mori to Hito no Network" formed by Toshiba employees who are qualified as nature observation leaders takes initiatives to maintain the local forests and also acts as navigators during nature trails.



Explore the Forest Expedition

#### **Toshiba Initiative: Forest Neighborhood Association "Morino chonai-kai"**

Toshiba Group entered into a framework agreement to cooperate on forest maintenance activities with Aomori Prefecture (Japan) in May 2009. Based on this agreement, we aim to maintain the mountain forest and woodland of 10.5 hectares in Shichinohe Town and Misawa City in cooperation with Aomori Prefecture and use them as venues for environmental education of employees.

In addition, we will also use the mechanism of the Forest Neighborhood Association "Morino chonai-kai", as promoted by the environmental NPO Office Neighborhood Association. We will use the paper in the form of printed materials or copier paper made by paper manufacturing companies using tree thinning in Misawa City



Morino Chonai-Kai

#### **Toshiba Initiative: Support for Recovery from Disasters**

##### **Response to the Great East Japan Earthquake and Recovery Support Activities**

Toshiba Group has provided in-kind donation of 1,230 air purifiers through NPO Peacebuilders and NPO The Institute of Cultural Affairs Japan, and 90 laptop computers through NPO Yume Net Ofunato(Japanese). Furthermore, washing machines, rice cookers, vacuum cleaners, radio cassette players and batteries were also donated through other NPOs.

In addition, we have pledged 10 million yen to Government Certifies NGO JEN as their relief activity fund.

##### **Support in the Aftermath of Disasters**

Toshiba Group has supported the swift recovery from the disasters collaborating with NPOs and NGOs. Some of our relief efforts: US Tornado in FY2011, Floods and landslides in Pakistan, China and India in FY2010, Sumatra Earthquake (Padang) in FY2009, Myanmar Cyclone in FY2008.

#### **Toshiba Initiative: Used Computer Donation**

In order to support the "informatization" of financially challenged organizations, Toshiba has been donating pre-owned computers to welfare organizations and citizen groups through eparts(Japanese), a specified nonprofit organization. In FY2012, a total number of 596 computers were donated, which makes an accumulated total of 2,267.

#### **Toshiba Initiative: Support for and Collaboration with Human Rights NGO**

##### **Supporting Amnesty International Japan**

Toshiba supported Amnesty International Japan's annual film festival which features human rights issues.

Date: January 26-27, 2013

Organizer: Amnesty International Japan

## Stakeholder Dialogue with a U.S. CSR promotion organization (April 2013)

What is most important for Toshiba in developing its CSR activities? In relation to that, what issues would be related to CSR on a global scale? Toshiba talked with Mr. Jeremy Prepisci, BSR regional vice president in Asia. BSR is a U.S. non-profit organization specialized in consulting on CSR.

Date	April 2013
Location	Toshiba Head Office
Theme	Stakeholder engagement



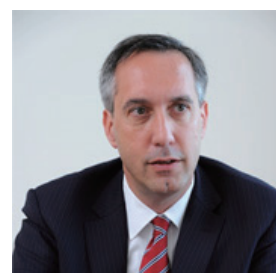
### Presenting 'opportunities' through stakeholder engagement

**Mr. Omori:** When I talk with institutional investors, many of them say they have interest in knowing both 'risks' and 'opportunities,' the two sides of 'Environment, Society, and Governance' (ESG). I think that the intention of CSR for companies is not only mitigation of risks, but also creation of various opportunities.

**Mr. Prepisci:** Absolutely. Many CSR reports issued by companies lack 'opportunities.' Of course, risks are important, and many companies start from here. However, if you just focus on risks, you will get nothing more than risk management. Opportunities, on the other hand, connect your innovation to local viewpoints in the world and to business models, and create changes in society. This is an important, but a challenging idea to put into practice. Although Toshiba's CSR report already mentions connectivity to external factors such as conflict minerals and opportunities, I think you can make a further step forward by demonstrating how Toshiba can contribute to the global community through implementing CSR coupled with innovation. Then, your CSR program becomes an important business element helping Toshiba decide on how to take Toshiba's technologies into the marketplace, or the impact of having or not having the technologies in the market place. If we can get to this point, we can think about the next version of sustainability.

**Mr. Omori:** By 'impact,' I suppose you mean how we might make changes in the world, or how we could take advantage of 'opportunities.' In Vietnam, for example, we have our environment-related technologies and systems to reduce the environmental burden of our client's plant. Our 'Smart Community Project' in India enables the entire community there to reduce carbon dioxide emissions and obtain stable energy sources. I think there is a possibility to create more impact on society with Toshiba's unique technologies and innovations.

**Mr. Prepisci:** Japanese companies have many good ideas and good technology. They just have to expand on how to create social innovation with these. I think CSR has been about three very simple ideas: respecting, listening, and understanding. Through these practices, we can create opportunities. First, you need to respect your various stakeholders. To respect your stakeholders, you need to listen to and understand them correctly. It always goes back to understanding needs of the economy, companies, and customers. We need to provide stakeholders with what they really need, not with only what we want to provide. Likewise, stakeholders in different areas have different needs. In Indonesia, there might be issues of water treatment, solar power generation, or infrastructure. In India, there might be issues of rural power generation, power storage, or data storage. Therefore, Toshiba has to 'respect, listen, and understand' these voices to maximize opportunities.



Jeremy Prepisci  
Vice President, Asia-Pacific  
Business for Social  
Responsibility (BSR)



Keisuke Omori  
General Manager  
CSR Office  
Corporate Social  
Responsibility Division  
Toshiba Corporation

- Mr. Omori:** To move on to the next topic, in the global community, the United Nations has taken the initiative to make 'business and global human rights' a key issue of CSR.
- Mr. Prepisci:** I personally think CSR has been always about human rights, because business impacts people and the world they live in. However, it is true that for many years we did not want to use this idea, because it was not considered a safe topic for business to talk about. What people are doing now is bringing back the most basic idea, which is 'there are many kinds of stakeholders and each one of them has human rights.' The idea includes, for instance, respect for human rights of workers at companies and in their supply chain. It also includes responsibility for companies to work on better product safety and quality. I think the current trend of human rights is to understand the different opinions of different stakeholders by taking a more systematic approach. Although it is a slow transformation, I think a deeper understanding of human rights is becoming more and more important for business.
- Mr. Omori:** Toshiba is already engaged in the issue of conflict minerals and is promoting CSR at the supply chain through dialogue with suppliers, business organizations, and NGOs.
- Mr. Prepisci:** Society's expectations are always changing. If you had asked me five years ago, 'should the electronic sector worry about an issue of conflict minerals in the Democratic Republic of Congo and surrounding countries,' I would get confused. An answer for a question you ask today would not be the same five years from now. As for human rights, Toshiba has already announced its engagement in this issue to global society. For example, Toshiba joined the UN's Global Compact in 2004. Understanding and engaging human rights would be a difficult part, but at the same time it should be at the core of Toshiba's business model as well. If Toshiba expands its business by systematically integrating human rights into its business conduct, it would continuously have positive impact on each one of us in society. Toshiba's CSR report is a great starting point. The next step is to focus on how to create opportunities and value, or how to listen to voices from local communities. Voices from stakeholders would help us to mitigate risks, to understand human rights and transparency in activities of the supply chain, and to find opportunities and value. I am looking forward to seeing Toshiba's further commitment to move on from the "Toshiba's Sustainability Activities" report to "Toshiba's Sustainability Impacts and Visions," the next version of CSR report.



### Comments from Toshiba

BSR suggests that the Toshiba Group (a BSR member) improve CSR activities with a global perspective. The dialogue with Mr. Prepisci, BSR regional vice president in Asia, marked Toshiba's second occasion to hear his opinions. His comments will help us determine the direction of our CSR activities, particularly in a relation to the issue of human rights in global society, and in recognition of social impacts that can be created by Toshiba through dialogue with stakeholders.



Keisuke Omori  
General Manager  
CSR Office  
Corporate Social Responsibility Division  
Toshiba Corporation

## Directors and Executives

### Perspectives of Outside Directors

This section contains outside directors' opinions about management at Toshiba Group, including CSR initiatives (Toshiba Group Annual Report 2013).

As a Company with Committees, Toshiba has a unique corporate governance system among Japanese companies. In serving now as the Chairman of the Nomination Committee and a member of the Audit Committee, I realize both committees as well as the Board of Directors firmly observe democratic rules such as providing members with equal opportunities for speaking freely and respecting each others' opinions.

From a global perspective, the whole of Japan now stands at a crossroad. The notion that global business expansion is indispensable for Toshiba to survive is recognized company-wide. In order to realize it, drastic innovations including the reform of company structure, investment in and development of new technology fields and drastic personnel replacement and allocation are essential. They should be implemented without a decline in employees' morale. The important issue is that innovations should be performed in a way to convince various stakeholders including shareholders.

From the viewpoint of Corporate Governance, it is necessary to pay sufficient attention to prevent the governance system from flaws or defects in the process of innovation. In respect of CSR, we should not carry out such activities merely for our self-satisfaction. We should not forget that CSR should improve Toshiba's image in society, reduce social risk and lead to a positive outlook for its shareholders.

Almost one year has passed since I became an outside director of Toshiba. Even as an outside director, I can now feel how difficult the top management is for such a large, diverse and global company as Toshiba. I also have a renewed keen recognition about the two basic points to manage such a complicated operation from the top: to decide on the major direction the company should take and to empower appropriately the people in the field. I believe that our role as an outside director is how to assist the top management of Toshiba to do them.

Two utmost challenges for Toshiba today are acceleration of corporate growth and intensification of global development. Toshiba's top management of course recognizes this and I share the same view. With Toshiba's potentials, these challenges are very well within their reach. The great potentials of Toshiba are the depth of technological accumulation and the abundance of talented human resources. From time to time, Toshiba will need a major strategic decision to capitalize on these potentials. When such a decision is called for, the responsibility of The Board of Directors is enormous. I would like to share that responsibility in my own way.



**Takeo Kosugi**  
Outside Director



**Hiroyuki Itami**  
Outside Director

Since being appointed outside director in June of last year, I have observed from up close Toshiba's corporate activities as well as the way the employees went about their jobs. In a word, my impression is that Toshiba is a company which possesses such Japanese strengths and virtues as world leading technology and top-notch talent to back up such technological prowess. If Toshiba is able to realize its full potential, it will continue to lead the world for many years to come. Toshiba is also a serious and straightforward company. This is clearly seen in its approach to Corporate Governance. It adopted at an early stage a Committee-based governance system and other arrangements to strengthen Corporate Governance. It has also shown strong commitment to the implementation of these systems by introducing various mechanisms to help outside directors perform their duties.

Against the background of dramatic changes both at home and abroad, the business environment surrounding Toshiba is changing at a bewildering pace. In this context, there is an increasing demand for Toshiba's technology and expertise domestically and globally, creating new business opportunities for Toshiba. Needless to say, the growth and development of Toshiba, one of Japan's leading businesses, is of great significance for ensuring the long-term prosperity for Japan.

I would like to continue to state my views in the light of the above mentioned considerations.

I am glad to report that we, external directors, have always received sufficient preliminary explanation and information prior to board meetings and other important meetings. In addition, as an audit committee member, I had the chance to discuss business with more than 65 leaders of each business unit in my first year. I am most grateful for the opportunities as I could have learned what was going on at Toshiba much faster than otherwise. I have also attended dozens of seminars/exhibitions and visited Toshiba plants. Each experience was informative and I enjoyed conversations with various levels of employees. Out of curiosity, I counted the days I visited Toshiba related facilities in the last 12 months. Believe it or not, it was more than 100 days. It shows Toshiba's commitment to the Corporate Governance; Toshiba is determined to take full advantage of external directors.

My first impression of Toshiba was "sincerity". Everybody takes work very seriously and thinks out the consequences before making final decisions. It was refreshing but at the same time, was a little frustrating for an entrepreneur like me. I have been managing start-up companies in the last 20 years and I tend to take actions before due consideration when an idea comes to mind. So I admit it is not a fair comment on Toshiba.

I went to stadiums a number of times with my husband to watch Toshiba play rugby, basketball and baseball games. By cheering and shouting to Toshiba sport teams, we became enthusiastic Toshiba fans. But when it comes to business, I will remain objective and neutral to fulfill my duty.



**Ken Shimanouchi**  
Outside Director



**Kiyomi Saito**  
Outside Director

## CSR Reporting Policy

### 2013

#### Our effort to report on the priority issues for our stakeholders and those for Toshiba Group

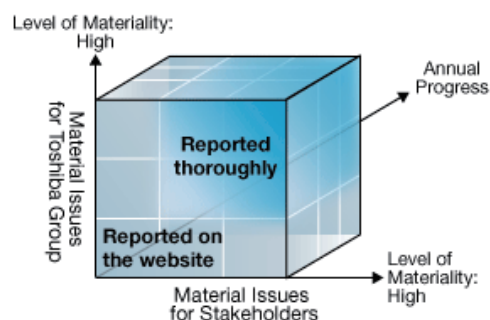
In editing the CSR Report, we examine and take into consideration the issues material for both our stakeholders as well as the Group, then verify the results using a Toshiba-specific index for determining materiality. Based on this, we have edited this CSR Report 2013 with the two new features described below.

The 2013 edition reports on Toshiba Group's business and CSR priority themes by classifying them according to social challenges and the core subjects of ISO 26000.

The Report includes outside directors' opinions about management at Toshiba Group, including CSR initiatives.

Starting in FY2013, we made our website the major medium for our CSR reports; we strive to provide easy-to-understand information and update the same in a timely manner, mainly by offering links to related information and presenting videos showing activity highlights.

The CSR Report 2013 is available only from our website, which offers PDF files that can be downloaded by selecting the sections to examine.



### Organizations covered in this report

In principle, Toshiba Group (Toshiba Corporation and its 590 consolidated subsidiaries in Japan and overseas) are covered in this report, but individual entities are indicated in cases where information does not pertain to Toshiba Group.

Note: "Toshiba" in this report refers to Toshiba Corporation.

### Reporting period

This report focuses on the results of activities in FY2012 (from April 1, 2012 to March 31, 2013), but also includes some activities continuing from the past as well as more recent ones.

The content of the CSR Report 2013 in PDF format is current as of the end of June 2013. Items added or updated on the CSR website after July 2013 will have notes to that effect.

### Significant changes during the reporting period

In August 2012, Toshiba TEC Corp. took over a business from the U.S.-based IBM Corp. and established Toshiba Global Commerce Solutions Holdings Corp., a holding company. The company also founded Toshiba Global Commerce Solutions, Inc., a business firm in the United States, which has since started operation.

### Publication

Current issue: August 2013 (next issue scheduled for August 2014; previous issue: August 2012)

## Reference Guidelines

- GRI (Global Reporting Initiative)
  - Sustainability Reporting Guidelines ver. 4 (after publication in May 2013)
  - Sustainability Reporting Guidelines ver. 3.1 (G3)
- United Nations Global Compact [COP (Communication on Progress) Advanced level]
- Ministry of the Environment of Japan
- Environmental Accounting Guidelines 2005, Ministry of the Environment of Japan
- ISO 26000

## Reporting Media and Disclosure Items on the Corporate Website

Toshiba Group provides our stakeholders with non-financial information in our CSR Report and financial information in our Annual Report. Recognizing our responsibility to provide detailed non-financial information, especially on environmental issues, we also publish the Environmental Report separately from the CSR Report. We also provide the latest information on related matters in a timely manner through our corporate website.

### Annual Report/Investor Relations (IR) Website

In the Annual Report, we primarily report on Toshiba Group's business performance as of the end of the fiscal year and on our three-year midterm management plan.

On the IR website, we aim to provide Toshiba's corporate information in a timely manner. An IR website optimized for mobile phone access is also available.



Annual Report  
(Issued in September 2013)



IR website  
<http://www.toshiba.co.jp/about/ir/>

### Key reporting items (IR website)

IR News / Management Policy / Financial Data / IR Library / Stock and Bond Information / For individual investors

### Environmental Report/Environment Website

In the Environmental Report, we provide a detailed description of the global environmental activities of Toshiba Group as a whole. On the environment website, we provide not only information on the Group's environmental activities in a timely manner, but also environmental reports on our production sites and Group companies. Furthermore, we have established a special website called "TOSHIBA eco style."



Environmental Report (PDF file)



Environment website  
<http://www.toshiba.co.jp/env/en/>



eco style website  
<http://www.toshiba.co.jp/ecostyle/en/>

### Key reporting items (Environment website)

Topics / Green Management / Green of Process / Green of Product / Green by Technology

## Reader Questionnaire Results

We received 37 responses to the questionnaire enclosed in the Toshiba Group CSR Report 2012. We used these valuable opinions when editing our CSR Report 2013. We would like to thank those who responded for their generous contributions.  
We also used the results of the questionnaire survey listed below.

- Results of a questionnaire survey conducted by Cetus & General Press Inc. for 26 of the participants in its workshop on reading CSR reports
- Results of a CSR questionnaire survey carried out by Brains Network Co., Ltd. of 200 people

### Results of the Questionnaire Survey

1. How do you rate Toshiba Group CSR Report 2012 ?

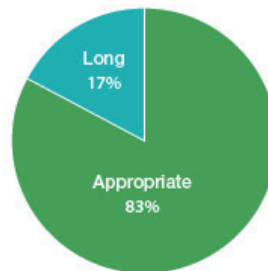


2. What is your evaluation of this report ?

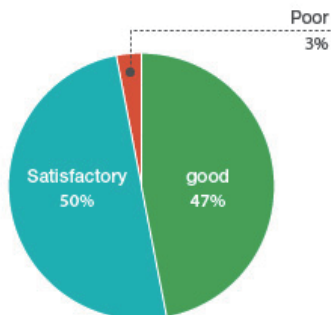
2-1 Content



2-2 Length



2-3 Design



2-4 Ease of understanding



### Comments and Suggestions

- The report is organized by using the core subjects of ISO 26000 as the basic framework and is written in a style that is easy for stakeholders to understand.
- Toshiba Group should disclose specific information on to what extent its employees understand the CSR initiatives and how pervasive such initiatives are among its employees, as well as on CSR management in the supply chain. Such disclosure should also include negative information.
- The report is easy to understand because it uses KPI-based continuous progress management and topics to provide well-balanced information about Toshiba Group priorities.
- The report enables readers to understand Toshiba's approach to smart community projects at a glance. We hope the results of tests obtained for smart city projects two years later will be noted.
- It is easy to imagine that Toshiba Group plays a central role among the many companies that participate in smart community projects, but the descriptions of its roles should be more specific.
- More information should be disclosed, particularly regarding the responsibility for the accident at Fukushima Daiichi Nuclear Power Station.
- The nuclear accident is not mentioned in the FY2011 plans and targets.

### Major Improvements Incorporated in CSR Report 2013

- We continued to report Toshiba Group's initiatives in line with the recommended items for the seven core subjects of ISO 26000.
- We provided detailed descriptions of human rights issues and CSR management in the supply chain—topics of interest to many stakeholders.
- We took up CSR promotion in the supply chain, efforts to realize smart communities, and continued support for recovery from the Great East Japan Earthquake as part of our highlight reports and described these subjects in an easy-to-understand manner using photographs and videos.
- In the section on "Toshiba Group Businesses and Priority Goals," we reported on Toshiba's business initiatives from the perspective of ISO 26000 and social challenges.
- We reorganized our descriptions of the "Major Achievements in and Plans for Key Performance Indicators (KPIs)" to make them easier to understand.
- When editing the 2013 Report, we also collected the opinions of overseas stakeholders mainly by visiting overseas investors and holding a dialogue with BSR, a U.S.-based CSR promotion group.
- We also actively worked to disclose negative information as necessary in this CSR report.
- We included Toshiba's efforts toward decommissioning the Fukushima Daiichi Nuclear Power Station in our highlight reports.

## GRI Content Index

Toshiba uses GRI Sustainability Reporting Guidelines version 3.1 (G3.1) as a reference for sustainability reporting.

We have self-assessed CSR Report 2013 to be Application Level B+.

As a participant of UN Global Compact (GC), Toshiba joined the advisory panel of GC-GRI connection tool, "Making the connection."

The related GC principles are shown in the column "GC Principle" in this list.

- C:CSR website
- E:Environmental website
- IR:IR website
- O:Other website

\*Core performance indicator

Extent of Reporting : Full, : Limited, : Not reported

(as of June, 2013)

Section	Indicator	Extent of Reporting	References
<b>1. Strategy and Analysis</b>			
1.1	Statement from the most senior decisionmaker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.	○	C: CEO Commitment E: CEO Commitment IR1: From the CEO IR2: An Interview with the President
1.2	Description of key impacts, risks, and opportunities.	○	C1: CEO Commitment C2: Toshiba Group Businesses and Responsibilities C3:Major Achievements and Targets & Plans (KPI) E1: CEO Commitment E2: Environmental Vision 2050 E3:Results of the Fourth Environmental Action Plan E4:Formulation of the Fifth Environmental Action Plan IR1: From the CEO IR2: An Interview with the President

Section	Indicator	Extent of Reporting	References
<b>2. Organizational Profile</b>			
2.1	Name of the organization.	○	C: Toshiba Group Business Overview
2.2	Primary brands, products, and/or services.	○	C1: Toshiba Group Business Overview C2: Toshiba Group Businesses and Responsibilities
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	○	C: Toshiba Group Business Overview (Business Structure) IR1: Organization Chart IR2: Consolidated Subsidiaries and Affiliated Companies Accounted for by the Equity Method O1: Management Structure O2: Business Overview (Business Domains)
2.4	Location of organization's headquarters.	○	C: Toshiba Group Business Overview
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	○	C: Toshiba Group Business Overview
2.6	Nature of ownership and legal form.	○	C1: Toshiba Group Business Overview C2: Stakeholders

2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	○	C1: Toshiba Group Business Overview C2: Toshiba Group Business and Responsibility
2.8	Scale of the reporting organization, including: -Number of employees; -Number of operations; -Net sales (for private sector organizations) or net revenues (for public sector organizations); -Total capitalization broken down in terms of debt and equity (for private sector organizations); and -Quantity of products or services provided.	○	C: Toshiba Group Business Overview IR1: Financial Data IR2: Financial Highlights
2.9	Significant changes during the reporting period regarding size, structure, or ownership including: -The location of, or changes in operations, including facility openings, closings, and expansions; and -Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations).	○	C: Significant Change during the Reporting Period IR: Corporate History
2.10	Awards received in the reporting period.	○	C: Evaluation of CSR by External Parties

Section	Indicator	Extent of Reporting	References
3. Report Parameters			
Report Profile			
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	○	C: CSR Reporting Policy E: Editing Policy
3.2	Date of most recent previous report (if any)	○	
3.3	Reporting cycle (annual, biennial, etc.)	○	
3.4	Contact point for questions regarding the report or its contents.	○	C: Inquiries about CSR and Environmental Activities
Report Scope and Boundary			
3.5	Process for defining report content, including: -Determining materiality; -Prioritizing topics within the report; and -Identifying stakeholders the organization expects to use the report.	○	C: CSR Reporting Policy E: Editing Policy
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	○	
3.7	State any specific limitations on the scope or boundary of the report.	○	
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	○	
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	○	C: Distribution of Economic Value to Stakeholders E1: Results of the Fourth Environmental Action Plan E2: Formulation of the Fifth Environmental Action Plan E3: Outline of Environmental Impacts E4: Green Management/Environmental Accounting

3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/ acquisitions, change of base years/periods, nature of business, measurement methods).	○	C: Financial Results IR: Financial Highlights
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	○	C: Significant Change during the Reporting Period
GRI Content Index			
3.12	Table identifying the location of the Standard Disclosures in the report.	○	C: GRI Content Index
Assurance			
3.13	Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).	○	C: Comments from Outside Directors

Section	Indicator	Extent of Reporting	References
4. Governance, Commitments, and Engagement			
Governance			
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	○	C: Corporate Governance IR1: Corporate Governance IR2: Corporate Governance/Directors
4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement).	○	C: Corporate Governance IR1: Corporate Governance IR2: Corporate Governance/Directors O: Senior Management
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	○	C: Corporate Governance IR1: Corporate Governance IR2: Corporate Governance/Directors
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	○	C1: Information Disclosure and IR C2: Dialogue with Employee and Customer C3: Whistleblower System IR: Shareholders' Meeting
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	○	C: Compensation for Directors and Executive Officers IR1: Compensation IR2: Compensation Policy and the Amount of Compensation E: Green Management/Performance Evaluation and Awards
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	○	C1: Corporate Governance C2: Toshiba Group Standards of Conduct
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	○	C: Corporate Governance

4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	○	C1: Corporate Philosophy C2: Toshiba Group Standards of Conduct C3: Major Achievements and Targets & Plans (KPI) E1: Environmental Vision 2050 E2: Results of the Fourth Environmental Action Plan E3: Formulation of the Fifth Environmental Action Plan
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	○	C1: Corporate Governance C2: CSR Management Structure
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	○	C: Corporate Governance
Commitments to External Initiatives			
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	○	IR: Business Risk Factors C1: Risk Management and Compliance C2: Quality Control C3: Ensuring Product Safety E: Greening of Products (Environmentally Conscious Products)
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	○	C1: Participation in External CSR Organizations C2: Company Overview/CSR-related international charters Toshiba endorses C3: CEO Commitment/UN Global Compact C4: Strengthening CSR management based on the principles of ISO 26000
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: -Has positions in governance bodies; -Participates in projects or committees; -Provides substantive funding beyond routine membership dues; or -Views membership as strategic.	○	C1: Toshiba Group Business Overview/Membership in CSR-related organization C2: Government & Authorities C3: Participation in External CSR Organizations
Stakeholder Engagement			
4.14	List of stakeholder groups engaged by the organization.	○	C: Stakeholders
4.15	Basis for identification and selection of stakeholders with whom to engage	○	C: Stakeholders
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	○	C: Stakeholder Dialogue
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	○	C1: CSR Reporting Policy/Our efforts to report on the priority issues for our stakeholders and those for Toshiba Group C2: Stakeholder Dialogue

Section	Indicator	Extent of Reporting	References
5. Performance index			
Economic			
Management Approach			
	Goals and Performance	○	IR1: Business Strategies IR2: Mid-term Business Plan
	Policy	○	IR1: Business Strategies IR2: An Interview with the President
	Additional Contextual Information	○	IR: Investor Relations
Economic Performance			
EC1.*	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	○	IR1: Financial Indicators IR2: Financial Highlights C: Distribution of Economic Value to Stakeholders
EC2.*	Financial implications and other risks and opportunities for the organization's activities due to climate change.	○	IR1: Mid-to Long-term Vision and Basic Strategic Policies IR2: Mid-term Business Plan E: Environmental Vision 2050
EC3.*	Coverage of the organization's defined benefit plan obligations.	○	C: Toshiba Corporate Pension Plan IR: Long-Term Liabilities/Accrued pension and severance costs
EC4.*	Significant financial assistance received from government.	×	-
Market Presence			
EC5.	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	×	-
EC6.*	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	△	C1: CSR Management in the Supply Chain C2: Contributing to Economic, Educational, and Cultural Development in Host Countries around the world
EC7.*	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	△	C: Support for Local Community Development and Public Policies
Indirect Economic Impacts			
EC8.*	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, inkind, or pro bono engagement.	○	C1: Corporate Citizenship Activities C2: Support in the Aftermath of Disasters
EC9.	Understanding and describing significant indirect economic impacts, including the extent of impacts.	△	E:Green Management/Environmental Accounting

Environmental			
Management approach			
	Management approach	○	E: Green Management/Continuous Improvement of Basic Activities
	Goals and Performance	○	E1: Results of the Fourth Environmental Action Plan
			E2: Formulation of the Fifth Environmental Action Plan
	Policy	○	E:Green Management/Environmental Policy
	Organizational Responsibility	○	E:Green Management/Environmental Management Structure
	Training and Awareness	○	E: Green Management/Environmental Education and Qualification
	Monitoring and Follow-up	○	E:Green Management/Environmental Audits
	Additional Contextual Information	○	E:Green Management/Continuous Improvement of Basic Activities
Materials			
EN1.*	Materials used by weight or volume	○	E: Outline of Environmental Impacts
EN2.*	Percentage of materials used that are recycled input materials.	△	E: Greening of Products/Efficient Use of Resources for Products/Incoming Recycling Initiatives
Energy			
EN3.*	Direct energy consumption by primary energy source.	○	E: Outline of Environmental Impacts
EN4.*	Indirect energy consumption by primary source.	○	E: Outline of Environmental Impacts
EN5.	Energy saved due to conservation and efficiency improvements.	○	E1: Results of the Fourth Environmental Action Plan
			E2: Formulation of the Fifth Environmental Action Plan
			E3: Greening of Process/Mitigation of Climate Change/Reducing total GHG emissions
			Greening of Process/Mitigation of Climate Change/Reducing energy-derived CO <sub>2</sub> emissions
			Greening of Process/Mitigation of Climate Change/Product Logistics
			Greening of Process/Mitigation of Climate Change/Employees' Business Travel
			Greening of Process/Mitigation of Climate Change/Use of Renewable Energy
			Greening of Process/Mitigation of Climate Change/Introducing electric vehicles
			Greening of Process/Mitigation of Climate Change/Making CO <sub>2</sub> emissions in the supply chain visible
			E4: Greening of Products/Mitigation of Climate Change

EN6.	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	○	E1: Greening of Products/ECP and Excellent ECP
			Greening of Products/Mitigation of Climate Change
			Greening of Products/Product Eco-Efficiency
			E2: Greening by Technology/Low-Carbon Energy Technologies
			Greening by Technology/Photovoltaic Power Generation
			Greening by Technology/Hydroelectric Power Generation
			Greening by Technology/Geothermal Power Generation
			Greening by Technology/Wind Power Generation
			Greening by Technology/Thermal Power Generation
			Greening by Technology/Nuclear Power Generation
			Greening by Technology/Smart Grids
			Greening by Technology/Rechargeable Battery SCiB™
EN7.	Initiatives to reduce indirect energy consumption and reductions achieved.	○	E1: Greening of Process/Mitigation of Climate Change/Reducing energy-derived CO2 emissions
			E2: Greening of Process/Mitigation of Climate Change/Use of Renewable Energy
Water			
EN8.*	Total water withdrawal by source.	○	E1: Outline of Environmental Impacts
			E2: Greening of Process/Efficient Use of Resources/Efficient use of water resources
EN9.	Water sources significantly affected by withdrawal of water	✕	-
EN10.	Percentage and total volume of water recycled and reused.	○	E: Outline of Environmental Impacts
			E2: Greening of Process/Efficient Use of Resources/Efficient use of water resources
Biodiversity			
EN11.*	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	○	E: Green Management/Biodiversity
EN12.*	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	○	E: Green Management/Biodiversity
EN13.	Habitats protected or restored.	○	E: Green Management/Biodiversity
EN14.	Strategies, current actions, and future plans for managing impacts on biodiversity.	○	E: Green Management/Biodiversity
EN15.	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	△	E: Green Management/Biodiversity/Initiatives at Production Sites

Emissions, Effluents, and Waste			
EN16.*	Total direct and indirect greenhouse gas emissions by weight.	○	E1: Outline of Environmental Impacts
			E2: Greening of Process/Mitigation of Climate Change/Reducing total GHG emissions
			Greening of Process/Mitigation of Climate Change/Reducing energy-derived CO <sub>2</sub> emissions
			Greening of Process/Mitigation of Climate Change/Product Logistics
			Greening of Process/Mitigation of Climate Change/Employees' Business Travel
			Greening of Process/Mitigation of Climate Change/Use of Renewable Energy
			Greening of Process/Making CO <sub>2</sub> emissions in the supply chain visible
EN17.*	Other relevant indirect greenhouse gas emissions by weight.	○	
EN18.	Initiatives to reduce greenhouse gas emissions and reductions achieved.	○	E1: Greening of Process/Mitigation of Climate Change/Reducing energy-derived CO <sub>2</sub> emissions
			E2: Greening of Products/Mitigation of Climate Change
			E3: Greening by Technology/Low-Carbon Energy Technologies
			Greening by Technology/Photovoltaic Power Generation
			Greening by Technology/Hydroelectric Power Generation
			Greening by Technology/Geothermal Power Generation
			Greening by Technology/Wind Power Generation
			Greening by Technology/Thermal Power Generation
			Greening by Technology/Nuclear Power Generation
			Greening by Technology/Smart Grids
			Greening by Technology/Rechargeable Battery SCiB™
EN19.*	Emissions of ozone-depleting substances by weight.	○	E: Greening of Process/Management of Chemicals/Management of ozone-depleting substances
EN20.*	NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions by type and weight.	○	E1: Outline of Environmental Impacts
			E2: Greening of Process/Management of Chemicals/Impacts on Air and Water
EN21.*	Total water discharge by quality and destination.	○	E1: Outline of Environmental Impacts
			E2: Greening of Process/Management of Chemicals/Impacts on Air and Water
EN22.*	Total weight of waste by type and disposal method.	○	E1: Outline of Environmental Impacts
			E2: Greening of Process/Efficient Use of Resources
EN23.*	Total number and volume of significant spills.	○	E: Greening of Process/Environmental Management for Factories/Soil and groundwater purification
EN24.	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	×	-
EN25.	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	○	E: Green Management/Biodiversity/Initiatives at Production Sites

Products and Services			
EN26.*	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	○	E: Greening of Products/Creation of Products with the Highest Level of Environmental Performance
EN27.*	Percentage of products sold and their packaging materials that are reclaimed by category.	△	E1: Outline of Environmental Impacts
			E2:Greening of Process/Recycling of End-of-Life Products/Global Recycling
			E3: Greening of Process/Recycling of End-of-Life Products/Recycling in Japan
Compliance			
EN28.*	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	○	E: Green Management/Risks and Compliance/Compliance with environmental laws and regulations
			(No environmental violation in FY2012)
Transport			
EN29.	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	△	E1: Outline of Environmental Impacts
			E2: Greening of Process/Mitigation of Climate Change/Reducing CO2 emissions associated with product logistics
Overall			
EN30.	Total environmental protection expenditures and investments by type.	○	E: Green Management/Environmental Accounting
Social			
Labor Practices and Decent Work			
Management Approach			
	Goals and Performance	○	C: Major Achievements and Targets & Plans (KPI)
	Policy	○	C1: Policy on Respect for Human Rights and Prohibition of Discrimination
			C2: Policy on Fair Personnel Evaluation and Treatment
			C3: Promotion Structure for Nurturing Diversity
			C4: Cultivating Global Human Resources
			C5: Occupational Health and Safety (OH&S) Policy
	Organizational Responsibility	○	C1: Framework for Respecting Human Rights
			C2: System for Promoting Fair Personnel Evaluation and Treatment
			C3: Promotion Structure for Nurturing Diversity
			C4: Occupational Health and Safety
	Training and Awareness	○	C1: Education on Respect for Human Rights
			C2: Training for Fair Personnel Evaluation and Treatment
			C3:Cultivating Global Human Resources/Training Programs at Toshiba Group
			C4:Education and Training on Respect for Diversity
			C5: Education and Training on Nurturing Diversity
			C6: Occupational Health and Safety

	Monitoring and Follow-Up	○	C1: Provision of Consulting Services for Employees C2: Fair Evaluation and Treatment C3: Systems for Soliciting Employee Opinions (Checks and Audits for Development of Employee Capabilities) C4: Occupational Health and Safety C5: CSR Management in the Supply Chain
	Additional Contextual Information	○	C1: Human Rights Policy on Respect for Human Rights and Prohibition of Discrimination C2: Stable Employment C3: Fair Evaluation and Treatment C4: Human Resources Development C5: Promotion of Diversity C6: Support for Diverse Workstyle C7: Occupational Health and Safety
Employment			
LA1.*	Total workforce by employment type, employment contract, and region, broken down by gender.	△	C1: Toshiba Group Employee (as of March 31, 2013) C2: Number of Employee by Region
LA2.*	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	×	
LA3.	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operations.	△	C: Toshiba Corporate Pension Plan(Pension Plan is only for permanent employees)
Occupational Health and Safety			
LA4.*	Percentage of employees covered by collective bargaining agreements.	△	C: Ensuring Rights of Labor
LA5.*	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	△	C: Promoting Labor-Management Dialogue
Occupational Health and Safety			
LA6.	Percentage of total workforce represented in formal joint management worker health and safety committees that help monitor and advise on occupational health and safety programs.	○	C: OH&S Promotion Framework
LA7.*	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities, by region and by gender.	△	C: Frequency of occupational accidents leading to absence at Toshiba Group
LA8.*	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	○	C: Ensuring Health Management
LA9.	Health and safety topics covered in formal agreements with trade unions.	△	C: OH&S Promotion Framework
Training and Education			
LA10.*	Average hours of training per year per employee by gender, and by employee category.	×	-
LA11.	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	○	C: Human Resources Development

LA12.	Percentage of employees receiving regular performance and career development reviews, by gender.	○	C: Fair Evaluation and Treatment
Diversity and Equal Opportunity			
LA13.*	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	△	C: Promotion of Diversity
LA14.*	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	○	No discrimination with regard to male and female compensation within the same category
Human Rights			
Management Approach			
	Goals and Performance	○	C: Major Achievements and Targets & Plans (KPI)
	Policy	○	C1: Policy on Respect for Human Rights and Prohibition of Discrimination
			C2: Protecting Human Rights Throughout Our Supply Chain
	Organizational Responsibility	○	C: Framework for Respecting Human Rights
	Training and Awareness	○	C: Education on Respect for Human Rights
	Monitoring, Follow-Up and Remediation	△	C1: Provision of Consulting Services for Employees
			C2: Supply Chain Checks and Audits
	Additional Contextual Information	○	C: Policy on Respect for Human Rights and Prohibition of Discrimination
Investment and Procurement Practices			
HR1.*	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	×	-
HR2.*	Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken.	○	C1: CSR Management in the Supply Chain
			C2: CSR Management in the Supply Chain/Items covered by the CSR Survey
HR3.	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	△	C: Risk Management and Compliance Education
Non-Discrimination			
HR4.*	Total number of incidents of discrimination and actions taken.	×	-
Freedom of Association and Collective Bargaining			
HR5.*	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	○	C1: Human Rights Policy
			C2: Employees Human Rights
			C3: CSR Management in the Supply Chain/Items covered by the CSR Survey
Child Labor			
HR6.*	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	○	C1: Respecting Human Rights in the Supply Chain
			C2: CSR Management in the Supply Chain/Items covered by the CSR Survey

Forced and Compulsory Labor			
HR7.*	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor	○	C1: Respecting Human Rights in the Supply Chain
			C2: CSR Management in the Supply Chain/Items covered by the CSR Survey
Security Practices			
HR8.	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	✕	-
Indigenous Rights			
HR9.	Total number of incidents of violations involving rights of indigenous people and actions taken.	✕	-
Assessment			
HR10.	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	✕	-
Remediation			
HR11.	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	✕	-
Society			
Management Approach			
	Goals and Performance	○	C: Major Achievements and Targets & Plans (KPI)
	Policy	○	C1: Risk Management and Compliance Policy
			C2: Policy on Corporate Citizenship Activities
			C3: Community Involvement and Development
	Organizational Responsibility	○	C1: Risk Management and Compliance Management Structure
			C2: Promoting Corporate Citizenship Activities Worldwide
			C3: Structure for Community-related Corporate Citizenship Activities
	Training and Awareness	○	C1: Risk Management and Compliance Education
			C2: Promoting Corporate Citizenship Activities Worlwide
	Monitoring and Follow-Up	○	C1: Compliance Situation Inspection and Audit
			C2: Examination and Evaluation of Community-related Corporate Citizenship Activities
	Additional Contextual Information	○	C1: Fair Competition and Trading Practicess
			C2: Export Control
			C3: Information Security Management
			C4: Protection of Intellectual Property
			C5: Community Involvement and Development
Local Communities			
SO1.*	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	△	C : Community Relations
			E1 : Green Management/Conservation of Biodiversity/Initiatives at production sites
			E2 : Greening of Process/Management of Chemicals
			E3 : Greening of Process/Environmental Management for Factories/Soil and groundwater purification

SO9.*	Operations with significant potential or actual negative impacts on local communities.	△	C:Community Relations(Structure for Community-related Corporate Citizenship Activities)
SO10.*	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	○	C:Community Relations(Examination and Evaluation of Community-related Corporate Citizenship Activities)
Corruption			
SO2.*	Percentage and total number of business units analyzed for risks related to corruption.	○	C: Risk Management and Compliance
SO3.*	Percentage of employees trained in organization's anti-corruption policies and procedures.	○	C1: Risk Management and Compliance Education
SO4.*	Actions taken in response to incidents of corruption.	○	C: Response to Compliance Violations
Public Policy			
SO5.*	Public policy positions and participation in public policy development and lobbying.	△	C: Recommendations on Public Policies
SO6.	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	×	-
Anti-Competitive Behavior			
SO7.	Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.	○	C: Response to Compliance Violations
Compliance			
SO8.*	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	○	C: Response to Compliance Violations
Product Responsibility			
Management Approach			
	Goals and Performance	○	C: Major Achievements and Targets & Plans (KPI)
	Policy	○	C1: Quality Control Policy
			C2: Basic Policy on Product Safety
			C3: Policy on Information and Labeling Related to Products
			C4: Toshiba Group Customer Satisfaction Policy
			C5: Policy on Customer Support
	Organizational Responsibility	○	C1: Quality Promotion Structure
			C2: Toshiba Group's Structure to Respond to Product Accidents
			C3: CS Promotion Structure
			C4: Structure for Customer Support
	Training and Awareness	○	C1: Promoting Initiatives Aimed at Enhancing Capabilities to Ensure Product Quality
			C2: Education on Product Safety
			C3: Education on Product Information and Labeling
			C4: Education and Training of Employees on Dealing with Customers
	Monitoring and Follow-Up	○	C1: Quality Control Checks and Audits
			C2: Checks and Audits on CS Promotion
			C3: Checks and Audits concerning Customer Support

	Additional Contextual Information	○	C: Universal Design
Customer Health and Safety			
PR1.*	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	○	C1: Quality Control
			C2: Ensuring Product Safety
			E: Greening of Products/Creation of Products with the Highest Level of Environmental Performance
PR2.	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	△	C: Disclosure of Product Safety and Quality Information
Product and Service Labeling			
PR3.	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	△	C: Policy on Information and Labeling Related to Products
			E: Greening of Products/Creation of Products with the Highest Level of Environmental Performance
PR4.	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	○	C: Information on Product Safety (No incident in the fiscal year)
PR5.	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	○	C: Customer Satisfaction (CS) Survey
Marketing Communications			
PR6.*	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	○	C: Accurate Product Information and Appropriate Advertising
PR7.	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	○	C: Information on Product Safety (No incident in FY2012)
Customer Privacy			
PR8.	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	○	C: Incidents Related to Personal Data (No incident in FY2012)
Compliance			
PR9.*	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.	○	No fines or penalties paid

Extent of Reporting : Full, : Limited, : Not reported

(as of June, 2013)

## Comparison with the UN Global Compact

As a signatory to the UN Global Compact, Toshiba submits Communication on Progress (COP) reports regarding the implementation progress of the ten principles of the Global Compact. The Global Compact sets forth universal principles on human rights, labor, and the environment advocated by the United Nations.

- C: CSR website
- E: Environment website
- IR: IR website
- O: Other websites

(Evaluations as of June 2013)

Global Compact Ten Principles		
Human Rights		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	C: Policies and Systems Related to Human Rights C: Respecting Employees Human Rights C: Respecting Human Rights in the Supply Chain C: Promotion of Diversity C: Occupational Health and Safety C: Risk Management and Compliance C: Information Security Management C: CSR Management in the Supply Chain C: Quality Control C: Ensuring Product Safety C: Information on Product Safety C: Government and Authorities E :Greening of Products (Environmentally Conscious Products)
Principle 2	Make sure that they are not complicit in human rights abuses.	C: Policies and Systems Related to Human Rights C: Respecting Employees Human Rights C: Respecting Human Rights in the Supply Chain C: Risk Management and Compliance C: CSR Management in the Supply Chain C: Government and Authorities
Labour		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	C: Respecting Employees Human Rights C: Stable Employment C: Risk Management and Compliance C: CSR Management in the Supply Chain C: Government and Authorities
Principle 4	The elimination of all forms of forced and compulsory labour	C: Policies and Systems Related to Human Rights C: Respecting HR in the Supply chain C: Risk Management and Compliance C: Respecting Employees Human Rights C: Government and Authorities
Principle 5	The effective abolition of child labour	C: Respecting HR in the supply chain C: Risk Management and Compliance C: CSR Management in the Supply Chain C: Government and Authorities
Principle 6	The elimination of discrimination in respect of employment and occupation.	C: Promotion of Diversity C: Risk Management and Compliance C: CSR Management in the Supply Chain C: Government and Authorities C: Support for Local Community Development and Public Policies

Environment		
Principle 7	Businesses should support a precautionary approach to environmental challenges;	C: Government and Authorities E: Environment
Principle 8	Undertake initiatives to promote greater environmental responsibility	C: Information on Product Safety C: Government and Authorities E: Environment
Principle 9	Encourage the development and diffusion of environmentally friendly technologies.	C: Government and Authorities E: Environment
Anti-Corruption		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	C: Risk Management and Compliance C: Government and Authorities

## Comparison with ISO 26000

The Toshiba CSR Report adopts a reporting format based on the seven core subjects of ISO 26000, which uses the draft international standard ISO/DIS 26000 as a basic framework. We strive to evaluate our CSR initiatives according to the core subjects as well as to expand our CSR initiatives and CSR reporting.

- C: CSR website
- E: Environment website
- IR: IR website
- O: Other websites

Reporting status ○:Fully reported △:Partially reported ×:Not reported

(Evaluations as of June 2013)




Core Subjects	Issues	Extent of Reporting	References
6.2 Organizational governance		△	C: CSR Management
			C: Corporate Governance
			C: Stakeholder Communication
			C: Stakeholder Dialogue
6.3 Human rights			
6.3.3	Due diligence	△	C: Policies and Systems on Human Rights
6.3.4	Human rights risk situations	△	C: Policies and Systems on Human Rights
6.3.5	Avoidance of complicity	△	C: Policies and Systems on Human Rights
6.3.6	Resolving grievances	△	C: Policies and Systems on Human Rights
			C: Respecting Employees Human Rights
6.3.7	Discrimination and vulnerable groups	△	C: Policies and Systems on Human Rights
			C: Respecting Employees Human Rights
6.3.8	Civil and political rights	△	C: Policies and Systems on Human Rights
6.3.9	Economic, social and cultural rights	△	C: Policies and Systems on Human Rights
6.3.10	Fundamental principles and rights at work	○	C: Policies and Systems on Human Rights
			C: Respecting Employees Human Rights
			Suppliers
6.4 Labour practices			
6.4.3	Employment and employment relationships	○	C: Stable Employment
			C: Fair Evaluation and Treatment
			C: Promotion of Diversity
6.4.4	Conditions of work and social protection	○	C: Support for Diverse Work Styles
			C: Occupational Health and Safety
6.4.5	Social dialogue	○	C: Stable Employment
			C: Human Resources Development
6.4.6	Health and safety at work	○	C: Occupational Health and Safety
6.4.7	Human development and training in the workplace	○	C: Human Resources Development

6.5 The environment			
6.5.3	Prevention of pollution	○	E: Outline of Environmental Impacts
			E: Impacts on Air and Water
6.5.4	Sustainable resource use	○	E: Low-Carbon Energy Technology
			E: Total Amount of Waste
			E: Efficient Use of Water
			E: Use of Renewable Energy
6.5.5	Climate change mitigation and adaptation	○	E: Reducing total GHG emissions
			E: Reducing energy-derived CO2 emissions
			E: Reducing CO2 emissions associated with product logistics
			E: Employees' Business Travel
			E: Use of Renewable Energy
			E: Introducing electric vehicles
			E: Making CO <sub>2</sub> emissions in the supply chain visible
6.5.6	Protection of the environment, biodiversity and restoration of natural habitats	○	E: Biodiversity
6.6 Fair operating practices			
6.6.3	Anti-corruption	○	C: Risk Management and Compliance
			C: Fair Competition and Trading Practices
			C: CSR Management in the Supply Chain
6.6.4	Responsible political involvement	△	C: Risk Management and Compliance
			C: Government and Authorities
6.6.5	Fair competition	○	C: Risk Management and Compliance
			C: Fair Competition and Trading Practices
6.6.6	Promoting social responsibility in the value chain	○	C: CSR Management in the Supply Chain
			C: Export Control
6.6.7	Respect for property rights	○	C: Risk Management and Compliance
			C: Fair Competition and Trading Practices
			C: Protection of Intellectual Property
6.7 Consumer issues			
6.7.3	Fair marketing, factual and unbiased information and fair contractual practices	○	C: Information on Product Safety
6.7.4	Protecting consumers' health and safety	○	C: Quality Control
			C: Ensuring Product Safety
			C: Information on Product Safety
6.7.5	Sustainable consumption	○	C: Quality Control
			C: Information on Product Safety
			C: CSR Management in the Supply Chain
			E: Creation with Products with the Highest Level of Environmental Performance
			E: Report, Website
			E: Advertisements

6.7.6	Consumer service, support, and complaint and dispute resolution	○	C: Enhancement of Customer Satisfaction
			C: Response to Customer and Voice of Customer (VOC)
			C: Policy on Sharing and Utilization of Voice of Customer
6.7.7	Consumer data protection and privacy	○	C: Information Security Management
			C: Personal Data Protection Policy
			C: Enhancement of Customer Satisfaction
6.7.8	Access to essential services	△	C: Response to Customer and Voice of Customer (VOC)
6.7.9	Education and awareness	○	C: Quality Control
			C: Ensuring Product Safety
			C: Information on Product Safety
6.8 Community involvement and development			
6.8.3	Community involvement	○	C: Support for Local Community Development and Public Policies
			C: Community Relations
			O: Social Contribution Activities
			C: Government and Authorities
			C: NPO/NGO
			C: Risk Management and Compliance
			C: Fair Competition and Trading Practices
6.8.4	Education and culture	○	C: Support for Local Community Development and Public Policies
			C: Community Relations
			C: Social Contribution Activities
6.8.5	Employment creation and skills development	○	C: Support for Local Community Development and Public Policies
			C: Community Relations
6.8.6	Technology development and access	△	C: Support for Local Community Development and Public Policies
			C: Community Relations
6.8.7	Wealth and income creation	△	C: Support for Local Community Development and Public Policies
			C: Community Relations
6.8.8	Health	△	C: Support for Local Community Development and Public Policies
			C: Community Relations
6.8.9	Social investment	△	C: Support for Local Community Development and Public Policies
			C: Community Relations
			C: Government and Authorities
			C: NPOs and NGOs

## Evaluation of CSR by External Parties

Awarding entity / Name of the award	Evaluation	Recipient	Period
General CSR Activities-Related (Including Socially Responsible Investing)			
CSR rating Dow Jones Sustainability Indexes 	Selected as a member of the Dow Jones World Sustainability Index, which tracks approx. 300 sustainability leaders (selected for the 14th consecutive year since 2000).	Toshiba Corporation	September 2013
CSR rating oekom research AG (Germany) 	oekom, a German research institute, rated Toshiba as "Prime" among 19 IT/Computers, Peripherals & Office Electronics companies in its June 2011 social responsibility ratings.	Toshiba Corporation	June 2011
IntegreX Survey of Corporate Integrity and Transparency Reference website: IntegreX	6th place overall (among more than 600 listed companies)	Toshiba Corporation	March 2013
Japan Corporate Governance Research Institute, Inc. Eleventh (FY2012) Corporate Governance Index (JCGIndex) Survey Reference website: Japan Corporate Governance	6th place	Toshiba Corporation	March 2013
CSR survey conducted by Toyo Kezai, Inc. among approx. 1000 companies Reference website: 7th TOYOKEIZAI CSR Ranking Best700(2013)	7th place in FY2012 overall (1st place in terms of personnel employment; 6th place in terms of environmental management; 6th place in terms of corporate governance and social responsibility)	Toshiba Corporation	March 2013
IR-Related			
Morning Star Japan k. k. Gomez IR Site Ranking 	Excellent Company: Gold Award	Toshiba Corporation	March 2013
IR Site Ranking (Japanese)			
Daiwa Investor Relations Co. Ltd. Internet IR Best Company Award 2012 	Grand Prix (Best Company Award for eight consecutive years)	Toshiba Corporation	November 2012
Internet IR Ranking(Japanese)	Special Award for the English IR site	Toshiba Corporation	November 2012
Nikko Investor Relations Co. Ltd. FY2012 Ranking of Listed Companies' Websites 	2nd place in the overall ranking	Toshiba Corporation	November 2012
Reference website: Ranking of Listed Companies' Websites			

Quality-Related			
Union of Japanese Scientists and Engineers (JUSE) (cosponsored by Nikkei inc.) JUSE Quality Management Level Research  Reference website: JUSE	1st place overall	Toshiba Group	October 2012
Ministry of Economy, Trade and Industry (METI)  FY2012 Sixth Best Contributors to Product Safety Awards   Reference website : METI	Director-General for Commerce, Distribution and Industrial Safety Policy Award in the large manufacturer and importer category	Toshiba Group	November 2012
Customer Related			
Germany's Universal Design Award 2013  	Toshiba received the award for Machine-Room-Less Elevator SPACEL-GR	Toshiba Group	2012
	Toshiba received the award for Easy-Access Electric Fan Packaging	Toshiba Group	2012
Japan Manual Contest 2012	Excellent Manual Award in User Manual Category I for the Easy Operation Guide for Digital Copiers e-STUDIO256/356/456	Toshiba TEC Document Processing Systems Co., Ltd.	2012
Employee-Related			
Diversity Management Selection 100 by METI (Ministry of Economy, Trade and Industry)   Reference website:METI Diversity Management Selection 100	Toshiba chosen as one of the award winners	Toshiba Corporation	March 2013
Nippon Keizai Shimbun 2012 Survey on Japan's Worker Friendly Companies	3rd place overall	Toshiba Corporation	September 2012
Commendation by the Director of the Labour Standards Bureau of the Ministry of Health, Labour and Welfare	Toshiba TEC Corporation Shizuoka Business Center commended for achieving "Type-5 no accident record" (35.5 million hours)	Toshiba TEC Shizuoka Business Center	May 2012
Supply Chain			
2012 Hong Kong Awards for Environmental Excellence	Gold Award in the Sectoral Awards	Toshiba International Procurement Hong Kong Ltd.	2012
Environment Related			
16th Nikkei Environmental Management Survey Company Ranking	1st place (Manufacturing industry category)	Toshiba Corporation	2012
9th Eco-Products Awards	Eco-Products Category Chairperson's Award, Eco-Products Awards Steering Committee X-ray CT diagnosis device equipped with low exposure technology (AIDR 3D) (Alexion™ TSX-032A, and 9 other models)	Toshiba Medical Systems Corporation	2012

9th Eco-Products Awards	Eco-Products Category Excellence Award for Energy Saving Product Smart DC Office, a direct current power distribution system for buildings equipped with photovoltaic power generation systems and storage batteries	Toshiba Corporation, Taisei Corporation	2012
9th Eco-Products Awards	Eco-Services Category Chairperson's Award, Eco-Products Awards Steering Committee Cloud-type HEMS for the next-generation ECHONET Lite	Toshiba Lighting & Technology Corporation	2012
2012 Energy Conservation Grand Prize	Products and Business Models Category Chairman's Prize of Energy Conservation Center of Japan Drum-type washer-dryer models: ZABOON TW-Z9500, TW-Z8500 and TW-Q900	Toshiba Home Appliances Corporation	2012
"CHO" MONODZUKURI Innovative Parts and Components Award 2012	Eco-chip	Toshiba Corporation Corporate Research and Development Center	2012
9th LCA Society of Japan Awards	Honorable Award Toshiba Group's water footprint initiative	Toshiba Corporation	2012
9th LCA Society of Japan Awards	Honorable Award The Promotion of Environmental Management Using LCA in the Medical Equipment Area	Toshiba Medical Systems Corporation	2012
2012 Commendation for Science and Technology by the Minister of Education, Culture, Sports, Science and Technology	Prizes for Science and Technology (Development Category) Development of a variable-cylinder twin rotary compressor for home air conditioners	Toshiba Carrier Corporation	2012
JEMAI (Japan Environmental Management Association for Industry) Outstanding Research Paper Award	Outstanding Research Paper Award 2011 in "Environmental Management" magazine Visualization of Impact of Business Activities on Ecosystems: Toshiba Group Initiative	Toshiba Corporation Corporate Environment Management Division	2012
FY2012 3Rs (Reduce, Reuse, and Recycle) Promotion Merit Awards	Minister of Economy, Trade and Industry Minister's Awards Solutions for effectively using waste and training all employees regarding 3R activities	Toshiba Corporation Semiconductor & Storage Products Company Oita Operations	2012
FY2012 3Rs (Reduce, Reuse, and Recycle) Promotion Merit Awards	3R Promotion Council Chairman's Award Improvement of the recycling rate toward achieving zero-emissions	Toshiba Corporation Digital Products & Services Company Ome Operations	2012
FY2012 3Rs (Reduce, Reuse, and Recycle) Promotion Merit Awards	3R Promotion Council Chairman's Award 3R activities regarding the manufacture of NAND flash memory devices	Toshiba Corporation Semiconductor & Storage Products Company Yokkaichi Operations	2012
Kunshan City Environmental Green Level Certificate/Kunshan Top Ten Green Foreign Investment companies	Environmental conservation activities	Toshiba Lighting & Technology (Kunshan) Co., Ltd.	2012
2012 Asia's Best Employer Brand Award	Best management practices contributing to environmental conservation	Toshiba Thailand Co., Ltd.	2012
Green Pavilion Award	Environmental management policies and eco-products	Toshiba Thailand Co., Ltd.	2012

Certified as the 2012 Advanced Hazardous Waste Management Technology Company by Hangzhou Economic & Technological Development Area	Environmental conservation activities to manage hazardous waste	Toshiba Information Equipment (Hangzhou) Co., Ltd.	2012
Zhejiang Province Green Company	Environmental conservation activities as a company promoting green manufacturing on an ongoing basis	Toshiba Information Equipment (Hangzhou) Co., Ltd.	2012
The Corporate Social Responsibility Award 2012 (CSR Award 2012)	CSR activities and achievements from 2010 to 2012	Toshiba Vietnam Consumer Products Co., Ltd.	2012
2012 Japan Society of Mechanical Engineers Award (technology)	Development of a high-efficiency variable-cylinder rotary compressor	Toshiba Carrier Corporation	2012
Chubu Bureau of Economy, Trade and Industry Director-General's Award for Excellent Energy Management	Promotion of energy saving	Toshiba Corporation Semiconductor & Storage Products Company Yokkaichi Operations	2012
Green Apple Awards	Silver Prize in the international category Promote various environmental measures in the fifth factory building	Toshiba Corporation Semiconductor & Storage Products Company Yokkaichi Operations	2012
Don Emilio Abello Energy Efficiency Award	Promotion of energy efficiency through technology and engineering	Toshiba Information Equipment (Philippines), Inc.	2012
Excellent Energy Conservation Manager	Kyushu Bureau of Economy, Trade and Industry Director-General's Award Contributions to promoting the use of energy conservation technology through the formulation and implementation of many energy-saving strategies as an energy manager and through presentations and reports to groups inside and outside the company	Hiroyuki Shimokawa Toshiba Corporation Semiconductor & Storage Products Company	2012
2011 Dalian City Sustainability Development Report Award	Best Report Award Disclosure of information on environmental conservation activities and their results	Toshiba Dalian Co., Ltd.	2012
Certified as the 2011-2012 Advanced Organization for Environmental Advertisement and Education by Dalian City	Environmental education	Toshiba Dalian Co., Ltd.	2012
Certified as the 2012 Advanced Organization for Environmental Protection Volunteer Activities by Dalian City	Environmental protection volunteer activities	Toshiba Dalian Co., Ltd.	2012
Certified as the 2012 Advanced Company for Solid Waste Management by Dalian City	General management of solid waste	Toshiba Dalian Co., Ltd.	2012
16th Environmental Communication Awards	Environmental Reports Category Grand Prize (Prize of Minister of the Environment) for the Toshiba Group Environmental Report 2012	Toshiba Corporation	2012
16th Environmental Communication Awards	Environmental Television Spots Category Grand Prize for Toshiba Group's LED lighting Louvre Museum advertisement / Excellent Commercial Award in the environmental TV commercial category for Toshiba Group's LED lighting 10-year calendar	Toshiba Corporation	2012

65th Dentsu Advertising Awards	Dentsu General Advertising Awards (LED lighting 10-year calendar advertisement, home appliance and home story advertisement, Toshiba Smarbo advertisement)	Toshiba Corporation	2012
32nd Newspaper Advertising Awards	LED lighting 10-year calendar advertisement	Toshiba Corporation	2012
52nd Advertisement Competition for Consumers METI Minister's Awards and many other awards			
Fuji Sankei Group Advertisement Awards, Media Mix Grand Prize,	"Toshiba LED lighting at the Louvre Museum" advertisement of LED lighting	Toshiba Corporation	2012
Nikkei Advertising Awards: Category Award, and many other awards			
Nikkei BP Advertising Awards	Excellent Lifestyle Award for the LED lighting 10-year calendar	Toshiba Corporation	2012
91st New York ADC Awards	Silver Prize in the poster category for the LED lighting 10-year calendar	Toshiba Corporation	2012
<b>Toshiba has received many other awards by advertisements of "Toshiba LED lighting at Louvre Museum" and "LED lighting 10-year calendar"</b>			
51st Business Advertising Awards	Business Advertising Award and other awards for the CT scanner series advertisement	Toshiba Corporation	2012
28th Yomiuri Advertising Awards	Excellent Advertisement Award in the life design category Home Appliances and Home Story Contest advertisement	Toshiba Corporation	2012
<b>Product and Technology Related</b>			
Cabinet Office, Government of Japan Medal with Purple Ribbon	Pioneering work of high-quality speech synthesis based on closed-loop training	Toshiba Corporation	April 2013
Okochi Memorial Foundation 59th Okochi Prize	The Okochi Memorial Grand Production Prize Development and Practical Application of Electron Beam Mask Writers	Toshiba Corporation NuFlare Technology, Inc.	March 2013
The New Technology Development Foundation 45th Ichimura Prizes: Ichimura Prizes in Industry - Contribution Prize	Development of transmitting/receiving superconducting filters to realize narrowband frequency assignment of high power wireless systems	Toshiba Corporation	April 2013
Japan Institute of Invention and Innovation FY2013 National Commendation for Invention	The Prize of Chairman of Japan Business Federation Invention of Chemical decontamination method using ozone	Toshiba Corporation	June 2013
The Promotion Foundation for Electrical Science and Engineering 60th Electrical Science and Engineering Promotion Award	Development and commercialization of naked eye 3D TV technology	Toshiba Corporation	November 2012
The Japan Electrical Manufacturers' Association 62nd JEMA TECHNICAL AWARD	Commercialization of engineering technology for large-scale photovoltaic power generation systems	Toshiba Corporation	March 2013

**Committed to People, Committed to the Future.**

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**Inquiry page on Toshiba website (general inquiries)**

URL <http://www.toshiba.co.jp/csr/en/contact/>

**The CSR Report is available on the Toshiba website**

URL <http://www.toshiba.co.jp/csr/en/>