TOSHIBA
Leading Innovation >>>

2015 | C S R Report
Corporate Social Responsibility

Human Smart Community
by lifenology - the technology life requires

Corporate Philosophy

BASIC COMMITMENT OF THE TOSHIBA GROUP

We, the 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.

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.
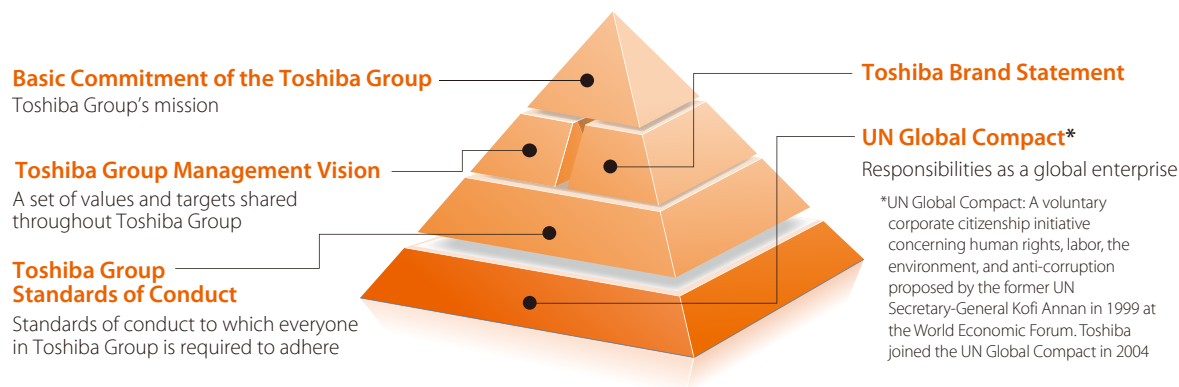
COMMITMENT TO THE FUTURE

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.

■ ■ ■

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

Framework of Toshiba Group's Management Philosophy

Basic Commitment of the Toshiba Group
Toshiba Group's mission

Toshiba Group Management Vision
A set of values and targets shared throughout Toshiba Group

Toshiba Group Standards of Conduct
Standards of conduct to which everyone in Toshiba Group is required to adhere

Toshiba Brand Statement

UN Global Compact*
Responsibilities as a global enterprise

*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

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.

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Toshiba Group Business Overview

Business Segments and Main Products

Toshiba Group is a general electrical manufacturer with world-class, cutting-edge technology. Since its foundation, we have produced home electric appliances that improve living standards, and opened new horizons through the implementation of technology that breaks industry norms.

Today, the Group's areas of business have developed and expanded into "Energy & Infrastructure", "Community Solutions", "Healthcare Systems & Services," "Electronic Devices & Components," and "Lifestyle Products & Services." We develop businesses that create the next era based around our three pillars of "Safety, Security and Comfort."

Business Segments	Main Products

Energy & Infrastructure Group

We pursue innovation with the aim of realizing a world with sustainable energy, by providing products and solutions that contribute to making the supply and demand of energy cleaner and more efficient.

Thermal power generation turbine
Secondary batteries "SCiB™"
Electric locomotive

Community Solutions Group

We provide a variety of solutions to society, such as building, home, road, disaster prevention, broadcast, water and sewerage, industrial waste water treatment and retail.

Elevator controlled by BEMS, Building Energy Management System
Drainage treatment system
Retail solutions (POS system)

Healthcare Systems & Services Group

We are involved in a variety of businesses that employ a diversity of technology, in fields ranging from diagnosis and treatment to disease prevention, prognosis, nursing-care, and health enhancement.

DNA testing device
MRI
Physical Activity Meter

Electronic Devices & Components Group

We intend to spearhead the big data era, our semiconductor products such as the top-of-the-range NAND flash-memory, as well as our HDD and SSD products.

NAND Flash-memory devices
SSD
Power semiconductor devices

Lifestyle Products & Services Group

We support businesses and lifestyles worldwide, providing products and solutions with high environmental performance.

Detachable Ultrabook®
4K TV REGZA
Cordless cyclone vacuum cleaner

Number of Employees by Business Segment (as of March 31, 2015)

Common to the Group
3,494 (2%)

Others
24,107 (12%)

Lifestyle Products & Services
24,216 (12%)

Electronic Devices & Components
34,171 (17%)

Healthcare Systems & Services
9,601 (5%)

Energy & Infrastructure
54,382 (27%)

Community Solutions
48,770 (25%)

Total 198,741
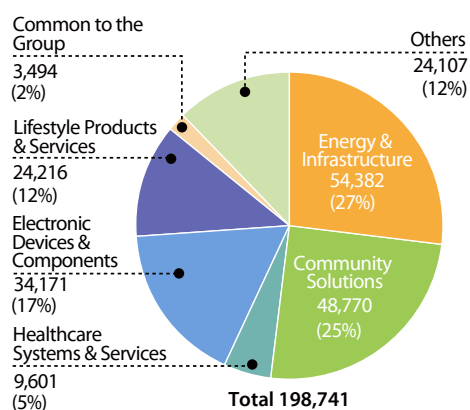
Sales by Business Segment (FY2014)

Others
529.0 (7%)

Lifestyle Products & Services
1,163.7 (16%)

Electronic Devices & Components
1,768.8 (24%)

Energy & Infrastructure
2,003.8 (28%)

Community Solutions
1,410.7 (19%)

Healthcare Systems & Services
412.5 (6%)

Total 6,655.9 (billion yen)
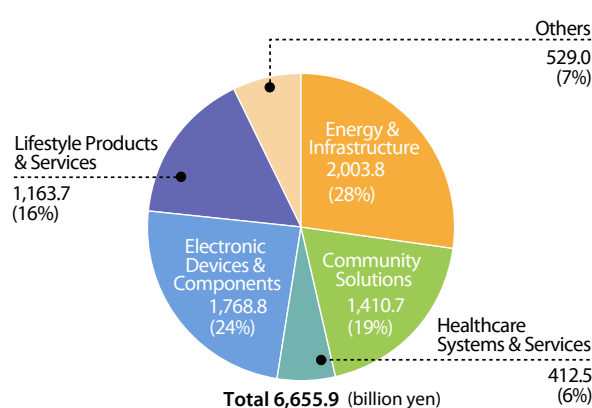
Note: Eliminations of sales among segments were 632.6 billion yen

Business Structure

Roughly 200,000 employees work for the Toshiba Group. The proportion of overseas employees has increased in recent years due to factors such as the acquisition of foreign companies and business restructuring within Japan. Overseas sales in FY2015 accounted for roughly 60% of total sales, and overseas employees accounted for over 40% of the total workforce at the end of March 2015.

Number of Companies by Region (Numbers in the map indicate domestic & overseas consolidated subsidiaries)

TOTAL
584
companies

Europe*2
131
companies

China
67
companies

Japan
Toshiba Corp. and
167
companies

North America
74
companies

Africa
7
companies

Asia*1/Oceania
112
companies

Central/
South America
26
companies
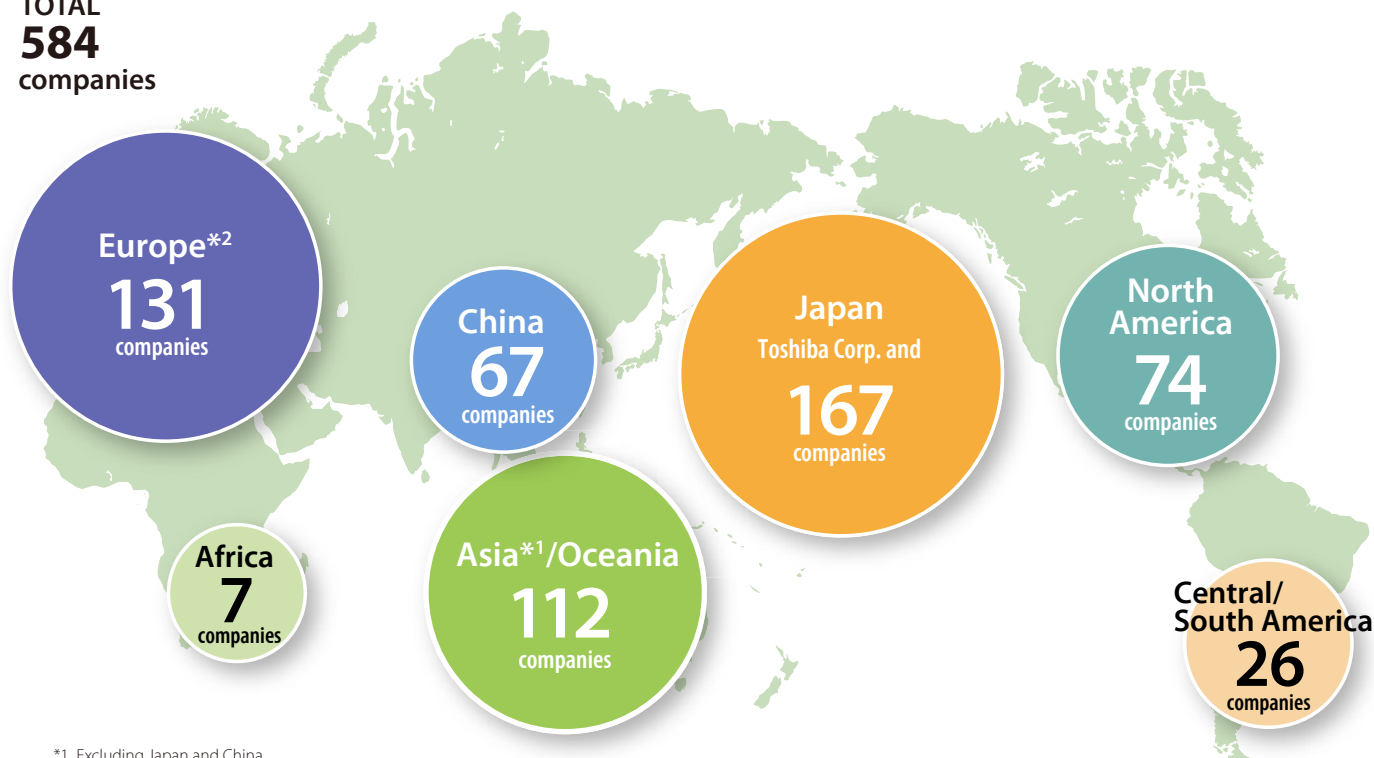
*1 Excluding Japan and China

*2 Including Russia

Number of Employees by Region (as of March 31, 2015)

Europe*2
11,060
(5.6%)

Central/South America
1,955
(1.0%)

China
21,234
(10.7%)

Africa
746
(0.4%)

Japan
111,319
(56.0%)

North America
22,493
(11.3%)

Asia*1/Oceania
29,934
(15.0%)

Total 198,741
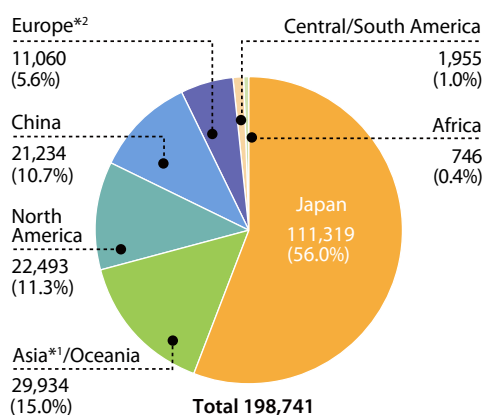
*1 Excluding Japan and China   *2 Including Russia

Sales by Region (FY2014)

Europe*2
772.9
(12%)

Others
362.2
(5%)

North America
1,124.7
(17%)

Japan
2,705.9
(41%)

Asia/Oceania
1,690.1
(25%)

Total 6,655.9 (billion yen)
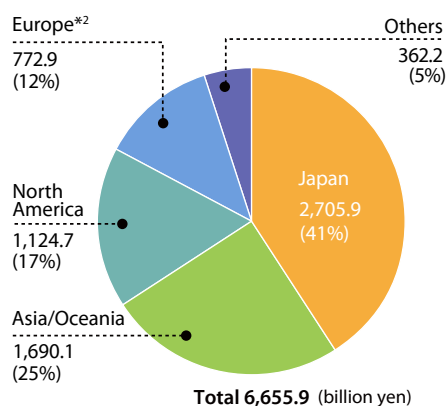
*1 Excluding Japan   *2 Including Russia

CEO Commitment

We will make every effort to revitalize Toshiba and recover stakeholder trust.

I would like to open this message by expressing my sincerest apologies for any concern or inconvenience caused due to the inappropriate accounting issue at Toshiba.

Following delays due to the inappropriate accounting issue, we submitted our FY2014 Annual Securities Report on September 7, 2015. At the end of the same month, our new management team was launched following the approval by our shareholders at the extraordinary general meeting. Based on this, we are now able to present to you our annual report for FY2014, and apologize for the delay in its publication.

Toshiba deeply regrets betraying the trust of our shareholders and all other stakeholders and for causing confusion in the market due to the inappropriate accounting issue. We have received numerous stern opinions and criticisms from our stakeholders. We take such reproaches seriously, and under the new management team we will continue to reform our corporate governance. In tandem with this, we are also working to redefine our corporate culture, including changing the mindset of top management, so as to ensure that our reformed corporate governance system functions properly. In addition, we will also examine all possibilities in taking decisive action on certain businesses whose performance is recognized as an issue for management.
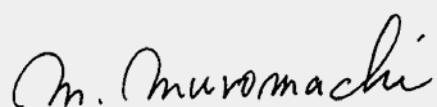
Our net income for FY2014 was negative ¥37.8 billion, due in part to the effects of factors such as reversal of deferred tax assets due to tax reforms. In addition, we inform you again with sincerest apologies that we have regretfully decided not to pay a dividend in respect of FY2014 earnings or a dividend with a September 30, 2015 date of record, in light of factors such as the business environment and the financial situation.

Toshiba also received notices from the Tokyo Stock Exchange and Nagoya Stock Exchange to the effect that they had designated our shares as "Securities on Alert" as of September 15, 2015, due to their finding that there are serious issues in the internal control systems and the like of Toshiba and that improvement in these areas is highly necessary. We take the "Securities on Alert" designation, which is a measure proportional to delisting, very seriously, and with advice from the relevant authorities, all members of Toshiba will strive together as one to make every effort towards the designation being removed.

It is with great shame that Toshiba recognizes the immense blemish that the accounting issue has left on our 140 year history. The resilience of Toshiba during our long history to overcome multiple difficulties and crises and continue to survive to this day as a corporation that contributes to society through technology and quality is due none other

than to the high regard and support shown to us by our shareholders and other stakeholders. We are acutely aware that our actions have severely undermined the confidence in Toshiba cultivated by our predecessors, and must all reflect deeply on this.

The management philosophy of the Toshiba Group is: *"We, the 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."* That commitment will remain unchanged under the new management team. We will engage in CSR management that contributes to society through business activities that place top priority on human life, safety and compliance, and are committed to making every effort to revitalize Toshiba as a company that enjoys the trust of all stakeholders. I humbly request your ongoing support.

Masashi Muromachi
President and CEO

Inappropriate Accounting Issues and Our Approach to Toshiba Group's Revitalization

Toshiba expresses sincere apologies to all shareholders for any inconvenience or concerns caused by the inappropriate accounting issue.

The following report covers the sequence of events thus far, an outline of the accounting treatments subject to correction, the action taken to clarify managerial responsibility, and the status of action taken on matters such as the new management team, governance structure and recurrence prevention measures, based on the matters that the Company had identified or decided by the time of the Extraordinary General Meeting of Shareholders held on September 30, 2015.

Any further disclosures of new information on this issue will be posted on the Tohsiba website in a timely manner.

1. Sequence of events

Sequence of events

February 12, 2015	Received a report order from the Securities and Exchange Surveillance Commission
Late March	Identified matters requiring investigation in relation to accounting pertaining to the percentage-of-completion method for certain infrastructure projects undertaken by the Company
April 3	Established the Special Investigation Committee
May 8	Established the Independent Investigation Committee
July 20	Received the Investigation Report from the Independent Investigation Committee
September 7	Made corrections to the financial statements for the 171st fiscal year through the 175th fiscal year

The Company received a report order under Article 26 of the Financial Instruments and Exchange Act from the Securities and Exchange Surveillance Commission on February 12, 2015, and was subject to a disclosure statements inspection in relation to matters such as the percentage-of-completion accounting method.

Subsequently, in a self-led investigation conducted by the Company in response to matters pointed out during the disclosure statements inspection regarding the percentage-of-completion accounting method, the Company identified matters requiring investigation in relation to accounting for fiscal 2013 pertaining to the percentage-of-completion method for certain infrastructure projects undertaken by the Company, and as of April 3, 2015 the Company established a Special Investigation Committee comprising internal committee members from the Company as well as an outside attorney-at-law and public certified accountant, and conducted a self-led investigation into the relevant facts. The

Special Investigation Committee identified instances such as where the total contract cost had been underestimated and where contract loss (including provisions for contract losses) had not been recorded at appropriate times, and also identified other matters requiring further investigation.

For this reason, the Company determined as of May 8, 2015 to change the framework of the investigation to an investigation by an independent committee comprising fair and impartial outside experts with no interests in the Company. The specific scope of the investigation delegated to the Independent Investigation Committee was (i) accounting in relation to the percentage-of-completion method, (ii) accounting in relation to recording of operating expenses in the Visual Products Business, (iii) accounting in relation to valuation of inventory in the Semiconductor Business, mainly discrete and system LSIs, and (iv) accounting in relation to parts transactions, etc. in the PC Business.

The members of the Independent Investigation Committee were as follows.

Chairman:	Koichi Ueda	Attorney-at-Law (former Superintending Prosecutor, Tokyo High Public Prosecutors Office)
Members:	Hideki Matsui	Attorney-at-Law (Co-representative of Marunouchi Sogo Law Office)
	Taigi Itoh	Certified Public Accountant (former Deputy Chairman of the Japanese Institute of Certified Public Accountants)
	Kazuyasu Yamada	Certified Public Accountant

Subsequently, on July 20, 2015, the Company received the Investigation Report from the Independent Investigation Committee.

Parallel to the above investigations, the Company conducted a self-check of the Company and all of its consolidated subsidiaries as of March 31, 2015, regarding matters such as whether there had been any cases in which accounting standards or accounting rules etc. had not been complied with or other cases of inappropriate accounting treatment, and whether there was any awareness thereof, including minor instances, for any of the fiscal quarters during the period from fiscal 2009 to fiscal 2014 and from April to the end of May of 2015.

As a result of conducting validation procedures in respect thereof the Company determined that it was necessary to correct the financial results of past fiscal years in relation to the matters stated in 2. below, and the Company made corrections to the financial statements it had reported to shareholders for the 171st fiscal year (from April 1, 2009 to March 31, 2010) through the 175th fiscal year (from April 1, 2013 to March 31, 2014).

2. Outline of corrected accounting treatments

The outline of the accounting treatments corrected based on matters such as the results of the investigation in 1. above is as follows.

▎ **Instances relating to the percentage-of-completion method of accounting**

These include instances in which the total estimated cost of contract work was calculated without being based on the latest information regarding incurred costs, instances in which provisions for contract losses were not recorded at the time when it became clear that losses would arise; and instances in which the total estimated cost of contract work was calculated based on expected cost reductions that lacked concrete substantiation.

▎ **Instances relating to the recording of operating expenses in the Visual Products Business**

These include instances in which some operating expenses were not accounted for on an accrual basis; instances in which unrealized profits that had been recognized due to temporary increases in transactions with affiliated companies were not eliminated; and instances in which supplier discounts were recognized despite any substantive cost reductions, such as by being predicated on adjustment or inflation of the procurement price in subsequent periods.

▎ **Instances relating to valuations of inventory in the Semiconductor Business**

These are instances in which valuation losses were not recorded at the timing when works-in-progress or the like were actually disposed of; and instances in which the cost of sales was under-recorded as a result of the book value of term-end intermediate products and term-end completed products being overstated, due to a loss of continuity between the revising of the standard cost for standard cost calculation in the front-end process and in the back-end process.

▎ **Instances relating to parts transactions etc. in the PC Business**

These include instances relating to parts transactions with original design manufacturers in which some operating costs were not accounted for on an accrual basis, in addition to recognizing amounts equivalent to profits in each accounting period that should not have been recognized; and instances involving transactions with affiliated companies in which profits were recorded that should not have been realized.

▎ **Other instances**

Instances other than the foregoing that were identified through self-checks, and misrepresentations etc. identified in the course of the audit by the independent auditor but which were not corrected from the perspective of materiality.

▎ **Incidental impacts due to the foregoing corrections**

Incidental to the foregoing accounting treatments, the Company also made corrections such as to the recognition or timing of recognition of impairments of fixed assets pertaining to the Visual Products Business, the PC Business and the Semiconductor Business (mainly discrete and system LSIs), and made corrections to depreciation costs in accordance with the foregoin corrections, and retrospectively corrected tax calculations as well.

Restatement of Past Financial Results FY2008-FY2014/3Q

Net Sales

■ Before correction ■ After correction

(billion yen)

	Before correction	After correction
2008	6,364.8	**6,373.0**
2009	6,129.9	**6,137.7**
2010	6,270.7	**6,264.0**
2011	5,994.3	**5,996.4**
2012	5,727.0	**5,722.2**
2013	6,502.5	**6,489.7**
2014 (1-3Q)	4,716.2	**4,723.3**
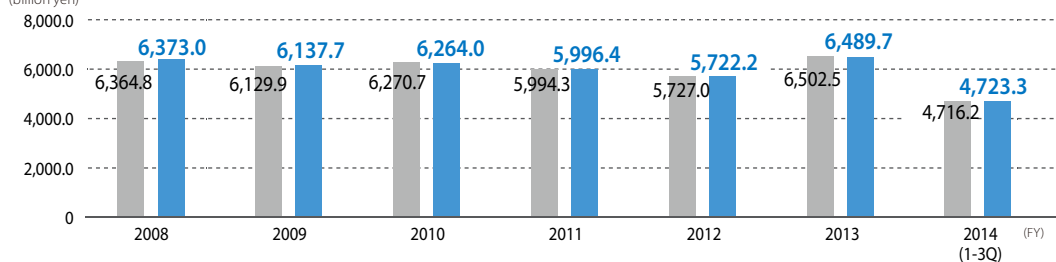
Cumulative corrected amount
(FY2008- 14/3Q)
0. 9 billion yen

Income (Loss) before income taxes and noncontrolling interests

(billion yen)

	Before correction	After correction
2008	-259.7	**-336.1**
2009	27.2	**-14.3**
2010	194.7	**201.8**
2011	145.4	**61.4**
2012	159.6	**74.9**
2013	180.9	**182.3**
2014 (1-3Q)	134.9	**188.2**

Cumulative corrected amount
(FY2008- 14/3Q)
-224. 8 billion yen

Net Income (Loss)

(billion yen)

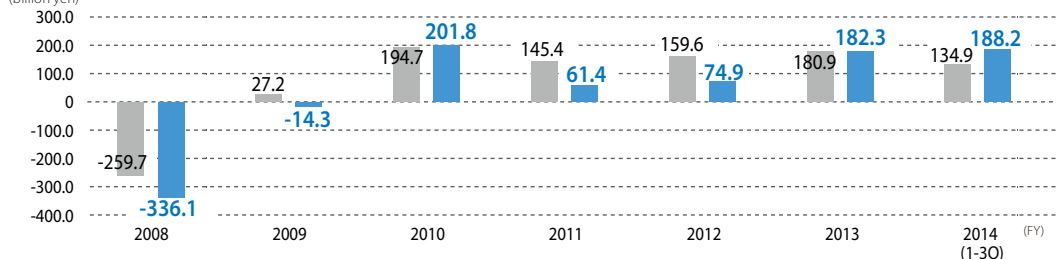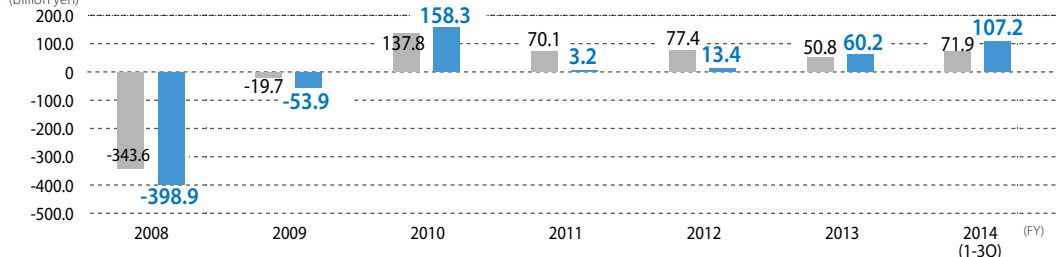|	Before correction	After correction
2008	-343.6	**-398.9**
2009	-19.7	**-53.9**
2010	137.8	**158.3**
2011	70.1	**3.2**
2012	77.4	**13.4**
2013	50.8	**60.2**
2014 (1-3Q)	71.9	**107.2**

Cumulative corrected amount
(FY2008- 14/3Q)
-155. 2 billion yen

Income (Loss) before Income Taxes
Restatement of Past Financial Results and Effects of Restatement (by element)

(billion yen)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 (1-3Q cumulative)	Cumulative (2008-14/3Q)
(Before correction) Income (Loss) before income taxes	-259.7	27.2	194.7	145.4	159.6	180.9	134.9	583.0
Percentage-of-completion method	-3.6	0.1	7.0	-7.9	-18.0	-24.5	-1.0	-47.9
Recording of operating expenses, etc. in the Visual Products business	-5.3	-7.8	-6.5	12.7	-2.8	0.8	2.8	-6.1
Component transactions, etc. in the PC business	-19.8	-28.6	11.3	-22.3	-28.1	10.4	19.3	-57.8
Valuation of inventory, etc. in the Semiconductor business	0.0	-4.4	-1.6	-10.3	-36.6	16.3	-0.5	-37.1
Self-check, etc.	-6.0	-3.8	-3.4	-7.3	-12.9	-12.2	16.2	-29.4
Amount for impairment of fixed assets (incld. Effect of depreciation / gain (loss) on sale or disposal)	-41.7	3.0	0.3	-48.9	13.7	10.6	16.5	-46.5
Total amount of correction	-76.4	-41.5	7.1	-84.0	-84.7	1.4	53.3	-224.8
(After correction) Income (Loss) before income taxes	-336.1	-14.3	201.8	61.4	74.9	182.3	188.2	358.2

3. Action taken to clarify managerial responsibility

In response to the results of the investigation by the Independent Investigation Committee, and effective as of July 21, 2015, Hisao Tanaka, Representative Executive Officer, President and Chief Executive Officer and Director; Norio Sasaki, Vice Chairman of the Board and Director; Hidejiro Shimomitsu, Representative Executive Officer, Corporate Senior Executive Vice President and Director; Masahiko Fukakushi, Representative Executive Officer, Corporate Senior Executive Vice President and Director; Kiyoshi Kobayashi, Representative Executive Officer, Corporate Senior Executive Vice President and Director; Toshio Masaki, Representative Executive Officer, Corporate Senior Executive Vice President and Director; and Makoto Kubo, Chairman of the Audit Committee and Director, all resigned from their positions in the Company; and Keizo Maeda, Representative Executive Officer, Corporate Executive Vice President and Director, resigned from his positions as Representative Executive Officer and Director. In addition, Atsutoshi Nishida, Adviser to the Board, resigned from his position as of the same day.

Further, Masaaki Osumi, Executive Officer and Corporate Senior Vice President, resigned as of July 29, 2015; Keizo Maeda, Executive Officer and Corporate Executive Vice President, resigned as of August 31; and partial reductions in monthly compensation were implemented for Directors (including Outside Directors) and Executive Officers.

On the other hand, the Company established the Executive Liability Investigation Committee as of September 17, 2015. The Executive Liability Investigation Committee consists of independent legal experts who do not have any interests in relation to current and former directors and executive officers, in order for the Company to make an appropriate and fair judgment on whether current and former directors and executive officers of the Company bear liability for negligence in their duties related to the inappropriate accounting, and whether the Company should enforce liability against current and former directors and executive officers.

4. Action taken in respect of governance structure and recurrence prevention measures

The investigation report from the Independent Investigation Committee particularized the major direct causes of inappropriate accounting as institutionalized behavior, including the involvement of certain members of top management, their objective of overstating apparent current-period profit, a policy of over-riding emphasis on current-period profit, and strong pressure to achieve budget targets.

It is also found that the chief indirect cause of issues were the non-functioning of certain internal controls for financial reporting, as top-management involvement resulted in the non-functioning of the monitoring function of the Board of Directors, including the Audit Committee, the internal audit function, and the checks and balances functions, etc. of corporate divisions.

The Company presumes that these causes resulted from pressure caused by an awareness of concerns in the capital market, and a need to find new business opportunities in a harsh environment where individual divisions were recording weak performances as a result of negative impacts from the collapse of Lehman Brothers, the Great East Japan Earthquake, the flooding in Thailand and an

extremely strong yen, all at a time when traditional business markets were shrinking.

On receiving the investigation report, the Company acted on its analysis of causes by establishing the Management Revitalization Committee, whose members included the Company's four Outside Directors, an attorney-at-law and a certified public accountant, both from outside the company, and which also called on independent observers. Once new nominees for Outside Directors were selected, they also joined the committee. The committee was tasked with carrying out intensive discussions on a new management team and prevention of any recurrence, including reform of corporate governance.

Going forward, resolving management issues, improving the Company's business environment and measures against recurrence are all imperatives for the Company. The Company will accelerate business selection and concentration, fundamentally reformulate its business structure and revamp its financial structure, by taking measures to ensure efficient use of assets, including asset sales.

Outline of Reform of Corporate Governance Structure

Management Revitalization Promotion Structure (After September 30)

Supervisory Side

- Board of Directors
  - Nomination Committee
  - Compensation Committee
  - Audit Committee
    - Functional reinforcement → Audit Committee Office — Support Outside Directors / Support Audit Committee's work
    - New organization → Internal Audit Division — (1) Audits of account (2) Compliance in spections (3) Audits of appropriateness (4) Audits of internal controls

Business Execution Side

- Representative Executive Officer, President & CEO
- In-House Companies
  - New organization → **Management Reform Promotion Division**
    - Promote measures and policies relating to management revitalization
    - Reform of corporate culture, process reform of staff works
  - New organization → **Internal Management System Reinforcement Project Team**
    - J-SOX
    - Restructure and reinforce internal control system
  - New organization → **Project Examining Division**
    - Examine percentage -of-completion projects before orders
    - Monitor appropriateness of costs after orders
  - **Staff Division**

The Company has determined, based on the discussions by the Management Revitalization Committee, the basic policy described below, and been implementing in sequence.

I. Composition and Reinforcement of the Board of Directors' Supervisory Functions

The Company reconfirmed that the Board of Directors has to "monitor and supervise business execution" and "determine the Company's basic strategies," and implemented the policies described below.

Composition of the Board of Directors

i. Reduced the Board of Directors to 11 people

To ensure substantive and productive deliberations, the Company reduced membership of the Board of Directors from 16 to 11 people (the Articles of Incorporation states "20 people or less").

ii. Increased the ratio of Outside Directors to more than half

To secure an effective "monitor and supervise business execution" function, the Company decided that Outside Directors will constitute over half the members of the Board of Directors.

iii. Ensuring the composition of a Board of Directors that takes the expertise of its members into account

Recognizing the inadequacies in its accounting audit function and compliance inspections, the Company appointed Directors who are management executives, legal and accounting professionals, or experts in other areas, in order to diversify the composition of the Board of Directors.

iv. Enabling an Outside Director to become Chairman of the Board of Directors

The Company's amendment to its articles of incorporation allowing the appointment of an Outside Director as Chairman of the Board of Directors was approved at the Extraordinary General Meeting of Shareholders. Subsequently, Mr. Shinzo Maeda, an Outside Director, was appointed as Chairman of the Board of Directors.

Reinforcement of the Board of Directors' Supervisory Function

i. Reinforcement of the support structure for Outside Directors

The function and headcount of the Audit Committee Office was expanded in order to provide support for Outside Directors. By utilizing independent outside experts (including attorneys-at-law and certified accountants) and others, the Audit Committee Office reinforced its powers of investigation. This provides the Outside Directors with stronger report collection and investigation abilities and reinforces their capabilities.

ii. Establishment of 'Executive Sessions'

The Company established 'Executive Sessions,' meetings that consist of Outside Directors to stimulate their information exchanges and to increase their understanding of the Company's business.

II. Reinforcement of the Audit Committee's Supervisory Function

The Company has implemented the measures described below to reinforce the internal controls (audit function) managed by the Audit Committee.

Composition of the Audit Committee

i. An Audit Committee composed, in principle, only of independent Outside Director members

In principle, all members of the Audit Committee, around five in number, must be independent Outside Directors.

ii. An Audit Committee composed of Outside Directors with a high level of expertise

Members of the Audit Committee must include Outside Directors with a high level of expertise and extensive experience in the fields of accounting, law or management, so as to reinforce the functions of accounting auditing and compliance inspections.

Reinforcement of the audit function of the Audit Committee

i. Reinforcement of the Audit Committee Office

To ensure that the Audit Committee Office is able to collect reports and conduct investigations based on instructions from the Audit Committee, the Company increased the size of the Audit Committee Office's staff, expanded opportunities to use outside experts, and implemented other measures. The Company also appointed the Executive Officer in charge as the head of the Audit Committee Office.

ii. Reinforcement of the audit function of the Audit Committee through establishment of an internal reporting system

In addition to the internal whistleblower system on the business execution side, the Company established an internal reporting function in the Audit Committee Office. The Company also clarified that all members of the Audit Committee have the right to access all reports made to the business execution side using the whistleblower system.

iii. Securing the independence of the Audit Committee Office

The Audit Committee has the right to approve the appointment of, dismiss, and veto the dismissal of, the head and staff members of the Audit Committee Office.

iv. Elimination of the Corporate Audit Division, establishment of the Internal Audit Division, and direct control of the Audit Committee

The Company eliminated the current Corporate Audit Division, separated the internal audit function of the Corporate Audit Division from the business execution side, and reestablished these functions in an Internal Audit Division under the direct control of the Audit Committee.

v. Reinforcement of the audit function in accounting and compliance inspections by the Internal Audit Division

The Company limits and focuses the work of the Internal Audit Division to audits of accounting, compliance inspections, audits of appropriateness and audits of internal control. Responsibility for management consultation, formerly carried out by the Corporate Audit Division, was shifted to the business execution side, and the execution and supervisory functions were clearly separated. The Company appointed the Executive Officer in charge as general manager of the Internal Audit Division.

vi. Reinforcement of accounting audits and compliance inspections in in-house companies

Several members of the Internal Audit Division are resident in each in-house company. The Internal Audit Division cooperates with in-house companies and accounting auditors and builds a structure for sharing information.

vii. Securing the independence of the Internal Audit Division

The Audit Committee has the right to approve the appointment of, dismiss, and veto the dismissal of, the head of the Internal Audit Division.

III. Reinforcing the Nomination Committee and ensuring the transparency of nomination procedures

In order to prevent any recurrence, the Company will clarify the standards of eligibility for appointment top-management positions and establish a structure that secures appropriate decisions on the eligibility of potential candidates.

▌ Composition of the Nomination Committee
i. A Nomination Committee composed, in principle, only of independent Outside Director members

In principle, all members of the Nomination Committee, around five in number, must be independent Outside Directors.

▌ Ensuring the fairness of nomination procedures
i. Formulation of a Succession Plan

To ensure the objectivity and fairness of the process for nominating the successor of the President and Chief Executive Officer, the Nomination Committee will formulate a Succession Plan.

ii. Clarification of the basis for election and appointment of Executive Officers and Representative Executive Officers and election and appointment processes

The Nomination Committee will clearly set out the standards for electing Executive Officers and appointing Representative Executive Officers. The Nomination Committee will have the authority to conduct periodic interviews with all candidates, and the Company will introduce a system for evaluation of the President and Chief Executive Officer by senior management (a voteof- confidence system).

IV. Consideration of compensation planning from a medium- to long-term perspective

To motivate top management to draw up reasonable and feasible long-term management plans, the Company will consider compensation planning based on medium- to long-term corporate value, such as increasing the component of compensation that moves in tandem with medium- to long-term performance.

Other Preventive Measures

I. Corporate culture reform

▌ Review of budgetary control
The Company will end the policy of an over-riding emphasis on current-period profit, and review the procedures for drawing up mid-term business plans and budget plans, and also its business performance management, with the aim of setting feasible and sensible budgets from a long-term management perspective, commensurate with the Company's capabilities.

▌ Improved awareness and strengthening of compliance
The Director and Chairman of the Board, concurrently serving as Representative Executive Officer and President and Chief Executive Officer, sent a message to all employees expressing a firm commitment to steadily implementing the corporate governance reform discussed by the Management Revitalization Committee and to reviving Toshiba Group. His message also declared a determination for the whole Company to work together in order to regain public trust. The Company also conducted an employee survey in order to gather candid opinions. In addition, the Company held an awareness improvement seminar for members of top management in early October 2015, toward improving the awareness of top managemers.

▌ Education on accounting compliance
In addition to the awareness improvement seminar for top management, the Company will also hold seminars by rank and function, according to posts held and work areas, to enhance the effectiveness of accounting compliance. The Company will consider continued implementation of these seminars.

II. Measures for strengthening internal control

▎ Reform of the finance and accounting organization

In order to reinforce the internal control function of the finance and accounting divisions, the Company transferred the right to approve the appointment and performance evaluation of the company CFO of each in-house company (CCFO) from the presidents of each in-house company to the Executive Officer in charge of finance and accounting, in his or her capacity as the Chief Financial Officer (CFO), so as to secure the independence of the finance and accounting functions.

▎ Reform of the internal reporting system

Together with establishing a confidential reporting function in the Audit Committee Office in addition to the internal whistleblower system on the business execution side, the Company will endeavor to make its whistleblower system more accessible to employees by ensuring that all employees are fully aware that a whistleblower system is available to them and that the anonymity of whistleblowers is strictly ensured.

III. Business process reform

Responding to material inadequacies found in the current internal control system in respect of financial reporting, the Company is now reviewing accounting rules in the following areas for which it delegated investigation to the Independent Investigation Committee and where inappropriate accounting treatment was found, as well as in other similar accounting procedures:
(1) accounting in relation to the percentage-of-completion method; (2) accounting in relation to recording of operating expenses in the Visual Products business; (3) accounting in relation to valuation of inventory in the Semiconductor business, mainly Discrete and System LSIs; and (4) accounting in relation to component transactions, etc. in the PC business. The Company is studying required action items to reform business processes in line with changes to the accounting rules. The Company will execute improved business processes based on the determined action items.

The Company expresses its sincere apologies for any concerns or inconvenience caused on this occasion. The Company will revitalize its management structure and unite as a whole to make every effort to reform the Toshiba Group and regain trust.

Providing Excellent User Experience

# Our Approach to Solving Global Social Issues

Recognition of Global Social Issues

Suppliers

NPOs/NGOs

Global environment

Local communities

Governments and public bodies

Employees

Customers

Shareholders/Investors

Dialogues with the Toshiba Group's Stakeholders

Global Social Issues which Toshiba Group recognizes

- **Resources and energy**
- **Environmental considerations**
- **Population increase and aging**
- **Increase of information by ICT sophistication**
- **Consideration for human rights**
- **Prevention of natural disasters**
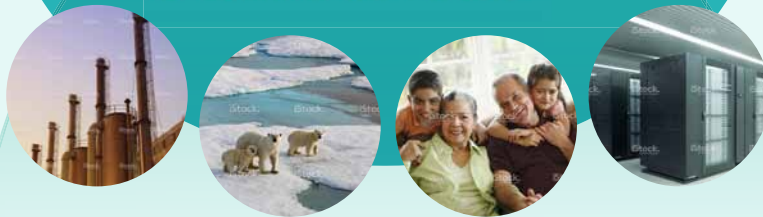
Trends in Society

ISO26000
Guidance on social responsibility

Millennium Development Goals (MDGs)
Sustainable Development Goals (SDGs)

Policies regulations

Competitors

Media

Science and technology research

Themes

Energy
- Stable energy supply
- Efficient utilization of energy
- Reduction of CO_2 emission

Storage
- Solution for the large volume data processing in an advanced information society
- Development of products and technologies that incorporate the "Internet of Things" concept

Healthcare
- Personalized healthcare
- Friendly medical care
- Support for home medical care and nursing care
- Safe, secure and comfortable lifestyles

Toshiba Group contributes to solutions for various global social issues and the realization of the Human Smart Community—a safe, secure and comfortable society—through business activities in three main areas: Energy, Storage and Healthcare.

Our aim is provide not only products but also excellent user experiences. Through dialogues with our stakeholders, we understand their interests and trends in public opinion, and recognize the latest social issues, and then create value appropriate for the times.

Toshiba Group's Businesses

Efficient utilization of energy

We provide power generation systems that use renewable energy sources such as solar, geothermal and wind power as well as systems for transmission, transformation and distribution of electric energy. We also promote the key role of hydrogen usage in creating a stable supply of renewable energy.

Storage supporting information infrastructure

We provide comprehensive solutions that incorporate our technologies and knowledge concerning data storage, usage and processing, controlling things, hardware, software, and system management.

Promotion of the positive cycle in healthcare

We support sustainable and efficient systems for medical and nursing in the four areas: disease prevention, diagnosis and treatment, prognosis and nursing, and health promotion. We provide products and services which contribute to the improvement and promotion of people's health.

Toshiba Group's Solutions

■ **Achievement of the best mix of energy sources**
Development of technologies designed to achieve an optimal balance in the use of thermal, nuclear, hydraulic power generation and renewable energy

■ **Realization of a smart community**
Provision of a variety of solutions for communities, such as energy, water, building, home, commerce and retail solutions

■ **The pursuit of safe, secure and comfortable hydrogen society**
Using hydrogen derived from renewable energy sources

■ **Development of devices for data storage demand**
Provision of storage devices that meet the demands of increasing the speed, capacity, energy-saving efficiency and space conservation requirements

■ **Integrated use of ICT ranging from devices to cloud services**
Provision of solutions based on collection and analysis of actual data using ICT

■ **Efficiency of medical diagnosis and treatment, and alleviation of the patients' burdens**
Development and spread of radiation exposure reduction technologies, development of methods for breast cancer screening with less pain and for early detection and treatment, and the provision of heavy ion radiotherapy systems that treat cancer without surgery

■ **Enhancement of businesses for disease prevention, prognosis and nursing and health promotion**
Development and utilization of sensing technologies and promotion of big health data analysis / Development of products and services that support home medical and nursing care / Development of products and services that support health and safety regarding our matters surrounding our lifestyles, such as food, water and air

Material Issues as base that supports our business

Respect for Human Rights
Make it our management principles and place high importance on it in our business.

CSR Management in the Supply Chain
Build sound partnerships and promote CSR management with suppliers.

Environmental Management
Aim to establish ourselves as one of the world's foremost eco-companies.

Contributing to solving energy problems by using hydrogen derived from renewable energy sources

Most of the energy we consume comes from exhaustible resources such as fossil fuels. The reserve of oil in particular is estimated to only last for another 53 years[1]. At the same time, the International Energy Agency (IEA) has calculated that global energy demand will increase 1.4 times between 2012 and 2040[2].

In light of these circumstances, the shift to renewable energy is an urgent task, not only for tackling climate change, but also to prevent the exhaustion of resources. To this end, there is need to develop a stable renewable energy supply system that is not dependent on weather conditions. Among the possible solutions, hydrogen power—a clean and sustainable next-generation energy source—is receiving increased attention as an effective secondary energy source for advancing the use of renewable energy.
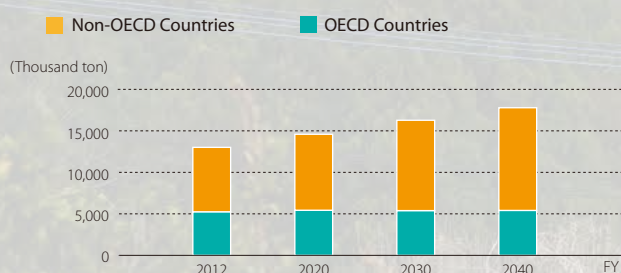
[1]: Estimation by BP (2013)
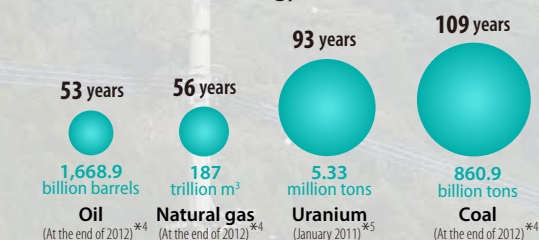[2]: IEA(International Energy Agency), World Energy Outlook 2014

Global social issues and their solutions

Issue	Solution
● Dependence on exhaustible resources	● A secondary energy source that can be manufactured and supplied in a reliable manner
● Extreme weather caused by global warming	● Use of renewable energy
● Disruption in energy supply caused by accidents, natural disasters and climate change	● Autonomous, distributed generation in times of disaster

Perspective of world energy demand

■ Non-OECD Countries ■ OECD Countries

(Thousand ton)

20,000
15,000
10,000
5,000
0

2012 2020 2030 2040 FY

Source: IEA, World Energy Outlook 2014

Confirmed amount of energy resources (Ratio of reserves to production[3])

53 years
1,668.9 billion barrels
Oil
(At the end of 2012)[4]

56 years
187 trillion m³
Natural gas[4]
(At the end of 2012)

93 years
5.33 million tons
Uranium[5]
(January 2011)

109 years
860.9 billion tons
Coal
(At the end of 2012)[4]

[3] Ratio of reserves to production is calculated by dividing the confirmed amount of energy resource already discovered by the amount of production. Confirmed amount of energy resource of Uranium costs less than US$130/kgU
Source: [4] BP Statistics (2013) [5] OECD/IAEA Uranium 2011

Toshiba Group's problem-solving approach

Working towards a safe, secure and comfortable society with hydrogen derived from renewable energy sources
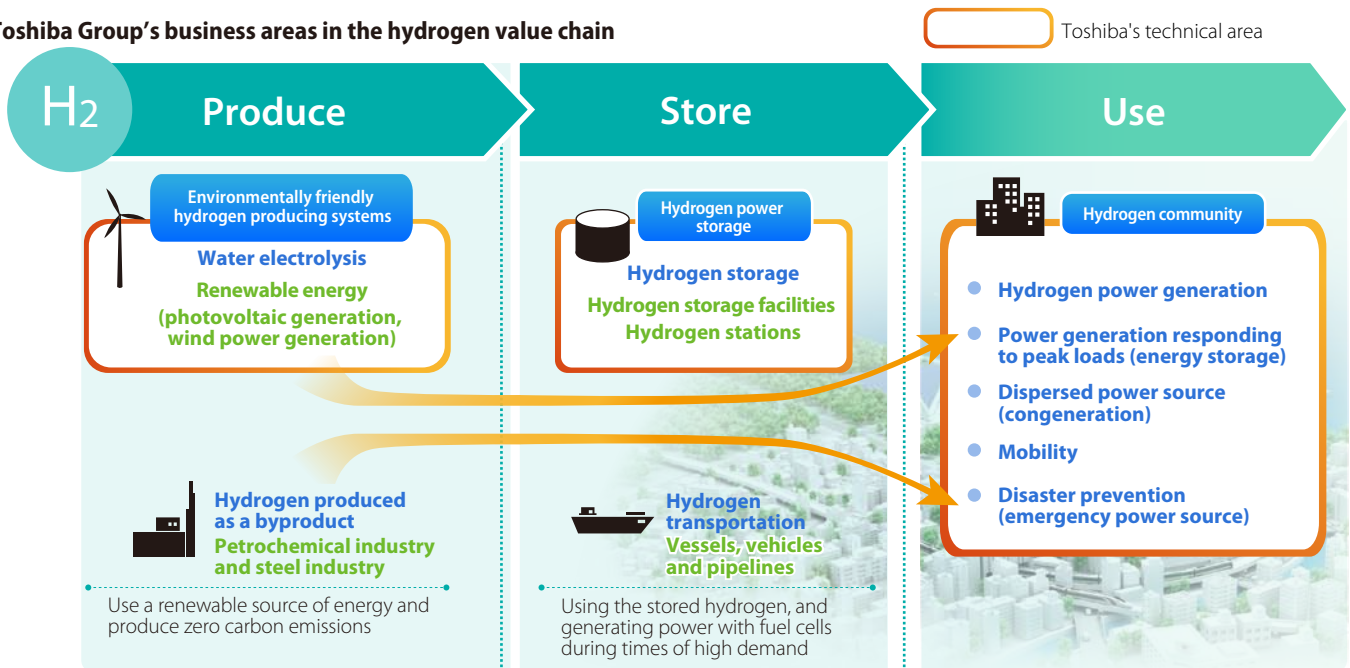
While oil, natural gas, hydraulic and solar power are 'primary' energy sources, which are directly harvested from the natural world, hydrogen is a 'secondary' energy source, which is generated from primary energy. Toshiba aims to bring about the realization of a next-generation hydrogen economy, that uses energy efficiently by converting renewable energy—which is difficult to store or transport—into hydrogen, which has the advantage of being able to be generated, stored and transported, before being put to use.

The world's hydrogen-related market, which consists mainly of fuel-cell cars, hydrogen power generation, and stationary fuel cells, is expected to expand to 40 trillion yen by 2030, and 160 trillion yen by 2050. Accordingly, the price of hydrogen—a key factor in the future of hydrogen power—is rapidly falling.

At Toshiba, we are developing a business for comprehensive energy solutions that combines photovoltaic and wind power generation systems, SOEC (Solid Oxide Electrolysis Cell; a water electrolysis system, which is a key component in hydrogen production) and hydrogen energy storage systems. We are working towards a sustainable, safe, secure and comfortable society with CO_2-free hydrogen derived from renewable energy.

Toshiba Group's business areas in the hydrogen value chain

Toshiba's technical area

H2

Produce

- Environmentally friendly hydrogen producing systems
  - **Water electrolysis**
  - **Renewable energy (photovoltaic generation, wind power generation)**
- **Hydrogen produced as a byproduct** Petrochemical industry and steel industry

Use a renewable source of energy and produce zero carbon emissions

Store

- Hydrogen power storage
  - **Hydrogen storage**
  - **Hydrogen storage facilities**
  - **Hydrogen stations**
- **Hydrogen transportation** Vessels, vehicles and pipelines

Using the stored hydrogen, and generating power with fuel cells during times of high demand

Use

- Hydrogen community
  - **Hydrogen power generation**
  - **Power generation responding to peak loads (energy storage)**
  - **Dispersed power source (congeneration)**
  - **Mobility**
  - **Disaster prevention (emergency power source)**

INDEX   Toshiba's performance indicators to realize a hydrogen economy

The hydrogen production efficiency of the SOEC system (kWh/Nm³)
Target for 2020
Approx. 30% Up
Compared to traditional methods

SOEC will aid in lowering the price of hydrogen by improving the efficiency of conversion.

The charge-discharge efficiency of electricity storage systems
At 2014 — **Approx. 40%**   By 2020 — **80%**

Hydrogen energy storage systems are expected to play a key role in promoting the implementation of renewable energy.

Activity

World's first* autonomous energy supply system using hydrogen

▌ Joint testing with Kawasaki City

In April 2015, we started testing H_2One^{TM}, an autonomous energy supply system that uses renewable energy and hydrogen. The test site is at Kawasaki, where Toshiba's headquarters is based, in Kawasaki Marien, a designated temporary refuge area for those unable to get home in times of disaster. The H_2One^{TM} is a system that combines photovoltaic power generation, storage cells, a water electrolysis system that produces hydrogen, and fuel cells.

Renewable energy has the disadvantage that its energy output is affected by factors such as weather. However, by converting renewable energy into hydrogen, which can be stored for long periods, it is possible to secure a stable supply of energy.

H_2One^{TM} produces hydrogen by electrolyzing water with electricity generated from solar power, and then uses fuel cells to convert the stored hydrogen to provide electricity and hot water. Since it can operate on water and solar power alone, it can provide a week's worth of electricity and hot water to 300 evacuees, even when critical infrastructure is non-operational during times of disaster.
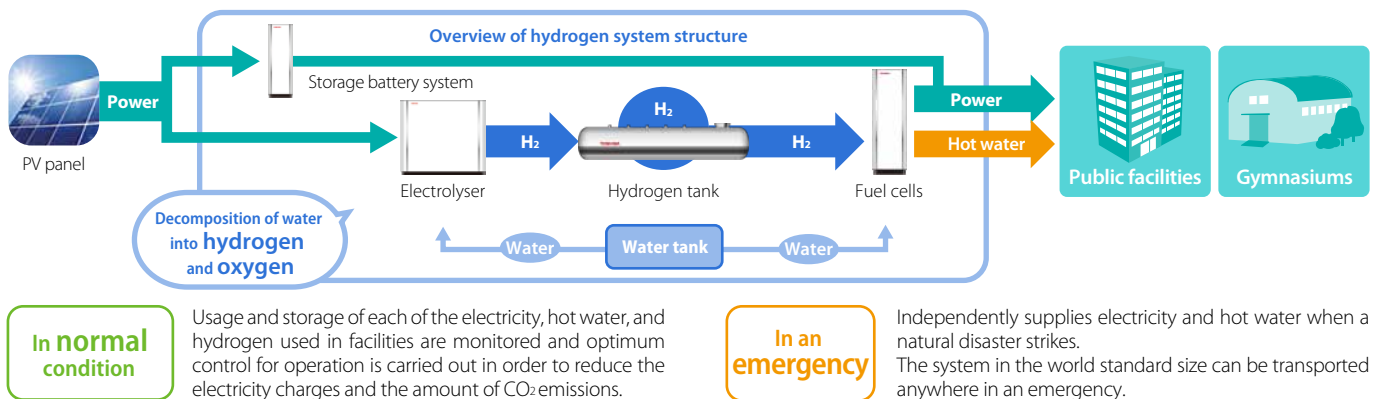
▌ Use in disaster-stricken areas and in areas yet to be supplied with electricity

One aspect of H_2One^{TM} is that the equipment itself can be transported in a container, so it can be transported to disaster-stricken areas in times of large-scale natural disasters to support those in need. We are currently developing a downsized version of the system, cutting it down from the current 20 ft to 12 ft.

We are also working on models for isolated islands and areas in developing nations which do not yet have electric power. By providing cheap, stable electricity and hot water that do not depend on fossil fuels, we aim to contribute to solving the world's energy challenges in various ways.

*As container packaged system with BCP functionality

Overview of H_2One^{TM}, an autonomous energy supply system

Overview of hydrogen system structure

PV panel — Power — Storage battery system — Electrolyser — H_2 — Hydrogen tank — H_2 — Fuel cells — Power / Hot water — Public facilities — Gymnasiums

Decomposition of water into **hydrogen** and **oxygen**

Water — Water tank — Water

In normal condition
Usage and storage of each of the electricity, hot water, and hydrogen used in facilities are monitored and optimum control for operation is carried out in order to reduce the electricity charges and the amount of CO_2 emissions.

In an emergency
Independently supplies electricity and hot water when a natural disaster strikes.
The system in the world standard size can be transported anywhere in an emergency.

VOICE

From our base at Hydrogen Energy Research & Development Center, we will disseminate the blueprints for the hydrogen economy envisaged by Toshiba.

From April 2014, Toshiba has been advancing the development of a business model that uses next-generation energy sources as a Group-wide endeavor. With regard to hydrogen in particular, which is expected to reach general use in the 2020s, we have been developing an energy solutions business centered around the twin concepts of a "hydrogen supply chain" and "local production for local consumption." We are also working on hydrogen energy storage systems and hydrogen power generation.

The Hydrogen Energy Research & Development Center, which was opened at the Fuchu Complex in April 2015, will serve as a site for the development and demonstration of solutions integrating hydrogen-related energy technologies, and also as the base for the dissemination of hydrogen infrastructure plans. From now on, the center will aim to create machines and services that use hydrogen in safe ways that feel familiar to people, and to disseminate information to promote understanding and awareness concerning hydrogen.

Hiroyuki Ota
Senior Manager
New Energy Solution Project
Toshiba Corporation

Establishment of a global supply chain of hydrogen

▌Towards sustainable and price-competitive hydrogen power generation

In order to realize a sustainable hydrogen economy, it is necessary to produce and consume huge amounts of carbon-free hydrogen using renewable energy making hydrogen prices more competitive.
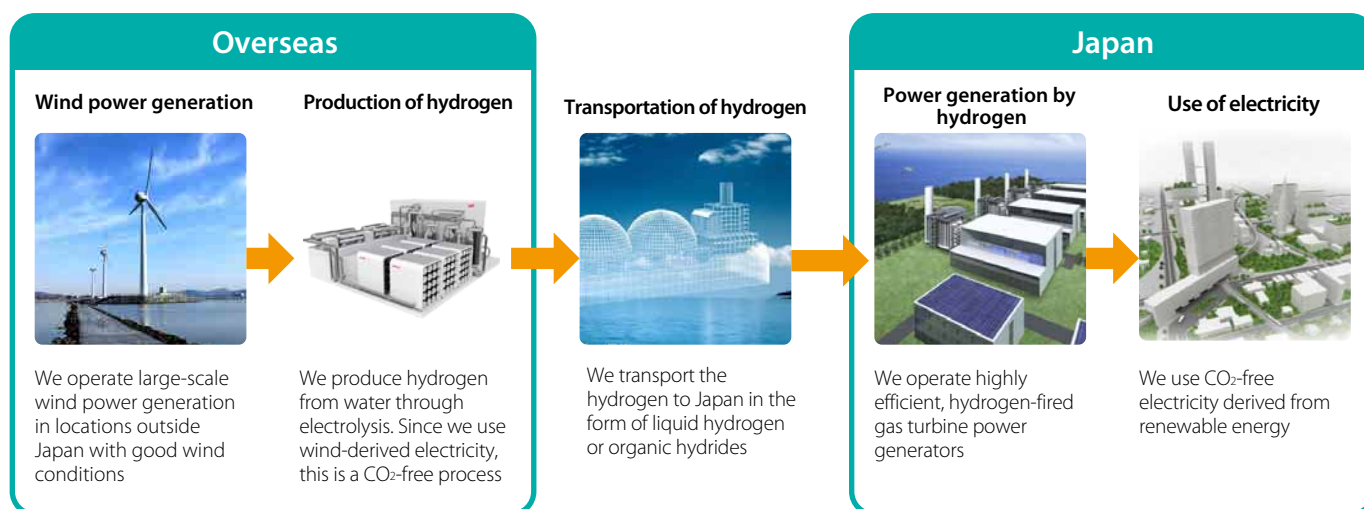
Currently, the price of hydrogen for fuel-cell automobiles is roughly 100 yen/Nm^3 (as of February 2015), but the target is around 30 yen/Nm^3. Making hydrogen power generation more practical, together with fuel-cell cars (which are expected to become more commonplace in the future), is a necessary step in lowering the price of hydrogen, and in realizing a hydrogen economy.

▌Hydrogen society drawn by Toshiba

Toshiba aims to build a global supply chain of hydrogen that derives electricity from renewable energy. This involves producing hydrogen at large-scale in wind-power generation facilities with good wind conditions and high power generation efficiency, storing and transporting the hydrogen in the form of liquid hydrogen, and generating power using high-efficiency hydrogen-fueled gas turbines.

We are conducting research and development towards the realization of this goal. On top of developing a high-efficiency hydrogen-generating electrolysis system, we are developing mid to large sized generators that use hydrogen as a fuel. We hope to have the principal technologies ready by the early 2020s.

Toshiba's goal: a hydrogen supply chain derived from renewable energy sources

Overseas		Transportation of hydrogen	Japan	
Wind power generation	**Production of hydrogen**		**Power generation by hydrogen**	**Use of electricity**
We operate large-scale wind power generation in locations outside Japan with good wind conditions	We produce hydrogen from water through electrolysis. Since we use wind-derived electricity, this is a CO_2-free process	We transport the hydrogen to Japan in the form of liquid hydrogen or organic hydrides	We operate highly efficient, hydrogen-fired gas turbine power generators	We use CO_2-free electricity derived from renewable energy

Viewpoint

Ensuring safety of hydrogen

Hydrogen burns strongly if it is ignited when it is at a level of 4%–75% in the air. But by applying safety measures particular to the nature of hydrogen, it is possible to handle it more safely than other flammable gases. As hydrogen is extremely light and diffusive, there are ways to prevent explosions; for example by installing vents and fans in the ceiling of the facilities handling hydrogen to maintain the hydrogen level at below 4%.

At Toshiba, we aim to promote awareness of our knowledge on hydrogen that we have built up over the years, and to develop hydrogen technology that can ensure safety in all possible circumstances.

Realizing a safe, secure and comfortable society Tackling the issues facing the advanced application of ICT

Due to the exponential advances made in ICT (Information & Communication Technology) and data processing technology, the potential application of open data and big data to solve various social issues is currently being explored in fields as wide-ranging as disaster prevention, energy, healthcare, welfare, and revitalizing regional economies. At the same time, in order to realize this advanced application of ICT, there is a need for technology that can store and speed up processing the vast amounts of data that is produced. There is also a need to limit the environmental burden of the hardware that supports this technology, such as servers and data centers, as well as to implement information security measures.

As the above shows, there are many hurdles to be cleared before ICT can unleash its potential as social infrastructure that can bring about a safe, secure and comfortable society.

Global social issues and their solutions

Issue	Solution
● Exponential increase of data volume	● Increasing the capacity of storage devices
● Rise of demand for immediate processing of data	● High speed processing based on a different technology from the conventional one
● Increase of the environmental load of data centers	● Provision of idling stop function to suppressing energy consumption
● Increase of information security risk	● Platform of automatic sorting of accumulated information

Speeding up and enhancing the capacity of communication technology with increasing of data volume

(ZB)

44 ZB (2020)

4.4 ZB (2013)

FY
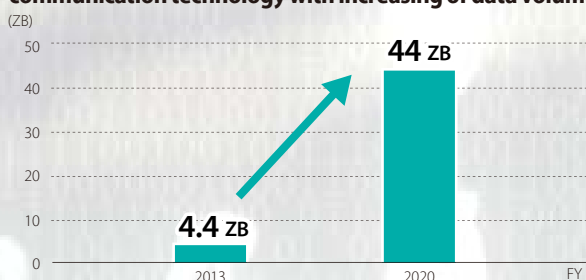
Source: EMC, IDC Research Reports "Digital Universe" (January 2013)

Numbers of devices connected to networks

(billion)

50 billion (2020)

12 billion (2014)

FY
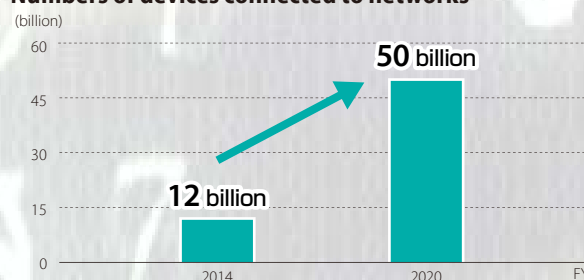
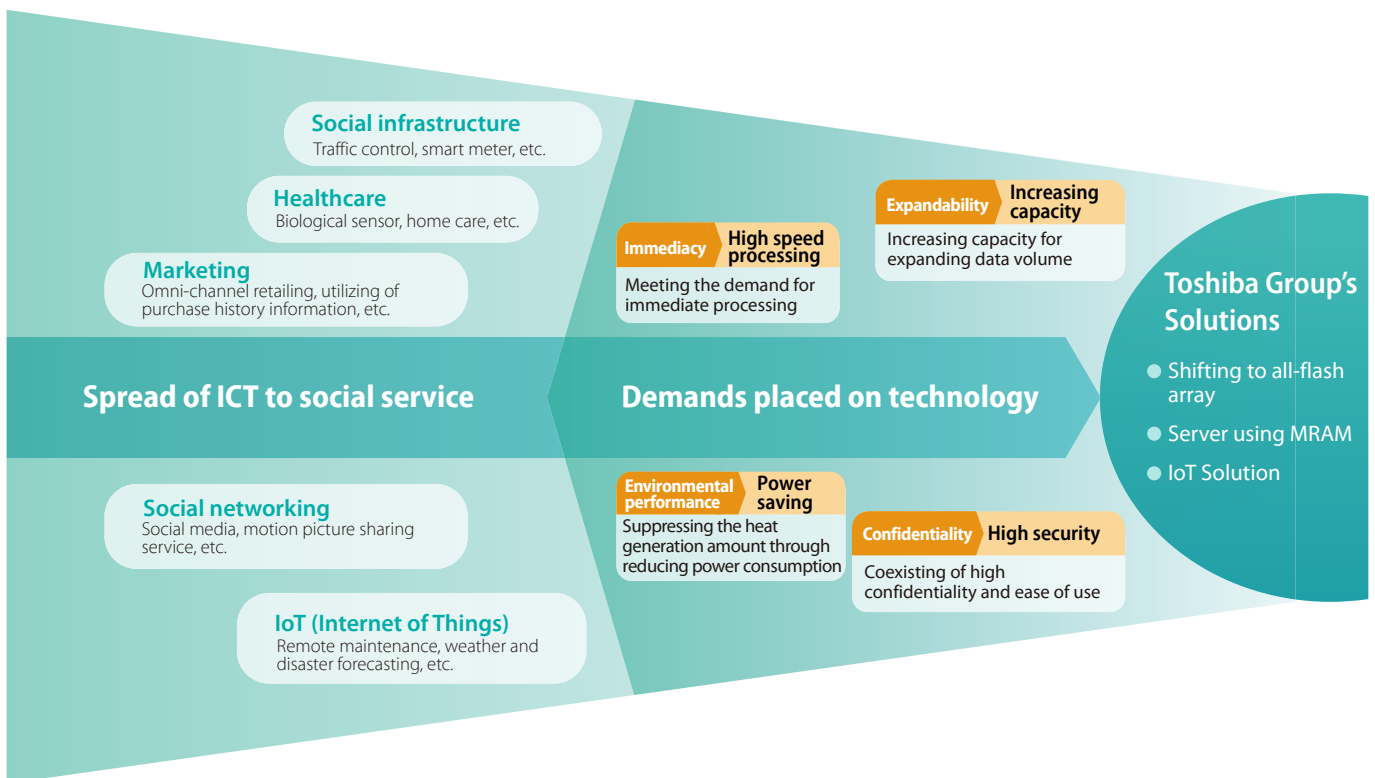Source: Cisco IBSG (Internet Business Solutions Group) (April 2011)

Toshiba Group's approach for solving issues

▍ The complex issues raised by an advanced information society using ICT

While the widespread use of ICT in services for society will allow people to lead convenient and comfortable lives, its realization would also require the handling of increasingly complex technical demands. One example is the negative effect that processing vast amounts of data may cause. If we choose to tackle the ever-increasing amount of data by installing additional servers, the dense array of servers in a limited space would mean higher energy consumption due to the air-conditioning required to prevent overheating.

Accordingly, at Toshiba, we are developing products that would contribute to solving the issues raised by the advanced application of ICT. These include all-flash storage (storage devices composed entirely of flash memory), which conserve space and electricity, used in the data center, and the server using MRAM that doesn't consume energy while on standby. Furthermore, we are pushing forward to provide IoT solutions through the identification of our clients' and society's issues through the storage and analysis of data, and the devising of effective measures.

Toshiba's solutions to issues facing the advanced application of ICT

Social infrastructure
Traffic control, smart meter, etc.

Healthcare
Biological sensor, home care, etc.

Marketing
Omni-channel retailing, utilizing of purchase history information, etc.

Spread of ICT to social service

Social networking
Social media, motion picture sharing service, etc.

IoT (Internet of Things)
Remote maintenance, weather and disaster forecasting, etc.

Immediacy **High speed processing**
Meeting the demand for immediate processing

Expandability **Increasing capacity**
Increasing capacity for expanding data volume

Demands placed on technology

Environmental performance **Power saving**
Suppressing the heat generation amount through reducing power consumption

Confidentiality **High security**
Coexisting of high confidentiality and ease of use

Toshiba Group's Solutions
- Shifting to all-flash array
- Server using MRAM
- IoT Solution

INDEX — Toshiba's performance index for advanced applications of ICT

Decrease of storage footprint by adopting all-flash storage
FY2020 target
88% down
Compared to traditional products (with identical storage capacity)

The deployment of all-flash storage, which replaces hard disk drives and solid state drives with flash memory, will help to conserve space and electricity without sacrificing storage capacity.

Decrease of electric power consumption by servers using MRAM
FY2020 target
50% down
Compared to traditional servers

Servers using MRAM, a non-volatile, ultra-fast memory technology, can contribute to considerably reducing power consumption due to its "start-stop" feature, which cuts off the power supply during standby.

Activity

Integration of remote monitoring and maintenance data management using ICT

Providing solutions that allow unified management of clients' on-site maintenance data

Toshiba provides solutions integrating remote monitoring and maintenance data management to manufacturers, our clients, and provide process-related products to factories all over the world, covering dozens of countries and thousands of sites worldwide. Instead of the simple act of selling products, with these solutions there is room for high levels of additional value to be gained from maintenance services. These are maintenance solutions that realize a data-collection system through sensors installed on our products as well as on our clients' equipment.

Many companies are currently planning a transition into becoming businesses that include after-sales services within their scope. In these circumstances, there is a growing need for a diversity of sensors that can detect the activity of hardware (so-called "things"), and for M2M (machine to machine) platforms, in order to effectively collect and apply information obtained from "things."

As Toshiba provides these solutions as a BPO (business process outsourcing) service, our clients can focus on their core business. We share data collected from sites across the globe via the cloud with the operation centers of our clients, and carry out in cooperation with them operation and maintenance.

We intend in the future to analyze these vast amounts of monitoring and maintenance data, with our goal being to formulate proposals that create value for our clients and for society with regard to areas such as preventive maintenance and the streamlining of distribution.

Conceptual diagram of global monitoring support
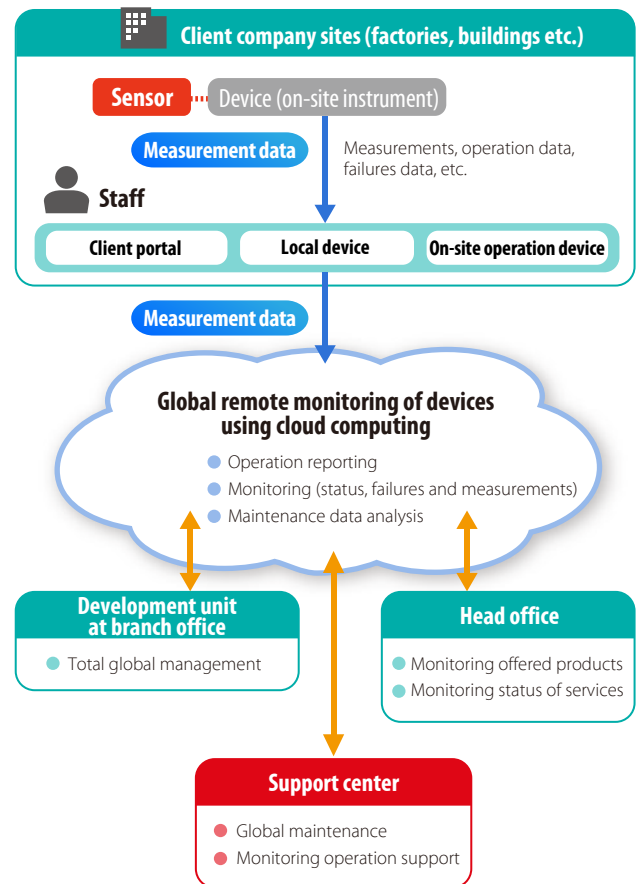
VOICE By enhancing the ICT solutions we provide to our clients for solving their problems, we will accelerate "Providing Products" + "Excellent User Experience"

The Internet of Things (IoT) is a concept that stands outside the traditional framework of ICT. By using sensing technology to allow "things" to gather on-site data, and by storing and analyzing big data with cloud technology, it is possible to formulate solutions to various social issues. Remote maintenance is one such example, but IoT can be applied to all sorts of facilities and instruments, from power, chemical and other plants, to railways and healthcare. So our widely-ranging business has a great advantage.

The integrating of cloud computing and edge computing is vital to the world of IoT, and Toshiba's experience and performance record with regard to both is extensive. We will work to help solve the various tasks facing 21st century society, including advanced medical research, the creation of 'smart communities' to solve energy problems, and weather and disaster forecasts to reduce the damage caused by natural disasters.

Takashi Amano
Technology Executive
Industrial ICT Solutions Company
Toshiba Corporation

# Seeking IoT solutions that bring things to actions

Grasping the activity of "things" through data, and devising effective measures through analysis

It is said that the number of "things" connected to the internet will reach 50 billion by 2020. Toshiba is seeking IoT solutions that use big data gathered through "things", to devise "actions" that can solve social issues. The process goes as follows: various sensory information from "things," such as devises, is gathered and stored in the cloud; we then use ICT to model a virtual world; we make forecasts based on Toshiba's experience in diverse industry areas; and finally, we generate valuable "actions" such as the solving of problems, and the creating of value. Once ICT becomes ubiquitous in society, "things" become connected to the cloud in various areas, and "actions" based on big data analysis are realized. It is at this

point that Toshiba's goal of "things + actions" will have become a reality in the IoT world, which will contribute to solving social issues.

The IoT solutions that Toshiba has in mind are services that involve mounting software onto "things," analyzing the data obtained, and applying the result to solving issues. For example, we might install sensors in the batteries of electric cars, and collect and analyze data about when, where and how such cars use energy. We would then use the results to provide solutions that contribute to constructive activities, such as designing cars, optimizing the life cycle of batteries and even determining the location of charging points during urban planning.

Virtual World created by IoT
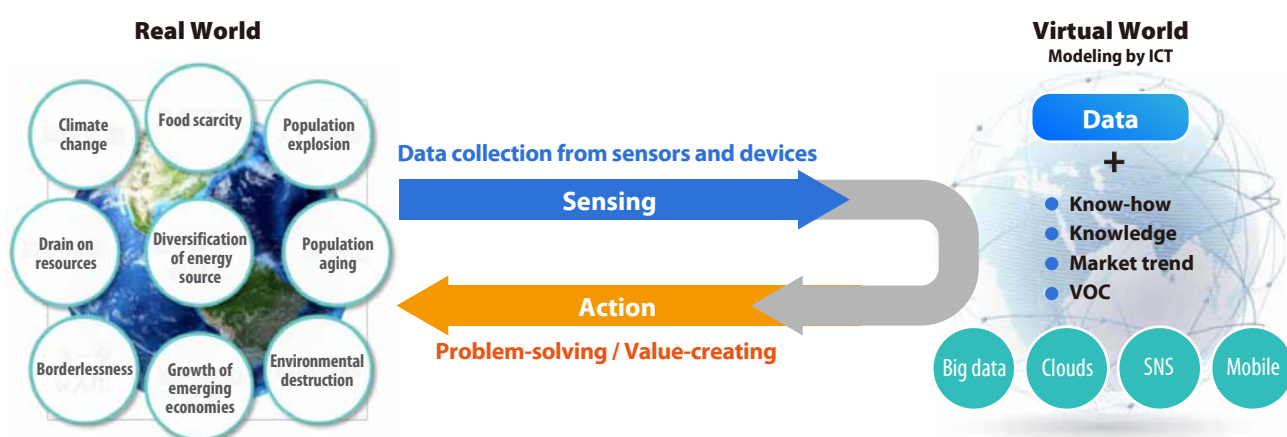
Viewpoint

Information security and environmental load reduction

In business areas involving storage, including the manufacture and use of storage devices and information-processing devices such as servers and semiconductors, the importance of information security has been growing in recent years. As Toshiba handles information about cutting-edge manufacturing technologies proper information management is crucial, especially to maintain our competitiveness. Hence, we are working to strengthen the information security in order to protect confidential information

belonging to our clients who use our products and services.

As for storage devices and information-processing devices, one particular issue is reducing the environmental burden of the semiconductor manufacturing process. We are working on improving the manufacturing process, and reducing the use of cleaning gases that greatly contribute to the greenhouse effect, in order to reduce power consumption and greenhouse gases such as CO_2.

Realizing revolutionary healthcare services that employ big data and cloud technologies

Rapid economic progress and changes in people's lifestyles have led to a global change in disease structure, and health risks from lifestyle-related diseases are on the increase. According to international collaborative research conducted by institutions such as the World Health Organization (WHO) and the World Bank, the diseases that cause the biggest epidemiological burden and rob people of their healthy lives, are shifting from infectious diseases to lifestyle-related diseases over the last 20 years[*1]. Furthermore, according to the WHO's study, the worldwide number of deaths from lifestyle-related diseases is forecast to reach 39 million (68% of the total number of deaths) in 2015, and 51 million (74% of the total number of deaths) in 2030[*2].

Due to such shifts in disease structure, as well as the aging population, managing the globally growing financial burden of medical costs and the building of a society-level system to detect the signs of disease have become major issues.

*1 Global Burden of Disease Study 2010, The Lancet
*2 Projections of mortality and causes of death, 2015 and 2030, WHO

Global social issues and their solutions

Issue	Solution
● Increase in medical costs owing to shifts in disease structure, the aging population, etc.	● Early prevention and treatment
● The physical and financial burden of treatment on patients	● Adjusting and personalizing treatment based on data
● Quality of Life of people giving and receiving care	● Detecting signs of disease using IT

Diseases with a high epidemiological burden (1990 and 2010)

Rating	1990	2010
1	Lower respiratory infectious disease	Ischemic heart disease*
2	Diarrhea	Lower respiratory infectious disease
3	Premature births	Stroke*
4	Heart attack*	Diarrhea
5	Stroke*	HIV/AIDS

*Lifestyle-related diseases

Source: The Lancet. Global Burden of Disease Study 2010

Probability of death from lifestyle-related diseases (persons in their 30s to 70s)

<20%
20–24%
25–29%
30–34%
≥35%
N/A
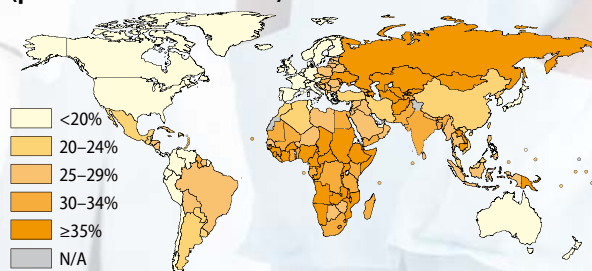
Source: WHO, World Health Statistics 2012

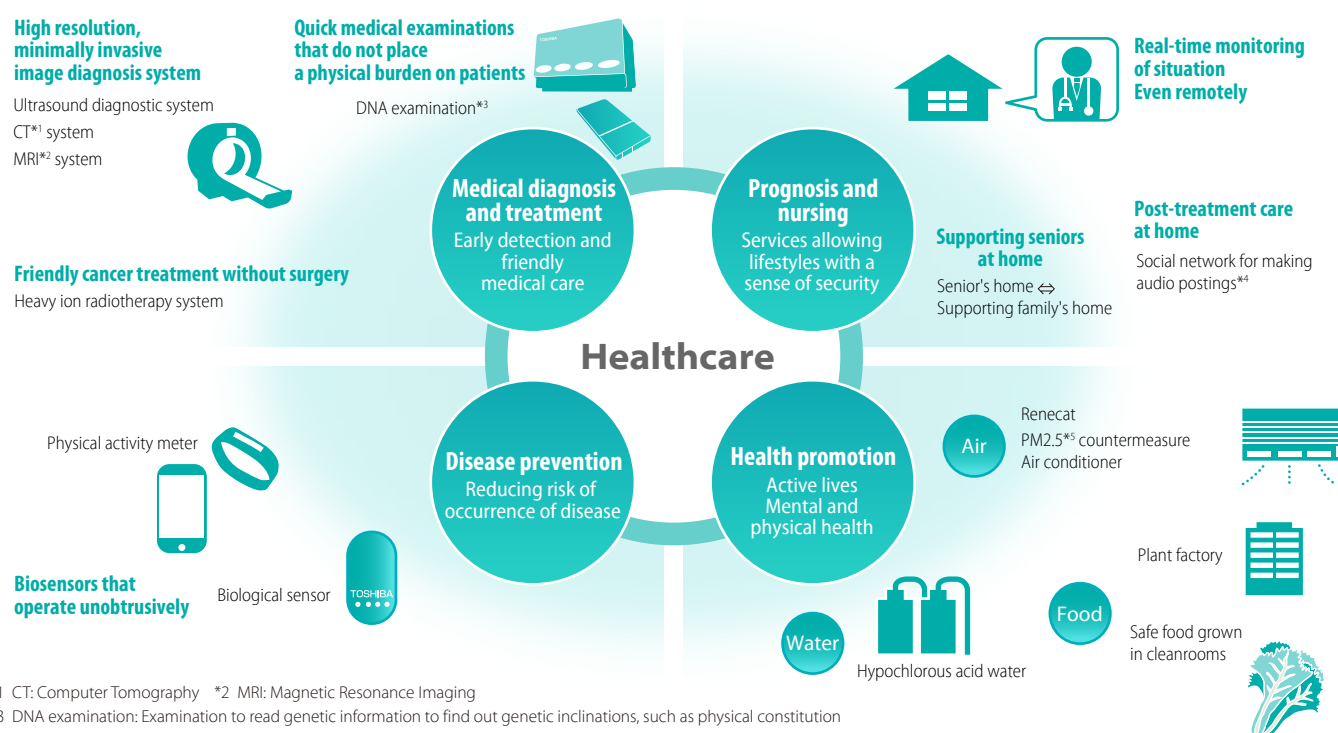# Toshiba Group's approach for solving issues

The objective of Toshiba's Healthcare Business

Toshiba is promoting its healthcare business in four areas: Disease prevention, medical diagnosis and treatment, prognosis and nursing, and health promotion. The goal is to create a society where everyone can lead healthy, active lives. Rather than limiting our vision to individual items of medical equipment or services, our objective is a virtuous cycle in healthcare that protects the health of individuals, societies and future generations by collecting, storing and analyzing information about each individual's healthcare.

Enhancing and enlarging the healthcare business

In order to enhance our healthcare business in order to realize the society we envision, in July 2014 we consolidated related business departments to form an in-house company, called the "Healthcare Company." We have also established R&D sites worldwide such as the Healthcare Technology Center (Kawasaki, Japan); we also conduct collaborative research with universities and research institutes, such as our partnership with Johns Hopkins University in the USA (research and development of technology to support treatment plans for tumors using big data).

An overview of Toshiba's healthcare business, which will realize a virtuous healthcare cycle (Includes technology currently in development)

High resolution, minimally invasive image diagnosis system
Ultrasound diagnostic system
CT*1 system
MRI*2 system

Quick medical examinations that do not place a physical burden on patients
DNA examination*3

Real-time monitoring of situation Even remotely

Friendly cancer treatment without surgery
Heavy ion radiotherapy system

Medical diagnosis and treatment
Early detection and friendly medical care

Prognosis and nursing
Services allowing lifestyles with a sense of security

Supporting seniors at home
Senior's home ⇔ Supporting family's home

Post-treatment care at home
Social network for making audio postings*4

Healthcare

Physical activity meter

Disease prevention
Reducing risk of occurrence of disease

Health promotion
Active lives
Mental and physical health

Air
Renecat
PM2.5*5 countermeasure
Air conditioner

Biosensors that operate unobtrusively
Biological sensor

Plant factory

Water
Hypochlorous acid water

Food
Safe food grown in cleanrooms

*1 CT: Computer Tomography   *2 MRI: Magnetic Resonance Imaging
*3 DNA examination: Examination to read genetic information to find out genetic inclinations, such as physical constitution
*4 Social network for making audio postings: A social networking service for various professions related to in-home healthcare and nursing care
*5 PM2.5: Microfine particulate matter of particle diameter 2.5μm or less

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INDEX Toshiba's performance index for enlarging its healthcare business

With a view to enhancing and enlarging its healthcare business, Toshiba is planning to increase the number of its healthcare R&D staff to about 3,800 in FY2016, 20% more than the figure for FY2014.

The number of R&D staff

FY 2014 Result
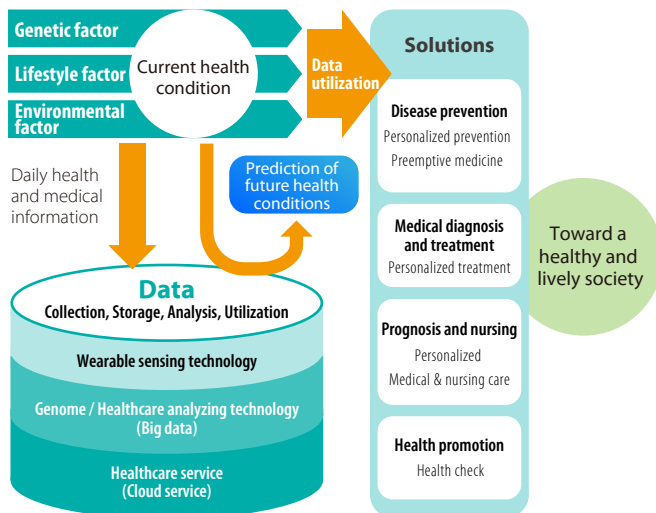**3,000** ▸▸ FY 2016 Target **3,800**

Activity

Activities with the objective of data-based disease prevention and personalized treatment

Using data to predict disease

There are three factors at play regarding the development of diseases: environmental factors such as air and water; lifestyle factors such as exercise, food and sleep; and genetic factors.

To assess lifestyle factors accurately, sensing technology that can collect information about individual's day-to-day life (make a lifelog) without him or her having to consciously do anything, is an effective supplement to self-reporting through traditional medical questionnaires. Furthermore, by combining data on lifestyle and genetic factors, it will be possible to predict people's future health risks. By encouraging individuals to change their lifestyles or to see a doctor regularly, such methods may contribute to the prevention or early detection of diseases.

A blueprint for disease prevention and personalized treatment using data

Genetic factor		Solutions
Lifestyle factor	Current health condition / Data utilization	**Disease prevention** Personalized prevention Preemptive medicine
Environmental factor		

Daily health and medical information

Prediction of future health conditions

Data
Collection, Storage, Analysis, Utilization

Wearable sensing technology

Genome / Healthcare analyzing technology (Big data)

Healthcare service (Cloud service)

Medical diagnosis and treatment Personalized treatment

Prognosis and nursing Personalized Medical & nursing care

Health promotion Health check

Toward a healthy and lively society

Big data research for healthcare: collaborative research with Tohoku University

Since our entering into an agreement with Tohoku University in August 2013, Toshiba has been conducting big data research for healthcare together with the COI Tohoku site[1]. This research involves integrating Toshiba's sensing and cloud technologies with the know-how that Tohoku University has gained from health sciences research, in order to enable health management based on individuals' lifestyles and genome information.

In November 2014, as a result of research[2] conducted in cooperation with the Tohoku University Tohoku Medical Megabank Organization (ToMMo), Toshiba confirmed the practicability of Japonica Array™[3] (ver. 1), a genome analysis tool which contains in a single chip genome information specific to the Japanese people. It is hoped that the Japonica Array™ will be utilized in many cohort studies[4] from now on, and contribute to realizing personalized treatment and prevention in Japan.

*1 Adopted in October 2013. The Tohoku site of the Center of Innovation (COI) Program, a publicly offered R&D program run by the Japan Science and Technology Agency
*2 The commercialization of personalized treatment and prevention using genome information, with a view to popularizing it
*3 Japonica Array is a trademark of TOHOKU University
*4 The analytic epidemiology method. Observational research studying the association between the cause and the onset of a disease

Japonica Array™

Japonica Array™ was developed as a COI STREAM project at COI sites, and is based on the whole-genome reference panel developed by ToMMo. It contains approximately 675,000 single-nucleotide polymorphisms[5] (SNPs) with a base sequence common among Japanese, making it possible to genotype a Japanese person in a short time.

*5 A single-nucleotide polymorphism (SNP, pronounced snip) is a genomic base sequence variation occurring in over 1% of a population in which a single nucleotide differs between members of a biological species or paired chromosomes.

VOICE

Developing arrays which promote personalized prevention and treatment

Japonica Array™ is a research tool that reveals the causal relationship between diseases and genes. We provide analytic services employing it to research institutes, pharmaceutical companies and other organizations. Toshiba plans to continue research with the COI Tohoku site, and develop Ethnic Arrays which contain single-nucleotide polymorphisms (SNPs) particular to each ethnic group, and arrays designed for specific diseases such as diabetes. We are working on these technologies in the hope that they will be used in the future as diagnostic tools in clinical practice, and contribute to the spread and advancement of personalized prevention and treatment.

Takuzo Takayama
Senior Manager
Life Science Business Dept.
Healthcare Medical Business Promotion Div.
Healthcare Company
Toshiba Corporation

Implementation of a healthcare service using big data

Building a healthcare service which uses big data and cloud technologies

The conception of healthcare big data, which compiles personal health records (PHR)*1 from data such as genome information, data on vitals, mental state and medical conditions, as well as lifelogs, is gathering worldwide attention as a revolutionary medical service. Such data can be used not only for individuals' health management, but also as a social system based on personalized prevention and treatment.

As a member of the Council on Competitiveness-Nippon's (COCN*2) research group based on health management through health checks and personalized data, Toshiba is also involved in gathering PHR data, batch management of cloud data, and in putting forward policy recommendations to establish primary, secondary and tertiary uses of the amassed big data as a social system and a business model.

Through these activities, Toshiba will contribute to the realization of disease prevention and personalized treatment that utilizes healthcare big data.

*1 Lifelong records of individuals' healthcare information, such as consultation data from medical institutions, medical check-up results, lifelogs containing information such as exercise logs and lifestyle habits, and genetic data such as genome information
*2 Council on Competitiveness-Nippon (http://cocn.jp/index.html)

Utilizing personal lifelong healthcare data
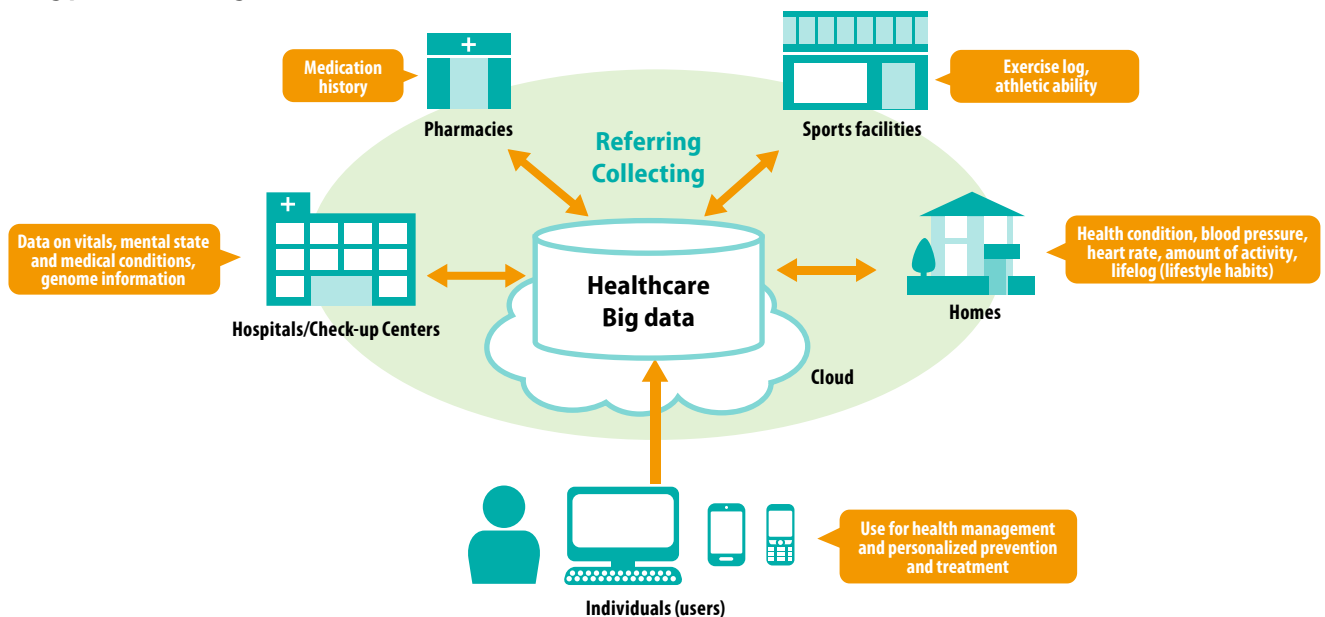
Viewpoint

Ethical considerations and proper personnel training

When handling genetic information, there are risks that such data will lead to ethical problems like individuals facing discrimination in situations such as getting an insurance, employment, and marriage. At Toshiba, in order to ensure that we can prevent such risks, we set handling procedures regarding the provision of an individual's genetic data, and for research institutes that analyze the data.
In addition to establishing an Ethical Review Board in Toshiba, when it comes to gathering data for analysis, we hold an interview at the research institute providing the data, and explain to the provider of the genome specimen about genome information analysis. We also confirm at the interview that the provider has obtained informed consent, and been assessed by the Ethical Review Board of the research institute.

Furthermore, when educating personnel for research, analysis, or treatment at the COI Tohoku site, we emphasize the understanding of the ethical issues surrounding genome analysis, so as to pave the way for widespread use of genomics-based, personalized prevention and treatment.

CSR Management of Toshiba Group

Framework of CSR Management

Toshiba Group's CSR management is the base for supporting "Growth through Creativity and Innovation." It seeks to contribute to sustainable social development by supporting through business to solving global social issues and by setting human life, safety and compliance as our top priorities.

Through communicating with various stakeholders, such as customers, shareholders, investors, suppliers, and employees, each and every one of Toshiba Group's 200,000 employees will promote CSR activities based on Toshiba Group Standards of Conduct.

Toshiba Group's CSR Management

Contribute to improving global social issues through our businesses

Energy   Storage   Healthcare   Environment

Accord the highest priority to human life, safety, and legal compliance

Customers

Shareholders and Investors

NPOs/NGOs

Government

Suppliers

Local communities

Fulfill CSR together with our stakeholders

CSR activities supported by 200,000 Toshiba Group employees

▌ Organization of CSR Management

In 2003 Toshiba internally established an organization promoting CSR and it leads CSR management in Toshiba Group. The CSR Governance Committee, consisting of the Executive Officer in charge of CSR and the executives concerned, holds meetings once a year, in order to discuss and determine Toshiba Group CSR Action Policy. Based on the polices determined, the Corporate Environment Management Committee, Risk Compliance 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.

In-house and Group companies in Japan and overseas appoint their own Chief CSR Officers. They ensure the implementation of Toshiba Group's CSR Action Policy and check the progress regarding key issues for the companies.

To discuss CSR progress and issues, the CSR Office holds a monthly meeting called the Corporate CSR Meeting, which is attended by representatives from CSR-related divisions such as human resources, environment and procurement.

CSR Management Structure

President		Board of Directors

Executive Officer in charge of CSR
CSR Office

CSR Governance Committee

Environment	Legal Compliance	Customer Satisfaction	Quality	Corporate Citizenship	Health & Safety	Human Rights/ Employee Satisfaction
Corporate Environment Management Committee	Risk Compliance Committee	After Service / Call Center Working Group	Chief Quality Executive Committee	Corporate Citizenship Promotion Group	Central OH&S Committee	Diversity Strategy Promotion Committee / Human Rights Enlightenment Committee

In-house companies / Key Group companies
Chief CSR Officers

Group companies in Japan Chief CSR Officers	Overseas Group companies Chief CSR Officers

FY2014 Material Issues for Toshiba Group

Taking into consideration the activity review by the third-party organization in addition to stakeholders' opinions, we analyzed 345 items of ISO 26000 core subjects based on the impact for stakeholders and for Toshiba Group, and then listed 37 core issues (chart below) in the general order of priority, high, middle and basic.

▶ More details are available in Identifying Material Issues at page 31.

	Basic	Middle	High	Materialities
High	Employment and employment relationships Human development and training in the workplace Responsible political involvement Fair competition	Company Governance Fundamental principles and rights at work Social dialogues Occupational Health and safety Anti-corruption Protecting consumers' health and safety Consumer data protection and privacy	Human rights due diligence	**Respect for Human Rights**
			Promoting social responsibility in the supply chain	**CSR Management in the Supply Chain**
			Prevention of pollution *1 Sustainable resource use *1 Climate change mitigation and adaptation *1	**Environmental Management**
Middle	Resolving grievances *2 Conditions of work and social protection Sustainable consumption Employment creation and skills development	Human rights risk situations Discrimination and vulnerable group *2 Consumer service, support, and complaint and dispute resolution Community involvement Environmental protection, biodiversity and restoration of natural habitats Fair marketing, factual and unbiased information and fair contractual practices	Avoidance of complicity *2	
Basic	Civil and political rights Economic, social and cultural rights Access to essential services Education and awareness *3 Education and culture *4 Technology development and access *4 Wealth and income creation *4 Health *4 Social investment *4	Respect for property rights		

Priority for stakeholders (vertical axis)

Impact on Toshiba Group (horizontal axis)

*1 Environment
*2 Human rights
*3 Consumer issues
*4 Community involvement and development

Evaluation review point
- Opinions of stakeholders
- Interests of NGOs
- Global guidelines and the industry's standards of conduct
- Evaluations made by investors and SRI organizations

Evaluation review point
- Relevance to Toshiba Group's management strategies
- Relevance to global business development
- Initiatives developed by Toshiba Group

▌ FY2014 Material Issues

Three FY2013 themes were identified as remaining material issues in 2014: Respect for Human Rights, CSR Management in the Supply Chain and Environment Management.

We analyzed CSR risk in our supply chains for all business segments and identified boundaries for developing measures by our in-house and Group companies.

Risk analysis of CSR material issues per business

Energy & Infrastructure Group

Community Solution Group
Healthcare System & Service Group

Lifestyle Products & Service Group

Electric Devices & Components Group

▶ More details are available in Sustainability Issues and Initiatives by Business Segments at page 37.

CSR Management of Toshiba Group

Identifying Material Issues

Toshiba Group contributes to solving various social issues and realizing Human Smart Community—a safe, secure, and comfortable society—through business activities in three main areas, Energy, Storage and Healthcare. CSR Management is the base that supports these businesses, and we advance activities after determining key material issues.

Dialogues with stakeholders

1 Self-evaluation based on the ISO 26000 core subjects
2 Activity review by a third-party
3 Identification of materialities
4 Establishment of KPIs
5 Management reviews (CSR Governance Committee)
6 Deployment and implementation of measures
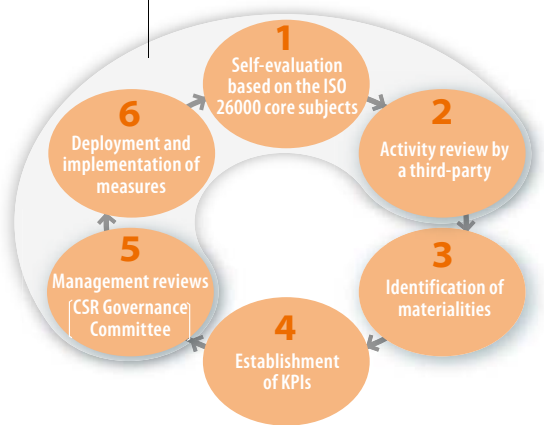
Process 1

Self-evaluation based on the ISO26000 core subjects

By using an evaluation tool, related corporate divisions perform self-evaluation based on the 345 items of the seven ISO 26000 core subjects: organizational governance, human rights, labor practices, the environment, fair operating practices, consumer issues, and community involvement and development.

Process 2

CSR activity review by a third-party organization

Based on the results of self-evaluation performed with reference to ISO 26000 core subjects, a third-party organization conduct a CSR activity review targeting 12 related corporate divisions through interviews and evidence check. At the end of the review, we receive an impartial review from a third-party organization from an objective perspective.

A meeting on the impartial review report

Process 3

Identification of material issues

In FY2014 we analyzed 345 items of ISO 26000 core subjects based on the impact for stakeholders and for Toshiba Group, and list 37 core issues in the general order of priority, high, middle and basic.
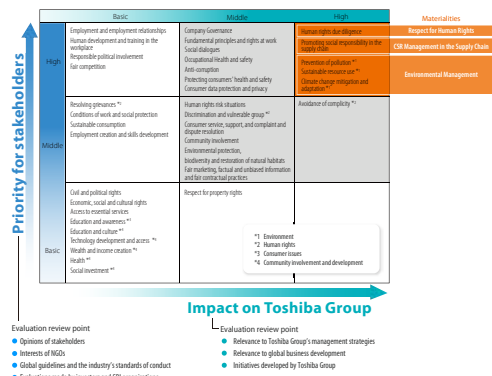
Process 4	Establishment of KPIs
	Representatives from CSR-related divisions discuss the identified material issues and establish KPIs.

Process 5 — Management Review (CSR Governance Committee)

Executive Officer in charge of CSR and the executives concerned discuss the KPIs with regard to the identified material issues at CSR Governance Committee held once a year and they are to be implemented by in-house and Toshiba Group companies after being approved by the committee members.

CSR Governance Committee

Process 6 — Deployment and Implementation of Measures

We hold stakeholder dialogues with experts and specialists on the material issues. We determine the appropriate measures while taking into consideration current changes in the business environment and social environment, and review the content in more depth. In FY2014, we held these dialogues in Thailand.

The Dialogue with Prof. Sriprapha of Mahidol University in Thailand

▌ Regular dialogues with stakeholders

We maintain the dialogues with our stakeholders at all times when identifying material issues. Toshiba Group values regular dialogues with stakeholders, and assesses its own efforts based on the results of such dialogues, leveraging them when developing and executing measures.

Stakeholders		Major dialogues and their opportunities
Customers		Routine sales activities, Call center (via phone and email, etc.), Monitoring system, Customer satisfaction (CS) survey
Shareholders/Investors		General Meeting of Shareholders, Meetings with investors, Questionnaire survey, Investor Relations (IR) website
Suppliers		Routine procurement activities, Briefing session on procurement policy, CSR survey, Supplier whistleblower system "Clean Partner Line"
Employees		Employee morale survey (TEAM Survey), Dialogues, Information exchange meetings, Whistleblower system "Risk Hotline", "Consulting Services for Employees"
Local communities		Dialogues, Information exchange meetings, Factory visits, Employees' participation in community activities
National and local governments		Dialogues with economic and/or industry association
NPOs/NGOs		Dialogue through collaboration, Exchange of views at stakeholder dialogues

CSR Management of Toshiba Group

Material Issue

Respect for Human Rights

The Concept of Respect for Human Rights

We at Toshiba have set Respect for Human Rights as the most fundamental and important principle for conducting sound business activities. We signed the United Nations Global Compact in January 2004 to support universal principles regarding human rights and labor practices, including the Universal Declaration of Human Rights and the Guiding Principles on Business and Human Rights. From the perspective of due diligence with regard to human rights, we gauge risks posed by each business based on a human rights impact assessment, and then work to avoid or mitigate such risks. Further, we communicate with experts and stakeholders at all times in our efforts in order to deepen our understanding of human rights concerns.

FY2014

Cumulative number of Toshiba Group's suppliers at which the survey of conflict mineral usage is conducted

approx. **2,600**

■ FY2014 Implementation Overview

Respect for Human Rights added to the Standards of Conduct

In October 2014, we revised the Toshiba Group Standards of Conduct, setting Respect for Human Rights as Article 1. All group companies have adopted these new standards, and conduct training programs for all employees in order to enforce strict compliance. Following our scheme to raise human rights awareness, we have also held training on human rights by employees' position, and human rights workshops. In Japan, we conducted CSR Workplace Meetings on respect for human rights, which were attended by approx. 90,000 employees. We have also revised our Procurement Policy at the same time, and ask our suppliers to give due consideration to human rights as well.

Action on Conflict Minerals Issues

With regard to the problem of conflict minerals[1], we adhere to the Toshiba Group Conflict Mineral Policy. We conduct supply chain due diligence every year, in order to investigate the status of use of conflict minerals, and to gather smelter's information to be listed. In FY2014, we conducted due diligence approx. 2,600 companies in cumulation.

In addition, as members of industry organizations such as EICC[2] and JEITA[3], we strive to promote and advance "conflict-free procurement" that does not use conflict minerals related to the inhumane acts, through the creating of standardized assessment templates, and the holding of presentation meetings for suppliers.

[1] Profits from the sale of conflict minerals—tin, tantalum, tungsten, and gold—are used to fund armed groups that inflict serious human rights abuses on the civilian populations of the Democratic Republic of the Congo and adjoining countries.
[2] Electronic Industry Citizenship Coalition
[3] The Japan Electronics and Information Technology Industries Association

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Topics   **Workshop of Human Rights is held in China and Japan**

In order to promote the understanding of human rights issues within the Toshiba Group, we call on BSR, a US-based non-profit which promotes CSR, to hold workshops on "business and human rights" at various locations. In FY2014, workshops were held in Beijing, China and in Tokyo, Japan, targeting human resource and management executives.

Human Rights Workshop in FY2014
Left: November in Beijing, China
Right: December in Tokyo, Japan

Comment

I expect Toshiba to build a good labor-management relation.

Ms. Wang Lin

BSR (Business for Social Responsibility) Shanghai Director, Advisory service

I attended Toshiba's human rights workshop in Beijing, and was struck by their open and sincere stance. There were debates on working hours and conditions, and issues concerning young workers and non-regular workers; I was particularly impressed by the thorough knowledge of Chinese laws and regulations that the human resources staff displayed. I hope that Toshiba will carry on building sound labor-management relations that protect fundamental human rights through sustainable business practices.

▶ More details are available in "Respect for Human Rights" in Performance Report. http://www.toshiba.co.jp/csr/en/performance/social/human_rights.htm

CSR Management in the Supply Chain

The Concept of CSR Management in the Supply Chain

Toshiba Group promotes CSR initiatives throughout its supply chain in order to build continuously beneficial relationships with suppliers, and to promote CSR in areas such as the environment, labor and human rights. Our efforts include improving of the working environment for our suppliers' employees and reducing environmental impact.

FY2014
Cumulative number of suppliers at which the CSR survey is conducted

6,957

■ **FY2014 Implementation Overview**

Toshiba Group Procurement Policy

In October 2014, we revised the Toshiba Group Procurement Policy to include the promotion of activities that are in line with the UN Global Compact and the EICC Code of Conduct.* We have requested our overseas and domestic suppliers to abide by this revised content.

* EICC is an abbreviation for the Electronic Industry Citizenship Coalition. A set of standards that seeks to ensure CSR in the supply chain, composed of five sections: labor, occupational health and safety, ethics, environment, and management systems.

CSR Management in the Supply Chains

Toshiba Group requests our suppliers to consider human rights, labor, occupational health and safety as well as environment in their operations, and we hold briefings on CSR management in the supply chains and monitor their implementation in business sites in Japan and overseas. In FY2014, we held briefings on the policy to 5,908 companies (cumulative numbers), conducted CSR surveys in 6,957 companies (cumulative numbers) and requested to perform self-checks to 814 companies (cumulative numbers).

In cases where issues were found, we provided support and guidance on how to make improvements.

Topics **Seminar on EICC Code of Conduct and implementation of Self-checks by Suppliers**

In FY2014, we held the briefings by visiting lectures in Tokyo and in Shanghai to our suppliers. We explained the Toshiba Group's CSR management and its status of the implementation as well as CSR global standard to share the same understandings.

We also requested the suppliers in Japan and overseas to perform CSR self-checks in accordance with the EICC Code of Conduct and confirmed each company of the implementation status, in terms of compliance with laws and regulations, human rights, labor, occupational health and safety as well as environment in their operations.

EICC seminar in November
Tokyo, Japan

EICC seminar in November
Shanghai, China

▶ More details are available in "CSR Management in the Supply Chain" in Performance Report. http://www.toshiba.co.jp/csr/en/performance/social/procure.htm

CSR Management of Toshiba Group

The Concept of Environmental Management

Toshiba Group has developed – "Environmental Vision 2050" – under which we aim to realize a world in which people can enjoy affluent lifestyles in harmony with the Earth by the year 2050. The vision requires us to increase the degree of improvement in "overall eco-efficiency"* by ten times (Factor 10) by 2050 against the 2000 level. In FY2013 we introduced a new environmental management concept called "T-COMPASS." As the environmental compass for Toshiba Group, T-COMPASS represents four environmental issues that need addressing with the North, South, East and West symbols of the compass. By specifically identifying our environmental contributions in the four main areas, we believe that Toshiba Group will be able to better share the value we are providing with both internal and external stakeholders.

*Calculated by combining the product eco-efficiency and the business process eco-efficiency in the ratio of their respective environmental impacts.

▌ Implementation Overview

We are Now Implementing Our Fifth Environmental Action Plan and Promoting Environmental Management with the Four Greens Concepts.

In order to realize our Environmental Vision 2050, we have formulated a midterm plan, "Environment Action Plan." In line with this plan, we promote the four Greens: "Greening of Products," creating products with the highest level of environmental performance; "Greening by Technology," low-carbon energy supply technologies; "Greening of Process," environmentally conscious manufacturing and the underpinning "Green Management," reinforcing the foundation of environmental management. We simultaneously pursue sustainable business development and the reduction of the environmental impacts in our operations. Furthermore, we will continue to reinforce our environmental measures in the four directions described in our T-COMPASS: dealing with responding to climate change and energy issues; the minimization of resource consumption; the minimization of water consumption; and the minimization of the risks posed by chemical substances.

Implement various measures based on the 4 Green concepts

Greening of Products

Creation of products with the highest level of environmental performance

Achieving the highest level of environmental performance in all newly developed products to reduce lifecycle environmental impacts.

Greening by Technology

Low-carbon energy technologies

Contributing to provision of a stable power supply and mitigation of climate change through low-carbon energy technologies

Greening of Process

Minimizing environmental impacts in manufacturing

Minimizing increases in environmental impact in production processes with high efficiency manufacturing

Green Management

Basic activities of environmental management

Continually improving basic activities, such as human resource development, environmental communication and conservation of biodiversity

Aiming to establish ourselves as one of the world's foremost eco-companies

Toshiba Group's Environmental Compass: "T-COMPASS"

- Minimization of water consumption
- Minimization of resource consumption
- Minimization of the risks posed by chemical substances
- Dealing with responding to climate change and energy issues
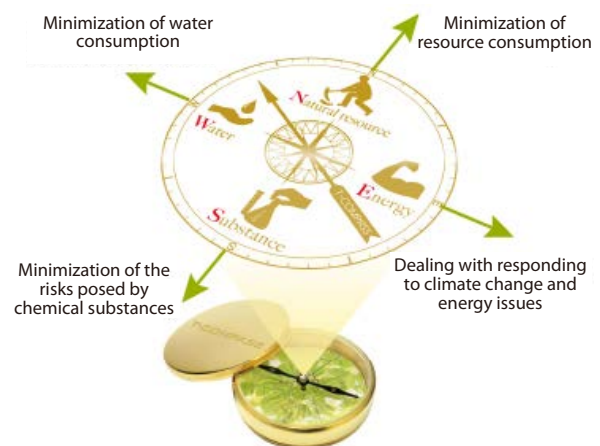
- ● Visualization of Toshiba Group's environmental contributions (uses north, south, east and west symbols)
- ● Expansion measures aligned with regional environmental issues

Excellent ECPs* (Product with the highest level of environmental performance) ¥2.3 trillion in sales

As more products were certified as Excellent ECPs, such as standard PCs and social infrastructure systems, Excellent ECP sales in FY2014 amounted to 2.3 trillion trillion yen.

This means that we achieved the Fifth Environmental Action Plan's FY2015 target of 1.8 trillion yen a year early. By continuing to further increase sales, we will promote the synthesis of business management and environmental management.

* Products that have been certified by Toshiba as having the highest environmental performance in the industry at the time of product release. ECPs = Environmentally Conscious Products

Sales of Excellent ECPs

(trillion yen)

	2011	2012	2013	2014	2015 (FY)
Result	0.30	0.67	1.6	2.3	
Plan		0.50	0.80	1.5	1.8
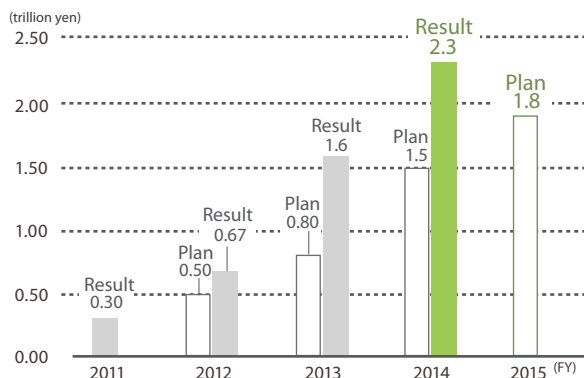
Example of Excellent ECPs certified

Image Processing Scanner Vertical Type (Fruit/vegetable recognition POS)

- Object scanner that can recognize fruits and vegetables
- Reduces packaging and labeling
- Reducing workload at stores by removing the packaging and labeling process
- 7,480 kg-t/year of CO_2 emission reduced per store
- Ministry of the Environment Climate Change Actions FY2014 Awards Prize: Technological Development and Commercialization

Fruits/Vegetables recognition POS IS-910T

Environmentally conscious lighting system for cultural heritage (LED lighting)

- Lighting system to pursue the aesthetics of cultural property
- Long-life and reduced maintenance costs (related to changing lamps)
- Reduction in power consumption*

* In the Phoenix Hall in Byodoin Temple, 16 LED floodlights (using approx. 1.36 kWh) reduced approx.55% power consumption in comparison with the old six halogen floodlights (using approx. 3 kWh in total) .

Phoenix Hall in Byodoin Temple

- 11th Eco-Products Awards Eco-Service Category, Chairman's Prize

Global top rating in the CDP 2014 Japan 500

CDP 2014 Japan 500, an international environmental appraisal conducted annually by the UK-based non-profit organization CDP, listed the Toshiba Group for the second year running in both their Climate Disclosure Leadership Index (CDLI) and the Climate Performance Leadership Index (CPLI).

Our efforts regarding climate change and our work to tackle greenhouse gases were rated highly: we were the first ever Japanese company to receive a score of 100 for the disclosure and our performance was given an A rating.

At the CDP 2014 Japan Report Meeting, our CEO took the stage and spoke: "I am extremely glad that we have been chosen both for the CDLI and the CPLI. Our strategy regarding climate change issues, and our business management strategy, are one and the same thing. We will continue to aim for No. 1 environmental performance in all respects, such as energy conservation, for all the products that we create." He thanked those involved, and stated Toshiba's environmental resolutions.

Toshiba Group's assessment result in CDP
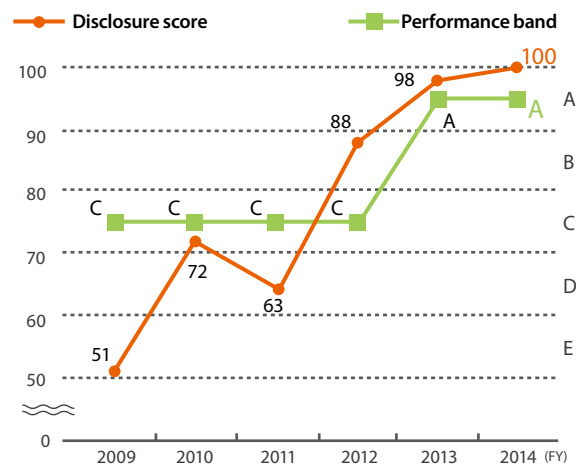
About CDP

2014 was CDP's 12th survey on climate change, and the 9th that included Japanese companies in its scope. CDP 2014's survey targeted 500 major Japanese companies based on the FTSE Japan Index. 767 institutional investors participated in CDP 2014, and the sum total of their operating assets amounts to 92 trillion dollars.

▶ More details are available in the Toshiba Group website "Environment"   http://www.toshiba.co.jp/env/en/index.htm

Sustainability Issues and Initiatives by Business Segments

The example of major sustainability issues and initiatives in the value chain of Electronic Devices Business

Toshiba Group

Value chain	Mining of raw materials	Manufacture of components and materials	R&D, Product planning, Product design
Stakeholders concerned	Local communities	Suppliers, Local communities	Employees
Major Sustainability Issues	• Action on conflict minerals issues • Respect for human rights • Child labor, forced labor • Occupational health and safety ■ Consideration for biodiversity ■ Sustainable resources	• Respect for human rights • Child labor, forced labor • Occupational health and safety ■ Proper management of chemical substances ■ Sustainable use of water resources ■ Reducing greenhouse gas emissions ■ Consideration for biodiversity ▪ Anti-corruption	• Respect for human rights • Occupational health and safety ▪ Protection of intellectual property ▪ Information security management ▪ Product safety

Respect for Human Rights
Action on Conflict Minerals Issues

Out of the raw materials required to manufacture electronic device products, four minerals in particular* that are mined in conflict areas have become a serious issue, as they perpetuate the conflict and inhumane activities such as forced labor.

So as not to aid such inhumane activity through our procurement transactions, we annually survey our suppliers to investigate for any use of conflict minerals, and to gather smelter's information to be listed, based on our Toshiba Group Conflict Mineral Policy. In FY2014, having received requests from over 10,000 client companies, we responded based on the results of our supplier survey.

* Tin, tantalum, tungsten and gold

CSR Management in the Supply Chain
Monitoring Suppliers

As global procurement advances and accelerates, there is an increase in potential CSR risks that could greatly impact management. In order to reduce such risks, and in order to promote CSR in areas such as human rights, labor and the environment, we check the situation at our suppliers based on global standards such as the EICC* Code of Conduct.

In FY2014, for example at Toshiba Information Equipment (Philippines), Inc., we audited 12 supplier companies, checked labor conditions such as working hours, safety management at the workplace and other factors, in order to ensure CSR improvement and compliance at our suppliers.

* EICC: Electronic Industry Citizenship Coalition

We identify and tackle CSR challenges specific to each business segment

Toshiba Group conducts a diverse range of business activities belonging to segments such as Energy & Infrastructure, Community Solutions, Healthcare, Electronic Devices, and Lifestyle. As structure, value chain and related stakeholders vary between business segments, we analyze CSR challenges and risks for each, and do our utmost to avoid and mitigate risks. As for the principles common to all business segments— respect for "Human Rights", "Promoting CSR Management in the Supply Chain" and "Environmental Management"—business departments and corporate-related departments work together to focus on furthering these aims.

Product manufacture	Sales	Distribution	Use	Disposal
Employees, Suppliers	**Resellers, Customers**	**Resellers**	**Customers**	**Customers**
● Respect for human rights ● Occupational health and safety ■ Proper management of chemical substances ■ Sustainable use of water resources ■ Reducing greenhouse gas emissions ■ Efficient use of energy ■ Protection of intellectual property ■ Information security management ■ Quality control	■ Antitrust and fair trade practices ■ Export control ■ Providing information about product safety ■ Protection of customer and personal information	● Occupational health and safety ■ Reducing greenhouse gas emissions	■ Reducing environmental impact when using products ■ Response to product accidents ■ Customer service and support	■ The 3Rs of product ■ Reducing environmental impact when disposing products

● : Sustainability issues on human rights and labor relations

■ : Sustainability issues on environmental relations

■ : Other sustainability issues

Environmental Management
Reducing Environmental Burden in Yokkaichi Operations

Energy-derived CO_2 emissions, produced by our electronic devices business, comprise roughly 60% of Toshiba Group's total emissions. Our 5th Fabrication Plant at Yokkaichi Operations (completed in 2014), the production base for our NAND flash memory, incorporated from the planning stages various measures to reduce environmental impacts. Through measures such as energy-efficient manufacturing and power equipment, and the use of LED lighting in all clean rooms, we are aiming to reduce CO_2 emissions by 13% compared to the previously built 4th Fabrication Plant.

5th Fabrication Plant at Yokkaichi Operations

CSR Supported by 200,000 Employees

Toshiba Group's CSR is supported by the activities of each and every one of 200,000 Toshiba Group employees. We will continue to act as a corporate group that maintains a high level of motivation among its employees in order to further enhance CSR initiatives and increase corporate value.

Toshiba Group Standards of Conduct

In 1990 we established the Toshiba Group Standards of Conduct, in which we define the values and code of conduct that must be observed by all Toshiba Group executives and employees.
In order to respond to changes in the global business environment, we revised these standards in October 2014, in order to strengthen our efforts to promote respect for human rights and CSR management in the supply chain, and to enforce compliance. Our standards have been translated into 24 languages, and we conduct trainings by employees' popsition worldwide, as well as seminars for senior management. We also continue to conduct in a fully committed manner our e-learning scheme for all employees.
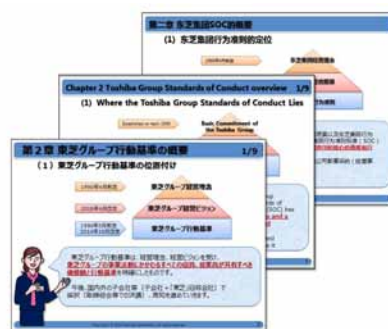
e-learning on Toshiba Group Standards of Conduct in various languages

Toshiba Group Simultaneous Social Contribution Activities 2014

200,000 Toshiba Group employees are working together around the globe to accomplish great things through the power of cooperation. To achieve this, in FY2014, individuals in our offices around the world took part in Simultaneous Social Contribution Activities on December 5, the International Volunteer Day.

At Toshiba Group's business sites, and at the locations of our group companies worldwide, we conducted 532 activities, tackling region-specific issues. A grand total of 137,224 employees took part.

Activity Example

Supporting Early Childhood Development in Tanzania in Cooperation with Save the Children

In a joint activity in Japan, 10,000,000 yen, including the matching system by the companies, was collected and donated to the domestic Save the Children Japan. Proceeds will be donated to building and operating ten community childcare facilities in Tanzania.

These community childcare facilities foster educational and caring environments that support the upbringing of 1000 children and provide meals that help to improve nutritional standards, and improve the income of mothers by giving opportunity for working.

Children in the childcare facilities in Tanzania

Giving Shoes through the Soles4Souls Shoe Donation Drive

The 10 North American Toshiba Group companies collected over 5,000 pairs of new and used shoes from employees and their families, supporting the NGO Soles4Souls and its cause. The shoes are donated to those in need, or used to provision micro-enterprise programs designed to create jobs.

Shoe Donation Drive in North America

Achievements of Key Performance Indicators (KPIs)

Toshiba Group establishes medium-term plan target to promote our CSR activities.

We have set Key Performance Indicators for our material issues.

Note: For FY2014 we have obtained the third-party assurance. > p39

Respect for Human Rights, Promotion of Diversity

Number and Percentage of Female Managers

(Number of people) / (%)

FY	2010	2011	2012	2013	2014
Number	223	247	270	289	294
Percentage	3.4	3.5	3.8	3.8	3.8
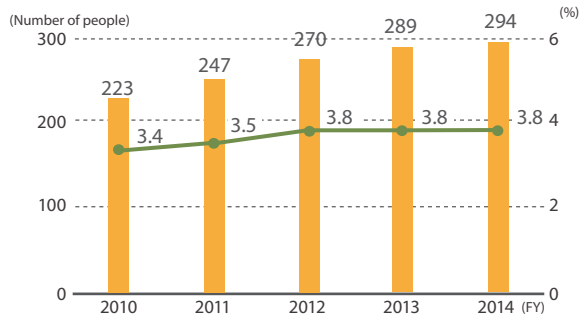
Respect for Human Rights

Number of Companies Investigated on Conflict Minerals Survey [1][2]

(Number of companies)

FY	2010	2011	2012	2013	2014
Companies	0	300	10,000	2,800	2,600
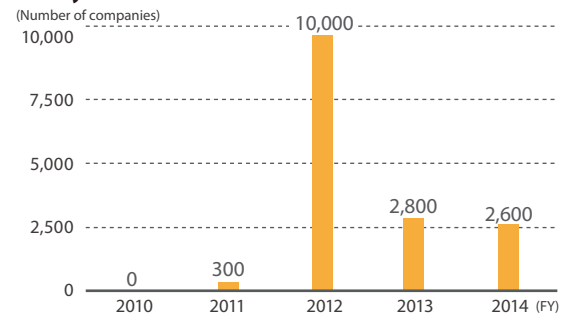
CSR Management in the Supply Chain

Number of Suppliers Covered by CSR Survey[1]
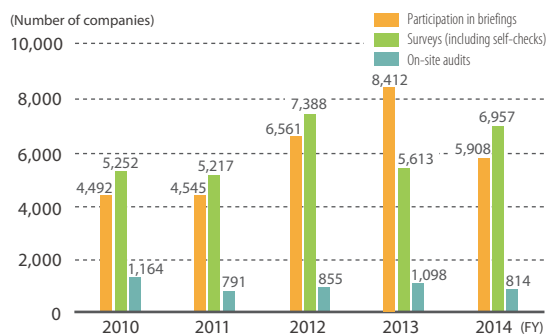
(Number of companies)

- Participation in briefings
- Surveys (including self-checks)
- On-site audits

FY	2010	2011	2012	2013	2014
Participation in briefings	4,492	4,545	6,561	8,412	5,908
Surveys (including self-checks)	5,252	5,217	7,388	5,613	6,957
On-site audits	1,164	791	855	1,098	814

Number of Suppliers to which Toshiba Group Provided Guidance and Support, and the Number of Transactions Suspended[1]

- Guidance and support provided
- Transaction suspended

FY	2010	2011	2012	2013	2014
Guidance and support provided	693	671	503	780	892
Transaction suspended	0	14	0	44	4
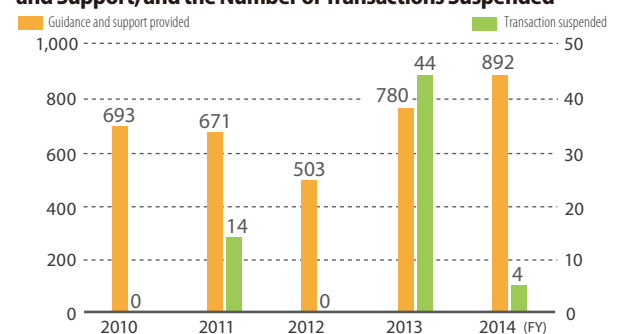
*1 As Toshiba Group companies conduct surveys based on each contract, we count one contract in case multiple contracts are concluded with one supplier.
*2 The company numbers are approximate due to their commercially sensitive information.

Environmental Management

Reduction of Total Greenhouse Gas Emissions[3] (million tons)

FY	2010	2011	2012	2013	2014
Emissions	2.72	2.85	2.79	3.06	3.02
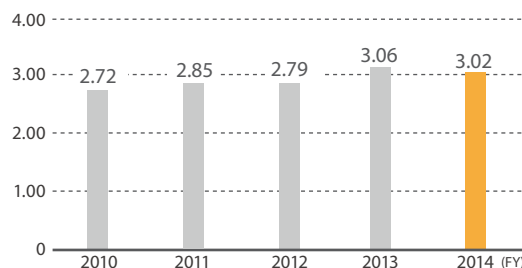
*3 4.87 t-CO_2/ 10-thousand kWh is used for the power factor in Japan, and GHG Protocol data is used overseas.

Volume of Water Received (million m³)

FY	2010	2011	2012	2013	2014
Volume	43.4	41.6	41.1	39.5	39.7
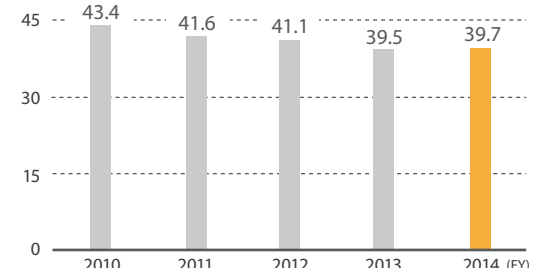
Reduction of the Total Volume of Chemicals Discharged (thousand tons)

FY	2010	2011	2012	2013	2014
Volume	1.84	1.54	1.39	1.39	1.46
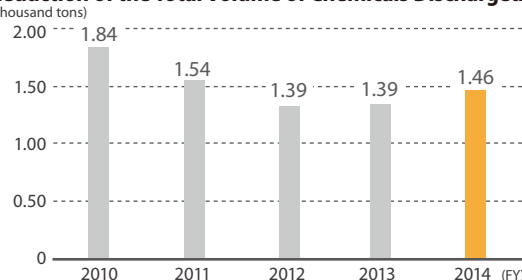
Total Volume of Waste (thousand tons)

FY	2010	2011	2012	2013	2014
Volume	266	265	283	268	259
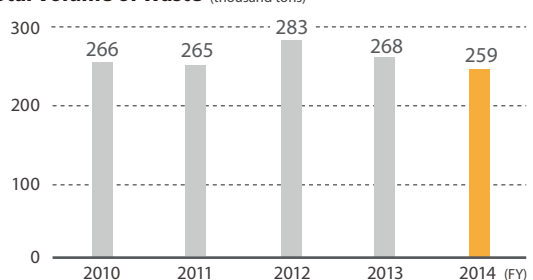
CSR Performance

FY2014 Topics

Toshiba Group tackles issues related to corporate governance, the environment and social aspects of corporate activities (human rights, personnel training, promotion of diversity, occupational health and safety, CSR Management in the Supply Chain, quality control, customer satisfaction, support for local community development, etc.), setting medium- to long-term vision and implementing initiatives to improve performance.

Starting with the present CSR Report 2015, our CSR information is now categorized into ESG (environment, social and governance). The contents have now been enhanced.

For further details, please refer to "Toshiba Group CSR Report 2015 (PDF)—a comprehensive version" on the Toshiba Group CSR website. URL: http://www.toshiba.co.jp/csr/en/report/files/report2015_all.pdf

⬜ FY2014 Material Issues

	Items	Main contents
Governance	Corporate Governance	Governance Overview, Directors and Executives, Compensation, Takeover Defense Measures
	Risk Management and Compliance	A whistle-blower system, Antitrust Act compliance and anti-corruption, fair trading, export control, information security management, appropriate product labeling and PR, and BCP
	Research & Development and Intellectual Property	R&D strategy, cooperation with parties external to the company, intellectual property, anti-counterfeit measures, and contributing to society through technology transfers
Environment	Environment	Addressing climate change and energy issues, minimizing energy consumption, minimizing water consumption, and minimizing chemical-related risks
Social	Human Rights	Policy on human rights, identifying human rights risks, monitoring and education
	Labor-management Relations	Relationship with labor unions, and labor-management dialogue
	Fair Evaluation and Talent Development	Fair evaluations, talent development, and employee morale surveys
	Promotion of Diversity	Diversity strategies (women, non-Japanese nationals, disabled persons and seniors), and promotion of work-style innovation
	Occupational Health and Safety	Occupational health and safety management systems, occupational accidents, health management, and supply chain safety management
	CSR Management in the Supply Chain	Full implementation of procurement policy, CSR promotion support to suppliers, use of conflict-free minerals, "greenness" of suppliers and procurement, and decreasing supply chain CO_2 emissions
	Quality Control	Quality promotion structure, ensuring product quality, management system to ensure quality, and disclosing quality information
	Product Safety	Response to product safety accidents, prevention of accident reoccurrence, responding to incidents involving products used for long periods of time, and disclosure of product safety/quality information
	Enhancement of Customer Satisfaction	Enhancing customer support, customer satisfaction surveys, sharing and utilizing customer feedback, protecting customer information, and providing customers with business continuity support
	Universal Design	Promotion of universal design
	Support for Local Community Development	Solving regional social issues through business, and developing business activities that meet local needs
	Social Contribution Activities	Basic policy on social contribution activities, expenditures for corporate citizenship activities, and simultaneous social contribution activities

Governance

Risk Management and Compliance

We enforce worldwide compliance with laws, company regulations, social and ethical norms, and the like. To promote risk management, we have established a specialized division for it.

The Educational program of "Toshiba Group Standards of Conduct" in different languages (e-learning)

- "Toshiba Group Standards of Conduct" was revised and published in 24 different languages.
- Various education programs are provided - different organizational levels and/or job functions basis.
- Workplace CSR meetings were held with the theme, "Prevention of virtual order" and "Respect for human rights".

Resarch & Development and Intellectual Property

We are making efforts to strengthen our intellectual property strategy, focusing our R&D on business areas expected to grow in the future, and expanding them globally.

Japonica Array™, a Japanese genome analysis tool

- Started a genome analysis service using the Japonica Array™
- Started operational testing of a hydrogen-based autonomous energy supply system in partnership with Kawasaki City

Environment

Environmental Management

In order to create an affluent life for mankind that is in harmony with mother nature, we promote ecological management, and make it our responsibility to take good care of the Earth's environment before passing it on to the next generation.

ECP certified Fruit/vegetable recognition POS

- ECPs (Environmentally Conscious Products) sales 2.3 trillion yen

- Rated as Global Top in CDP Japan 500 Climate Change Report 2014
  Disclosure score: 100/100
  Performance class : A band
  (Global 1st place)

Social

Human Rights

We uphold human rights as one of our management principles, and support universal, fundamental principles concerning human rights, and labor practice including the Universal Declaration of Human Rights.

Workshop on human rights in Japan

- Revised the Toshiba Group Standards of Conduct and set "Respect for Human Rights" as Article 1.
- Held workshops regarding human rights in China and Japan.

Labor-Management Relations

In accordance with fundamental principles of labor-management equality, mutual trust and understanding, and prior discussion, we hold labor-management dialogue, seeking rational and amicable solutions.

Labor-management congress

- Held the semi-annual Toshiba Group Labor-management Congress and held discussions on management policy

Fair Evaluation and Talent Development

We promote the proactive training of our personnel and making the most of the capabilities, and have established fair personnel systems in order to produce employees who can create new ideas.

Global Marketing Leaders Program

- At overseas subsidiaries, the percentage of local personnel out of all managerial appointments is up to 62%

Promotion of Diversity

We have positioned the promotion of diversity as one of its integral management policy visions, and under the strong top commitment, sent out positive messages about diversity internally and externally.

- Nadeshiko Brand as Examples of Enterprises that Encourage Women's Success (Ministry of Economy, Trade and Industry)

Occupational Health and Safety

One of our management principles is to "commitment to people." Accordingly, we promote CSR management by setting "human life, safety and legal compliance" as our highest priority.

OHSAS18001 Certificate

- 101 group companies certified by OHSAS18001 (100% of manufacturing companies)
- 0.18 Lost-time Injury Frequency Rate* at domestic Toshiba Group companies

  * Frequency of accidents per million work hours resulting in death or injuries that require one or more days off work

CSR Management in the Supply Chain

We advance CSR efforts through our supply chain, such as improving working conditions and decreasing the environmental impact at our suppliers.

EICC briefings in China

- Toshiba Group Procurement Policy was revised, with strict compliance requested from domestic and overseas suppliers
- Explanatory sessions held in Japan and China for suppliers on the EICC's code of conduct

Quality Control

We aim to contribute to society by providing products and services that are high-quality, safe, and technologically ahead of the curve.

● Promoted initiatives to prevent product defects in upstream design processes

Product Safety

Based on the Toshiba Group's Basic Policy on Product Assurance, we endeavor to ensure product safety and to disclose safety-related information to our customers proactively.

● Strengthened efforts for the swift recall of products

Enhancement of Customer Satisfaction

We respond properly to our customers' inquiries, opinions and requests, and make use of them to enhance product quality, our after-sales service and the like in order to improve customer satisfaction.

Training of a case study (call center) in Malaysia

● Conducted monitoring, feedback training and secret shopper calls to a call center in an emergent nation (Malaysia), for quality improvement

Universal Design

We strive for Universal Design (UD) to help realize a society where everyone can live in comfort, regardless of age, gender or disability.

● Receiving Awads at "Universal Design Consumer Favorite 2015" in Germany
  1. Whole -body X-ray CT scanner
  2. Cordless vacuum cleaner

Support for Local Community Development

As a "corporate citizen of planet earth," we conduct community-based business activities at sites worldwide, contributing to solving local issues.

Olkaria Geothermal Power Plant in Kenya

● Olkaria Geothermal Power Plant as ordered by Kenya Electricity Generating Co. Ltd. completed and ready to begin operation in January 2015
● Certified as a "Yokohama Model Regional Contribution Company"

Social Contribution Activities

We promote a wide range of activities, focusing on science and technology education, protection of the natural environment, social welfare, international exchange, and the promotion of sports and culture. We also engage in post-disaster reconstruction aid.

Supporting Early Childhood Development in Tanzania

● Toshiba Group Simultaneous Social Contribution Activities 2014 - Supporting Early Childhood Development in Tanzania in the light of children's human rights
● Toshiba Foundation - The 25th anniversary of the foundation

CSR Performance

FY2014 Performance Indicators

We, the Toshiba Group, have medium- and long-term key performance indicators according to the ISO 26000 core subjects and are promoting relevant CSR activities.

For FY2014 we have obtained the third-party assurance on part of performance data.

📄 The third party assurance

Governance

Corporate Governance	FY2013	FY2014	FY2014	FY2015
	Achievements	Targets	Achievements	Targets
Number of directors (GRI G4-34, G4-38)	16	–	16	–
Number of directors not concurrently serving as executive officers (GRI G4-38)	8 (Half of all directors)	Half of all directors	8 (Half of all directors)	Half of all directors
Number of female directors Percentage of female directors (ISO26000 6.2, GRI G4-38)	1 (6%)	Over 1	1 (6%)	Over 1

> Corporate Governance

Risk Management and Compliance	FY2013	FY2014	FY2014	FY2015
	Achievements	Targets	Achievements	Targets
Education for "Toshiba Group Standards of Conduct" (Toshiba Group in Japan) (ISO26000 6.6.3, 6.6.4, 6.6.5, GRI G4-HR2)	99%	100%	99%	100%
	"Toshiba Group Standards of Conduct" was revised in October 2014 and published in 24 different languages. Various education programs are provided such as education based on the needs of employees at different organizational levels and job functions, as well as seminars on compliance topics for top executives.			
Number of Workplace CSR meetings ; Number of cumulative participants (Toshiba Group in Japan) (ISO26000 6.2, GRI G4- LA9)	3 times/yr, 280,000	2 times/yr, 180,000	2 times/yr, 180,000	2 times/yr, 180,000
Percentage of self-audits conducted at Group companies based on "Anti-Bribery Guidelines" and "Guidelines on Contacts with Competitors" (Toshiba Group in Japan) (ISO26000 6.6.3, GRI G4-SO3, SO7-8)	100%	100%	100%	100%
	Between December 2014 and February 2015, we held training on sales risks, for sales-related personnel at our head office and branch offices, and reinforced management of sales-related legal risks.			

Number of reports received by the whistle blower system "Risk Hotline" (In-house contact window / attorney's office) (Toshiba Group in Japan) (GRI G4-49, G4-53, G4-57-58, G4-LA16, G4-HR12, G4-SO7, G4-SO11)	61 reports (57/4)	–	88 reports (85/3)	–
	Calls reporting inappropriate situations or concerns were reported to the relevant division so that instructions for improvement could be provided or alerts could be issued.			
Number of violations of the Act against Unjustifiable Premiums and Misleading Representations (Toshiba Group in Japan) (ISO26000 6.7.4, GRI G4-SO8, G4-PR4, G4-PR6-7, G4-PR9)	0	0	0	0
	In March 2015, Toshiba Group held a meeting for 172 managers of in-house companies and major group companies to study advertising and labeling, thus ensuring full compliance with advertising and labeling regulations.			

> Risk Management and Compliance

Environmental Management

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)

Increasing Overall Eco-efficiency	FY2013	FY2014	FY2014	FY2015
	Achievement	Target	Achievement	Target
Improvement of overall eco-efficiency (compared to FY2000 levels) (ISO26000 6.5, GRI G4-EN6-7)	2.72 times	2.9 times	2.9 times	3.0 times
	In order to improve overall eco-efficiency, Toshiba Group actively promoted Greening of Products, Greening by Technology, and Greening of Process initiatives.			

> Progress in the Fifth Environmental Action Plan

Increasing Eco-efficiency for Products and Processes	FY2013	FY2014	FY2014	FY2015
	Achievements	Targets	Achievements	Targets
Improvement of product eco-efficiency (compared toFY2000 levels) (ISO26000 6.5, GRI G4-EN7)	3.04 times	3.2 times	3.3 times	3.4 times
	In order to improve product eco-efficiency, Toshiba Group actively carried out Greening of Products and Greening by Technology initiatives. Toshiba Group will continue to systematically carry out Greening of Products and Greening by Technology initiatives.			
Improvement of business process eco-efficiency (compared to FY2000 levels) (ISO26000 6.5, GRI G4-EN3-4, G4-EN6)	1.48 times	1.47 times	1.51 times	1.5 times
	In order to improve business process eco-efficiency, Toshiba Group actively carried out Greening of Process initiatives.			

> Creation of Excellent ECPs
> High-efficiency Manufacturing

Overall Sales	FY2013	FY2014	FY2014	FY2015
	Achievements	Targets	Achievements	Targets
Increasing sales of ECPs (Greening of Products) (ISO26000 6.5, GRI G4-EN7, G4-EN27)	1.6 trillion yen	1.5 trillion yen	2.3 trillion yen	1.8 trillion yen
	In order to increase sales of ECPs, Toshiba Group actively inspected its eco-targets for all product lineups and confirmed the status of their implementations during audits of environmental technologies for products. Toshiba Group will strive to create more ECPs for the mass market and accelerate the creation of ECPs by making products, systems, and solutions tailored to specific customer needs.			
Increasing sales amounts of energy-related products (Greening by Technology) (ISO26000 6.5, GRI G4-EN7, G4-EN27)	1.47 trillion yen	1.66 trillion yen	1.66 trillion yen	1.9 trillion yen
	In order to increase sales of energy-related products, Toshiba Group has supported the businesses in regards to environmental aspects. Toshiba Group will continue to support the businesses in regards to environmental aspects.			

> Creation of Excellent ECPs
> High-efficiency Manufacturing

Mitigation of Climate Change	FY2013	FY2014	FY2014	FY2015
	Achievements	Targets	Achievements	Targets
Reduction of CO_2 emissions due to use of eco-products[1] (Greening of Products) (ISO26000 6.5.5, GRI G4-EN17, G4-EN19)	10.39 million tons	12 million tons	13.12 million tons	15 million tons
	In order to reduce CO_2 emissions through the use of eco-products, Toshiba Group continued to create excellent ECPs and increase the sales thereof. Toshiba Group will apply energy conservation technologies to mass market products as well as social infrastructure systems.			
Reduction of CO_2 emissions due to use of energy-related products[2] (Greening by Technology) (ISO26000 6.5.5, GRI G4-EN19)	440 million tons	480 million tons	450 million tons	490 million tons
	The target has not been reached, due to a delay in the start of operations at a plant being constructed overseas. We are focusing on advancing the use of highly efficient thermal power and renewable energy.			

> Mitigation of Climate Change
> Reducing energy-derived CO_2 emissions

Efficient Use of Resources	FY2013	FY2014	FY2014	FY2015
	Achievements	Targets	Achievements	Targets
Percentage of resource savings[3] (ISO26000 6.5.4, GRI G4-EN1, G4-EN30)	70%	43%	79%	50%
	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. Toshiba Group will expand the range of products.			
Percentage of use of recycled plastics for products[4] (ISO26000 6.5.4, GRI G4-EN2)	6.2%	2.9%	7.5%	3.0%
	In order to increase the percentage of recycled plastics used, Toshiba Group improved the percentage of recycled plastics used in each model and promote the usage of recycled plastics in a wider range of models (application to other product lines). Toshiba Group will increase the percentage of recycled plastics used for each product with the goal of having recycled products used uniformly in all products.			

> Efficient Use of Resources

Management of Chemicals	FY2013	FY2014	FY2014	FY2015
	Achievement	Target	Achievement	Target
Reduction of Specified Chemical Substances contained in products (Reduction of PVC/BFRs[5]) (ISO26000 6.5.3)	32 product groups *6	50 product groups *6	54 product groups *6	All 80 product groups *6

> Management of Chemicals in Products

*1 [CO$_2$ emissions of assumed substitute products] − [CO$_2$ emissions of shipped products] (Compares annual emissions during the usage stage and cumulates emissions for half the product life.)

*2 Compared with CO$_2$ emissions (rate to net production output) for average thermal power of the same fuel type; for nuclear power and renewable energy, compared with CO$_2$ emissions (rate to net production output) for average thermal power of all types.

*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

*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)

Mitigation of Climate Change	FY2013	FY2014	FY2014	FY2015
	Achievements	Targets	Achievements	Targets
Reduction of total greenhouse gas emissions[7] (compared to FY1990 levels) (ISO26000 6.5.5, GRI G4-EN19)	3.06 million tons <46%>	4.19 million tons <62%>	3.02 million tons <45%>	4.39 million tons <65%>
	Improve were made mainly in energy conservation investments, energy-saving diagnosis, etc.			
Reduction of total greenhouse gas emissions[7] (compared to FY2010 levels) (ISO26000 6.5.5, GRI G4-EN18)	86%	92%	80%	90%
Improvement in total CO$_2$ emissions resulting from product logistics per unit production (compared to 2010 levels) (ISO26000 6.5.5, GRI G4-EN30)	88%	96%	73%	95%
	We achieved the goal mainly by improving load factors and restructuring logistic center.			

> Reducing total GHG emissions
> Reducing energy-derived CO$_2$ emissions
> Reducing CO$_2$ emissions associated with product logistics

Efficient Use of Resources	FY2013	FY2014	FY2014	FY2015
	Achievements	Targets	Achievements	Targets
Reduction of waste emissions*8 (compared to FY2000 levels) (ISO26000 6.5.3, 6.5.4, GRI G4-EN23)	84,000 tons <45%>	116,000 tons <62%>	88,000 tons <47%>	117,000 tons <62%>
	More waste was turn into valuables due to all-out efforts to sort it upon discharge.			
Improvement in the total volume of waste generated per unit production (compared to FY2010 levels) (ISO26000 6.5.3, 6.5.4, GRI G4-EN23)	96%	93%	84%	90%
Reduction percentage of final waste disposal*9 (relative to Toshiba Group total emissions) (ISO26000 6.5.3, 6.5.4)	1.6%	1.0%	1.4%	0.5%
Improvement in the volume of water received per unit production (compared to FY2010 levels) (ISO26000 6.5.4, GRI G4-EN8)	86%	92%	78%	90%
	The target has not been reached, as the percentage of final waste disposal at overseas sites was slow to improve. We aim to reduce the final waste disposal by continuing to enhance sorting and recycling, and by finding new recyclers.			

> Reducing the total waste volume
> Efficient use of water resources

Management of Chemicals	FY2013	FY2014	FY2014	FY2015
	Achievements	Targets	Achievements	Targets
Reduction of the total volume of chemicals discharged (compared to FY2000 levels) (ISO26000 6.5.3, GRI G4-EN1)	1,390t <55%>	1,763t <63%>	1,455t <58%>	1,967t <78%>
	We achieved the goal mainly by installing equipment for removing volatile organic compound.			
Improvement of the amount of chemicals handled per unit production (compared to FY2010 levels)	92%	97%	92%	95%

> Reducing emissions of chemical substances
> Reduction in the amount handled

*7 4.87 t-CO$_2$/10-thousand kWh is used for the power factor in Japan, and GHG Protocol data is used overseas.

*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).

Green Management (Basic Activities of Environment Management)

Conservation of Biodiversity Development of Ecosystem Networks that Production Sites Playing a Central Role in Collaboration with Local Communities	FY2013	FY2014	FY2014	FY2015
	Achievements	Targets	Achievements	Targets
Percentage of major production sites at which the biodiversity survey is conducted (ISO26000 6.5.6, GRI G4-EN11-14)	Survey conducted 100% Indexes selected 91%	Survey conducted 100% Indexes selected 100% Effect measuring 50%	Survey conducted 100% Indexes selected 100% Effect measuring 67%	Indexes selected 100% Effect measuring 100%
	We completed a survey and selection of indexes at 64 sites worldwide, and measured the impact at 39 sites.			
⟩ Conservation of Biodiversity				

Environmental Education / Human Resources Development	FY2013	FY2014	FY2014	FY2015
	Achievement	Target	Achievement	Target
Development of Toshiba eco-style leaders	443 leaders	800 leaders	800 leaders	2,000 leaders
	800 Toshiba Group employees registered as Eco-Style Leaders within and outside Japan and actively attended Global Toshiba Environmental Action.			
⟩ Environmental Education/Human Resources Development				

Social

Respect for Human Rights	FY2013	FY2014	FY2014	FY2015
	Achievement	Target	Achievement	Target
Number of companies surveyed about conflict minerals [10] Cumulative Numbers (ISO26000 6.3.5, GRI G4-LA14, G4-HR9-11)	Approx. 2,800[10]	Approx. 2,000[10]	Approx. 2,600[10]	Approx. 2,600[10]
	3TG[11] Toshiba Group conducted a survey on the use of conflict minerals and about smelters for some 2,600 Toshiba Group suppliers that could have been using 3TG[11] conflict minerals through the EICC/GeSI Conflict Minerals Reporting Template (CMRT). Toshiba Group carries out due diligence by conducting an additional survey for high risk suppliers.			
⟩ Addressing the Conflict Minerals Issue				

*10 As Toshiba Group companies conduct surveys based on each contract, we count one contract in case multiple contracts are concluded with one supplier. Also the company numbers are approximate due to their being commercially sensitive information.

*11 Abbreviation of four minerals, tin, tungsten, tantalum and gold, which are specified as "Conflict Minerals".

⟩ Respect for Human Rights

Fair Evaluation and Talent Development	FY2013	FY2014	FY2014	FY2015
	Achievement	Target	Achievement	Target
Satisfaction rate of employees (Toshiba Corp.)	82/100	–	83/100	–
	Converting the result of in-depth survey of employee, TEAM Survey, to the score out of 100 points. Since FY2014 Toshiba Corp. have introduced new suvey index.			

> Fair Evaluation and Talent Development

Diversity Promotion	FY2013	FY2014	FY2014	FY2015
	Achievements	Targets	Achievements	Targets
Number and percentage of female managers (Toshiba Corp.) (GRI G4-LA12)	289 (3.8%)	–	294 (3.8%)	– *
	*Aiming over 5.0% in FY2016 as medium- and long-term vision.			
Percentage of female recruits (Toshiba Corp.) (GRI G4-LA1)	Administrative: 51% Technical: 19%	Administrative: 50% Technical: 25%	Administrative: 51% Technical: 19%	Administrative: 50% Technical: 25%
	While the percentage of female students in science and technology departments is only slightly above 10%, Toshiba Groups promoted efforts to recruit more female engineers by implementing various measures. These numbers consist of new recruits joining activities of the year, joining company in next April.			
Percentage of top managers at major subsidiaries outside Japan (GRI G4-EC6)	61%	–	62%	– *
	*Aiming for 66% in FY2016 as medium- and long-term vision.			
Employee male-female rate (Toshiba Corp.) (GRI G4-10)	Male: 88.5% Female: 11.5%	–	Male: 88.2% Female: 11.8%	–
Employment percentage of people with disabilities (Toshiba Group in Japan) (ISO26000 6.3.7, GRI G4-LA12)	2.27%	2.00%	2.26%	2.00%
	Toshiba Group will continue to operate "Toshiba With", a special subsidiary company aiming to expand workplace for people with disabilities by cooperating with the national and local governments' employment support agencies as well as by using employment support firms effectively.			
Average number of years with company (Toshiba Corp.)	Ave. 17.7 yrs (Male: 17.9 yrs, Female: 16.0 yrs)	–	Ave. 17.8 yrs (Male: 18.1 yrs, Female: 16.0 yrs)	–
Percentage of leave acquisition (Toshiba Corp.)	86%	–	84%	–
	This data is collected by Toshiba Union submitting questionnaire investigation to their members.			
Number of employees to use Childcare leave Percentatge of number to use Childcare leave: (Number of qualified person to use the leave/ Number of qualified person) (Toshiba Corp.) (ISO26000 6.4.4, GRI G4-LA3)	Male: 8 (0.8%) Female: 336	–	Male: 7 (0.7%) Female: 350	–
	Until the end of the month when the child turns 3 years old. It is possible to apply for childcare leave up to three times per child. A handbook focusing on system and application procedure were distributed for promotion.			

Number of employees to use Paternity leave (Toshiba Corp.) (ISO26000 6.4.4, GRI G4-LA3)	384	–	359	–
	Up to 5 paid holidays (100%) consecutively or separately, including the day of birth, within 6 weeks of the birth.			
Number of employees to use Family care leave (Toshiba Corp.) (ISO26000 6.4.4)	Male: 6 Female: 10	–	Male: 2 Female: 3	–
	Up to 365 days in total per person requiring nursing care. A handbook focusing on system and application procedure were distributed for promotion.			
Number of employees to use short-time shift (Toshiba Corp.) (ISO26000 6.4.4)	Male: 9 Female: 417	–	Male: 10 Female: 438	–
	Employees who are raising children who have not yet completed elementary school.			

> Diversity Promotion

Occupational Health and Safety	FY2013	FY2014	FY2014	FY2015
	Achievements	Targets	Achievements	Targets
Number and percentage of Group companies (manufacturing) that have acquired OHSAS18001 certification (ISO26000 6.4.6, GRI G4-LA5)	101	–	101 (100%)	– (100%)
	Toshiba Group assessed risks related to OHSAS18001 and took measures to reduce such risks.			
Frequency of work-related accidents (Toshiba Group in Japan) (Frequency of accidents per million work hours resulting in death or injury that require one or more days off work) (ISO26000 6.4.6, GRI G4-LA6)	0.2	–	0.18	–
	Result of our performance is less than average for all industry in Japan (1.66 days), manufacturing industry in Japan (1.06 days), electrical appliance manufacturing industry in Japan (0.41 days) of Industrial Accident Statistics (FY2014) issued by the Ministry of Health, Labour and Welfare.			

> Occupational Health and Safety

CSR Management in the Supply Chain	FY2013	FY2014	FY2014	FY2015
	Achievements	Targets	Achievements	Targets
Percentage of suppliers consenting for the Toshiba Group Procurement Policy (ISO26000 6.3.5, 6.4.3, 6.6.6, GRI G4-HR1, HR4-6, G4-SO9-10)	–	–	99%	100%
	In keeping with the FY2014 revision of the Toshiba Group Procurement Policy, we requested a total of 10,000 suppliers [12][13] to comply. Ninety-nine percent of the companies that responded by the end of March 2015 consented. We will contiue to make every effort to gain consent from all of our suppliers.			
Number of suppliers at which the CSR survey is conducted [12] Cumulative numbers (ISO26000 6.3.5, 6.4.3, 6.6.6, GRI G4-HR1, HR4-6, G4-SO9-10)	5,613[12]	6,000[12]	6,957[12]	7,000[12]
	In terms of considerations to labor, safety and the environment, and prohibition of child labor, we have stated in the Toshiba Group Procurement Policy that we will promote activities that follow the EICC Code of Conduct. We confirm the situation regarding our suppliers' management of these individual items every year, through the supplier CSR survey.			

Number of suppliers to which Toshiba Group provided guidance and support, and the number of transactions ceased *12 Cumulative numbers (ISO26000 6.3.5, 6.4.3, 6.6.6, GRI G4-HR1, HR4-6, G4-SO9-10)	Guidance and support provided: 780*12 Transaction suspended: 44*12	–	Guidance and support provided: 892*12 Transaction suspended: 4*12	–
	Should a supplier breach the Toshiba Group Procurement Policy, we, the Toshiba Group, firstly request the company to take any corrective actions and provide guidance and suppprt if needed. If it is found out that the supplier is not be able to take such actions or correct the situation, we will suspend the transaction with the company.			

*12 As Toshiba Group companies conduct surveys based on each contract, we count one contract in case multiple contracts are concluded with one supplier.

*13 The company numbers are approximate due to their commercially sensitive information.

> CSR Management in the Supply Chain

Promotion of Social Contribution Activities	FY2013	FY2014	FY2014	FY2015
	Achievements	Targets	Achievements	Targets
Expenditures for Social Contribution Activities including donations for natural disasters, etc. (ISO26000 6.8.3, GRI G4-SO1)	2.82 billion yen	–	3.53 billion yen	–
	In FY2014, expenditures have been increased by reinforcement of science education support, etc.			
Number of social contribution programs (ISO26000 6.8.3, GRI G4-SO1)	1,616 programs	–	1,536 programs	–
	In FY2014, we held the Toshiba Group Simultaneous Social Contribution Action 2014 on December 5th, International Volunteer Day. A total of 532 social contribution activities were carried out in Japan and worldwide.			
Accumulated number of 1.5 million afforestation activities (ISO26000 6.8.3, GRI G4-SO1)	1.08 million	1.12 million	1.14 million	1.18 million
	In FY2014, Toshiba Group promoted forest maintenance by planting some 60,000 trees. In FY2015, the Group plans to plant some 40,000 trees (17,000 trees in Japan + 23,000 trees overseas).			

> Social Contribution Activities

Corporate Governance

Message from the Chairman of the Board

Toshiba is embarking on far-reaching reform of corporate governance, including a change in the composition of the Board of Directors that will make outside directors account for the majority. Though mindful of the weighty responsible I bear as an outside director, I welcome this opportunity to contribute to Toshiba's initiatives to achieve another round of growth. I would like to help Toshiba regain the confidence of its shareholders and customers as soon as possible, and to see it become an exemplary enterprise whose service to the society surpasses its previous achievements.

For this purpose, it is crucially important to ensure that corporate governance geared to Toshiba's current needs functions effectively. The essence of governance is not just to establish a framework but to make it work. Through in-depth discussion on the nature of the governance Toshiba requires, I would like to help ensure robust and effective governance that is conducive to Toshiba's realization of its tremendous potential in the marketplace in socially beneficial ways.

Simply changing the management team is not enough to reform a company. Individual employees are the principal agents of reform. They are the source of Toshiba's value creation. By helping to ensure that the management team creates an environment that encourages ethicallygrounded initiatives, I will endeavor to make Toshiba an enterprise where employee growth and the company's growth advance hand in hand.

Shinzo Maeda
Chairman of the Board

Board of Directors

Toshiba's Governance System

We have determined, based on the discussions by the Management Revitalization Committee, the basic policy of our corporate governance system described below.

I. Composition of the Board of Directors, Reinforcement of the Board of Directors' Supervisory Function

(1) Composition of the Board of Directors
- Reducing the number of members of the Board of Directors to 11 people
- Increasing the ratio of Outside Directors to more than half
- Ensuring the composition of a Board of Directors that takes the expertise of its members into account
- Enabling an Outside Director to become Chairman of the Board of Directors

(2) Reinforcement of the Board of Directors' Supervisory
- Reinforcement of the support structure for Outside Directors
- Establishment of 'Executive Sessions'

II. Reinforcement of the Audit Committee's Supervisory Function

(1) Composition of the Audit Committee
- The Audit Committee composed, in principle, only of independent Outside Director members
- The Audit Committee composed of Outside Directors with a high level of expertise

(2) Reinforcement of the audit function of the Audit Committee
- Reinforcement of the Audit Committee Office
- Reinforcement of the audit function of the Audit Committee through establishment of an internal reporting system
- Securing the independence of the Audit Committee Office
- Elimination of the Corporate Audit Division, establishment of the Internal Audit Division, and direct control of the Audit Committee
- Reinforcement of the audit function in accounting and compliance inspections by the Internal Audit Division
- Reinforcement of accounting audits and compliance inspections in in-house companies
- Securing the independence of the Internal Audit Division

III. Reinforcing the Nomination Committee and Ensuring the Transparency of Nomination Procedures

(1) ● Composition of the Nomination Committee
     The Nomination Committee composed, in principle, only of independent Outside Director members

(2) Ensuring the fairness of nomination procedures
- Formulation of a Succession Plan
- Clarification of the basis for election and appointment of Executive Officers and Representative Executive Officers and election and appointment processes

Corporate Governance Structure
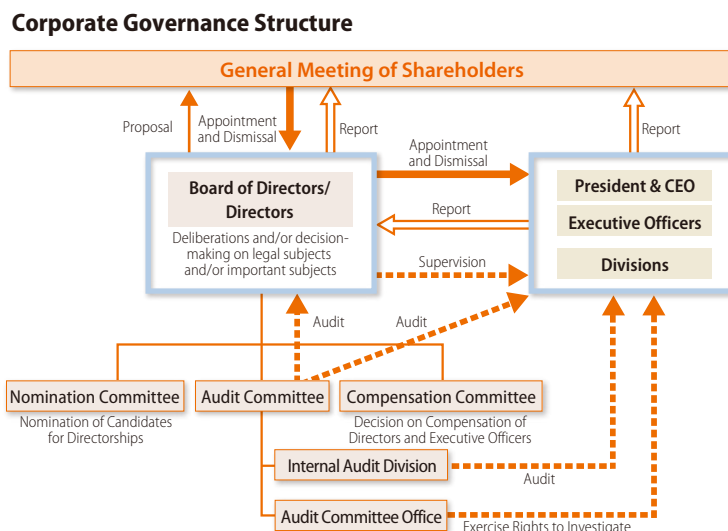
Composition of Committees

At Toshiba, the Nomination Committee, the Audit Committee and the Compensation Committee are composed, in principle, only of independent Outside Director members.

Nomination Committee:	Yoshimitsu Kobayashi (Chairman), Hiroyuki Itami, Kouichi Ikeda, Ryoji Sato and Shinzo Maeda
Audit Committee:	Ryoji Sato (Chairman), Teruko Noda, Hiroyuki Itami and Yuki Furuta
Compensation Committee:	Yuki Furuta (Chairman), Teruko Noda, Kouichi Ikeda, Yoshimitsu Kobayashi and Shinzo Maeda

Outside Directors

Reasons of election

Messrs. Hiroyuki Itami, Kouichi Ikeda, Yuki Furuta, Yoshimitsu Kobayashi, Ryoji Sato and Shinzo Maeda are Outside Directors. The reasons that we selected them as Outside Directors and that we considered they could properly perform their duties as Outside Directors are as follows. Notices have been filed regarding those 6 Outside Directors as being independent directors in accordance with the rules of the Tokyo Stock Exchange, etc.

Mr. Hiroyuki Itami:	Mr. Itami currently properly supervises the Company's management based on his rich experience and knowledge as a specialist in business administration and as a manager of a university.
Mr. Kouichi Ikeda:	Mr. Ikeda is expected to properly supervise the Company's management based on his rich experience and knowledge as a top executive.
Mr. Yuki Furuta:	Mr. Furuta is expected to properly supervise the Company's management based on his rich experience and knowledge as a specialist in law.
Mr. Yoshimitsu Kobayashi:	Mr. Kobayashi is expected to properly supervise the Company's management based on his rich experience and knowledge as a top executive.
Mr. Ryoji Sato:	Mr. Kobayashi is expected to properly supervise the Company's management based on his rich experience and knowledge as a certified public accountant.
Mr.Shinzo Maeda:	Mr. Maeda is expected to properly supervise the Company's management based on his rich experience and knowledge as a top executive.

* Ms. Teruko Noda was an employee of the Company for the period from March 1961 to August 1963. Because over 50 years has passed since she ceased to be the Company's employee, and she met the requirements for outside directors prescribed in the Revised Companies Act that was enforced in May 1, 2015, the Company considers Ms. Noda to be a substantive Outside Director candidate. However, because due to the transitional measures under the Revised Companies Act, Ms. Noda is not an Outside Director under the Companies Act only for the period until the conclusion of the Ordinary General Meeting of Shareholders scheduled to be held in June 2016, she is expected to assume the same responsibilities as those of the Outside Director as non-executive Director during that period. Ms. Noda is expected to properly supervise the Company's management based on her rich experience and knowledge as a certified public accountant.

Limited liability contracts

The Company has concluded a limited liability contract with each of 7 outside directors, Messrs. Hiroyuki Itami, Kouichi Ikeda, Yuki Furuta, Yoshimitsu Kobayashi, Ryoji Sato, Shinzo Maeda and Ms. Teruko Noda to limit their liabilities as provided in Article 423, Paragraph 1 of the Companies Act to 31.2 million yen or the minimum liability amount stated in Article 425, Paragraph 1 of the Companies Act, whichever is higher.

Abolition of Countermeasures to Large-Scale Acquisition of Company Shares (Takeover Defense Measures)

Following careful consideration of changes in the business environment, widely applied improvements to the Financial Instruments and Exchange Act, and opinions from shareholders, the Company abolished its Countermeasures to Large-Scale Acquisition of Company Shares at the closing of the Ordinary General Meeting of Shareholders on June 25, 2015.

Amounts of Compensation

Amounts of compensation of directors and executive officers for FY2014

(Million yen)

Position	Total Amount	Fixed Compensation	Performance-based Compensation	Number of People
Directors (excluding outside directors)	338	338	–	16
Outside directors	62	62	–	5
Executive officers	1,130	1,130	–	41

Directors and executive officers whose total compensation exceeded ¥100 million for FY2014

(Million yen)

Name	Position	Company	Fixed Compensation	Performance-based Compensation	Total Amount
Masashi Muromachi	Director	Toshiba Corporation	103	–	103
Hisao Tanaka	Director	Toshiba Corporation	6	–	114
	Executive officer		108	–	

Attendance record at meetings of Board of Directors and Audit Committee

Hiroyuki Itami	Board of Directors 13 times (100%)
Ken Shimanouchi	Board of Directors 13 times (100%), Audit Committee 14 times (100%)
Kiyomi Saito	Board of Directors 13 times (100%), Audit Committee 14 times (100%)
Sakutaro Tanino	(After June 2014 when he was elected) Board of Directors 9 times (100%), Audit Committee 10 times (100%)

Message from Outside Directors

Hiroyuki Itami
Outside Director

I was reappointed an outside director of Toshiba in the midst of this crisis.

At the first meeting of the Management Revitalization Committee launched at the end of July, in my capacity as the Committee chairman, I stated, "Toshiba lost the trust of shareholders and investors, the trust of customers, and, above all, the trust of the employees."

First of all, Toshiba needs to regain the trust of the employees so that business activities at workplaces regain vitality. Without vitalization of workplaces, it will not be possible to offer better products and services that will lead to regaining the trust of customers. Only when business relationships with customers recover, will expectations emerge of a better performance by Toshiba, leading to the regaining of trust in capital markets.

The fundamentals of Toshiba's business seem to have deteriorated due to management misconduct in the past several years, perhaps without people realizing it. Nevertheless, I know the tremendous potential of Toshiba's organization and employees. It is the responsibility of the top management team, including the outside directors, to transform Toshiba's management so that this potential will be brought into full play.

This is certainly a time of crisis for Toshiba, but we should view it as an opportunity for change and revitalization. With that conviction, I am determined to do my utmost to reform Toshiba. I know that many employees love Toshiba. It is crucially important to create an environment where they can work with pride.

Teruko Noda*
Outside Director

My career has been in auditing: I was an accountant at an auditing firm for 30 years; a commissioner of Japan's Securities and Exchange Surveillance Commission for six years; and, most recently, a member of the audit & supervisory board of two companies for six years. Public certified accountants protect investors by ensuring reliable financial statements, the Securities and Exchange Surveillance Commission by ensuring a fair and transparent market. After many years of listening to investors I am keenly aware of the importance of accounting audits and market surveillance, and of the need to safeguard investors' legitimate interests.

As an enterprise "Committed to People, Committed to the Future," Toshiba must be a leading industrial group in its business, strategy and a renewed commitment to good governance. Shareholder and stakeholder confidence have been damaged by the accounting scandal, but Toshiba is making a concerted effort to reform governance and prevent any recurrence.

Everybody who works for Toshiba Group, executives and employees alike, must understand that any company that wants to attract investors must first respect them, have integrity, and be honest and accountable in conduct and performance.

Conscious of my responsibility, and aware that an objective, independent perspective can illuminate, I will do my best to help Toshiba regain trust through governance reform and business operations, so that this great company can enhance its corporate value and flourish long into the future.

(Note)
As the revised Companies Act has yet to come into effect, Ms. Noda cannot be officially and legally appointed as an Outside Director until the closing of the ordinary general meeting of the shareholders to be held in June 2016. Please see the notice marked with * at the end of the Reasons of election on P. 56.

Koichi Ikeda
Outside Director

As an outside director, working together with everyone at Toshiba Group, I will do my utmost to restore trust in Toshiba.

During the 140 years since its foundation, Toshiba has contributed to the affluence of countless people by cultivating technology, quality and trust. In terms of technological prowess and outstanding quality, Toshiba is unchanged. I want to devote myself to helping Toshiba Group regain the trust it has forfeited as soon as possible, and to recover its true identity as an enterprise known for unceasing innovation and continuous new value creation.

As a member of the Management Advisory Committee, I participated in deliberations on Toshiba Group's future, including how best to align management with Toshiba's priorities as a global enterprise. In tackling reform of corporate governance and culture, working with my fellow outside directors, I will engage in candid discussion at meetings of the Board of Directors and in committees, to make sure Toshiba Group is heading in the right direction.

Yuki Furuta
Outside Director

Currently, Toshiba has greatly lost trust because of inappropriate accounting over several years. I believe it is the most urgent need for Toshiba to restore trust through formulating various effective measures including enhancement of internal control system and actualizing them in the course of management to prevent recurrence similar problems.

For me, Toshiba has always been synonymous with trust, as symbolized by the Mazda lamp, which enjoyed high reputation for its durability. What has recently happened is profoundly sorrowful but, given that the company's traditional strengths as a manufacturer of high-quality products are undiminished, I am of firm confidence that Toshiba will restore trust quite rapidly.

When we consider corporate value, profit is far from being the whole story. Corporate value is enhanced by going along royal road, that is to say, management informed by probity and high ethical standards, compliance with the law, and persistent, concerted efforts to earn society's trust. I have practiced law over 40 years, including legislative works of various laws. Making full use of such expertise, I will do everything I can to contribute to enhancement of management quality from the legal perspective.

Yoshimitsu Kobayashi
Outside Director

It is lamentable that Toshiba engaged in improper accounting practice for a considerable period of time. As a businessperson, rather than just criticizing Toshiba, I want to learn what happened and will restore order and endorse reputable management practices. That is why I have decided to accept the invitation to serve as an outside director. No doubt, Toshiba's first priority is to regain trust, but merely correcting the governance structure, though it is essential, is not sufficient. Toshiba needs to seize the initiative by transforming its organizational climate and corporate culture, including reestablishing corporate ethics of its own accord.

An enterprise must enhance its corporate value from a medium- to long-term perspective. In order to prevail amid intensifying international competition in a world where globalization, information technology, and social networking are reshaping reality, Japanese companies need to identify growth opportunities. As an outside director, I am committed to assisting Toshiba in its efforts (i) to fundamentally strengthen corporate governance, (ii) renew the business strategy taking into consideration its excellent development capabilities and outstanding production technologies in cutting-edge fields, and finally (iii) rebuild a leading global enterprise in which all stakeholders, including customers, shareholders, and employees, can take pride.

Ryoji Sato
Outside Director

From the investigation report and media coverage, two expectation gaps are evident. One concerns the concept of a company with committees, which has been viewed as a model of advanced, Western-style corporate governance. But why didn't the supervisory functions work properly? This has prompted the suggestion that the role of outside directors, who are independent of corporate management, should be enhanced.

The other expectation gap concerns audits. Audits include internal audits, audits by the audit committee, and audits by accounting auditors. Owing to defects in the control environment on which audits are based, audits failed to be effective. It is necessary to establish a proper control environment so that each audit function can fulfill its expected role, and to strengthen collaboration among these audit functions.

For Toshiba to meet society's expectations as a leading Japanese company, it must act decisively by implementing measures to deal with inappropriate conduct without delay, and ensure that resources are used for positive purposes that enhance corporate value. Drawing on my experience as a certified public accountant, I would like to contribute to Toshiba's accomplishment of these objectives.

Risk Management and Compliance

Toshiba Group places the highest priority on "life, safety, and compliance" as part of its CSR management.
We are making concerted efforts to regain public trust, such as our "Reform of management mind set" programs targeted at senior management. In order to respond appropriately to changes in laws, regulations and ordinances across the world, the globalization of management and the diversification of business, Toshiba Group is enforcing global compliance with laws and regulations, internal rules, social and ethical norms, and advancing our risk compliance activities.

Medium- to Long-term Vision

- Group-wide and worldwide improvement of our employees' compliance awareness
- Establishment and maintenance of a risk management system, and precise response in the event of a crisis risk

FY 2014 Achievement

Revision of Toshiba Group Standards of Conduct

Future Challenges and Approaches

In order to bolster global compliance, we are strengthening our cooperation with all the regional head offices and the managers of legal affairs, enhancing compliance education, including with regard to the Toshiba Group Standards of Conduct (SOC), and advancing the planning and implementation of region-specific measures.

Policy on Risk Management and Compliance

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.

Furthermore, in order to respond to changes in the business environment, such as new technologies and growing supply chains in developing countries, and to the diverse and ever-changing risks that arise when conducting business activities, we are striving to prevent risks in advance, and to minimize losses from individual incidents.

Structure of Risk Management and Compliance

At Toshiba, we appoint a Chief Risk Compliance Management Officer (CRO) to oversee risk compliance management at the whole company, in order to enforce it at a cross-company level. We also have a dedicated Risk Compliance Group installed in the Legal Affairs Division. We are working to respond to whistleblower reports and to achieve global compliance, and are advancing effective risk compliance activities.

There is also a Risk Compliance Committee chaired by the CRO and attended by the executive officers of corporate staff divisions. The Committee identifies vulnerabilities in risk compliance management, based on information such as trends exhibited by whistleblower reports and cases both inside and outside the company, as well as risk maps that incorporate each risk's potential impact on management and the likelihood thereof. The Committee deliberates on priority measures and monitors activities in the respective fiscal year, with a view to better performance in the next fiscal year.

Each in-house company is advancing its own priority measures for risk compliance, determined by a risk-based approach, in addition to the priority measures common to the whole company.

In the event of a serious risk compliance issue, there is a system in place by which the relevant in-house committees, etc. promptly evaluate and implement countermeasures.

Furthermore, we carry out sensitivity analyses at management meetings, etc. of the correlation between key risks and management, taking into account business risks and risks in the market, as well as compliance risks and environment-related risks such as climate change, so that we can concentrate our investment strategically in order to achieve Toshiba's goal: "Growth through Creativity and Innovation."

Business risks and other risks are disclosed in the securities report.

Risk Management and Compliance Committee as of FY2014
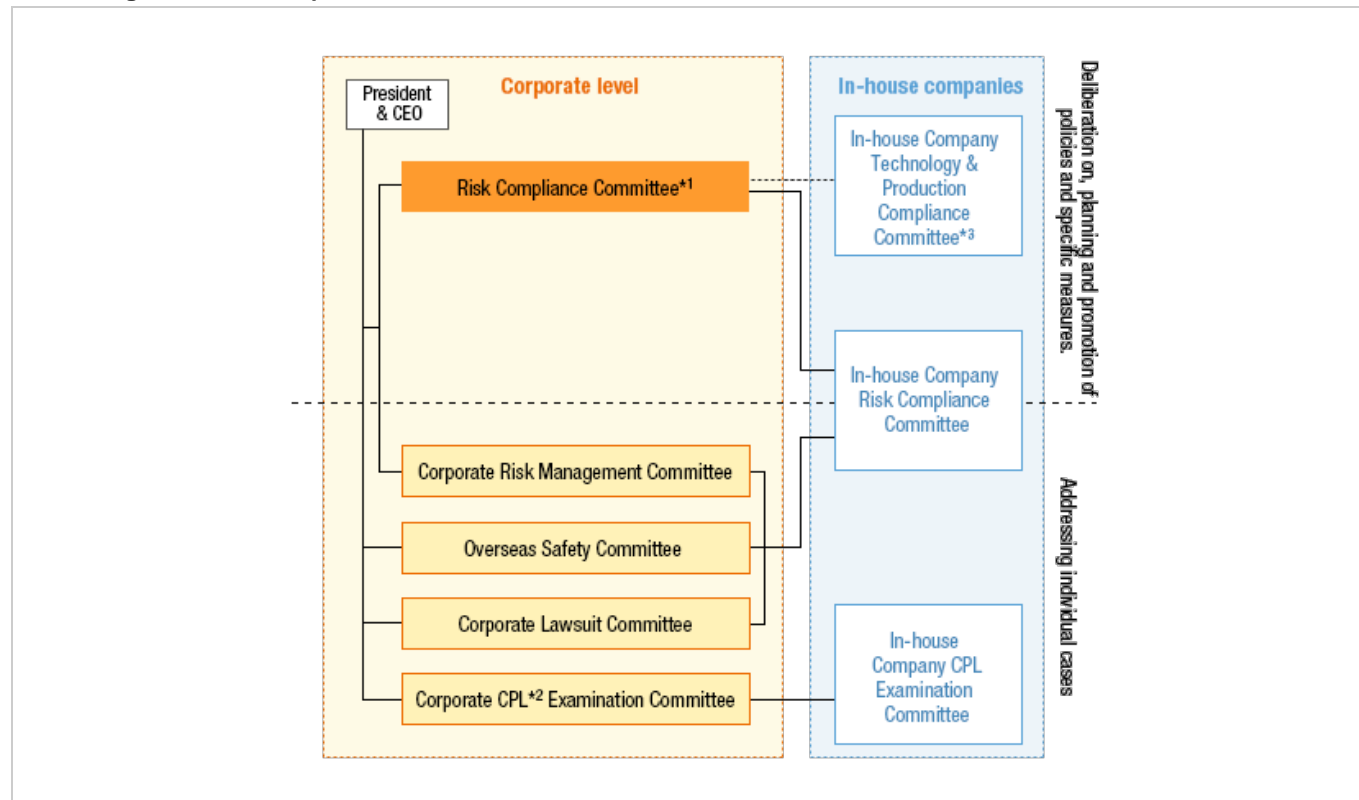
*1 The Risk Compliance Committee manages matters related to the Toshiba Group Standards of Conduct and matters related to risk management (including matters required for the prevention of significant crisis risk, compliance related to technology, production, and sales activities, and thorough implementation of information security).

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

*3 The In-house Company Technology & Production Compliance Committee can be integrated with other committees such as the Company Risk Compliance Committee.

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 addition to the internal office, a reception hotline was set up at an external attorney's office in January 2005, primarily to receive information about potential legal violations.

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.

Furthermore, in October 2015, the new Audit Committee Hotline was set up, which allows people to report directly to the Audit Committee, which is composed of outside directors. With this new system, even matters in which the involvement of top management is suspected can be safely reported. The Audit Committee also has access rights to the Risk Hotline, and provides appropriate guidance and supervision.

All Toshiba Group companies have implemented a whistleblower system. The whole Group has been directed to ensure the anonymity of the whistleblower for his/her protection, and, if the whistleblower is an employee who was himself/herself involved in the relevant reported act, to take into account as much as possible the fact of his/her coming forward when deciding what internal disciplinary action should be taken.

Toshiba's Whistleblower System
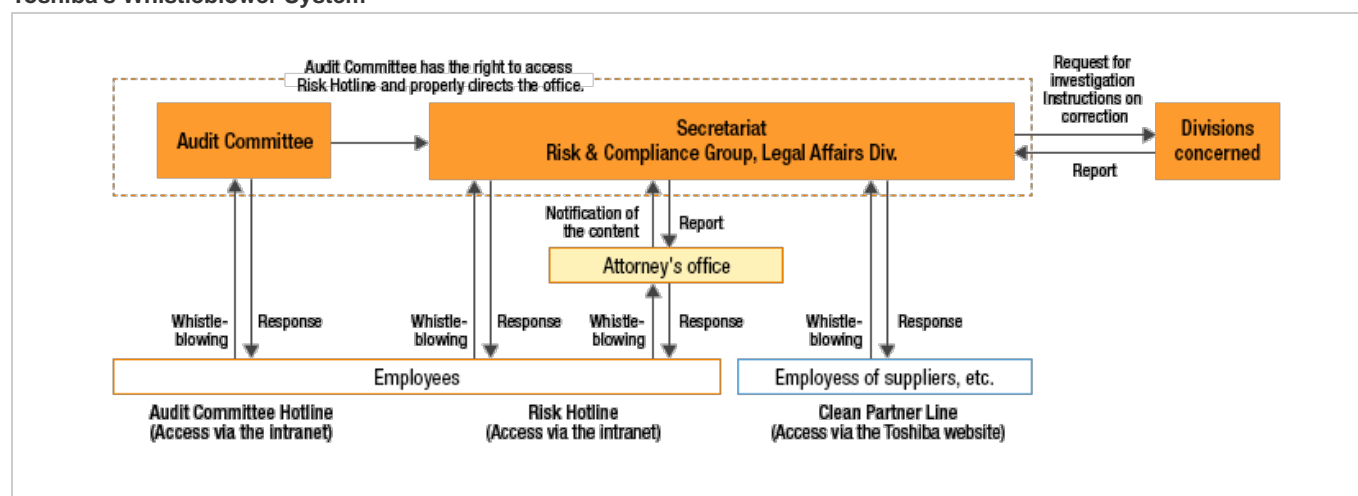
Operational Status of the "Risk Hotline" in FY2014 and the first half of FY2015

The numbers of reports received and consultations undertaken by the "Risk Hotline" in FY2014 and the first half of FY2015 are as follows.

Number of reports received by the "Risk Hotline"
(FY2014)

	Number of reports received (within parentheses: anonymous reports)
Reports received by internal secretariat	85 reports (42 reports)
Reports received by attorney's office	3 reports (0 reports)
Total	88 reports (42 reports)

Number of reports received by the "Risk Hotline"
(the first half of FY2015: Apr - Sep)

	Number of reports received (within parentheses: anonymous reports)
Reports received by internal secretariat	80 reports (47 reports)
Reports received by attorney's office	1 reports (0 reports)
Total	81 reports (47 reports)

Response Status

Of the reports received, those reporting inappropriate situations or concerns about inappropriate situations were reported to the relevant division so that instructions for improvement could be provided or alerts could be issued.

In cases involving consultations and questions about duties of the informants themselves, we gave advice on how to deal with the situation.

For reports other than the anonymous reports described above, we explained the status of our responses to the informants, in principle.

Except in cases in which consent has been obtained from employee, confidential adviser (at the internal secretariat or attorney's office) never disclose the names or contact addresses of the informants.

The number of reports received is released regularly on the company's internal website.

Revision of Toshiba Group Standards of Conduct and Compliance Training

Toshiba Group creates and distributes the SOC in the language of each country we operate in. In October 2014, the Standards were revised, and then printed and distributed in 24 languages. The revised content mainly concerned consideration for human rights, including at our suppliers, and global enforcement of appropriate response to risks of compliance violations. To accompany this revision, the various compliance education programs that incorporate the SOC have been included in the level-based training, occupation-based training and senior management seminars. We are also continuing our education programs such as e-learning for all our employees, as well as educational leaflets.

In FY2014, our e-learning topics included the revised SOC, bribery, illegal transactions, and improper expenditures.

Screen of multilingual e-learning

Fostering a Compliance-oriented Culture through Workplace Meetings

Each workplace holds meetings focusing on CSR 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. The meetings in FY2014 studied cases related to "prevention of fictitious orders" and, following the SOC revision, cases related to "respect for human rights." A cumulative total of 180,000 domestic employees attended the meetings.

Meeting at which participants actively exchange opinions

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.

Inspection of implementation status of compliance measures

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.

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.

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). 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, holding seminars with lecturers invited from outside the Group, and educating all employees about the need for compliance in this area, screening of new customer or supplier at the time of the new business start, and so on. 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. In February 2015, a seminar on responding to anti-social forces was held in the Kansai region, which was attended by 102 employees from the sales and service divisions in that area.

With regard to this stance, the rejection of the involvement of antisocial groups in our business activities has been explicitly stated in the SOC since 2006. With the revision of the SOC in October 2014, "Antisocial Groups" has become an independent article, further stressing our policy to reject all contact with such groups.

Compliance with the Antimonopoly Act and Anti-Corruption

Toshiba Group is a member of the UN Global Compact, and as such, it will enforce compliance with the Antimonopoly Act and strengthen anti-corruption measures globally, in keeping with the revision to the Toshiba Group Standards of Conduct.

Antimonopoly and Anti-bribery Efforts

In light of global regulatory trends, Toshiba has been making rigorous efforts to prevent cartelization and bribery. In FY2014 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, we have placed managers of legal affairs in major global regions since October 2013 to enhance compliance and support subsidiaries in such regions. This has been done in order to appropriately control legal risks associated with relevant anti-trust laws, bribery, and the like and ensure thorough compliance in global business, which has been expanding mainly in emerging countries.

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.

Furthermore, Toshiba is advancing its promotion of compliance awareness, to accompany the revision to the Toshiba Group Standards of Conduct. In Japan, at our Headquarters, we held the Sales Compliance Promotion Meeting in December 2014, which was attended by managerial sales executives and staff in charge of promoting compliance, and demanded that there be risk management and strict compliance throughout the organization. Toshiba also conducted classroom training on sales risks between December 2014 and February 2015 for Headquarters and branch office sales staff, in order to fortify risk management concerning sales-related legal affairs. Overseas, we held legal seminars for those in charge of compliance at local subsidiaries, working together with our regional headquarters and regional legal affairs managers. Attendees discussed measures to enhance compliance in keeping with the Toshiba Group Standards of Conduct, and fortified the foundations for strengthening the risk management network among Headquarters and all regions.

> Toshiba Group Standards of Conduct 6. Competition Law and Government Transactions
> Toshiba Group Standards of Conduct 7. Bribery

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.

> Toshiba Group Standards of Conduct 7. Bribery

Donations and Provision of Funds

While the Toshiba Group Standards of Conduct forbid inappropriate expenses, they stipulate that appropriate donations to organizations may be made. We therefore donate to various organizations, taking into consideration factors such as the contribution made by the donee organization to society, its cause and community aspects, as specified by the Standards of Conduct.

> Toshiba Group Standards of Conduct 19. Community Relations

Fair Trading

Fair Trading Policy and Its Promoting Structure

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

> CSR Management in the Supply Chain
> Toshiba Group Procurement Policy
> Toshiba Group Standards of Conduct 3. Procurement

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
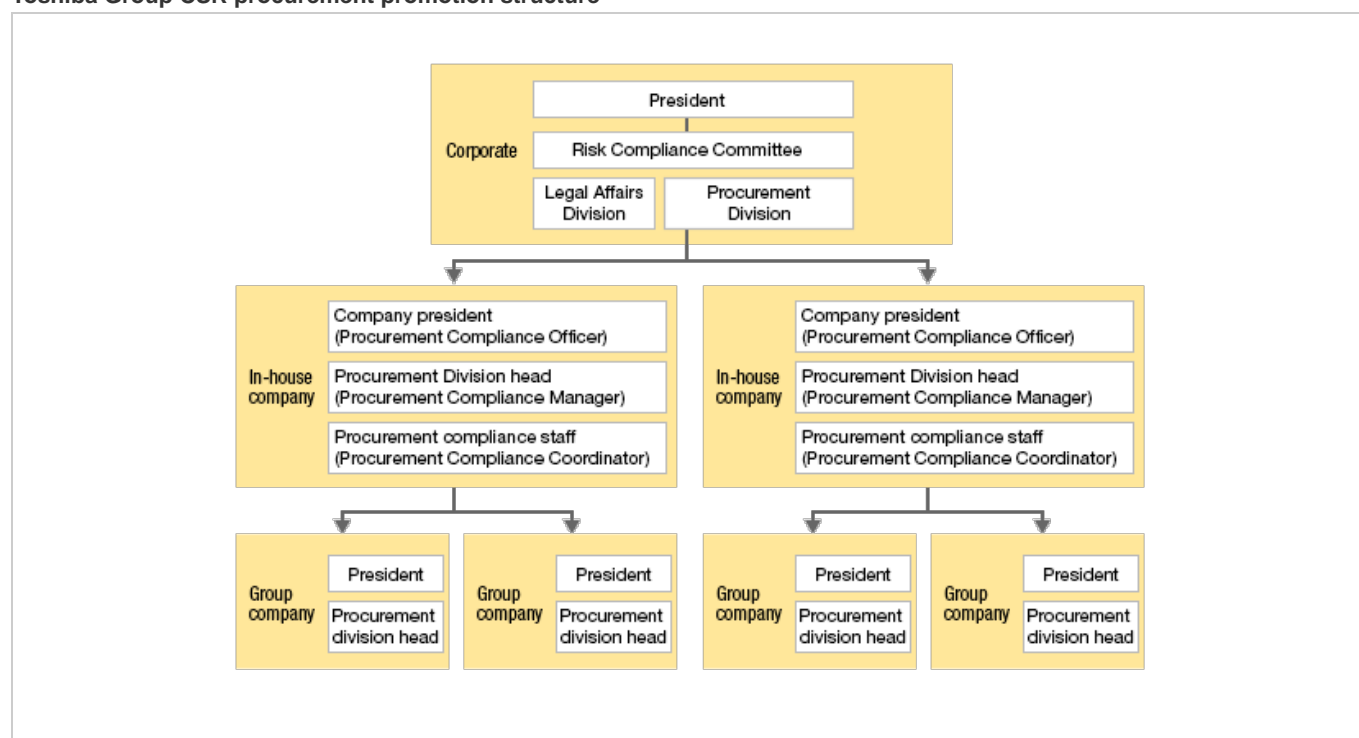
"Clean Partner Line", Whistleblower System for Suppliers and Business Partners

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 e-learning for employees of Group companies in Japan on relevant acts, such as the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors.

In FY2014, a total of 10,376 employees who were new comers or non-participant in FY2013 participated the e-learning program on the Subcontract Act.

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.

Export Control

Export Control Policy

As indicated in Toshiba Group Standards of Conduct, Toshiba Group's basic export policy is not engaging in any transaction that could potentially undermine international peace and security. The Group also maintains 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.

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

> Toshiba Group Standards of Conduct 9. Export Control

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 Office, Risk Management 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 equivalent export control systems.

Toshiba Group Export Control System
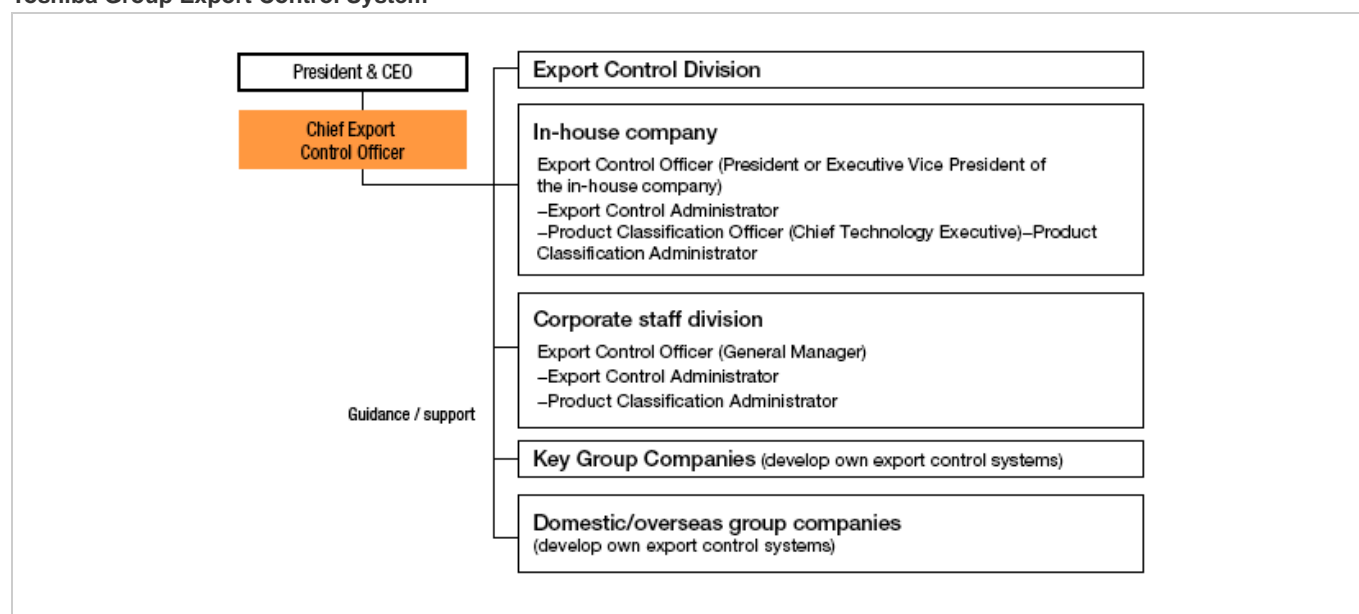
Product Classification and Transaction Review

The technical department first classifies and evaluates whether the goods or technology to be exported requires export permission from the Minister of Economy, Trade and Industry. Then, trade assessments are carried out accordingly, such as a confirmation of the purpose of use, and an assessment of the customers. Each process is checked and approved by multiple persons in charge. When trading with countries and regions where reasons for concern exist, the Export Control Office conducts stringent assessments and approvals.

Inspection and Audit of Export Control

Each company and corporate staff division, as well as each group company, perform internal self-checks. In addition to this, the Export Control Office or the department in charge conducts regular audits, checks compliance with laws and regulations, and performs appropriate export control. Where problems are identified by the audit, we demand that improvement plans be submitted, and check the progress of the plans.

Export Control Trainings

Training courses on export controls (regular and specialized courses) are offered by the Export Control Office 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, the Export Control Office provides compulsory export control education for all employees through an e-learning system every year.

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 Office convenes a monthly meeting with the in-house companies and 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.

Furthermore, in order to fortify our support for overseas Group companies, we held an information exchange session at Shanghai, China in 2013, and an export control workshop in Singapore in 2014, targeted at local staff working in export control.

Furthermore, beginning in April 2014, Toshiba Asia Pacific Pte., Ltd. (Singapore) has started providing guidance and support for Group companies mainly in the Asian region by setting up an Export Control Regional Office.

Information Security Management

Policy on Information Security

Toshiba Group regards all information, such as personal data, 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.

> Toshiba Group Standards of Conduct 17. Information Security
> Privacy Policy

Structure of Information Security Management

Addressing information security as a management priority, Toshiba Group has established, under the supervision of the Chief Information Security Officer, the General Manager of the Risk Management Division, 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 Risk Compliance Committee to engage in deliberations necessary for reliable implementation of Company-wide information security. In addition, he or she formulates and implements policies and measures to ensure smooth, efficient, and reliable compliance with internal regulations related to information security.

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.

Toshiba has also established a similar management structure for the protection of personal data, and has a department other than the Secretariat (the Corporate Audit Division) conduct audits in accordance with JIS Q 15001.

Toshiba Group Information Security Management Structure
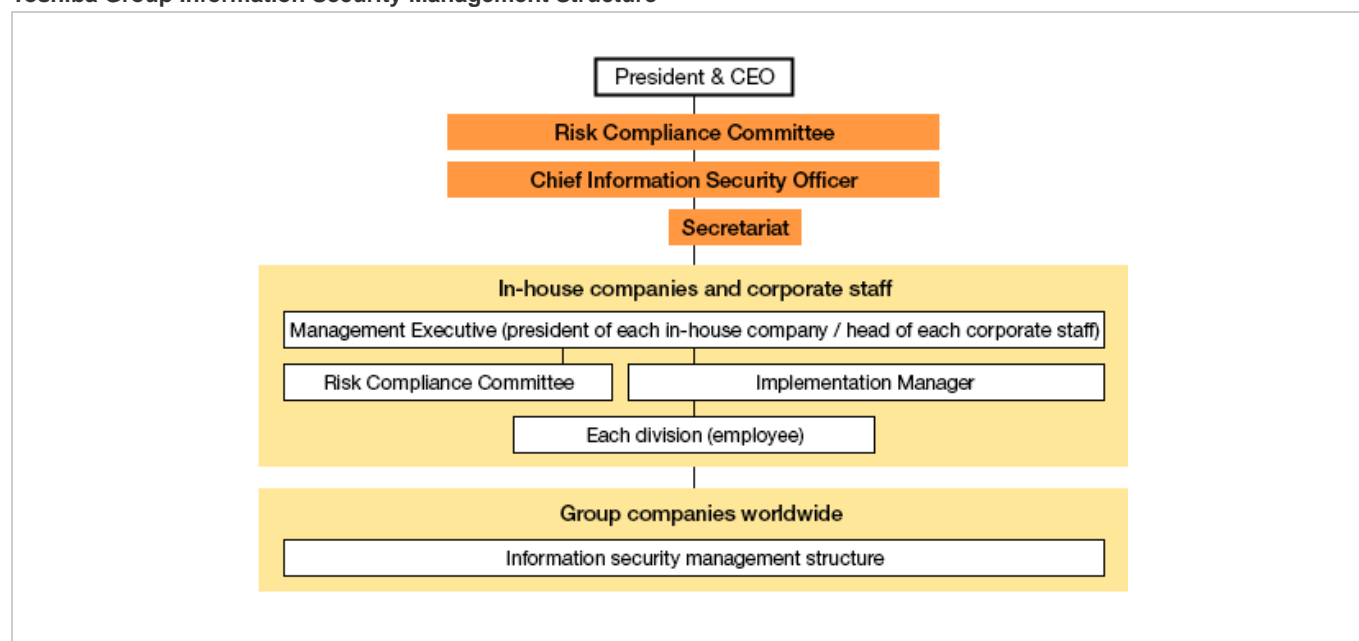
Information Security Measures

Toshiba Group implements information security measures from four perspectives (see the table below). The Risk Management Division 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	▪ Periodic reviews of information security-related regulations ▪ Development and maintenance of structure ▪ Implementation of audits, etc.
(2) Personal and legal measures: Ensure adherence to rules	▪ Regulation of information protection duties and disciplinary measures for breach of duties in rules of employment ▪ Provision of periodic employee education and training ▪ Contractor information security evaluation and conclusion of confidentiality agreements, etc.
(3) Physical measures: Support implementation of rules in terms of physical security	▪ Carry-in/carry-out control of information devices ▪ Facility access control, room / facility entry control ▪ Locking of highly important information , etc.
(4) Technical measures: Support implementation of rules in terms of technology	▪ Virus protection and hard disk encryption ▪ Obtaining and checking usage logs for information systems ▪ Appropriate management of network firewalls, etc.

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.

Education, Inspection and Audit of Information Security Management

Toshiba, with its wide portfolio of businesses, considers the autonomous implementation of PDCA (Plan-Do-Check-Act) 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. The Risk Management Division evaluates the results of these self-audits and the related improvement activities, provides guidance and assistance where necessary. All domestic and overseas Group companies also conduct self-audits annually, in order to improve the level of information security at each company.

Moreover, Toshiba Group conducts yearly training for all officers, as well as permanent and temporary employees, in order to enforce strict compliance with in-house regulations. There are also programs such as training for those working in information security, and introductory training for new graduate employees.

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.

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 entail a violation of laws or ordinances, Toshiba implements measures in accordance with the applicable laws or ordinances, such as disclosure, following discussion among the related corporate staff divisions.

Information Security Incident Reporting Structure
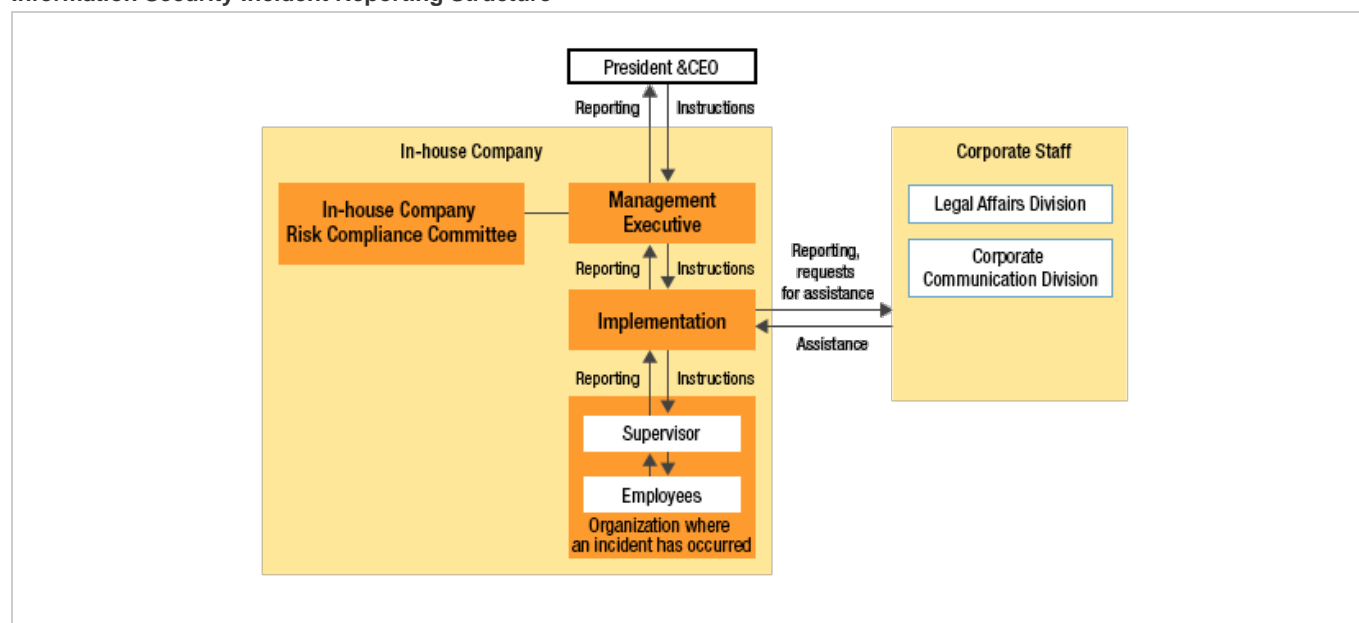
Status of Incidents Such As Leakage of Confidential Information

In FY2014, there were no incidents in which important information kept by Toshiba Group companies was leaked. Nor were there any complaints from relevant external individuals or regulatory bodies concerning personal data. We will continue to prevent incidents concerning information security, and are fully prepared for any situation.

Product Safety Information and Advertising

Policy on Product Safety Information and 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[1] and other policies.

Study session on advertising and labeling

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[2] and CE Marking[3] to ensure that their product labeling is in compliance with the relevant standards.

> Toshiba Group Standards of Conduct 2. Customer Satisfaction
> Toshiba Group Standards of Conduct 15. Advertising

[1] 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.

[2] 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.

[3] 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

In March 2015, a study session jointly organized by Toshiba's Corporate Communication Division and Advertising Division was held among approximately 172 persons in charge of in-house companies and key group companies in order to reinforce compliance with the laws related to advertising and labeling.

Compliance with Regulations and In-House Standards Regarding Products

In FY2014, there were no cases in which regulations and in-house standards regarding safety and health were violated in product or service life cycles. There were also no cases in which regulations and in-house standards regarding product/service information and labeling were violated.

Compliance with Regulations on Advertising and Labeling

In FY2014, 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.

* 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.

Risk Management with Business Continuity Plan (BCP)

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.

The BCP, which we have been formulating and developing Group-wide as of FY2007, is one such measure. Focusing on our key businesses that have a large social and economic impact, we are establishing a BCP that takes into account the possibility of large-scale earthquakes and new strains of influenza, and continually update it in order to maintain and improve its effectiveness. Furthermore, in FY2014 we began reviewing the BCP, taking into account the Cabinet Office's new prediction of an earthquake centered directly beneath Tokyo (December 2013).

Toshiba Group will continue to strengthen its BCP, so that it can continue its business even in the case of a large-scale disaster, and puts the safety of all its employees above other concerns.

BCP Procurement Management

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 in FY2012. 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.

Research & Development and Intellectual Property

Toshiba's goal is to pave the way for a safe, secure and comfortable society by creating and offering through our technology new value that leads to the solving of global-scale social issues. We aim to do this by listening at all times to the demands of the market and our customers through our 360-degree marketing, and by maximizing the achievements we have made during our research and development through a global intellectual property strategy.

Medium- to Long-term Vision

In addition to offering our products, Toshiba aims to contribute to society by in ways including creating new value from combining products and services.

FY 2014 Achievement

In order to speed up our creation of new value, we have integrated several research and development departments into a new organization, forming a structure that will allow Toshiba to exercise its capabilities in a fuller and more unified manner.

Future Challenges and Approaches

Focusing on three business areas, energy, storage and healthcare, we will advance our research and development in order to promote our "New Concept Innovation," which seeks to create new value through the combination of solutions and services. We will also cooperate with external organizations more actively, in order to provide new value to society more rapidly than ever before.

Research and Development

Research and development strategy

The Toshiba Group aims to solve social issues, mainly in the areas of energy, storage and healthcare, and to realize a safe, secure and comfortable society: namely, the "Human Smart Community." We will create new value through two means: "Value Innovation," that seeks to discover society's latent needs and issues at an early stage through 360-degree marketing* and create revolutionary technology; and "New Concept Innovation," which will create synergy by applying the Toshiba Group's wide array of technical assets in diverse ways.

In the area of energy, we will promote the stable supply and efficient use of conventional energy. On top of this, we will contribute to the global environment by providing products and services that permit a low carbon society by using hydrogen, thus limiting CO_2 emissions. In the area of storage, we will contribute to society by further promoting our high-capacity storage technology, developing information systems and data centers that deploy this technology, and offering cloud infrastructure, in order to meet the exponentially increasing amount of data. In the area of healthcare, we will step beyond diagnosis and treatment and contribute to the fields of prevention, prognosis, nursing care and health promotion by combining the Toshiba Group's wide range of technologies. Thus, we aspire to achieve a society where everyone can enjoy healthy and active lives.

Issues that must be tackled globally, such as population growth and the Earth's environment, will grow ever more diverse and complex. In order to contribute to society by solving as many issues as possible, we will accelerate our research and development, strengthening our collaborations with external organizations and incorporating new technologies and services.

*Searching in all directions for business opportunities, exploring untapped markets where Toshiba's technology may be put to use, with the aim of entering new business areas.

Collaborations with external parties

■ Energy supply in times of emergency (November 2014)

Toshiba agreed with Kawasaki City to conduct a cooperative demonstration experiment of an independent energy supply system which can operate on only sunlight and water. It will be able to independently provide electricity and hot water in times of emergency, even when lifelines are cut. This is the world's first independent energy supply system utilizing renewable energy and hydrogen.

> Highlight of FY 2014 Activities 1 Use of Hydrogen Energy

An independent energy supply system utilizing hydrogen

■ Increasing data capacity even further (March 2015)

Toshiba developed the world's first 48-layer three dimensional stacked cell structure flash memory, in collaboration with SanDisk. We will continue to develop cutting-edge miniaturization technology and three dimensional flash memory, and to respond to various market needs such as increased memory capacity and miniaturization, which the consumer products market and the data center market are continually seeking.

> Highlight of FY 2014 Activities 2 Advanced Use of ICT

Three Dimensional Flash Memory

■ Promoting personalized prevention and treatment (December 2014)

In collaboration with Tohoku University, Toshiba developed a fast and inexpensive service that analyzes genome structure from blood, saliva or DNA samples, using Japonica Array™, a genotyping array optimized for the Japanese population. By providing individuals' genome information at affordable prices, this technology will facilitate personalized prevention and treatment that are customized to each individual patient. The technology will also open up such services to a wider population.

* Japonica Array™ was developed as a COI STREAM project and is based on the whole-genome reference panel developed by the Tohoku University Tohoku Medical Megabank Organization. Japonica Array™ is a registered trademark of the Tohoku University.

> Highlight of FY 2014 Activities 3 Healthcare Business

Japonica Array™

■ Collaborative research and development with overseas universities

In order to incorporate different countries' perspectives on global issues into our R&D, Toshiba is advancing collaborative research and development with local universities, and supporting the training of human resources for the future. With China's Tsinghua University, we conduct collaborative research in energy and the environment, as well as in the fields of healthcare and semiconductors; in the case of India's IIT Madras, we are collaboratively engaged in research in fields such as energy. Through such research, we are endeavoring to create products and services that contribute to society, and that are suited to each local environment. Moreover, we offer scholarship programs to Vietnam National University, and University of São Paulo, to support the education of human resources for the future.
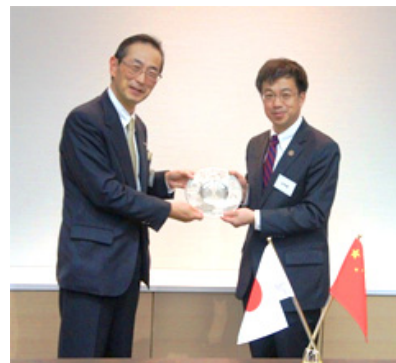
Result Presentations at Tsinghua University
Left: Naoto Nishida, Corporate Executive Vice President, Toshiba Corporation
Right: Shi Dang, Deputy Secretary, Tsinghua University

Protection of Intellectual Property

Basic Policy on Intellectual Property

Toshiba Group's basic 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 thus make extensive use of those results, and to respect the legitimate intellectual property rights of third parties. This policy is stipulated in the Toshiba Group Standards of Conduct.

> Toshiba Group Standards of Conduct 12. Intellectual Property Rights

Our particular aim is to make the most use of our intellectual property, which is the fruit of our research and development. To this end, we seek to build a patent network to protect the innovative technologies that drive Toshiba's business, especially in the areas of energy, storage and healthcare. In particular, we are strengthening our acquisition and use of intellectual property rights overseas, with a view to expanding our business globally.

Measures against Counterfeit Products

The Toshiba brand symbolizes the value of the Toshiba Group as a corporation, and the value of the products that we offer. 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. For this reason, we strive to eradicate counterfeit products, collaborating with domestic and overseas anti-counterfeit organizations, and are actively appealing to local bodies such as government agencies for more stringent control.

Social contribution through technology transfer

Toshiba is taking actions to contribute to the development of local industries, by releasing our intellectual property such as patents, and thus promoting the distribution of technology. The intellectual property that we disclose can be viewed online on the Toshiba Intellectual Property Paid Disclosure page. In July 2014, Toshiba attended a technology forum in Kawasaki (the Kawasaki Intellectual Property Symposium). We will continue to take part in such activities, in order to widely publicize our technology and contribute to the development of local industries, and ultimately of local communities.

Evaluation by External Parties

Awarding entity / Name of the award	Evaluation	Period
Top 100 Global Innovators 2014 THOMSON REUTERS Reference	Selected as THOMSON REUTERS Top 100 Global Innovators 2014 for the 4th consecutive year	November 2014

> THOMSON REUTERS

CSR Performance
Environmental Management

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 Group's webpage on Environment.   http://www.toshiba.co.jp/env/en/index.htm

CSR Performance: Social

Respect for Human Rights

Toshiba Group's Corporate Philosophy emphasizes "Respect for People". We have declared that we will respect the rights of all people associated with our company, such as our employees, customers, and stakeholders. We comply with universal principles regarding human rights and labor practices worldwide, including the Universal Declaration of Human Rights, and respect human rights through sound business activities.

Medium- to Long-term Vision

Spreading awareness on respect for human rights

Quantitative Target

Conduct activities to raise human rights awareness in two or more regions worldwide
(Toshiba, FY2015)

FY 2014 Achievements

Target: Implementation of workshop on human rights enlightenment

Achievement: **Held workshops on global human rights for human resources managers in China and Japan**

Future Challenges and Approaches

We will continue to monitor human rights risks, including potential ones, indicated by the human rights impact assessment and improve efforts to avoid and mitigate such risks. We will also communicate with human rights experts and stakeholders to deepen understanding of human rights issues.

Policy on Respect for Human Rights

In October 2014, we revised the Toshiba Group Standards of Conduct to which Toshiba Group's executives and employees must adhere. We designated the newly created "Respect for Human Rights" as Article 1.

In addition to complying with laws and regulations, our Standards of Conduct stipulate respect for basic human rights and oppose child labor and forced labor. They also explicitly state that we shall embrace basic human rights, individuality, privacy, and a diverse set of values from all individuals, and refrain from human rights violations such as physical violence, sexual harassment, abuse of power (workplace bullying or harassment), and discriminatory remarks and actions against race, religion, gender, nationality, physical or mental disability, age, and sexual orientation.

They also state that we must communicate regularly with stakeholders in order to comply not only with the laws and regulations of countries and regions in which we operate, but also with the international principles on human rights and demand our suppliers to take actions against basic human rights violations.

> Toshiba Group Standards of Conduct 1. Human Rights

Toshiba Group participates in the UN Global Compact, which supports universal principles on human rights and labor, such as the Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, and show our determination to put these principles into practice. We also refer to various international standards including the Guiding Principles on Business and Human Rights.

- UN Global Compact
- The Universal Declaration of Human Rights
- The OECD Guidelines for Multinational Enterprises
- Guiding Principles on Business and Human Rights
- ISO 26000 (Guidance on social responsibilities)

We 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 this policy as "Supplier Expectations" in Toshiba Group Procurement Policy and request all parties' adherence, which we monitor through CSR surveys.

> Toshiba Group Procurement Policy

Framework for Respecting Human Rights

The Toshiba Corporation Human Rights Enlightenment Committee, chaired by the executive officer in charge of human resources, leads our efforts to promote human rights awareness under the basic principle of Respect for Human Rights. We set up Internal Human Rights Enlightenment Committees in each corporate section and in-house company (including group affiliates) to plan and execute training courses covering key topics to educate and enlighten employees on human rights. Moreover, Business and Human Rights Center serves as point of contact on human rights issues for all group companies. They formulate basic principles on human rights, enforce the practice of their essence and contents, and provide instructions and support to promote the concept of Respect for Human Rights throughout Toshiba Group.

Promotion Structure (Toshiba Corp.)
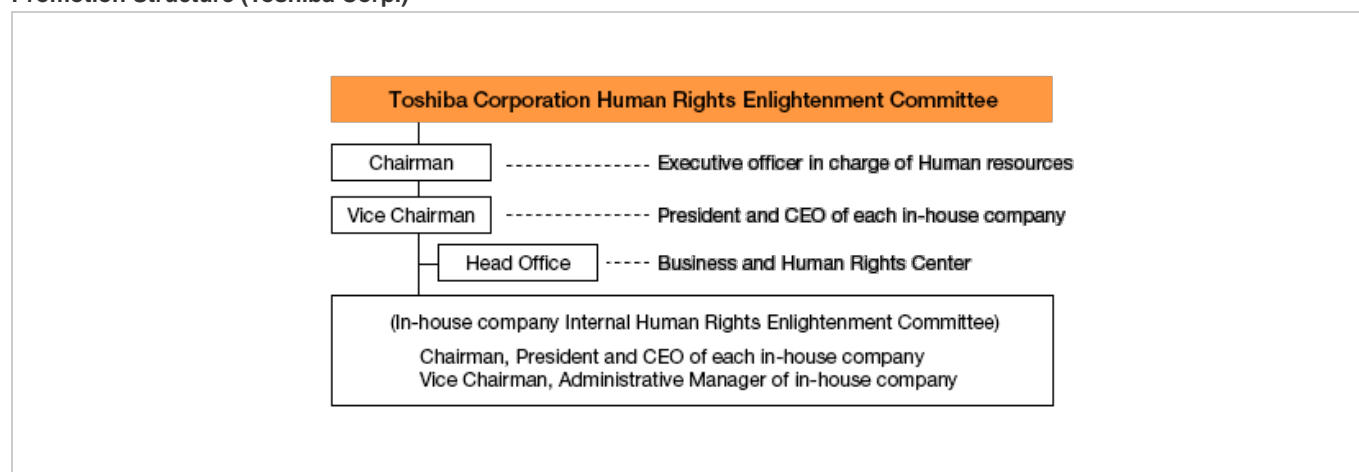
Identification and Monitoring of Human Rights Risks

Toshiba Group continuously investigates potential human rights risks in its business activities through reviews on ISO 26000, the international standards providing guidelines for corporate social responsibility.

In FY2013, we performed a human rights impact assessment in collaboration with Business for Social Responsibility (BSR), a US-based CSR promotion organization, in order to further understand how our business activities impact human rights issues and recognize priorities.

Human Rights Impact Assessment: Methodology
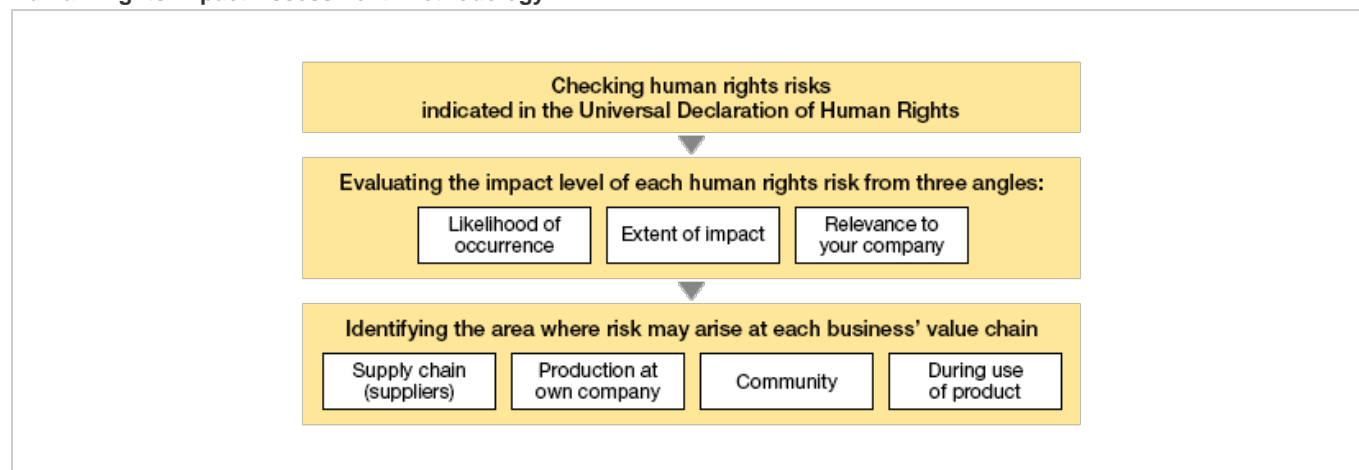
Major Human Rights Issues Identified by The Human Rights Impact Assessment

- Consideration of human rights at the procurement site (such as conflict mineral issues)
- Consideration of human rights in the supply chain, especially in developing countries
- Consideration of employees'human rights
- Consideration of customers'human rights (protection of personal information, etc.)
- Respecting human rights when venturing into new markets

Based on the result, we will enhance our efforts to address human rights concerns, which vary depending on the business area; country or region, through dialogue with relevant stakeholders. Also, to monitor the implementation of human rights initiatives, we will continue to perform audits by the Management Audit Department, the gap analysis based on ISO 26000 guidelines, and CSR surveys targeting both overseas Group companies and our suppliers.

Education and Enlightenment on Respect for Human Rights

Our Human Rights Enlightenment Committee is the driving force to raise awareness about respect for human rights among employees. It aims to increase the familiarity of all employees at the facilities and Group companies with the Toshiba Group Standards of Conduct and provide trainings on human rights at the time of hire and before/after employees get promoted or appointed to managerial positions.

Human Rights Week Lecture

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 FY2014, the theme of the lecture was "Human Rights and Employment of People with Disabilities" and 126 managers from general affairs, human resources, and other administrative departments of Toshiba Group companies attended the lecture.

Workplace CSR Meetings

In November 2014, we held workplace CSR meetings at each office in Japan in order to raise awareness on respect for human rights and integrate the concept into our corporate culture. Approximately 90,000 employees in total attended the meetings.

Workshops on Human Rights

In order to promote the understanding of human rights issues within Toshiba Group, we call on BSR, an US-based non-profit organization that promotes CSR, to hold workshops on business and human rights at various locations.

Records of Workshops on Human Rights

Time	Place	Participants	Contents
Dec 2014	Japan	53 people from general affairs and human resources departments of 24 Toshiba Group companies in Japan	• Learn about global standards on human rights such as the Universal Declaration of Human Rights, and the UN Guiding Principles on Business and Human Rights • Hold Workshop to detect possible human rights risks at each step in each business's value chain
Nov 2014	China	54 managers from general affairs and human resources departments of 31 Toshiba Group companies in China	• Learn from case studies about global issues, and potential risks and the impact they might have on our business
Feb 2014	Philippines	45 managers from human resources department of 9 countries in Asia and others	• Lectures on cases of human rights violations, and outlines of international principles • Group discussions on human rights risks in the country

A workshop in China

A workshop in Japan

Prevention of Sexual Harassment and Abuse of Power

The Toshiba Group Standards of Conduct, a code of conduct for executives and employees, prohibit sexual harassment, abuse of power, and other actions that disregard the dignity and individuality of others. In accordance with this policy, our employment regulations and collective agreements also prohibit sexual harassment and abuse of power and stipulate disciplinary action for anyone involved in wrongdoing.

We also provide consulting services, training for newly promoted employees, and human rights training courses at each workplace on a regular basis.

Establishment of Whistleblower System and Consulting Service

Toshiba Group receives internal reports and consultations concerning human rights through points of contact for employees and client companies.

Whistleblower System "Risk Hotline" for Employees

In January 2000, Toshiba established a whistleblower system "Risk Hotline" to collect internal information via email and telephone on Toshiba Group Standards of Conduct violations, particularly those concerning laws and regulations, and to deal with wrongdoing. Under this system, an employee can report an incident and seek advice. Employees are protected from retaliation and must not be treated disadvantageously on the grounds that they provided such information.

Consulting Services "Employee Consultation Room"

We established an "Employee Consultation Room," where employees can get individual advice. Employees can anonymously consult full-time counselors on workplace culture and interpersonal relations, personnel moves, sexual harassment, or bullying, etc. by phone, FAX, e-mail, or letter. One male and one female counselor address employee concerns together to create an inclusive and comfortable working environment.

> Fair Evaluation and Talent Development

Whistleblower system "Clean Partner Line" for Suppliers

In April 2006, Toshiba set up a supplier whistleblower system "Clean Partner Line" to receive reports from suppliers and business partners to prevent noncompliance and unfair trading practices by employees in charge of procurement and order placements for construction and other works.

Activities with Stakeholders

Participation in Human Rights Initiatives

Toshiba Group is actively participating in initiatives developed by international and industrial organizations to review human rights issues.

- Participation in the Japan Human Rights Study Forum hosted by Business for Social Responsibility (BSR), a US-based CSR promotion organization (FY2012)
- Participation in the Human Rights Due Diligence Study Group organized by the Global Compact Network Japan (GC-NJ) (from FY2013)
- Participation in Research on Respect for Human Rights in Business Development in Developing Countries conducted by Business Policy Forum, Japan (BPF) as a committee member (FY2012)
- Participation in events hosted by Caux Round Table (CRT) Japan in FY2014: the Global Conference on CSR and Risk Management 2014, a seminar on human rights, and the Stakeholder Engagement Program, which involves practical debates on specific human rights issues and measures

Support for Human Rights NGOs

- Co-sponsoring the Amnesty Film Festival hosted by Amnesty International Japan, a human rights NGO, to present films that focus on human rights since FY2011

- Co-sponsoring Gontiti Spring Charity Concert hosted by Amnesty International Japan in FY2014

- In collaboration with the public-service corporation Save the Children Japan, we're implementing Early Childhood Development programs in rural area of Tanzania with aims to provide pre-school age children with education and improved nutrition. In December 2014, as part of the Toshiba Group Simultaneous Social Contribution Action, we collected donations from employees and held talks on the topic of "Human Rights for Children," together with Save the Children Japan. Many employees participated in these actions.

Children who attend pre-school in Tanzania

Employment and Labor Relations

Healthy and stable labor relations are an essential foundation for achieving sustained corporate growth. Toshiba holds labor talks with Toshiba Labor Union, which employees may join, for practical and amicable solutions under three fundamental principles: Labor-management Equality, Mutual Trust and Understanding, and Prior Consultation.

Medium- to Long-term Vision

Toshiba Corporation and Toshiba Union will jointly promote, maintain, and improve our businesses and union member's working conditions in order to achieve stable and orderly labor relations.

FY 2014 Achievements

Conducted negotiations and discussions with Toshiba Union.

Future Challenges and Approaches

We shall review matters such as business operations and major reorganizations with Toshiba Union. Also, changes in working conditions and other labor-related issues shall be discussed between labor and management. We will continue to hold labor-management talks in accordance with the Labor Agreement.

Policy on Labor-management Relations

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).

Relationship with Toshiba Union

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.

Promoting Labor-management Dialogue

Toshiba and Toshiba Union conduct various talks to improve labor relations and operations. We shall review such matters as operations and major reorganizations with Toshiba Union. Also, changes in working conditions and other labor-related issues shall be discussed between labor and management. We will continue to hold labor-management talks in accordance with the Labor Agreement.

Toshiba Group Employees (as of March 31, 2015)

Region	Number of employees	Business domain	Number of employees
Japan	111,319	Energy & Social Infrastructure	54,382
China	21,234	Community Solutions	48,770
Asia[1] & Oceania	29,934	Healthcare Systems & Services	9,601
North America	22,493	Electronic Devices & Components	34,171
Central & South America	1,955	Lifestyle Products & Services	24,216
Europe[2]	11,060	Others	24,107
Africa	746	Common to the Group	3,494
Total	198,741	Total	198,741

*1 Excluding Japan and China

*2 Including Russia

Fair Evaluation and Talent Development

As the business world becomes increasingly borderless, global firms are seeking employees with a capacity for new ideas and who are not constrained by conventional lines of thought. To encourage employees to exercise this capacity, Toshiba Group has established fair evaluation systems, and seeks to develop and deploy talented human resources to the greatest extent possible.

Medium- to Long-term Vision

To achieve creative growth by enabling a diverse workforce who share Toshiba Group's management vision and values to excel globally.

Quantitative Target

The percentage of local personnel out of all managerial appointments at the overseas Group companies:
(As of the end of March 2017)

66%

FY 2014 Achievement

The percentage of local personnel out of all managerial appointments at the overseas Group companies:

62% (As of the end of March 2015)

Future Challenges and Approaches

With the establishment of new business operations and the ongoing restructuring of business through selection and consolidation, there are increasing opportunities for capable, creative personnel with broad perspectives to thrive. Toshiba Group will continue to support each and every employee in developing his/her skills and career through our diverse systems for talent development.

Policy on Fair Evaluation and Talent Development

In Toshiba Group, we specify in Toshiba's Human Resources Management Policy, that human resources are our most valuable assets, and make it our duty to provide all our employees with opportunities for skill development and self-actualization. Moreover, in order to unify and share the Group's image of the ideal employee worldwide, we have integrated the behavioral traits and mindset expected of "Toshiba People" that have been shaped over Toshiba's corporate history as "Toshiba-GLOBAL".

Contents of "Toshiba-GLOBAL"

Behavior / Mindset	Description
Global Perspective	- Respect a diverse sense of value and humanity - Open and direct communication skills in cross-cultural settings - Quantify targets and provide logical explanations
Leading Innovation	- Recognize potential, set higher targets and challenge adversities - Read the signs of change in business environment, grasp essential issues, and respond proactively - Perform a strict benchmarking exercise and share mid-long term strategies and crisis protocol with the organization
Organizational Development	- Respect the strength of individuals and cultivate organizational power by uniting each member's abilities - Reform work practices by enhancing efficiency at both the individual and organizational level - Eager to develop next generation human resources
Broad Outlook	- Act with insight and inquiring mind that seek for fundamental principles - Valid thoughts and sense of value based on sophistication and well-rounded humanity - Focus on customer-centered actions and understand their counterparts' viewpoints
Action Oriented	- Act with passion and commitment - Be action-oriented and proactive in planning and accomplishing goals - Defy stereotype with renewed sense of perspective
Leadership	- Honest and adhere to compliance - Listen to the frontline workers, see actual operations, and grasp and understand real issues

Training System for Talent Development

Cultivating Global Talents

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

Global Marketing Leaders Program

In an effort to develop such talents, we offer country and/or region-specific education programs such as "Toshiba Value Education" to develop the desired attitude and mindset fostered over the course of Toshiba's history, or "Liberal Arts Training"[1] to develop well-rounded individuals who can embrace diversity and have the ability to think thoroughly. Such region-specific education has a long history, with Europe and Asia boasting the longest with programs commencing more than 15 years ago. To enhance our education programs, the Toshiba China Academy and Toshiba University in the United States provide training courses in China and the Americas, respectively.

We aim to develop global-minded personnel through internationally unified trainings such as the Overseas Management Course, which helps to promote understanding of the Toshiba Group's philosophy and nurture bridge-builders[2] both inside and outside Japan.

[1] Liberal Arts develop intellectual capabilities and techniques to deepen understanding in various subjects.

[2] A 'bridge-builder' is our term for talented personnel who can foster smooth communication between our Japanese companies and overseas subsidiaries

Training Programs

Toshiba Group has various training systems to help form a common ground of understanding among employees and self development programs based on individual needs and requirements at each career level.

Main Training Programs

Training Category	Outline
Training and Development for Toshiba People	A program that is expressly designed to learn about the Toshiba Group's philosophy and the corporate culture including Innovation (MI) Training, a unique quality control method; Toshiba Value Education; and Liberal Arts Training.
Global Training and Development	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 by accepting cross-cultural differences and communicating with a wide range of stakeholders.
Training and Development based on Level of Responsibility	A compulsory program that must be implemented to all employees at the time they join the company and each time they are promoted or assigned to a managerial position. This program aims for participants to acquire the skills and knowledge required for their new roles and responsibilities.
Job-type based Training and Development	Aims to equip employees, based on their career stages, with knowledge and skills required for different job functions.
Training and Development for Management Talents	Training program for the select group of individuals who are candidates to take up managerial/leadership positions in Toshiba Group.

Talent Development Program Roadmap (Toshiba Group in Japan)
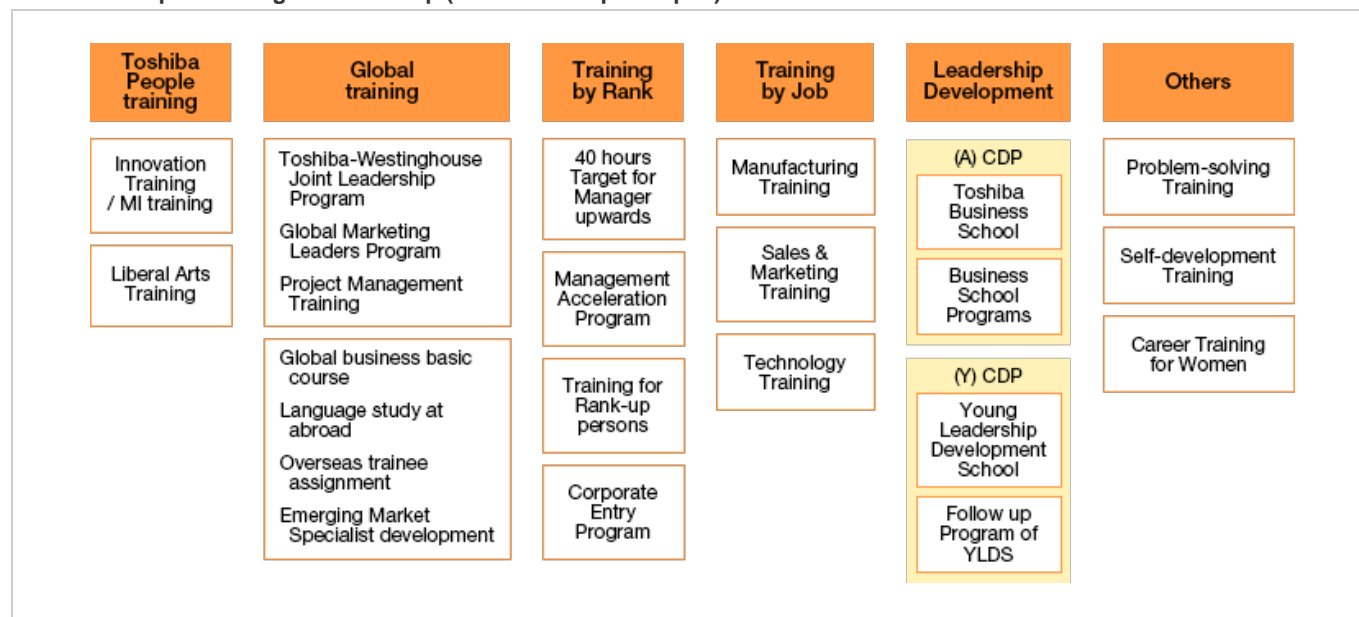
Talent Development Program Roadmap (Toshiba Group Overseas)

Region	Entry	High Potentials	Managers	Executives
Global Integrated		Overseas Management Course / Global Marketing Leaders Program / Global Project Management Program	Toshiba-WEC GOLD Program / Innovation Leader Program / SQE Training	Global Executive Forum
China	Global CEP Chinese Language Version	Functional Program / Basic Management Course / QE Training	Senior Management Program	
Asia		Basic Management Course / Asia Management Development Course / QE Training		
Americas	Global CEP # web-based 90min.	Management Development Program / QE Training		Liberal Arts Training
EMEA		PEMP - I / PEMP - II / QE Training	PEMP - III	

Using Full-fledged Career Development Systems

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

The Career Design System, for example, provides each employee with an annual opportunity to discuss and share their views on long-term career development plans as well as on mid-term goals for skill acquisition, improvement, and the way to utilize such skills with their superiors. Performance Management System gives each employee a semi-annual opportunity to review and discuss with their superiors their job performance over the past six months as well as their job objectives for the next six months.

We also have career development systems that encourage employees to plan 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 (Toshiba Corp.)

System	Eligibility	FY2012	FY2013	FY2014
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	39	72	139
In-house free agent	Full-time employees who have been employed by the company for 5 years or more.	19	42	21

Employee Morale Survey

In FY2003 Toshiba Group companies started the TEAM Survey for the purpose of soliciting the opinions of employees. In FY2014 we conducted the survey targeting about 73,000 employees in 39 Toshiba Group companies in Japan and received responses from approximately 90% of employees.

The same questionnaires were used in an anonymous survey throughout the entire Group of employees to ask about their understanding of Toshiba's measures and policies and how conducive the work environment was to demonstrate their capabilities. The survey's results showed that while there was an in-depth understanding of our management principles, vision, and corporate goals, there were calls for improvements to our tools and resources in order to increase work efficiency. Based on these results, we are developing the measures and policies that each department requires, and are increasing the scope of the survey to include our overseas Group companies, in order to fulfill our management policy of achieving creative growth.

Visualizing employee understanding and identifying Toshiba Group's strengths and areas for improvement

TEAM survey execution cycle (annual)

Establishment of Consulting Service

We created an "employee consultation room," where employees can get individual advice. Employees can anonymously consult full-time counselors on workplace culture and interpersonal relations, personnel moves, sexual harassment, or bullying, etc. by phone, FAX, e-mail, or letter. One male and one female counselor address employee concerns together to create an inclusive and comfortable working environment.

> Consulting Services "Employee Consultation Room"

Diversity Promotion

The maximization of the capabilities and strengths of diverse employees is critical for active innovation and corporate growth. Based on this belief, the Toshiba Group has positioned the promotion of diversity as one of its integral management policy visions. With our CEO's strong commitment, we thrive to spread the awareness on the importance of diversity for both employees and those outside the company.

Medium- to Long-term Vision

To achieve creative growth by enabling a diverse workforce who share Toshiba Group's management vision and values to excel globally.

Quantitative Target
Percentage of female managers

5.0%

(Toshiba Corp., at the end of FY2016)

FY 2014 Achievement

Percentage of administrative recruits of new female graduates

Target   Achievement

50% → **51**%

(Toshiba Corp., at the end of FY2014)

Future Challenges and Approaches

As globalization and other global trends advance, we will proactively reflect the diverse values of our employees in our management. In particular, we will strive to promote managerial diversity, appointing women and foreign national employees in executive posts, as well as developing candidates. We will also work to expand the place of handicapped people in the workforce. We will create a work environment where each employee can demonstrate his or her talents to the greatest extent possible.

Policy on Diversity Promotion

For Toshiba Group, the active development and deployment of diverse personnel are our driving forces. We will contribute to promoting a sustainable society, aiming to achieve Growth Through Creativity and Innovation through the creation of new value and the development of new markets.

While setting the promotion of diversity as our management policy, we have been advocating diversity both inside and outside Toshiba, backed by our CEO's strong commitment, ever since our management policy explanatory session took place in August 2013.
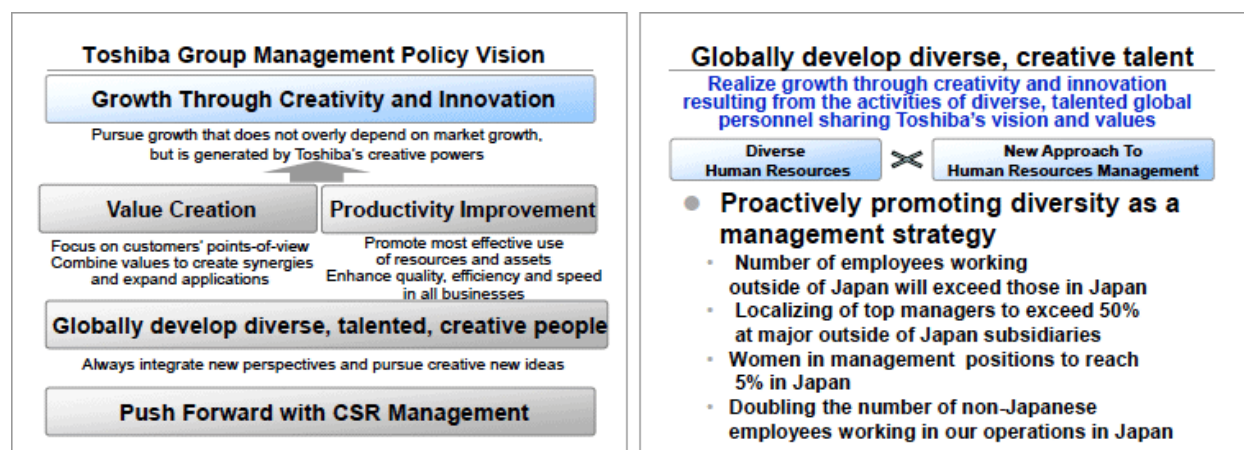
Medium-term Strategies for Future Growth through Creativity and Innovation (August 7, 2013)

Diversity Management Structure

In 2004, we established our Kirameki Life & Career Promotion Office, an organization under the CEO's direct control, consisting of both men and women. After that, we expanded the scope of our activities to include foreign nationals and people with disabilities. As diversity became the very core of our human resources work, the office was reorganized into the Human Resources & Administration Diversity Development Division in FY2013, which has been advancing diversity measures as a general human resources matter. Our Corporate Senior Executive Vice President acts as the Chief Diversity Officer (CDO), the executive officer in charge of diversity promotion. And each Toshiba Group company runs a Diversity Strategy Committee, which serves as an advisory organization to effect diversity measures proactively and independently.

The Diversity Strategy Committee convenes regularly, chaired by the CDO and attended by the executive officer in charge of personnel affairs, as well as by the presidents of in-house and major Group companies. The Committee holds discussions to determine the direction of diversity strategies for each Group company, including: measures to recruit more women in Japan; policies and measures to develop and appoint more female managers; as well as developing global personnel and improving their employment environments.

Structure of Diversity Strategy Committee
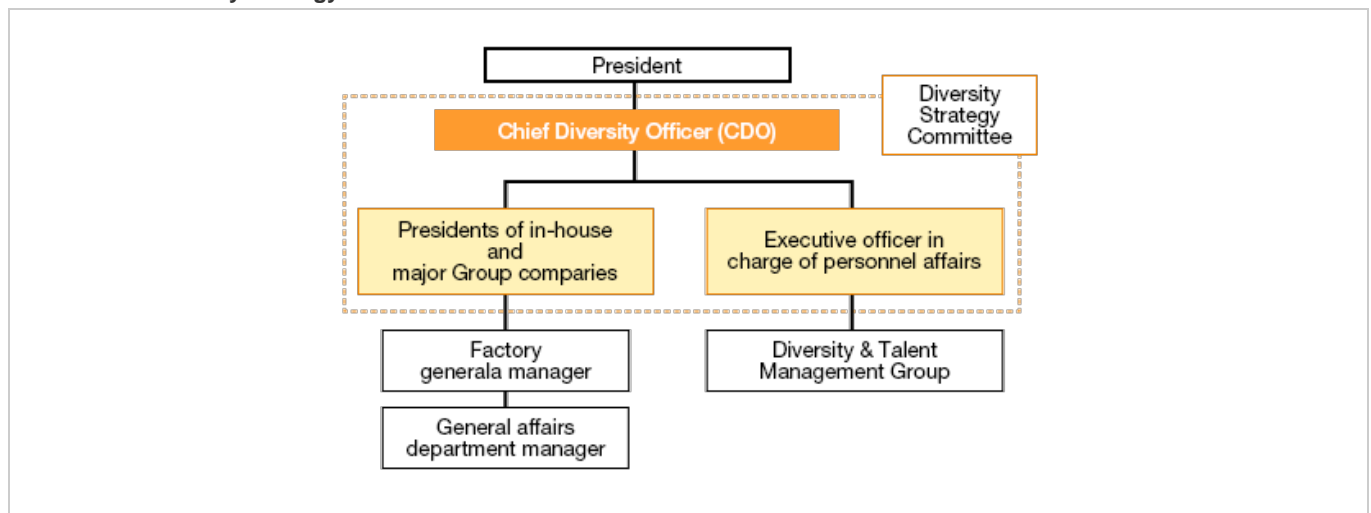
Diversity Strategy Committee

Diversity Management Approach

Toshiba Group strives to create an organizational culture where diverse individuality and employee values are accepted and respected and where each employee is provided the opportunity to maximize their capabilities and strengths. Our efforts include diversity training where employees learn to accept and respect diversity of each individual and study about human rights for all employees.

Further, we conduct awareness surveys targeted at Group employees in Japan, and monitor the level of diversity awareness throughout the workplace. Where improvements are called for, we conduct training as necessary, and strive for better work environments.

Group discussions to improve managerial awareness

In July 2014, we held a group discussion on the topic of active training and the utilization of diverse human resources, at managerial training in which the CEO and other top executives participated.

Participants debated measures by which all Toshiba Group employees can use their abilities to achieve creative growth collectively. The problems impeding the utilization of diverse personnel and the methods to resolve them were also discussed and summarized into a proposal.

The Diversity Forum for Employees

At Toshiba, the CEO communicates the diversity concept as a management strategy directly to the employees at Kirameki Forum, the in-house seminar for promoting diversity awareness. At the 14th Kirameki Forum, which was held in November 2014, we invited Suzuki Shigeharu, Chairman of the Board at Daiwa Securities Group Inc., to speak on the topic of "Initiatives at Daiwa Securities Group to advance the role of women and a good work-life balance." Then our CEO spoke on the "active training and utilization of diverse human resources." Roughly 1,200 Toshiba Group employees attended the event, and direct talks with Mr. Suzuki and our CEO were held at the information exchange meeting after the Forum.

The 14th Kirameki Forum

Shigeharu Suzuki, Chairman of the Board, Daiwa Securities Group Inc.

Disseminating information about diversity management

Toshiba Group has set up an intranet web page about diversity management. On it, we provide information about topics such as supporting employees in balancing their child-raising and nursing care duties with their work, a portal site to support personnel who work with non-Japanese employees, and support for employees with disabilities. We also publish video messages to Toshiba employees from our CEO. In addition to the website, we regularly publish the Kirameki Times, a newsletter aimed at our 100,000 employees working in Japan, as a means of promoting awareness among employees.

Internal newsletter "Kirameki Times"

Internal homepage "Kirameki Website"

Promoting the Career Development of Female Employees

In the medium-term management plan, the Toshiba Corp. has set a target of increasing the percentage of female managers to at least 5.0% by FY2016 by implementing measures to accelerate the utilization of female employees. Furthermore, it aims to increase the number of senior female managers to three times that of the 11 people (9 Vice Presidents and 2 Chief Fellow engineers) in FY2012.

We also have set as our recruitment target for new female university graduates at 50% for administrative positions and 25% for technical positions, and are taking action accordingly. This is a high percentage for technical jobs, as it exceeds that for female students enrolled on technical undergraduate courses.

**Trends in the number/percentage of female managers
(Toshiba Corp. , section manager level or higher)**
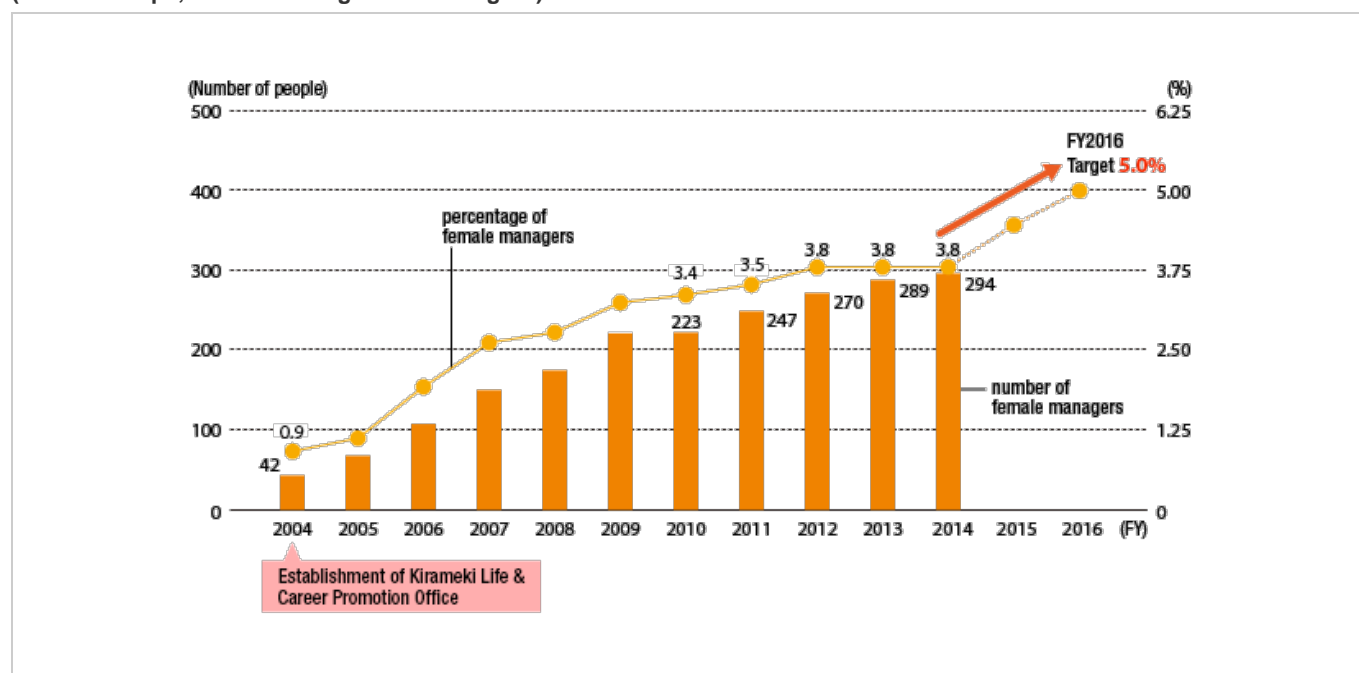
The Third-Party Assurance (PDF:90KB)

**Percentage breakdown of female managers
(Toshiba Corp.)**

		FY2013	FY2014
Percentage of female managers		3.8%	3.8%
	Section manager class	4.4%	2.5%
	Division manager class	3.0%	2.7%

Percentage of female recruits (Toshiba Corp.)

Administrative

FY2016 Target **50%**

51%
48%
46%
34%

Female university graduates ratio in Japan

Female hiring ratio in Toshiba Corp.

Technical

FY2016 Target **25%**

Female university graduates ratio in Japan

19%
16%
15%
8%

Female hiring ratio in Toshiba Corp.

2004   2014   2004   2014   (FY)

Establishment of Kirameki Life & Career Promotion Office

Administrative: Arts, Social sciences, Home economics, Education
Technical: Science, Engineering, Agriculture

Composition of Employees (Toshiba Corp.)

Female
4,050
(11.8%)

Male
30,266
(88.2%)

As of the end of March 2015
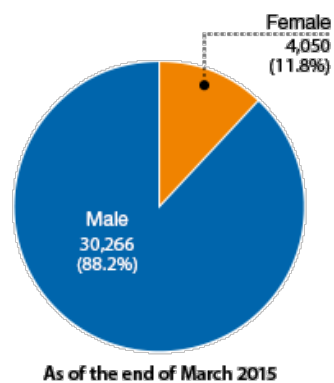
Promoting the Career Development of Female Employees

Toshiba Group is tackling the advancement of women's roles from various angles by implementing various training schemes and measures.

Key training systems and measures for promoting the career development of female employees

System/Measure	Overview
Training for developing female managerial candidates	Training aimed at developing the next generation of female leaders (held in FY2006 and FY2007) Result: Approx. 40% of 223 past trainees appointed to managerial posts by end of FY2014
Career training for young female employees	Training aimed at developing prospective management members, in which participants learn how to think about their careers and form action plans under expert guidance (initiated in FY2010, and received by roughly 140 employees annually, with a cumulative attendance of 560 by FY2014, out of whom roughly 11% were promoted) Content of training: - Carrying out a self-analysis based on the results of a 360-degree survey of supervisors and peers, and formulating an action plan for the next year - Follow-up training 3 months later - Informal gathering for fellow trainees held after the end of training
Dialogue between executives and female employees	We invited people who have held presidential positions to give speeches and take part in dialogue. They expressed the high expectations they have for the trainees, and exchanged opinions with female employees.
Sending employees to cross-industrial exchange training for female employees	We send female prospective leadership candidates to cross-industrial exchange training for female employees, to encourage them to widen their perspective, engage in networking, and improve their communication skills (initiated in FY2014, and participated in by young female employees from 7 cross-industry companies, including Toshiba).
Sending employees to managerial candidate training	We send female employees to an external training program aimed at developing managerial candidates (129 employees in FY2014).
Awareness promotion training for top management	A subject covering how to train and communicate with female subordinates has been included in the curriculum for mandatory training for persons promoted to manager (since FY2010, roughly 100 programs have been held with a total of over 3,000 employee participants).
Creating employee networks	- Providing opportunities for employees to exchange information, inspired by employee feedback - Setting up an experimental in-house social networking system for young people and women.

Group work at the career training for young female employees

Seminar by an external instructor at the cross-industrial exchange training for female employees

Dialogue session between former CEOs and female employees

As a manufacturing company, Toshiba Group engages in activities to increase the number of female students who choose to study science and engineering fields, and to support their development. In August 2013, Toshiba Corp. participated in "MY FUTURE CAMPUS Girls 1day", a career fair targeting female students from high school to sophomore in college, hosted by Mynavi Corporation. In the event, our female engineers explained the fun of manufacturing to the students. In September 2013, Toshiba Corp. held a "TV disassembly workshop" at Shinagawa Joshi Gakuin, an all-girls school in

A female engineer of Toshiba Corp. talking about the joy of manufacturing at a career event

TV disassembly workshop

Tokyo. With the support of employee volunteers acting the role of disassembling experts, students actually took apart TVs and further learned how electrical products function. Our female engineers also interacted with female junior high students and helped them to create a vision for their future career.

Recruiting More Non-Japanese Employees and Utilizing Them Effectively

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 been carrying out our Global Recruitment Program in an effort to directly recruit students graduating from foreign universities. Approximately 60 graduates are employed every year and they play active roles in the fields of sales, development and design. 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.

Creating an environment where foreign national employees can thrive

Since FY2011, we have conducted regular assessments of job duties and work environments in order to improve them, presenting good examples from other workplaces. In these assessments, global recruits and their superiors discuss what they each respectively regard as challenges, as well as 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.

Designating prayer rooms

Since FY2013, we have designated prayer rooms and prayer spaces in some of our offices, to provide a work environment where employees from diverse cultural backgrounds can work comfortably.

Portal site for assisting those involved with non-Japanese employees

We have set up a portal site on the intranet web page to assist those involved with employees who are foreign nationals. On the portal is basic information, knowhow and more on the subject of employing non-Japanese employees, training on understanding other cultures, and testimonials and case studies concerning accepting non-Japanese employees. This helps cultivate work environments where foreign national employees can work comfortably.

Trends in the number of non-Japanese employees (Toshiba Corp.)
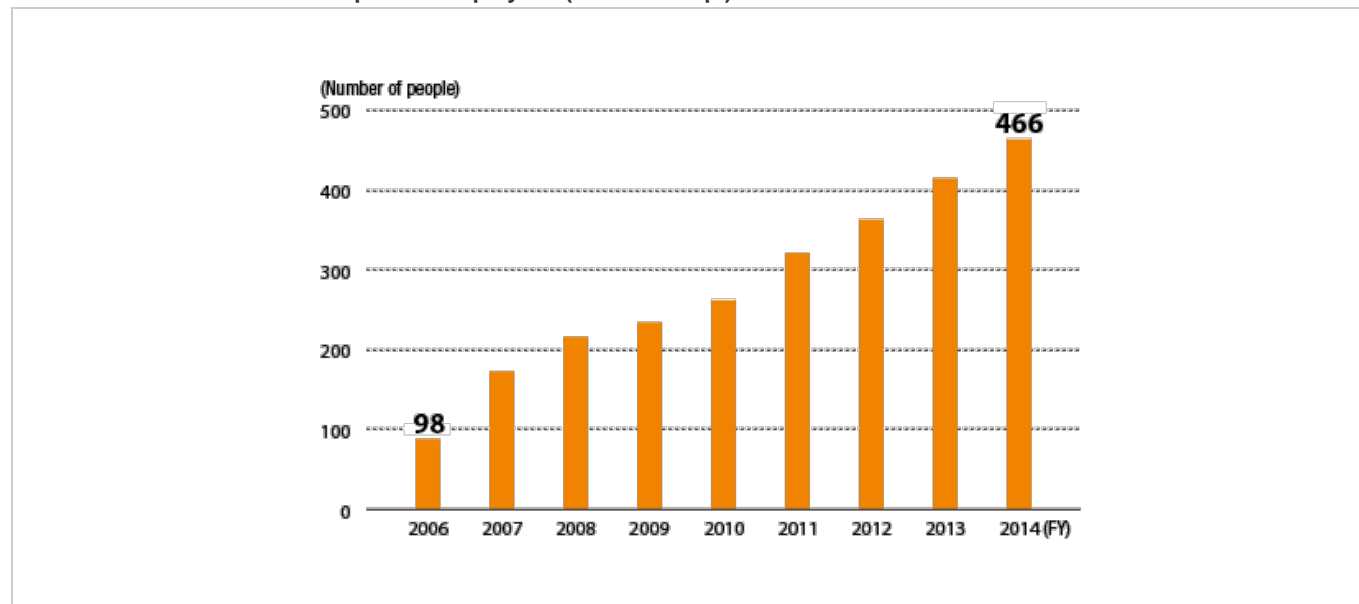
Employment of People with Disabilities

As of April 1, 2015, the percentage of employees with disabilities   has become 2.26% in Toshiba Group in Japan. 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 Human Resources and Administration Division and the Design Center. This network has enabled us to devise and implement comprehensive measures to support such employees.

Trends of the employment number of people with disabilities
(incl. a special subsidiary company in Japan)

		April 2013	April 2014	April 2015
Toshiba Group (Incl. Toshiba Corp.)	Number of people	2593.5	2584.5	2568.5
	Percentage of Employment	2.24%	2.27%	2.26%

The Third-Party Assurance (PDF:90KB)

A Special Subsidiary Company Toshiba With

Toshiba With Corporation 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.

In FY2013, Toshiba With was awarded the Toshiba Corporate Citizenship Award in "Social Contribution by Business" category for its contributions to society through business.

> Toshiba With Corporation (Japanese)

Clean-up activities by employees at Toshiba With

Activity Example: Sign language club

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 the end of FY2014, more than 3,000 people in total have participated in such lessons.

The sign language club members are engaged in activities outside the Company as well. In FY2014, 12 members took part in the PC Disassembly Workshop at Meisei Gakuen School for the Deaf (Shinagawa, Tokyo), targeted at 25 children between the ages of 8 and 12, and explained, using sign language, the proper use of tools, the functions of each part, recycling and other matters.

Employee with a hearing disability explaining how to disassemble a PC

Active Utilization of Elderly People

In 2001, amidst the backdrop of the declining birthrate and aging of the society, we 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 and employees are expected to provide expertise and knowledge as seasoned professionals. According to the revised Act on Stabilization of Employment of Elderly Persons enforced in April 2013, 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.

Work-style Innovation (WSI)

Toshiba Corp. is working on activities toward accelerating so-called work-life balance under the unique name of "Work-style Innovation (WSI)." 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.

At Toshiba Group companies, each employee promotes activities to increase productivity by changing their working styles and methods.

Reduction of Working Hours and Consideration of Scheduled Working Hours

In Toshiba Corp., the average total number of annual actual working hours per employee was 2,074 hours, and the average number of annual non-scheduled working hours per employee was 366 hours in FY2014. Toshiba is making the transition to a style of work that does not depend on overtime work, in order to allow the utilization of diverse personnel, and to promote WSI. We publicly disclose on our intranet site the efforts of each office aiming at reducing overtime work.

Key systems and measures concerning working hours

System/measure	Overview
Flexible work system	- Discretionary work system - Flextime system (used by approx. 95% of employees in the Sales, Development & Engineering Design, and Corporate Staff divisions) - Experimentally introducing working from home at certain business sites
Long Leave System	Employee can avail of a maximum of 20-day accumulated leaves for clear and meaningful objectives, such as self-development, social contribution activities, nursing, and also for treatment of non-occupational injuries and diseases, and other conditions including infertility.
"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, employees are prompted to leave work at the official quitting time at least two days during Japan's "Family Week" in November. Special announcements and after-hour patrols will be made to promote awareness during such days.
Enforcing an 8 pm lights-out	We extinguish the lights in working areas at 8 pm every day (enacted at the headquarters).
Annual Paid Vacation	For the employees' rejuvenation, Toshiba Corp.has been facilitating the planned use of annual paid vacation. In FY2014, percentage of annual paid vacation taken by union members was 83.7%.
Making working hours visible	Toshiba Corp. has introduced systems such as "Monitoring Display of Office-Stay Hours" (FY 2009), "Work Record Notification"(FY2010), and "Work Record Display"(FY2010) to increase transparency of working hours.
Addressing long working hours at Toshiba Group workplaces	We implement measures in various divisions and business sites to address the problem of long working hours, and publish case examples on our intranet site to spread good practice among departments (e.g. declaring target time (time of leaving work), forbidding employees from coming to work on Sundays, banning late-night overtime in principle, setting "focus hours," and banning meetings outside normal working hours in principle).

Activity Example: Use of the system to make working hours visible

In order to effectively monitor the working conditions of our employees, Toshiba Corp. launched a system that allows employees to visually monitor working hours on their computers (FY 2009). We also started using the systems called Work Record Notification and Work Record Display in order to ensure for employees and their superiors to pay constant attention to work hours (since FY2010). The Work Record Notification system automatically sends an e-mail to each employee and their superior on the work record of the employee.

The Work Record Display system indicates each employee's current work status with three signal colors (red, yellow, and green) to draw attention to overtime work hours.

Supporting employees in balancing work with childcare/nursing care

Since 1990s, Toshiba Group has been supporting employees to balance their work and personal life. Starting in 2005, in accordance with the Law for Measures to Support the Development of the Next Generation, we have implemented various measures and systems, which surpass the legal standards, and continue to make them more adaptable and flexible.

In FY2014, we revised our Hourly-Unit Annual Leave system. Now employees can take leave on a quarterly hour basis instead of hourly when they take a leave over an hour.

The Major Supporting Systems for Employees' Work and Childcare (Toshiba Corp.)

System			Toshiba system	As required by law
Childbirth/Child-rearing	Childcare leave	Period	Until the end of the month in which the child turns 3 years old	Up to 1 year old except when certain requirements are met
		Number of times	Up to three times per child	Up to once per child
	Paternity leave		Up to 5 paid holidays (100%) consecutively or separately, within 6 weeks of the birth	-
	Short-time shift	Target	Employees who are raising children who have not yet completed elementary school	Employees who are raising children under three years old
		Others	1) No limits to the number of times one can apply 2) Possible to combine with the flextime system 3) Can be set in 15-minute units	-
	Hourly leave system		Leave is available in 1-hour units. If more than one hour is taken at a time, however, employees may take leave in 15-minute units for those over an hour.	-
Family care	Family care leave		Up to 365 days in total per person requiring nursing care	Up to 93 days in total per person requiring nursing care
	Hourly leave system		Leave is available in 1-hour units. If more than one hour is taken a time, however, employees may take leave in 15-minute units for those over an hour.	-
Returning to work	Subsidies for expenses	Allowance for raising the next generation	To be provided to each eligible child * The child being taken care of by the spouse of the applicant, who works for the other company, is also eligible for the allowance.	
		Welfare system "Teatime"	For child-rearing, nursing care, and the purchase of company products, points will be worth 1.2 to 1.5 times the value of normal points.	
	Mutual understanding program		The program offers the opportunity for employees to discuss future career plans and any necessary arrangements with their superior and HR personnel before taking a leave of absence or after resuming work, thus helping to reduce concerns of the employees who take such leaves.	
	Reemployment system (return to work system)		Established a system to reemploy employees who had to resign for the following reasons: 1) Resignation in order to accompany a spouse who has been transferred (within 5 years) 2) Resignation in order to provide nursing care for those requiring nursing (within 3 years) 3) Resignation for childbirth, childcare, and raising children (within 3 years)	

* Until FY2013, leave was taken in 1-hour units

Employee Participation of Diverse Working Style Options (Toshiba Corp.)

	FY2012	FY2013	FY2014
Childcare leave	Male: 12 Female: 296	Male: 8 Female: 336	Male: 7 Female: 350
Paternity leave	Male: 423	Male: 384	Male: 359
Family-care leave	Male: 6 Female: 6	Male: 6 Female: 10	Male: 2 Female: 3
Short-time shift	Male: 9 Female: 409	Male: 9 Female: 417	Male: 10 Female: 438

Activity Example: Male employees' active involvement in child-rearing

"After my first child was born, I took one month's childcare leave to look after her. A newborn child requires care around the clock, but it was a great experience to be in a place where I could face that duty head-on. Our family bonds were also deepened by the fact that my wife and I could discuss together our concerns about raising our daughter. I really think that obtaining that childcare leave was an invaluable experience in my professional life."

Makoto Matsuoka
Power & Microelectronics
System Components Dept.
Social Infrastructure Systems
Company
Toshiba Corporation

Activity Example: Our internal childcare center "Kirame-kids"

In an effort to support Work-style Innovation we opened an internal childcare center named "Kirame-kids Yokohama" on the premises of one of our business sites, Yokohama Complex in FY2011. The center, which has a large garden and abundant greenery, provides full-time high-quality childcare in a relaxed atmosphere and hosts various age-appropriate events for children throughout the year. In FY2014, a child graduated from the nursing program for the second time since the opening of the center.

Kirame-kids Yokohama

Handmade signboard

Raising Awareness

In order to spread the concept of Work-Style Innovation and put it into practice, we raise awareness through various means such as training programs and distributing brochures.

Key awareness-raising measures concerning Work-style Innovation

System/Measure	Target	Overview
E-learning	Toshiba Group companies in Japan	Improving employee awareness with regards to achieving an efficient work style; teach effective ways to use communication tools (98% of eligible e-learning participants have already received training)
Time management training	Toshiba Group companies in Japan	Learning how to work efficiently and managing subordinates' time, as part of training programs at different organizational levels.
Workplace CSR meetings	Toshiba Group companies in Japan	Raising awareness at workplace CSR meetings about the concept of Work-Style Innovation and how to work efficiently (a total of 90,000 employees attended the meetings held in FY2014)
Fact-finding surveys on nursing care Nursing care seminars	Toshiba Group companies in Japan (fact-finding surveys were only conducted at Toshiba Corp.)	▪ Fact-finding surveys (conducted in FY2014) ▪ Nursing care seminars (held in FY2014 at 3 business sites; video streamed on the intranet site)

Informational materials concerning Work-Style Innovation

Title	Contents
"Easy! How-To Guide for our nursing care support system" (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.
"Easy! How-to Guide for our nurturing support system " (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 (being distributed to eligible employees).
"Handbook: Supporting Work-Life Balance" (FY2006)	A brochure on systems designed to support the achievement of a healthy work-life balance and communication concerning maternity, childcare, etc. at workplace (app. 80,000 copies were distributed to all the employees including ones at Group companies in Japan).
"Handbook: Work-Style Innovation" (FY2007-FY2008)	2 brochures on the training program launched in 2007: How To Manage Efficient and Meaningful Workflows, and What is WSI? – The Concept and Practice of Work- style Innovation (app. 100,000 copies were distributed to all our employees in Japan in 2008).
"Kirameki" (from FY2004 to FY2006)	Internal PR magazine aiming to promote Work-Style Innovation (total 9 issues, app. 720,000 copies were distributed to all the employees including ones at Group companies in Japan).

Activity Example: Nursing care seminar

Due to changes in family compositions and increase of two-income households, an increasing percentage of employees are expected to take care of elderly family members while working full time. In FY2012, Toshiba conducted a fact-finding survey on nursing care, which revealed a strong need for information on nursing care among employees. As a result, we held nursing care seminars at 3 sites in FY2014 and also distributed a video of the seminars on our in-house website for those who could not attend.

Nursing care seminar at Tokyo HDQ

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 and receive subsidiaries from a wide range of welfare benefits. The system also covers support for childcare and nursing care, including costs for day-care centers, child-rearing, education, and nursing care.

Evaluations by External Parties

Awarded the "Nadeshiko Brand" in 2014

Toshiba was selected as a Nadeshiko Brand in the electric appliance category in 2014. The Nadeshiko Brand is conferred jointly by the Tokyo Stock Exchange and the Ministry of Economy, Trade and Industry, to companies in various industries that encourage women to play active roles in the workplace. The Ministry selects companies that are actively advancing the employment of women and developing the environments in which female employees are able to further their career. A company's financial performance is also taken into account.

Awarded the "Nadeshiko Brand" as Examples of Enterprises that Encourage Women's Success (March 2015)

> "Nadeshiko Brand", Ministry of Economy, Trade and Industry

Activity Example: 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 a total of approximately 100 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 (March 2013)

> Diversity Management Selection 100 by METI (Ministry of Economy, Trade and Industry)

Activity Example: Authorization by the Act on Advancement of Measures to Support Raising Next-Generation Children

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 leading initiatives Toshiba won the Nikkei Kosodate ("Child-Rearing") Award in 2007.

Certification Label "Kurumin Mark" (May 2007)

Evaluation by External Parties

Name of Award	Year Awarded
Nikkei Woman's Award, Woman of the Year 2011 (Grand Prize)	2011
Toyo Keizai's Top 200 Diversified Companies Ranking (1st place)	2013
Toyo Keizai's White Companies Total Ranking (1st place)	2014
Nikkei survey of Companies that Effectively Utilize its Employees (5th place)	2014
Toyo Keizai CSR Ranking (5th place in the category of Workforce and HR Utilization)	2015

Occupational Health and Safety

It is vital for each and every employee to maintain and strengthen both his or her mental and physical health in order to shine and flourish professionally. This, in turn, is only possible in a safe and comfortable work environment. In line with the "Commitment to People," Basic Commitment of the Toshiba Group, we place the top priority to human life, safety and legal compliance, and support employees' OHS*.

* In this section, "Occupational Health and Safety" is abbreviated to "OHS"

Medium- to Long-term Vision

Toshiba aims to provide a work environment where employees can create value and raise productivity while being free from risks and concerns.

Quantitative Target
Percentage of companies that have acquired OHSAS 18001 certification:
(FY2015, Manufacturing companies of Toshiba Group)

100%

FY 2014 Achievement

Target: Prevention of serious accidents

Achievements:
Lost-Time Injury Frequency Rate*
(Toshiba Group in Japan)

0.18

*Frequency of accidents per million work hours resulting in death or injuries that require one or more days off work

Future Challenges and Approaches

While upholding OHS as one of our top priorities, we will continue to advance improvements to working environments, such as safety measures for equipment, and promote risk mitigation based on risk assessments, in order to build a safe and comfortable work environment. Moreover, we will continue to run programs that teach employees information and skills about health management, in programs such as factory line training for management, and the self-care education for all employees.

Policy on OHS

The Toshiba Group OHS Management Policy was established in April 2004 in response to the declaration of commitment to OHS by the top management with a goal of all employees sharing the commitment.

The Toshiba Group OHS 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 OHS 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 OHS management.

2. We comply with legally mandated requirements as well as with other standards that relate to the Toshiba Group's OHS code.

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 and support our suppliers and subcontractors to engage in to promote OHS in order to ensure the safety and health of everyone involved in Toshiba Group's business.

5. We proactively disclose our commitment to OHS and the results we achieve, in order to contribute to improve the standards of OHS management in the society.

Promotion of OHS

The chart below shows the framework for the management of OHS across the Toshiba Group. Under the central guidance of the Human Resources and Administration Division, OHS 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 OHS staff and the establishment of an OHS committee. Many sites and Group companies go beyond this to set up other autonomous OHS activities, such as specialist or workplace committees, which cater to the work process and the risk factors.

In order to laterally share information between Toshiba and Toshiba Group companies, we hold the Toshiba Group Health and Safety Supervisor Meeting. The Health and Safety Supervisors at Group companies and operational sites meet once a year, and report on matters such as the occurrence of work-related accidents and goals that are to be promoted across the group, as well as the activities undertaken at each site.

We also hold Central OHS Committee meetings to discuss issues and exchange views with the labor union and to improve the level of OHS management from the perspective of employees.

Toshiba Group OHS Management Structure (as of April 2015)
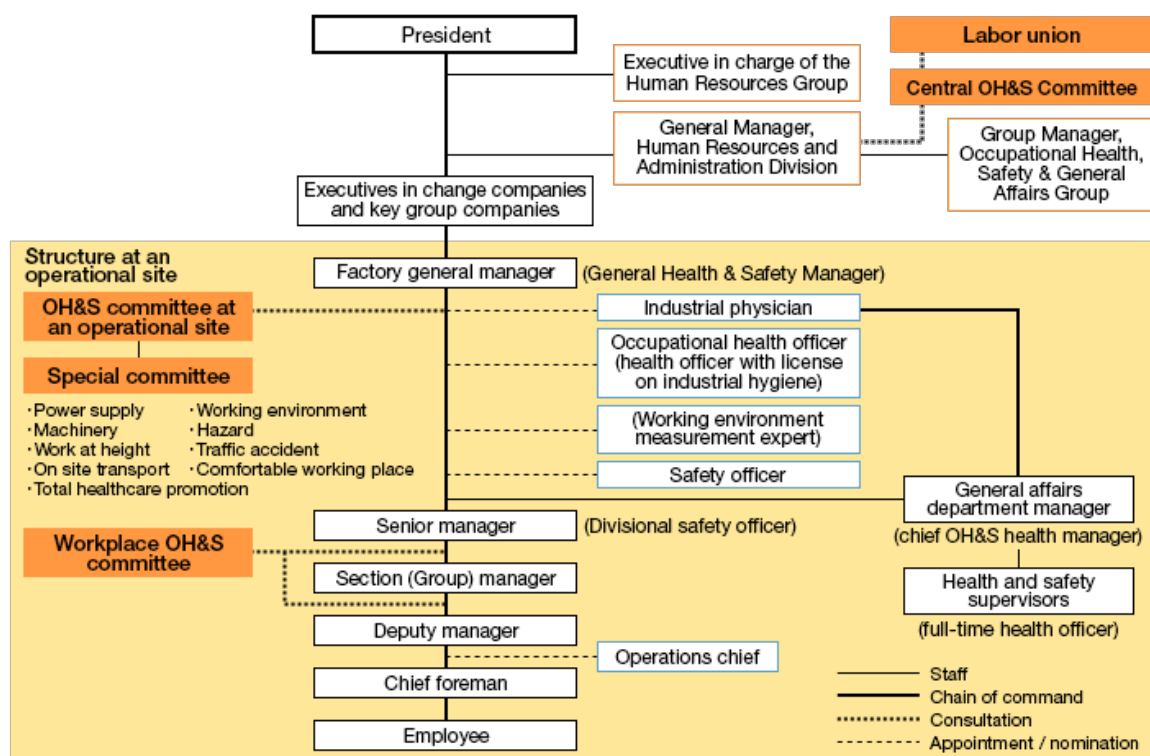
Toshiba's heritage of OHS activities

The history of Toshiba's OHS activities goes back to the days of Toshiba's predecessor, Tokyo Electric. In 1914, Toshibumi Gamo, then chief of general affairs, witnessed a tragic electrocution accident, and thereafter dedicated his life to safety-related activities. He became a central figure in Japan's safety movement, setting up the Association for Prioritization of Safety (Anzen Daiichi Kyokai) with Kakichi Uchida and others in 1917. The green cross that is used on safety flags in Japan is said to originally be designed by Gamo, and have been used as a symbol in the National Safety Week.

Toshiba Group has inherited this DNA and placed the top priority to employees' OHS. Thanks to the efforts made over the years, Toshiba Group's domestic occupational accident incidence (accident frequency rate) has remained below the average for the manufacturing industry in Japan.

Toshibumi Gamo

OHS Management System

In FY2007, Toshiba Group introduced OHSAS 18001[*], an international certification standard for labor safety and health management system to its OHS management system and has been certified by external auditors. This visible OHS management system enables us to identify and assess OHS issues and make continuous improvements to reduce risks in accordance with legal compliance.

Since even before the introduction of this system, Toshiba Group has been striving to improve safety management through steady efforts of its organizations and individual employees in their daily activities. Among such efforts, small workplace groups undertake a variety of activities on an ongoing basis. These activities include workplace improvement programs, education and training for increasing risk sensitivity and activities to check whether appropriate practices are being carried out. By combining safety management based on employee networks with the OHSAS 18001-based management system, Toshiba Group will improve further its global safety management.
*OHSAS 18001: OHS Assessment Series

OHSAS18001 Certificate of Registration

Manufacturing Consolidated Subsidiaries with OHSAS18001 Certification by Region

Europe
2 companies

China
20 companies

Japan
62 companies

Asia
14 companies

Americas
3 companies

Total: 101 companies
(Acquisition percentage: 100%)

Note: As of the end of December 2014
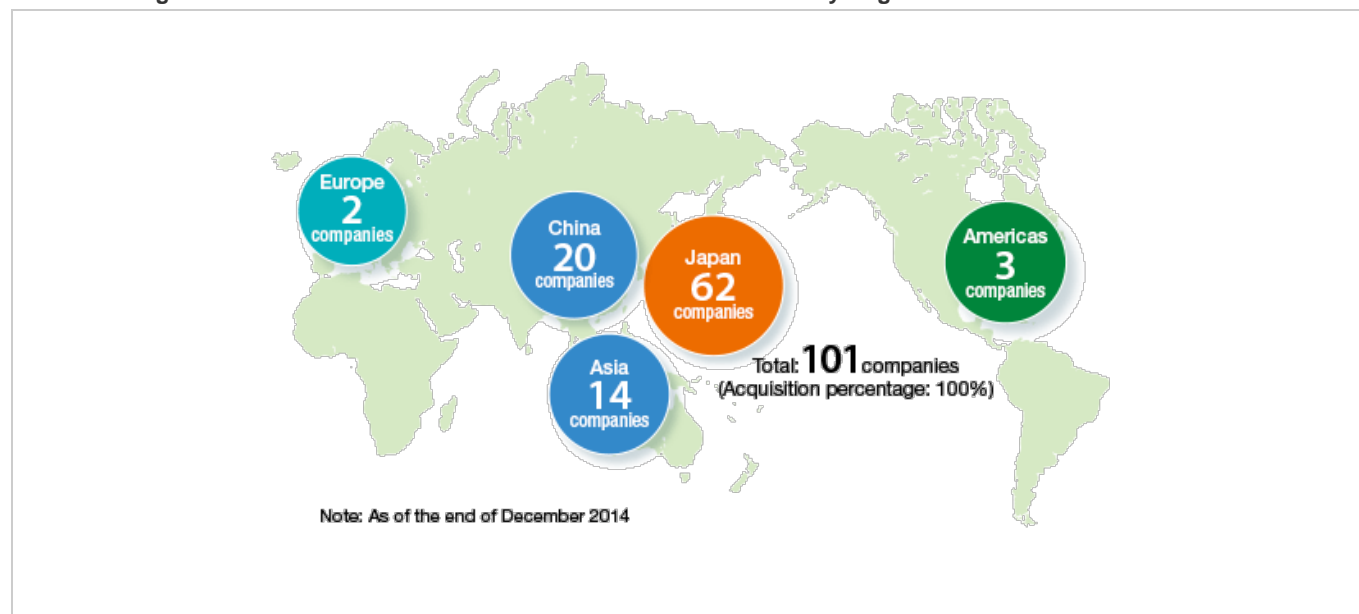
Raising Awareness and Education on OHS

President's Messages to All Employees for National OHS Weeks

Every year, during National Safety Week in July and Occupational Health Week in October, Toshiba's President sends a message to all employees to share his unshakable determination to ensure OHS. Similarly, the top management at all business sites and all Group companies sends messages to all their employees and leads their own OHS initiatives.

Toshiba Group OHS Congress

First held in 1975, Toshiba Group OHS Congress is held every December for the purpose of raising the level of OHS activities and generating greater awareness about OHS management. The main participants are management from Toshiba and Group companies, labor union representatives, and people in charge of OHS activities in Japan and the President's Award for Excellence is conferred to companies and operation sites that set an example for others for excellent OHS-related activities, as well as to small-group activity programs and improvement proposals. Since FY2008, the Congress has been integrated with the CSR Conference. Now the Congress is held globally and recognizes the efforts in OHS management made by overseas Group companies.

Education on OHS

Toshiba Group endeavors to enhance our employees' understanding and skills in OHS. On top of the education required by the Industrial Safety and Health Act, we enforce education programs for employees who are newly appointed to OHS-related posts, or practical training programs devised by each operational site.

Occurrence of Occupational Accidents

The frequency of occupational accidents of Toshiba Group in Japan is much lower than the national average for the manufacturing industry. We will continue to implement further measures to prevent occupational 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 identify current and potential risks, review work methods, and will systematically take necessary measures to reduce and eliminate such risks as well as to improve facility and provide thorough training for employees.

Frequency of Lost-Time Injury Frequency Rate at Toshiba Group in Japan
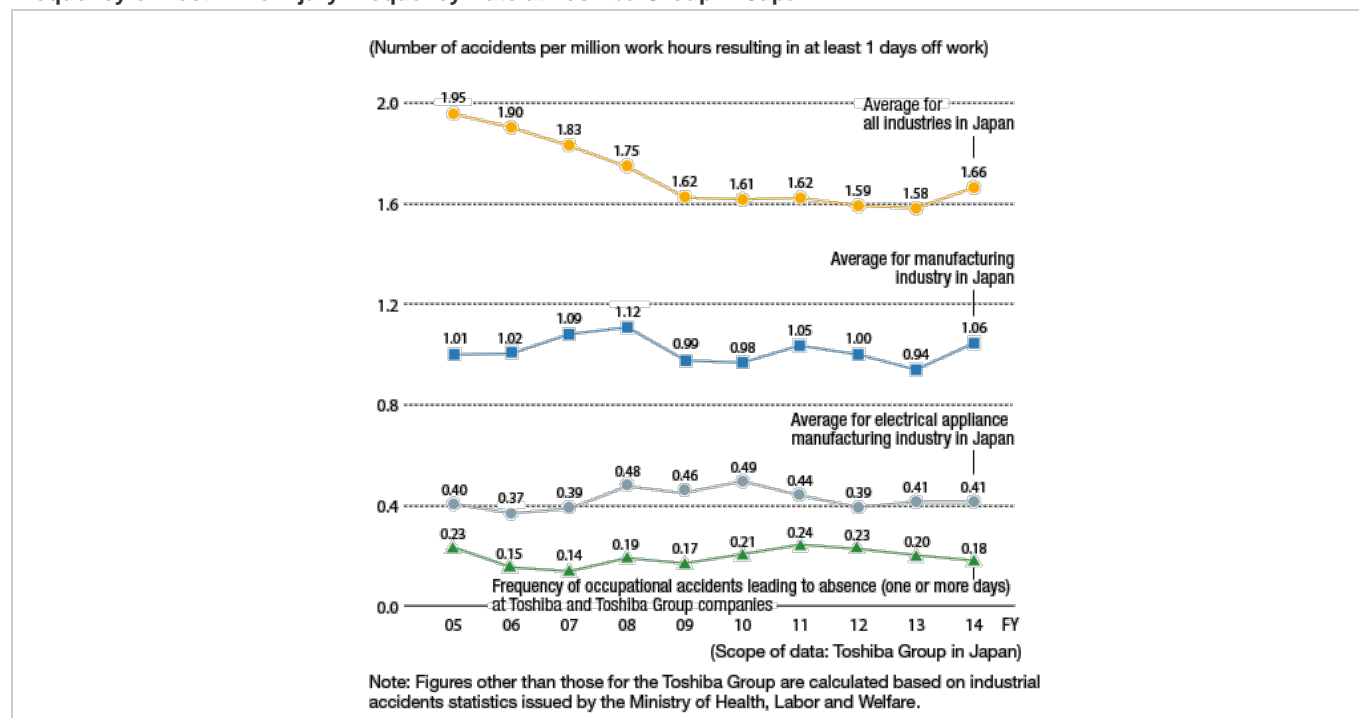
The Third-Party Assurance (PDF:90KB)

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.

We have a system that centrally manages the results of medical checkups and medical interviews and use the data to provide health guidance and education. In addition, in cooperation with the Toshiba Health Insurance Association, we provide various services, such as mental health counseling by telephone and in person, to help each employee improve their quality of life.

Enhancing health management for employees who work abroad is also essential. Giving medical consultations before overseas business trips and provide health support based on the results of medical checkups for employees stationed in overseas offices are part of our efforts.

Periodic Medical Checkup System

Toshiba Group operates its own system to support periodic medical checkups.

Employees can access the system over the intranet in order to complete questionnaires, change schedule for medical checkups / follow-up consultation, or view the results of medical exam. The changes in the results of medical checkups and issues related to lifestyle habits, such as diet; alcohol; smoking; exercise and mental health, are presented in charts and graphs and discussed with a physician at the consultation.

Industrial physicians and healthcare staff have constant access to medical checkup data and use them to formulate necessary health management programs.

Interview Guidance for Employees Working Excessive Overtime

Toshiba Group is working to address the issue of long working hours by transitioning to a style of work that does not depend on overtime. On top of this, we're working hard to prevent work-related health problems by setting standards that exceed legal requirements; for example, employees who worked 80 hours overtime per month are required to receive health guidance from a physician (Interview Guidance for Employees Working Excessive Overtime).

Overseas Medical Service Visits

In order to ensure our employees who work overseas to receive the same level of health management support as our employees in Japan, we have established a special division to provide health related services based on the results of each individual's medical exams. The services include providing employees and their family members consultation and information on local medical institutions, arranging emergency transport in line with each county's medical care system. Especially for those employees and their families who are located in parts of the world with inadequate medical care, we arrange periodic visits of industrial health specialists. The medical teams have been dispatched 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.

Mental Health

Toshiba was one of the first Japanese companies to address the issue of employees' mental health and have developed an advanced, comprehensive system of care to support our employees' work and daily life. In the future, we will enhance our programs based on the population approach (primary prevention) in addition to the high risk approach (the 2nd and the 3rd prevention) while encouraging each individual to consciously maintain their physical and mental well-being.

Mental Health Care in Toshiba

1. **Workplace Care**

   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 CSR workplace meetings.

2. **Self-care**

   A special magazine "Kenpo Information" published by Toshiba's health insurance association is one of the tools to promote awareness and education about mental health. We also distribute a self-care pamphlet called "Sounds Body Sounds Mind" and cover mental health related topics in various settings: workplace, female health, family, children, and elderly people.

   Self-care Handbook

3. **Convalescence Support Program**

   In 2003, Toshiba became the first company in Japan to introduce a convalescence support program. It was revised in 2011 to facilitate employees to smoothly return to work after a lengthy absence due to mental health problems. 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.

4. **Employee Education**

   Since 1977 Toshiba has implemented the training of "listeners" for managerial ranks in response to the trend of times. 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 introduced self-care e-learning programs to all Group companies to improve employees' healthcare knowledge and skills.

5. **On-site Health-related Consultation System**

   Industrial physicians and occupational health nurses at Toshiba respond to onsite 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.

6. **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.

Method for Prevention of Brain, Heart and Lifestyle-Related Diseases

For introducing high risk approach (the 2nd and 3rd prevention), Toshiba Group has analyzed the results of regular health examinations according to a classification of jobs shared across all Group companies since FY2011. 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.

In our programs based on the population approach (primary prevention), we set target values for improving lifestyle habits, and effect measures such as anti-smoking measures, and improvements to the canteen menu. In FY2014, we introduced a health-related education program for each age group, and support employees to maintain their health according to their stage of life.

Activity Example: Healthy Lifestyle Support Website "Karatto"

Toshiba Group hosts a website designed to support improving of lifestyle habits and managing daily health by using the internet and mobile terminals. The website "Karatto" provides tips on developing healthier lifestyle and management of health on daily basis for employees and their families.

> "Karatto"(Japanese)

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.

Toshiba Group in Japan also provide orientation to employees assigned to work overseas and their accompanying families, on medical, safety, infectious diseases measurements 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.

OHS Management in the Supply Chain

Toshiba Group Procurement Policy was established in February 2005, which outlines Toshiba Group's procurement policy and CSR-related requirements. Toshiba Group requests suppliers to consider human rights, labor, OHS in their operations as well as environmental issues such as green procurement. We explain and request all our suppliers to comply with the Toshiba Group Procurement Policy.

> Toshiba Group Procurement Policy
> CSR Management in the Supply Chain

Evaluations by External Parties

The excellent OHS performance of various Toshiba Group companies has been recognized, receiving various awards, and being cited as model activities at OHS-related conventions and conferences.

> List of prizes and commendations for Toshiba Group's OHS activities

CSR Management in the Supply Chain

In order 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.

Medium- to Long-term Vision

Thorough Implementation of Toshiba Group Procurement Policy

Quantitative Target

Percentage of suppliers agreeing to the Toshiba Group Procurement Policy:

* New suppliers from April 2015 onward

100% *

FY 2014 Achievement

Percentage of suppliers consenting for the Toshiba Group Procurement Policy

Target   Achievement

100% → **99**%

Future Challenges and Approaches

We will continue to request that new suppliers consent to the Toshiba Group Procurement Policy, and to strengthen our measures to monitor and support suppliers' compliance with the policy.

We will also educate our procurement employees about important CSR issues, such as compliance and handling conflict minerals, so that they can instruct and support our suppliers.

Toshiba Group's Supply Chain

Toshiba Group procures a variety of raw materials and resources from suppliers all around the world.

In terms of the composition ratio of our procurement by business sector, social infrastructure accounts for 43% of our procurement costs, while lifestyle products account for 30%. By region, overseas suppliers account for 67% of the total expenditure.

In our efforts to fulfill our CSR throughout our supply chain, Toshiba Group takes a risk-based approach that gives importance to suppliers with whom we have a continuing business with, and that takes into account factors particular to the business sector and region.

Procurement Component Ratio by Business Segments and Regions (Internal Japan/overseas)

By business segments

- Others 27%
- Social Infrastructure 43%
- Lifestyle 30%

By regions

- Japan 33%
- Overseas 67%
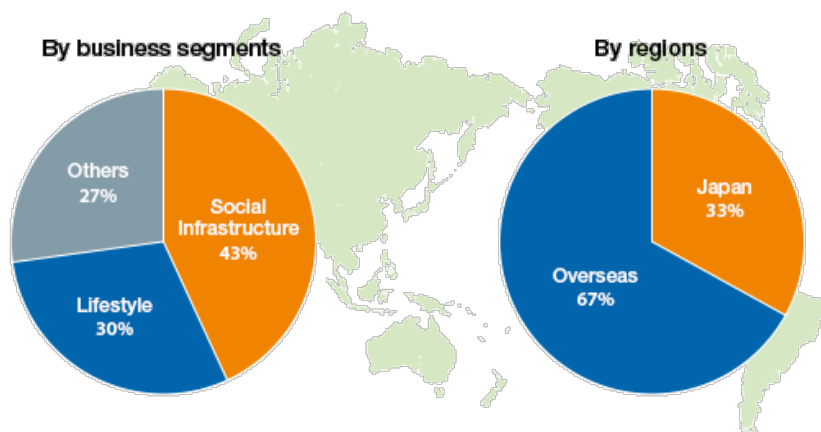
Toshiba Group Procurement Policy

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

We established the Toshiba Group Procurement Policy in February 2005, in order that these suppliers, who play important roles to provide products and services of Toshiba Group companies, may better understand the Group's policy regarding procurement, and cooperate with our promotion of CSR management. Since then, we have been asking our suppliers to comply with the Policy while revising its contents (see below table) as necessary in response to social changes.

In October 2014, we expressly requested the promotion of activities that are in line with the principles of the United Nations Global Compact (UNGC), and the EICC (Electronic Industry Citizenship Coalition) Code of Conduct, initiatives of which Toshiba is a member. We informed our domestic and overseas suppliers about this revision.

In addition to this Procurement Policy, we have set the Toshiba Group Green Procurement Guidelines in order to address environmental issues and the Toshiba Group Conflict Mineral Policy in order to address conflict minerals. We also have the Toshiba Group Standards of Conduct for our Group officers and employees. Our corporate policy is to fulfill our CSR through fair trade and compliance with laws, regulations and social norms, as well as to build relationships of mutual understanding and trust together with our suppliers.

The History of the Revision of the Toshiba Group Procurement Policy

Time	Contents
Feb 2015	We established the Toshiba Group Procurement Policy, and requested that our domestic and overseas suppliers comply with laws, regulations and social norms, give proper consideration to the environment etc.
May 2008 Revision	We expressly informed our suppliers of our policy on giving consideration to human rights and OHS, and requested that they apply the policy's standards to their own procurement activities.
May 2012 Revision	- We declared that we give priority consideration to suppliers who comply with laws, regulations and social norms and whether they take account of human rights, when selecting new suppliers and renewing contract. - We requested that our suppliers comply with our policy to prohibit bribery to any stakeholders (taking into account international anti-corruption regulations such as the UK's Bribery Act), human trafficking or slavery (taking into account the California Transparency in Supply Chains Act in the USA), and the use of conflict minerals (taking into account Dodd–Frank Wall Street Reform and Consumer Protection Act).
Oct 2014 Revision	In the Procurement Policy, we expressly requested the promotion of activities that are in keeping with the principles of the United Nations Global Compact (UNGC) and the EICC (Electronic Industry Citizenship Coalition) Code of Conduct Toshiba is a member of these initiatives.

〉 Toshiba Group Procurement Policy
〉 Toshiba Group Green Procurement Guidelines
〉 Toshiba Group Conflict Mineral Policy
〉 Toshiba Group Standards of Conduct 3. Procurement

Cooperation with Industry Organizations

In June 2011, Toshiba 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, we take measures in accordance with the spirit of the EICC Code of Conduct.

In FY2014, we held the seminars for our suppliers in Japan and in China by inviting external lecturers. In the seminars, we explained Toshiba Group's policy on CSR in the supply chains and its status of the implementation as well as CSR global standard to share the same understandings.

We also requested our suppliers in Japan and overseas to perform CSR self-checks in accordance with the EICC Code of Conduct and confirmed each company's implementation status, in terms of compliance with laws and regulations, human rights, occupational health and safety, and consideration on environment.

EICC seminars in China, Nov 2014

Promotion of the Supply Chain Management

In April 2007, Toshiba Group set up an organization dedicated to promoting CSR procurement within the procurement department at Toshiba's Head Office, which works to promote fair dealings with all our suppliers as well as CSR management in the supply chain.

The organization coordinates with various business divisions and related divisions such as the CSR office and the Environment office.

Training procurement employees

Compliance training of various types, such as training on the Toshiba Group Standards of Conduct and the Toshiba Group Procurement Policy, is included in our training programs for procurement personnel at all organizational levels, including the training program for new employees.

Thorough Implementation measures based on the Toshiba Group Procurement Policy and its monitoring

Thorough Implementation measures based on the Procurement Policy

We request suppliers to consider CSR in accordance with Toshiba Group Procurement Policy. In FY2014, we revised the Policy and included expectations for our suppliers to act in accordance with the UN Global Compact and the EICC Code of Conduct and requested some 10,000 suppliers (cumulative numbers[*]) to abide by this revised content. 99% of the companies that responded by the end of March 2015 consented. We will keep trying our best to explain the policy to our suppliers including new companies and receive the consents from all of them.

* As Toshiba Group companies conduct surveys based on each contract, we count only one contract in the case multiple contracts are concluded with one supplier. Additionally, the company numbers are approximate due to there being commercially sensitive information.

 Toshiba Group Procurement Policy
 The Third-Party Assurance (PDF:90KB)

Monitoring

Toshiba Group monitors the status of CSR management in the supply chains that have ongoing businesses at manufacturing sites at the time of quality audits and request improvements and provides guidance as necessary. For new procurement transactions, we check the supplier's conformity with Toshiba Group's procurement and selection policies, its manufacturing sites and management structure, and whether it complies with laws and regulations on environment, human rights, and occupational health and safety.

Toshiba Group holds briefings to explain to suppliers its policies on the environment, human rights, and occupational health and safety. We also conduct supplier surveys to monitor their performance in accordance with the Toshiba Group Procurement Policy (including self-assessment) at each business site.

Suppliers participating in briefings and those covered by the survey
(FY2014, Toshiba Group, Cumulative numbers)

Topic	Briefings	Surveys (including self-assessment)	Field Audit
▪ Human rights ▪ Safety	1,929	1,563	176
▪ Environment	3,979	5,394	638
Total	5,908	6,957	814

Promotion of CSR Management in Supply Chain (Toshiba Group, Cumulative numbers)
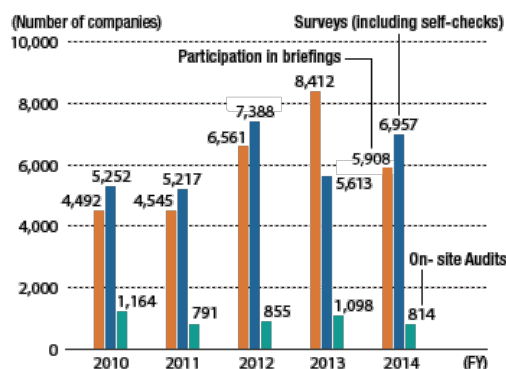
[PDF icon] The Third-Party Assurance (PDF:90KB)

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
(FY2014, Toshiba Group, Cumulative numbers)

Topic	Guidance and Support	Suspension of transactions
▪ Human rights ▪ Safety	14	3
▪ Environment	878	1

Examples of supplier guidance and instructions (FY2014)

Environmental Activities	▪ Request to set up a target on the reduction of industrial waste and energy serving ▪ Guidance on improvement of rules and application methods
Human Rights and Occupational Health & Safety	▪ Guidance on the corrective actions for dangerous working conditions

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

Category	Survey items
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
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; ▪ Regulations concerning plant wastewater and air emissions

[PDF icon] The Third-Party Assurance (PDF:90KB)

Partnerships with Suppliers

Toshiba Group strives to build with our suppliers partnerships founded on mutual trust. We are working to improve these partnerships by supporting our suppliers and organizing awareness-raising activities. We do this so that our suppliers can provide a reliable supply of high-quality, appropriately priced goods that give consideration to labor conditions, OHS and the environment.

Activity Example: Initiatives at Toshiba Information Equipment (Philippines), Inc.

In 2002, Toshiba Information Equipment (Philippines), Inc. (TIP), a production base for hard disk drives, 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 137 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 satisfy these standards, TIP demands corrective actions be taken and provides guidance and support for improvement.

Auditing of suppliers

Major problems identified 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.

*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, and it also serves to clarify where responsibilities lie.

Activity Example: Participating in the supplier CSR promotion program of the department of labor and employment in the Philippines

Toshiba Information Equipment (Philippines), Inc. (TIP) is promoting the KAPATIRAN supplier partnership program, which was introduced in 2011 by the Philippine Department of Labor and Employment. This program aims to create a system in which large companies ("Big Brothers") guide and help small and medium enterprises ("Small Brothers") to be compliant with general labor standards including occupational safety and health standards. TIP was the country's first electronic company that participated in the program.

Training for a supplier

Based on the program, TIP selects 10 companies from among its suppliers each year and educates and supports these companies for a period of one year. When the program is over, TIP submits a report to the Department of Labor and Employment. In addition to on-site training, TIP also invites external instructors for a variety of training programs. Through this program TIP support its suppliers in promoting CSR management and also establishes strong partnerships with them.

> Highlights of CSR Activities in 2014: Materialities and CSR management in the supply chain Annual topics

Addressing the Conflict Minerals Issue

Since Section 1502 on conflict minerals of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act) enacted in January 2013, companies listed in American Exchange are required to report on the use of conflict minerals mined in the Democratic Republic of the Congo and its adjoining countries. Toshiba Group is not a listed company, however, as a part of the supply chain of listed companies, is obliged to investigate and report to our customers.

Prior to the enactment of the Act, Toshiba Group organized an internal system to address conflict minerals issues, and established the Toshiba Group Conflict Mineral Policy and publicized it on its website in October 2011. For humanitarian reasons, Toshiba Group's policy prohibits the use of raw materials such as tin, tantalum, tungsten, and gold mined in the Democratic Republic of the Congo and its neighboring countries which violate human rights.

Toshiba Group Conflict Mineral Policy

We are developing and implementing a policy prohibiting use of tin, coltan, wolframite, tantalum, tungsten*1, and gold, 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.

- We will manage our supply chain appropriately in accordance with 📕 the OECD (Organisation for Economic Co-operation and Development) Due Diligence Guidance (PDF:3.5MB) for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

- We will carry out our due diligence with our supply chain using the EICC-GeSI*2 Conflict Minerals Reporting Template (CMRT) developed by EICC and GeSI.

- Once a validated supply chain is established through initiatives such as full-fledged smelter verification under EICC-GeSI's Conflict-Free Smelter (CFS) Program or development of a mineral tracing program, we will procure minerals through such 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 request our suppliers to cooperate with us in our efforts to assure procurement of non-conflict minerals in accordance with the Toshiba Group Conflict Mineral Policy.

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*1 Derivatives of cassiterite, coltan and wolframite
*2 Global e-Sustainability Initiative (an initiative for achieving integrated social and environmental sustainability through ICT)

Toshiba Group's Promotion Structure for the Use of Conflict-Free Minerals

Headed by an Executive Officer in charge of CSR, the Conflict Minerals Management Committee consisting of related corporate divisions promotes activities in accordance with the Toshiba Group Conflict Mineral Policy Guidelines. Each in-house company appoints a person responsible for conflict minerals and they share information at the In-house Conflict Minerals Management Committee meetings.

Toshiba Group's Promotion Structure for the Use of Conflict-free Minerals
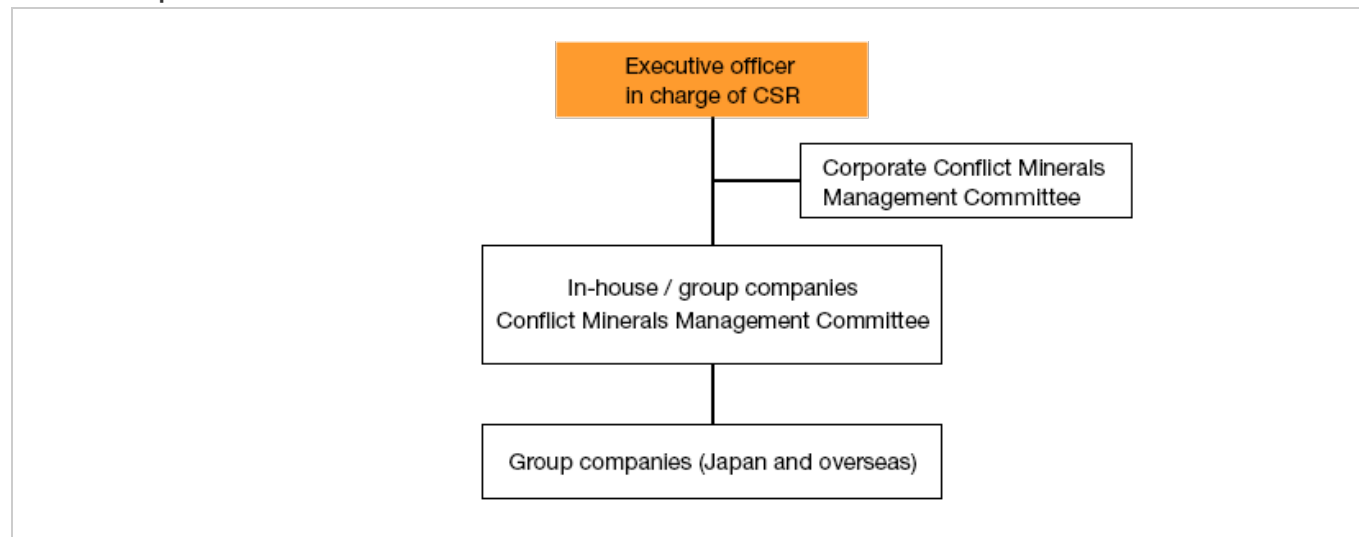
Conflict Minerals Survey

In FY2011, we conducted a survey of Toshiba Group suppliers on their understanding of conflict minerals and the use of them as well as on details about the smelters. In June 2013, we started a survey using EICC/GeSI Conflict Minerals Reporting Template (CMRT). We surveyed 2,617 suppliers that might use 3TG* in FY2014.

At a yearly briefing session on Conflict Minerals Survey for suppliers, we explain about the current situation surrounding the conflict minerals issue, introduce some useful tools for the survey, notify some changes in the reporting template and request them to cooperate in the survey. In FY2014 some 300 companies participated both in Japan and overseas.

* Tin, tantalum, tungsten, and gold

A yearly briefing session on Conflict Minerals Survey for suppliers

Cooperation and communication with external organizations

In order to solve the issue of conflict minerals, and to promote the practice and awareness of conflict-free procurement, we actively join industry organizations and public-private partnership projects, as well as engaging in communication with NGOs.

Key examples of external cooperation and dialogues regarding conflict minerals

Organizations and Projects related	Toshiba Group Activities
EICC*1	Joined in June 2011
CFS*2	Participate in meetings and workshops as a member
JEITA*3 Responsible Minerals Trade Working Group	Joined in November 2011 and promote the cooperation with industry organizations.
	Joined the Conflict Free Sourcing Working Group within the Responsible Minerals Trade Working Group in May 2014, and has worked to promote and raise awareness of conflict-free minerals procurement in cooperation with the automobile and electrical industries of Japan.
PPA*4	Contributing to efforts to cut off sources of funding for armed groups and provide economic support to the Democratic Republic of the Congo and its neighboring countries since November 2011.
US NGO Enough Project*5 and Japanese NGO A SEED JAPAN*5	Exchanged views in February 2012
US NGO Responsible Sourcing Network*5	Joined a CSR mission to the U.S. organized by the CBCC*6 and held dialogues in February 2014
Japanese NGO A SEED JAPAN	Exchanged views in January 2015

*1 Electronic Industry Citizenship Coalition

*2 Conflict Free Sourcing Initiative

*3 Japan Electronics and Information Technology Industries Association

*4 The Public-private Alliance for Responsible Minerals Trade, a public-private project advocated by the U.S. government.

*5 NGOs working on Conflict Minerals issues

*6 Counsel for Better Corporate Citizenship

> JEITA Responsible Minerals Trade Working Group

Toshiba Group Conflict Minerals Initiatives (PDF:178KB)

Green Procurement/Green Purchase

Green Procurement

Toshiba Group promotes green procurement as a part of our environmental considerations in the manufacturing processes. Following our Green Procurement Guidelines established in 1999, we endeavor to procure products, parts and materials that have a low environmental impact from suppliers who actively promote environmental protection. We revise the Green Procurement Guidelines whenever necessary in order to respond to circumstances such as stricter regulations on chemicals contained in products. We published Ver.4.1* of our Green Procurement Guidelines in February 2015 by adding Endosulfan, hexabromocyclododecane, certain polycyclic aromatic hydrocarbons, 4-phthalate ester, and the Rank B substances (substances requiring control) to the list of environment-related substances.

We ask our suppliers for their understanding and cooperation regarding green procurement, evaluate their environmental performance, and conduct inquiries and assessments of chemical substances contained in the goods procured.

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.

> Green Procurement Guidelines (English, Japanese and Chinese)

The level of greenness of suppliers during FY2014 was 97.5% (includes Rank S and Rank A)
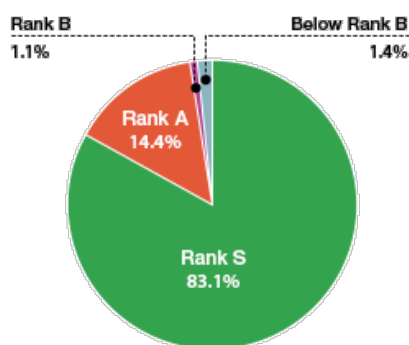
- Rank S (excellent)
- Rank A (good)
- Rank B (requires guidance)
- Below Rank B (requires guidance)

Green Purchase: Stationery and Other Office Supplies

With regard to procurement of stationery and other office supplies, Group 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.

> Green Procurement Guidelines (English, Japanese and Chinese)

Reducing CO$_2$ Emissions in the Supply Chain

Toshiba Group endeavors to keep track of and calculate the total amount of GHG[*1] emissions throughout the supply chain. We use a calculation method based on the guidelines released by the Ministry of the Environment[*2], calculate the amount of emissions in every category, then compare the values with the previous year's by category.

We consider the promoting of effective measures throughout the life cycle to be important. We do this by ascertaining the amount of emissions used in such a way, quantitatively and by category.

*1 CO_2, CH_4, N_2O, HFCs, PFCs, SF_6

*2 Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain

❯ Environmental Activity: Ensuring transparency of supply chain GHG emissions from corporate activities in all categories

Quality Control

Toshiba Group aims to contribute to society by providing safe, reliable and high-quality products and services that satisfy our customers. In this endeavor, we adhere to the Group management principles, which are based on respect for people, observe relevant laws and regulations, and focus on our customers first and foremost.

Medium- to Long-term Vision

Our aim is to develop personnel on a global scale who can contribute to improving product quality.

Quantitative Target

Enhancing training related to quality awareness

Domestic:
- **Hold 21 training programs at Toshiba's in-house training center**

Overseas:
- **Hold seven training programs at two sites.**

(FY2015)

FY 2014 Achievement

Developed and started new training programs overseas.

Target: Starting a new training program on product quality in Thailand.

Result: **Program commenced in November in Thailand (46 trainees attended)**

Future Challenges and Approaches

As we localize more production in China and other Asian countries, we will strive to improve product quality even further, enhancing our development of personnel by expanding our training programs related to quality awareness on a global scale.

Quality Control Policy

Based on Toshiba Group Quality Control Policy, our biggest mission is to provide our customers with safe and reliable products, services and systems, and we are working to improve the quality from our customers' point of view. 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.

Structure of Promoting Quality Control

Under the global quality control structure, the Chief Quality Executive 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 Executive 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 outsources worldwide to enhance the quality level throughout product life cycles, from development and production to final disposal and recycling.

Structure of Promoting Quality Control
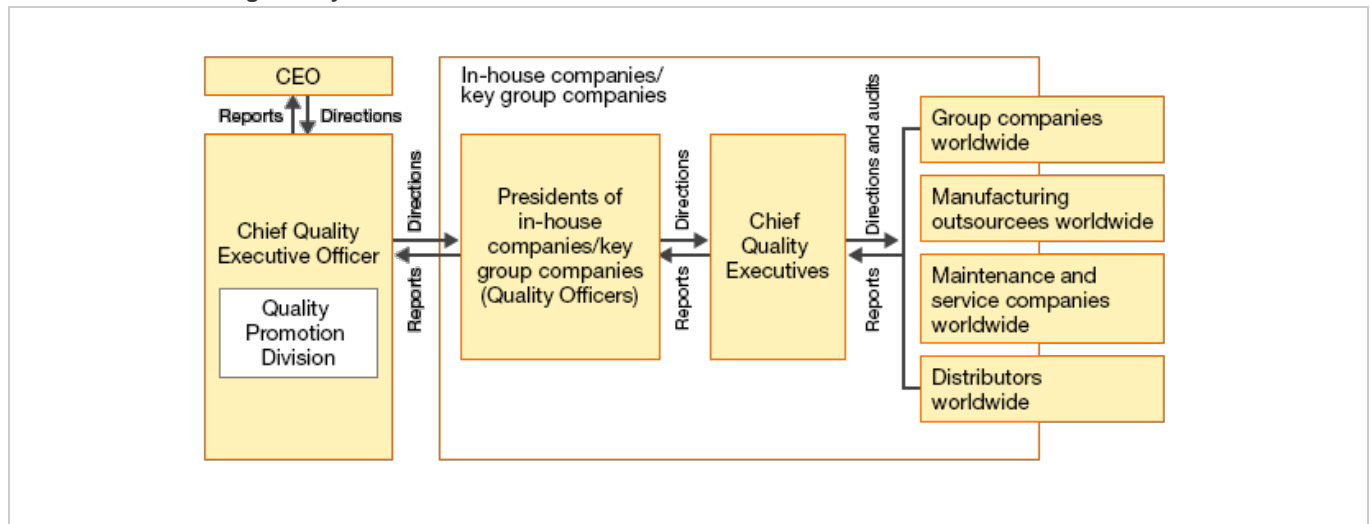
Initiatives Aimed at Enhancing Quality Capabilities

Toshiba Group takes a proactive approach instead of a protective one to strengthen its capabilities to ensure quality. Of the four main pillars of quality enhancement initiatives listed below, 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 defects, 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
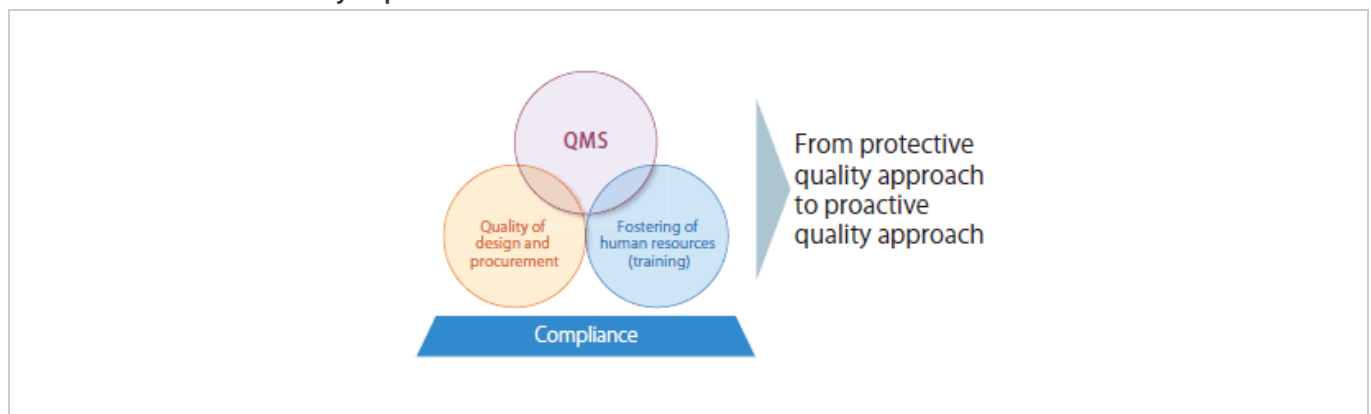
Improving the QMS

Toshiba Group obtains certifications including ISO9001, which is the basis of quality management systems; ISO13485, a more advanced system for medical devices; and ISO/TS16949 for in-vehicle equipment. Rather than merely assessing whether products meet the requirements of these standards, we also endeavor to improve their effectiveness. Therefore, we evaluate the products' maturity annually, based on the eight principles of QMS and other guidelines. By comparing the results with those of previous assessments, we identify issues, and devise and implement appropriate measures.

Status of QMS (ISO9001 and Others) Certified at Manufacturing Sites as of March 2015

	Targeted sites	Certified sites	Percentage of certificate
Toshiba Corp.	19	18	94.7%
Toshiba Group companies in Japan	73	59	80.8%
Toshiba Group companies overseas	45	44	97.8%
Toshiba Group TOTAL	137	121	88.3%

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 20 quality training programs, including methods of analyzing the causes of product accidents and preventing them, for employees in all divisions related to product life cycles. In FY2014, a total of 938 employees participated in the training programs from Japan and overseas countries. We also provide compliance training and e-learning on the Electrical Appliance and Material Safety Law for 99,628 Group employees and overseas subsidiary staff at a Group-wide level in FY2014 and the execution rate was 100%.

Activity Example: Enhancement of Local-based Training

Toshiba Group is focusing on the training of quality control in overseas companies. The Toshiba China Academy, a training institute of Toshiba China Co., Ltd., plays a central role in Toshiba Group in improving the skills of quality assurance personnel and the level of education system. In FY2011, in addition to existing training programs, "improvement of the quality of procurements," and "quality innovations," we implemented the programs: "quality awareness and quality risk management," and "how to audit suppliers" in which various cases were incorporated as training materials. A total of 130 employees participated in the training programs conducted in Hangzhou, Shenyang and other areas in FY2014. We will continue our efforts to contribute to the improvement of quality levels in China.

Quality improvement training program at the Toshiba China Academy

We also set up a training program in Thailand in FY2014, which 46 employees attended. We are endeavoring to strengthen our human resources development globally, with particular focus on China and other Asian countries, where many of our manufacturing sites are located.

Improving the Quality of Design

In order to enhance our capabilities to ensure product quality at the design stage, Toshiba Group is promoting FMEA (Failure Mode and Effects Analysis) mainly for design work as part of our Design for Quality (DFQ) initiatives. In order to further invigorate FMEA activities, we actively exchange information between workgroups, in a manner appropriate to the nature of each activity, and develop instructors so that the activities will be well-established in each business unit. As such we make every effort to prevent defects from upstream.

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. Toshiba Group's divisions that handle procurement, quality assurance, and engineering operations cooperate depending on the types and importance of the procurement items and perform audits of suppliers at appropriate intervals in order to ensure quality of these items.

> CSR Management in the Supply Chain

Toshiba Quality Assurance Guidelines for Suppliers (Japanese)

Maintaining Product Quality for Emerging Countries and Outsourced Products

The development of new products for emerging markets continues to accelerate. In order to ensure stable product quality in each country and territory and 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 concerning how to ensure production quality and safety using important control and audit points, and various case studies, and we request contractors to follow it.

Emerging Country Quality Guidebook (Japanese)

Global Guidebook for the use of ODM/EMS (Japanese)

Disclosure of Information on Quality

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.

> Important announcements for customers using Toshiba products (Japanese)

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 in which METI has not made our company name public, because it has not yet been determined whether the accidents were caused by the use of our products.

> Accident report based on the Consumer Product Safety Act (Japanese)

Evaluation by External Parties

Toshiba Group was awarded 9th place overall at the 8th Quality Management Level Research (2014), sponsored by the Union of Japanese Scientists and Engineers (JUSE). By industry, we were 5th place in the electrical appliance manufacturer category. The Research ranks companies by their overall quality management, evaluating from six aspects: managers' commitment, quality training and human resources development, strengthening the foundations of quality management, day-to-day management and improvement, new product development and response to customers and quality assurance.

*In the past, Toshiba was awarded 4th place in the 6th Research in FY2010, and 1st place in the 7th Research in FY2012.

Product Safety

Based on Toshiba Group Basic Policy on Product Safety and Toshiba Group Standard of Conduct, we ensure customer safety and positively disclose full information of safety to customers.

Medium- to Long-term Vision

- Eradicating serious product incidents arising from our corporate negligence
- Proactively disclosing information on serious product incidents

FY 2014 Achievement

The number of violations of Electrical Appliances and Material Safety Law

Target 0 → Achievement 0

Future Challenges and Approaches

Our "Group-wide Safety No. 1 Working Group" will play a more active role in strengthening our measures to guarantee product safety. We will also boost our efforts to swiftly retrieve products after a recall has been announced in order to ensure the safety of our customers in the market.

Basic Policy on Product Safety

In keeping with the Toshiba Group Basic Policy on Product Safety, Toshiba Group endeavors to comply with relevant laws and regulations, to ensure product safety, and also to proactively disclose reliable safety information to our customers. Furthermore, we continually research safety-related standards and technical standards (UL Standards[1], CE Marking[2] etc.) required by the countries and regions where we distribute products, and display the safety compliance of our products in accordance with the relevant standards and specifications.

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.

*1 UL Standards: Safety standards issued by Underwriters Laboratories Inc., a US-based non-profit organization that sets, assesses and certifies the safety of materials, products and equipment.

*2 CE Marking: This marking verifies a product's compliance with the safety standards applied by member states of the European Union (EU). Certain products are not allowed to be distributed within the EU unless they bear this marking.

Structure of Response to the Occurrence of Product Accidents

If an employee discovers information on accidents involving Toshiba products in the market, he/she promptly alerts the accident response staff in the relevant departments. Then the necessary measures are discussed and enacted by the Company CPL Committee[*1], chaired by a senior executive, or if necessary, the Corporate CPL Committee. In the event of a serious 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.

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.

In FY2014, Toshiba disclosed a total of 33 accidents in the list of serious product accidents on our website[*2] : 20 cases that were suspected to have been caused by products, 12 cases in which the causes unknown, and 1 case in which it was determined that the accident had not been caused by the product (as of June 30, 2015).

*1 CPL Committee: CPL is an abbreviation combining CL (contractual liability) and PL (product liability). The Company CPL Committee promptly determines measures to deal with product accidents and quality issues.
*2 Accident report based on a Consumer Products Safety Act (Japanese)

Toshiba Group's Structure to Respond to Occurrence of Product Accidents
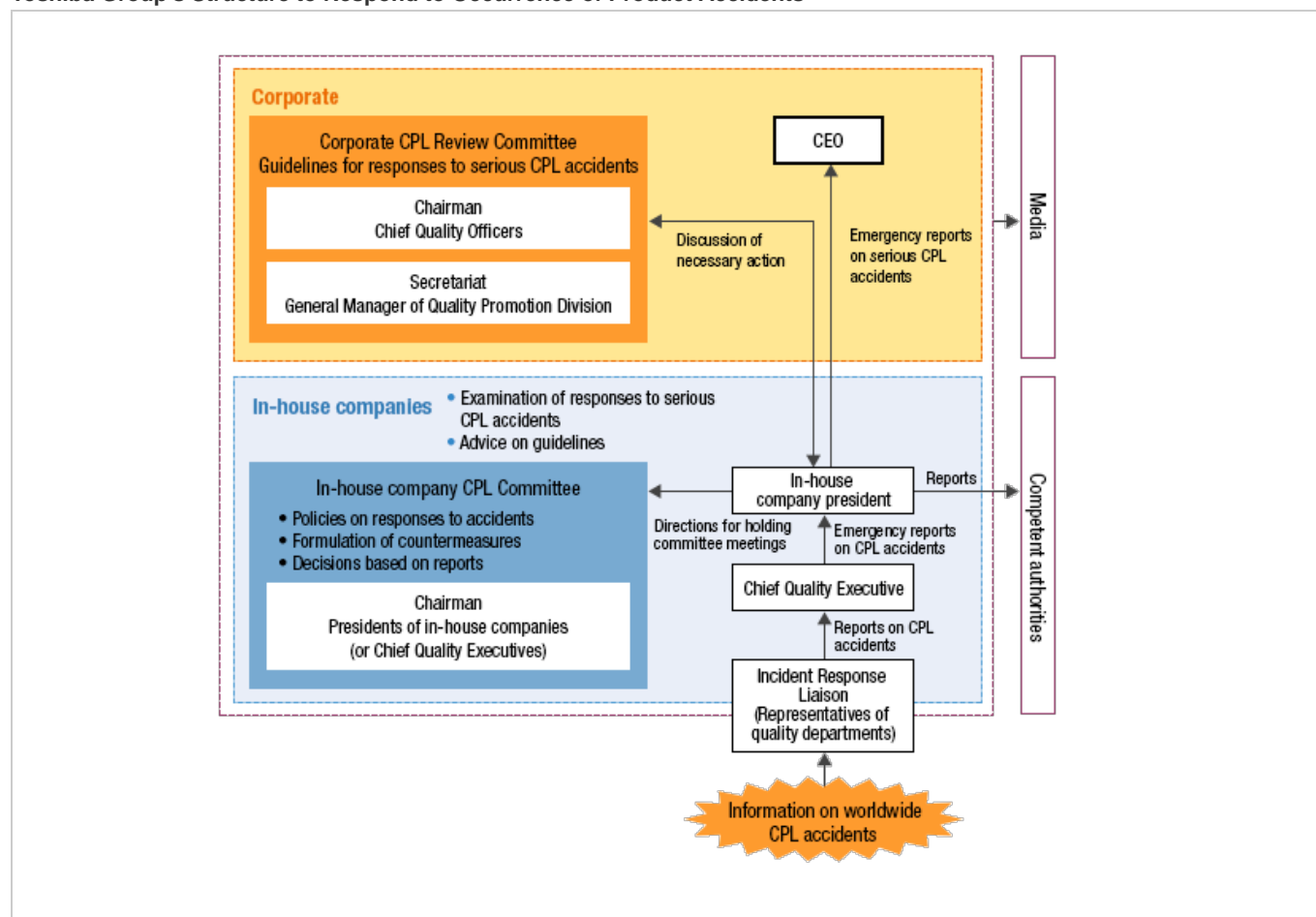
Preventing Occurrence and Recurrence of Serious Product Accidents

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 (Japanese)

Activity Example: 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.

To boost these 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. By learning about the aspects of safety that vary depending on the nature of products, they have contributed to improving 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 FY2013, we further developed these activities and launched a Group-wide Safety No. 1 Working Group. The Working Group systematically reviews and promotes initiatives including formulating safety design standards common to all Toshiba Group companies and creating a database to share information on examples of products that do not comply with safety standards.

Education of Product Safety

Since FY2008, we have been particularly working on reinforcing our management system, 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 have created common audit items related to the Law for the entire Group. We also verify the business notification status and compatibilities of the technical standards based on the Law. Furthermore, education through e-learning is provided to all concerned employees in Japan and overseas. 99,628 people took the training in FY2014 and the participation ratio was 100%.

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 by means of leaflets, educational materials, etc.

Disclosure of information to Toshiba product users

Notices to ensure safe use of products

Refrigerator, Japanese-style electric heater, electric stove, electric blanket, rice cooker, etc.

> Notices to ensure safe and correct use of products (Japanese)

How to reduce the power consumption of Toshiba products

Audiovisual/digital equipment and home appliances

> How to efficiently reduce power consumption (Japanese)

What to do during a power outage for Toshiba products

Audiovisual/digital equipment and home appliances

> What to do with home appliances during a power failure (Japanese)

Housing equipment

> What to do with Toshiba Carrier products during a power failure (Toshiba Carrier Corporation)(Japanese)

> How to resume operation of emergency lights and guide lights after a power failure (Toshiba Lighting & Technology Corporation)(Japanese)

> Precautions regarding the operation of lighting control equipment during and after a power failure and for reduction of power consumption (Toshiba Lighting & Technology Corporation)(Japanese)

Systems, energy, and social infrastructure

> Important notice about Great East Japan Earthquake (Toshiba Medical Systems Corporation)(Japanese)

> How to operate a home photovoltaic power generation system in autonomous operation mode during a power failure(Japanese)

> How to prepare multi-function printers and fax machines for a planned power failure (Toshiba Tec Corporation)(Japanese)

> Commitment to safety, security and comfort (Toshiba Elevator and Building Systems Corporation)(Japanese)

How to prevent Toshiba products from toppling over

Audiovisual/digital equipment and home appliances

> Measures to prevent equipment from toppling over (Japanese)

Activity Example: 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, held at kindergartens and community spaces in residential buildings, 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 FY2014, the campaigns were held nationwide with approx. 1,000 children and their guardians' participation. We also held a safety campaign, using a trailer caravan to demonstrate how to respond in a situation in an elevator during an earthquake or power failure with 3,642 participants.

Furthermore, 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

Activity Example: 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. Approx. 500 consumers participated in the seminars held 9 times in FY2014.

Activity Example: Remote maintenance of medical equipment

Toshiba Medical System Corp. uses remote maintenance (InnerVision™) at the Technical Support Call Center, diagnosing the condition of dysfunctional devices remotely in order to maintain the safety of medical equipment. Based on the results of the remote diagnosis, the staff determines the device's status and the cause of the problem, and works with the on-site customer engineer in charge to fix the issue and restore the device as quickly as possible. Moreover, the Application Support Call Center has an experienced application specialist on duty at all times. The specialist can remotely access the device's monitor in real time, and give specific instructions and handling advice so that customers can get the most out of their device.

Response to Long-term Use Product Accidents

To ensure safety of consumers, we have asked our long-term users of CRT TVs to conduct safety checks. For refrigerators, to prevent electrical fire 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.

› Inspection and labeling system for long-term use products (Japanese)

Activity Example: Raising awareness to prevent accidents 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 providing necessary information to the customers who use its website as well as consultations through the call center*.

* An inquiry center for providing guidance on the long-term use of home appliances (In Japan)

Cautionary circulars (Japanese) (PDF:423KB)

Disclosure of Product Safety and Quality Information

In the event of a serious 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 directly 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).

› Notices to ensure safe and correct use of products (Japanese)

Important announcement for customers using our products (mobile site)

Also, we prepare flyers on products that are subject to recall and have particularly high risks of causing a fire, such as air conditioners, CRT TVs, LCD TV / DVD combos, VCRs, humidifiers, halogen lamp equipment, and compact fluorescent lights. We are also developing activities to recall our products more quickly, such as checking whether customers have any defective products when visiting them for repairs or inspections, distributing product flyers at post offices and checking whether there are any products subject to recall in high-risk nursing care facilities.

Flyer showing products subject to recall (Japanese) (PDF:554KB)

With respect to the vertical washer-dryer that was made prior to recall in FY2013, we are requesting all Toshiba Group employees, including not only their families but also their relatives, neighbors and friends, to provide product information and to cooperate in repairing defective products.

Safety Considerations for Electromagnetic Waves

Toshiba Group is involved in standardization work of the International Electrotechnical Commission (IEC) 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) for radio communication. 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 for electromagnetic waves.

Evaluations by External 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 evaluations by external parties.

Example: Award Outstanding Company that excelled in taking product safety measures in FY2012

In November 2012, Toshiba Group was officially commended by the Director-General for Commerce, Distribution and Industrial Safety Policy Award by the Ministry of Economy, Trade and Industry as an outstanding company that excelled in taking product safety measures.

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.

Reference website: Ministry of Economy, Trade and Industry's website concerning the official commendation of companies that excel in taking product safety measures (Japanese)

Enhancement of Customer Satisfaction

Customer satisfaction (CS) is the foundation of a company's business activities, and is directly connected to the popularity and trust that a company enjoys. Toshiba Group aims to improve customer satisfaction, through appropriately listening to and quickly dealing with our customers' inquiries, opinions and requests, by means of setting up call centers for each product group. To this same end, we also apply customers' suggestions and ideas to improving product quality and after-sales services.

Medium- to Long-term Vision

The Toshiba Group's goal is to provide high-quality services in all business areas, by thoroughly benchmarking against other companies' products and providing regular surveys of employee satisfaction and customer satisfaction.

FY 2014 Achievement

Comprehensive manner training for call centers in order to improve customer satisfaction with after-sales services in emerging countries

Future Challenges and Approaches

In line with our mid-term management plan to augment sales to customers in emerging countries and businesses, we will continue to enhance our service structure, at call centers and in the field, and train employees, to further improve customer satisfaction.

Toshiba Group Customer Satisfaction Policy

Toshiba Group Standards of Conduct states that Toshiba Group Companies makes the voice of customers the starting point for all ideas and provides products, systems and services that deliver customer satisfaction based on the customers' requirements.

Adhering to the Toshiba Group Customer Satisfaction Policy established in 2003, Toshiba Group endeavors to sincerely and quickly respond to the voice of customers, employ them to develop new products, and protect customer information.

> Toshiba Group Standards of Conduct 2. Customer Satisfaction

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, promptly 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 information provided by customers.

Customer Satisfaction (CS) Promotion Structure

CS Promotion Structure

For cross-functional activities in accordance with the Toshiba Group Customer Satisfaction Policy, working groups (WGs) by subject have been set up.

CS Promotion Structure

Customer Support

We have set up call centers for different product groups and services in various countries. Each call center formulates its own targets for improving the quality of customer support. Toshiba Group in Japan responds to customer inquiries concerning the products and services offered by the 790 or so Group companies, both in Japan and overseas, through the Toshiba Customer Information Center. It is open 24 hours a day, 365 days a year, and provides cross-divisional services to our customers, by guiding them to our specialized call centers, and forwarding calls to the division in charge, etc.

> General customer support > Inquiries (Japanese)

Toshiba Customer Information Center: Breakdown of Inquiries (FY2014)
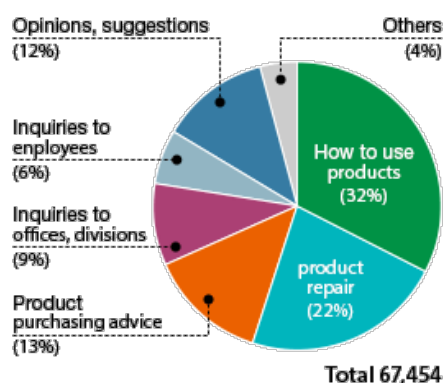
Major Contact Centers for Individual Users (Japan)
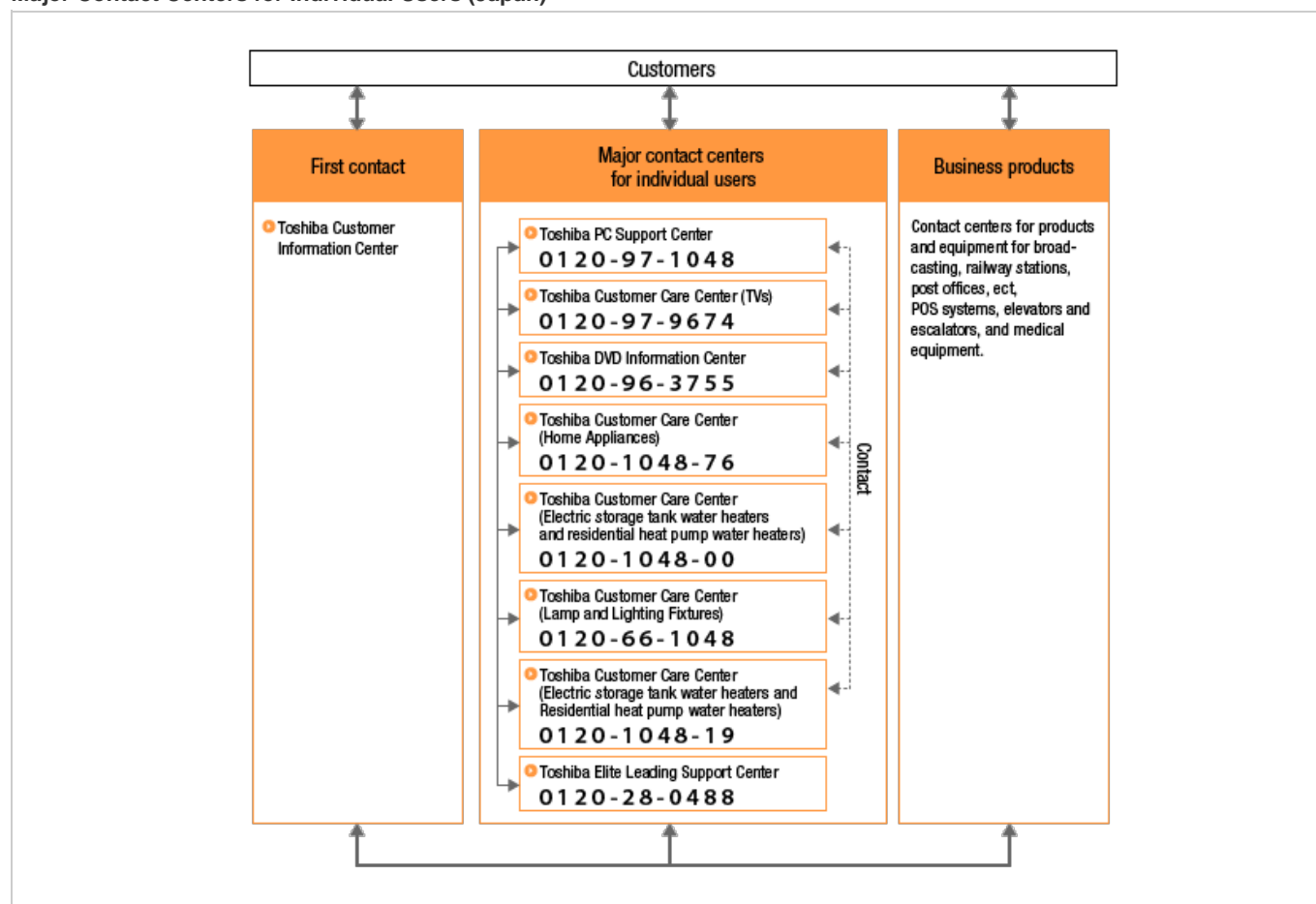
Improvement of Support to Customers

Initiatives for Handling Inquiries from Customers

Contact Center Enhancement Working Group plans and implements activities for Toshiba Group companies, such as training on telephone response skills, CS awareness surveys for contact center staff, and self-checks on response quality. In addition, Toshiba Group Contact Center Competition has been held every year since FY2009.

The 6th Toshiba Group Contact Center Competition was held in November 2014 and 23 customer service operators selected from 17 contact centers participated. In this event, the operator with the most outstanding customer satisfaction performance, as well as excellent and creative responses were awarded, and the customer-oriented approach was shared throughout the call centers to improve the quality of operation.

Training of a case study (call center) in Malaysia

In emerging countries, we assess response standards at their call centers by conducting monitoring, feedback training and secret shopper calls, in order to improve service quality.

Initiatives for Repair and After-sales Service

Toshiba Group companies in charge of repairing home appliances, elevators, medical systems, POS systems, digital MFPs, and PCs have formed an After-Sales Service Enhancement 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.

Joint training for field engineers in Japan

Education and Training of Employees on Dealing with Customers

Toshiba Group provides education and trainings for employees to understand the importance of customer satisfaction, and to learn the skills necessary for dealing with customers. We also provide a variety of manuals, including the Customer Service Manual and the Collection of Telephone Responses to Customers, and raise employees' customer service awareness through employee briefings and publication of information on the company website.

Furthermore, an ongoing e-learning program for improving CS skills is available and 94 percent of the total 6,000 Toshiba Group employees took the program in 2014.

Activity Example: Holding an Award to Share Good Examples of the Medical Images

Garon is an event hosted by Toshiba Medical Systems Corp., in which the medical images captured using our diagnostic imaging systems (CT, MRI and ultrasound) are submitted by the customers and an award is given to "The Best Image". Toshiba Medical Systems Corp. has been hosting this event for over 20 years.

The name Garon refers to a "discussion with customers about clinical images." The contest receives many submissions that are excellent in numerous aspects, such as the image quality required for diagnosis and treatment, benefit to the patient, and innovations and improvements in imaging/processing techniques and applications. Through evaluating, awarding, and introducing these images, the event aims to share information and knowledge, and improve and spread technology. The environment surrounding medical care is rapidly changing, and the role of diagnostic imaging in supporting medical advancement is growing in significance. Toshiba Medical Systems Corp. will continue to listen to our customers through events like Garon, and work together with our customers to create imaging technology that truly benefits patients.

Activity Example: Providing Annual Training to All Service Engineers Nationalwide

Toshiba Consumer Marketing Corp., a provider of repair and maintenance services for home appliances in Japan, has been continually providing training to its employees to enhance their 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.

Activity Example: Constructed a New Facility Training Building

Toshiba Elevator and Building Systems Corp. constructed a new facility training building on the site of the Toshiba Fuchu Complex in FY2013. 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 trainings 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 damages suffered due to an accident or large-scale earthquake.

Toshiba Elevator and Building Systems Corp. facility training building

Activity Example: Providing Various Services around the Clock throughout the Year

Toshiba TEC Solution Service 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

Activity Example: Trade-in, Maintain and Resell Existing Equipment

When introducing the latest equipment to provide customers with advanced medical care, sometimes existing equipment that still effectively functions can be discarded. In some cases, such equipment is sold as used products without being properly maintained or fully performing to its capacity. Since 1992, Toshiba Medical Systems Corporation has taken such equipment for trade-in, maintained it at re-maintenance centers in Japan, the United States and Europe, and resold in regions that are in short supply of medical equipment.

Newly constructed Three R Center

Inspections and Audits of Customer Support

Since 2005, self-audits of major call centers have been continuously performed once a year using the Contact Center Quality Checklist unique to Toshiba.

High priority items with low implementation status are focused, and targets are set. Accordingly, measures for improvement are implemented, such as customer response skill training, monitoring, etc.

Customer Satisfaction (CS) Survey

Toshiba Group conducts a CS survey (also called Voice of Customer survey) on corporate and individual customers 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 are executed in activities to enhance CS.

Toshiba Group's CS Promotion Cycle
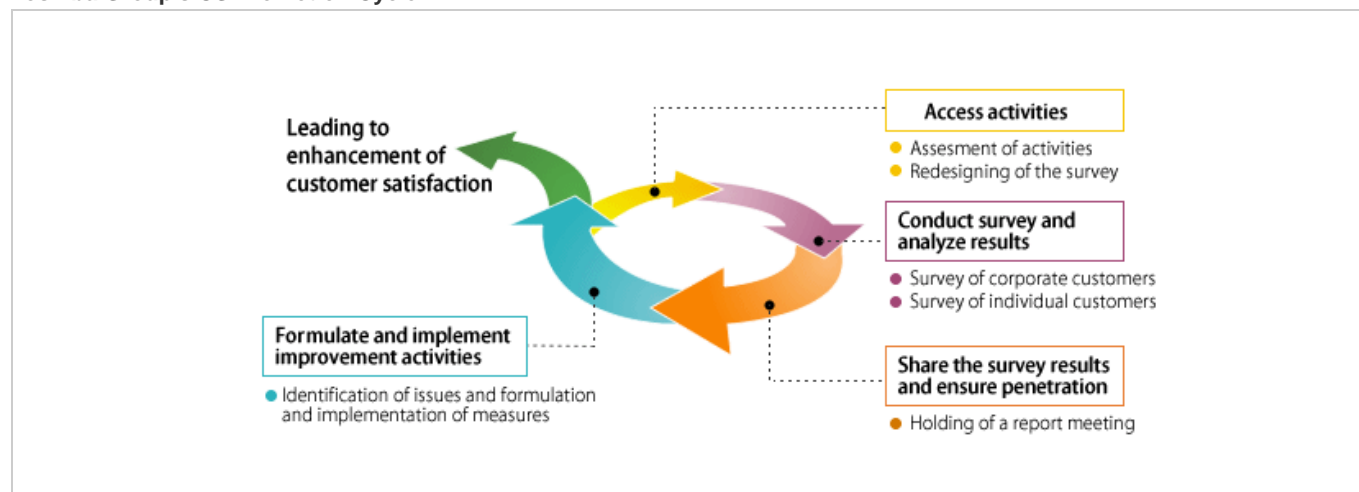
CS Survey for Corporate Customers

In FY2014, we received responses from approx. 2,600 customers of over 960 corporations and executed the results of response analysis to improve sales and marketing activities, the quality of products and services, as well as in better provision of information to customers. In addition, we received approx. 4,100 opinions and requests. As a result, Group-wide improvements plans are being promoted upon analysis of such opinions and requests.

Survey Objects	Corporate customers using Toshiba's products and systems
Survey items	The degree of satisfaction and customer requests with regard to Toshiba products, sales activities, and maintenance and repair services

Sharing and Utilization of Voice of Customers

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.

As for visual products 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.

After the sales of new home electronic products, Toshiba Group collects VOCs via its sales teams, service personnel at contact centers, and the website. The VOCs are analyzed and the results are shared with product planners, quality managers, and sales groups so as to use it effectively for product improvements.
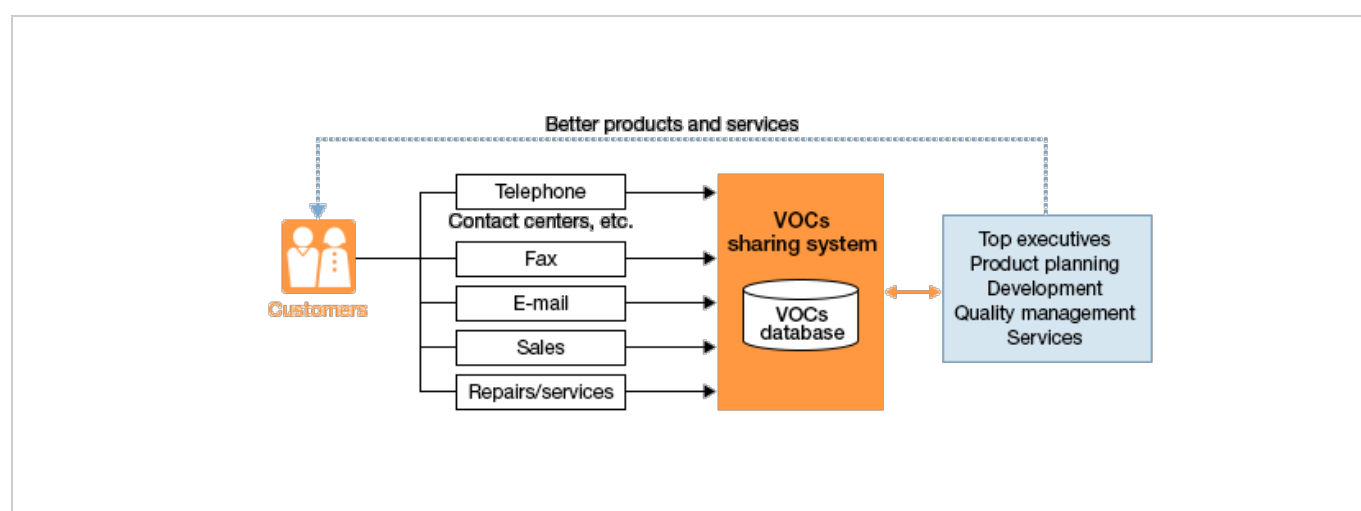
Activity Example: Development of a mammography system minimizing discomfort and anxiety

One reason for the low rate of breast cancer screening using mammography is discomfort and anxiety at the time of screening. To reduce patients' 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, 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.

> Development of a mammography system minimizing discomfort and anxiety

Policy on Customer Information Protection

Toshiba Corp. 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, a management system standard in Japan, and in 2001 obtained the Privacy Mark certification. Toshiba Corp. strives for continual improvement on management system and accordingly, renewed the Privacy Mark certification in April 2015 (eight times.) In addition, 21 Toshiba group companies in Japan which are required to handle large volume of customer's personal data properly on consignment in connection with outsourcing have acquired Privacy Mark certification respectively as of July 2015.

Toshiba Corp. clearly states the purpose while using customers' personal data and, in principle, obtains such information directly based on the consent of customers and other individuals. The majority of the information is basic personal data essential for contacting customers or providing services, such as name, address, telephone number, and email address. 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.

The principal purposes of use of personal data with Toshiba Corp. are published on the following website.

> Purpose of Personal Information Use

Support for Customers' Business Continuity

At Toshiba Group, we assist our customers' business continuity, providing them with the latest technologies, products and systems.

Activity Example: Data centers highly resistant to accidents and natural disasters

Toshiba's Industrial ICT Solutions Company and Toshiba Solutions Corp. established the Tokyo No. 2 Data Center in July 2012. It features the latest seismic base-isolating system, and is located in an area of Tokyo with the lowest earthquake risk level. Furthermore, the two companies set up the Sapporo Data Center in January 2013, to serve as a remote backup facility. These centers provide safe and reliable cloud computing services that support business continuity, such as those that enable data centers to operate with no fuel supply, and those that assist disaster recovery (restoring systems after a natural disaster).

Activity Example: Powerful systems for preventing information disclosure using Toshiba's own BIOS[1]

In February 2015, the Toshiba Personal & Client Solution Company began commercial production and sales of the VDI-supporting[2] Thin Client Solution (TZCS), which enables better security. The system prevents unauthorized use of virtual desktop services, and unauthorized access, and makes for a powerful measure to prevent information disclosure. It achieves this through a combination of a thin client without internal storage, which incorporates Toshiba's own BIOS, a management server, and key VDI solutions. It allows for more robust control of information, and assists companies' business continuity by supporting flexible management of IT equipment, while ensuring security.

*1 BIOS: Basic Input/Output System. Software that controls peripheral devices connected to a computer.
*2 VDI: Virtual Desktop Infrastructure. A service that virtualizes the desktop environment and consolidates it on a server.

Universal Design

Toshiba Group is promoting universal design (UD), in order to contribute to the realization of a society where everyone can live at ease and in comfort, regardless of age, gender and physical ability.

Medium- to Long-term Vision

By providing products and services that can satisfy diverse users, Toshiba will contribute to making more comfortable lifestyles and a safer society.

FY 2014 Achievements

- Releasing a range of vacuum cleaners to suit people's cleaning preferences, lifestyles, and physical attributes; releasing the Operating Panel for Elevators for Train Stations, which is easy to use for everyone including wheelchair users and the visually impaired
- Exhibiting products at the 5th International Conference for Universal Design in Fukushima & Tokyo 2014, and presented Toshiba's initiatives

Future Challenges and Approaches

Toshiba Group will further each employee's understanding of the concept of universal design, and will create UD products and services that incorporate user feedback and ideas. We will also promote UD in the workplace.

Policy Related to Universal Design

To promote universal design throughout Toshiba Group, we have established our UD Principle, Vision and Guidelines.

Toshiba Group Universal Design Principle
Toshiba Group creates valuable products for providing peace of mind and delight to each individual user.
Toshiba Group contributes to achieving a society where everyone can live comfortably and enjoy peace of mind regardless of age, gender and abilities.

Toshiba Group Universal Design Vision
Making the unusable usable, making the difficult easy.

Toshiba's Universal Design makes products more user-friendly and safer.
Our aim is to design attractive products that even more consumers will want to use, through innovation and constantly improving the ease of use and convenience of our products.

Toshiba Group Universal Design Guidelines

- Design that conveys the product's ease of use
- Simple and intuitive use
- Minimize physical effort
- Provide the same effectiveness for all users, regardless of the user or the user's environment or circumstances
- Pursue safety and reduce users' psychological anxieties

(The Guidelines consists of the above five main principles and 15 sub-principles.)

I. UD Philosophy
II. UD Vision
III. UD Guidelines
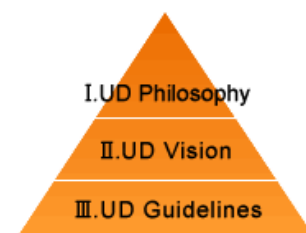
Universal Design Promotion Structure

Our Universal Design Promotion Working Group, which consists of representatives from each business unit of Toshiba Group, incorporates UD principles into the development process, and disseminates information about Toshiba's UD both inside and outside the Group.

Universal Design Advisor System

Toshiba Group has a UD Advisor System in place, in which employees with disabilities and non-Japanese employees are invited to participate. Thanks to this system, registered employees can contribute to the development and evaluation of UD products, stepping beyond their own department.

dynabook tab S90/S80

In December 2014, we released a tablet PC, the dynabook Tab S90/S80, which is equipped with technology that reflects feedback from our non-Japanese advisors. Upon development of the product, we surveyed them on the variations that arise from cultural differences using handwritten charts, diagrams and schedules. We have reflected the results of the survey in our technology, and now you can create documents such as presentation material efficiently, with features that do not only allow handwriting, but also allow the formatting of handwritten tables and graphs to be later pasted into PowerPoint or Word.

> dynabook tab S90/S80 (Japanese)

Development of Universal Design Products and Services

Toshiba develops products in areas as wide-ranging as consumer electronics, home appliances, information equipment, and public facilities. In doing so, we adopt a human-centered design process that emphasizes users' perspective, and incorporate as many customer needs as possible. For information about our initiatives and our products, please visit the Toshiba's Universal Design website.

Activity Example: Releasing a range of vacuum cleaners to suit people's cleaning preferences, lifestyles, and physical attributes

The qualities required for a vacuum cleaner may vary depending on individual preferences with regard to cleaning, personal lifestyles, and their physical attributes and abilities. Accordingly, we offer various cleaners so that each user can choose one that is suited to his/her particular preferences and needs: for those who do not have time, or who find it difficult to operate a vacuum cleaner, our robot cleaners can do the job for them at the touch of a button; for those who want to run a quick, easy clean when they see the need, there are our light, compact and handy cordless cleaners; and for those after a good thorough clean, our multifunctional cyclone cleaners are available.

Needless to say, each cleaner's usability has been thought out carefully.

> Vacuum Cleaner (Japanese)
> Toshiba's Universal Design Products

Various kinds of vacuum cleaners

In November 2014, Toshiba ran a booth at the exhibition at "The 5th International Conference for Universal Design in Fukushima & Tokyo 2014", at the Tokyo conference.

In keeping with the conference's theme of "Glocalized Development for Universal Design—Towards Tokyo 2020 Olympic and Paralympic Games," we exhibited products related to transport and communication: the Operating Panel for Elevators for Train Stations, which is easy to use for everyone including wheelchair users and the visually impaired; simultaneous interpreting technology; and "ChihiraAico", the communication android. "ChihiraAico" is expected to play a role in supporting various communication needs including one for people in nursing homes.

Throughout this exhibition, we sought to promote UD further, exchanging opinions with visitors and experts from various countries and learning about domestic and overseas trends in UD.

At the exhibition "The 5th International Conference for Universal Design in Fukushima & Tokyo 2014" at the Tokyo conference.

Promotion of Universal Design

Toshiba's UD efforts have created a great impact on the quality of many people's lives. Toshiba recognizes that such efforts should be communicated to and shared with as many people as possible, and participates in the International Association for Universal Design, Association for Electric Home Appliances, etc. to create social awareness of universal design.

> International Association for Universal Design
> Association for Electric Home Appliances (Japanese)

Evaluation by External Parties

Items	Target	Time
Germany Universal Design Consumer Favorite 2015 universal design consumer favorite 2015	Cordless vacuum cleaner VC-CL1200/VC-CL200	March 2015
Germany Universal Design Expert Favorite 2015 universal design expert favorite 2015	Whole-body X-ray CT scanner "Aquilion™ PRIME "	March 2015

> UNIVERSAL DESIGN practice

> News and Topics

CSR Performance: Social

Support for Local Communities Developments

For Toshiba Group, it is our responsibility as a "corporate citizen of planet Earth," not just to resolve issues faced by local communities through business, but to develop business activities that are rooted in the area as a member of the local community.

Medium- to Long-term Vision

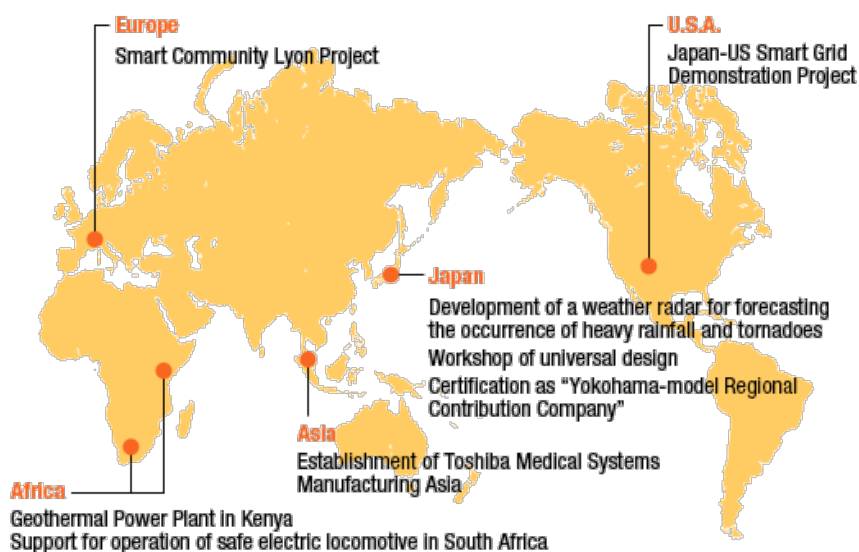As a corporate citizen, Toshiba Group aims to win the trust of communities in countries and regions across the globe.

FY 2014 Achievement

Certified as a Yokohama-model Regional Contribution Company

Future Challenges and Approaches

We will contribute to solving issues in local communities, in order to make sustainable society a reality. We will also advance the localization of our management with regard to human resources, procurement and other aspects, respecting the cultures and customs of each country, in order to maintain business activities that are firmly rooted in the local communities.

Major Achievements in FY2014

Europe
Smart Community Lyon Project

U.S.A.
Japan-US Smart Grid Demonstration Project

Japan
Development of a weather radar for forecasting the occurrence of heavy rainfall and tornadoes
Workshop of universal design
Certification as "Yokohama-model Regional Contribution Company"

Asia
Establishment of Toshiba Medical Systems Manufacturing Asia

Africa
Geothermal Power Plant in Kenya
Support for operation of safe electric locomotive in South Africa

Policy on Support for Local Communities' Developments

Toshiba Group contributes to the development of local communities and solution to issues imposed on them through our business 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. Furthermore, we have set our policy on the relationships with local communities in Toshiba Group Standards of Conduct.

> Toshiba Group Standards of Conduct 19.Community Relations

Structure of Support for Local Communities' Developments

The General Affairs division at each site or company is responsible for handling relations with local communities, including constant communications with communities associations and other organizations.

Check and Evaluation of Local Impacts of Establishing New Operational Sites

When establishing new business operations, all group 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.

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. Furthermore, 168 manufacturing sites which were targeted in all Toshiba Group companies have acquired ISO 14001 certification.
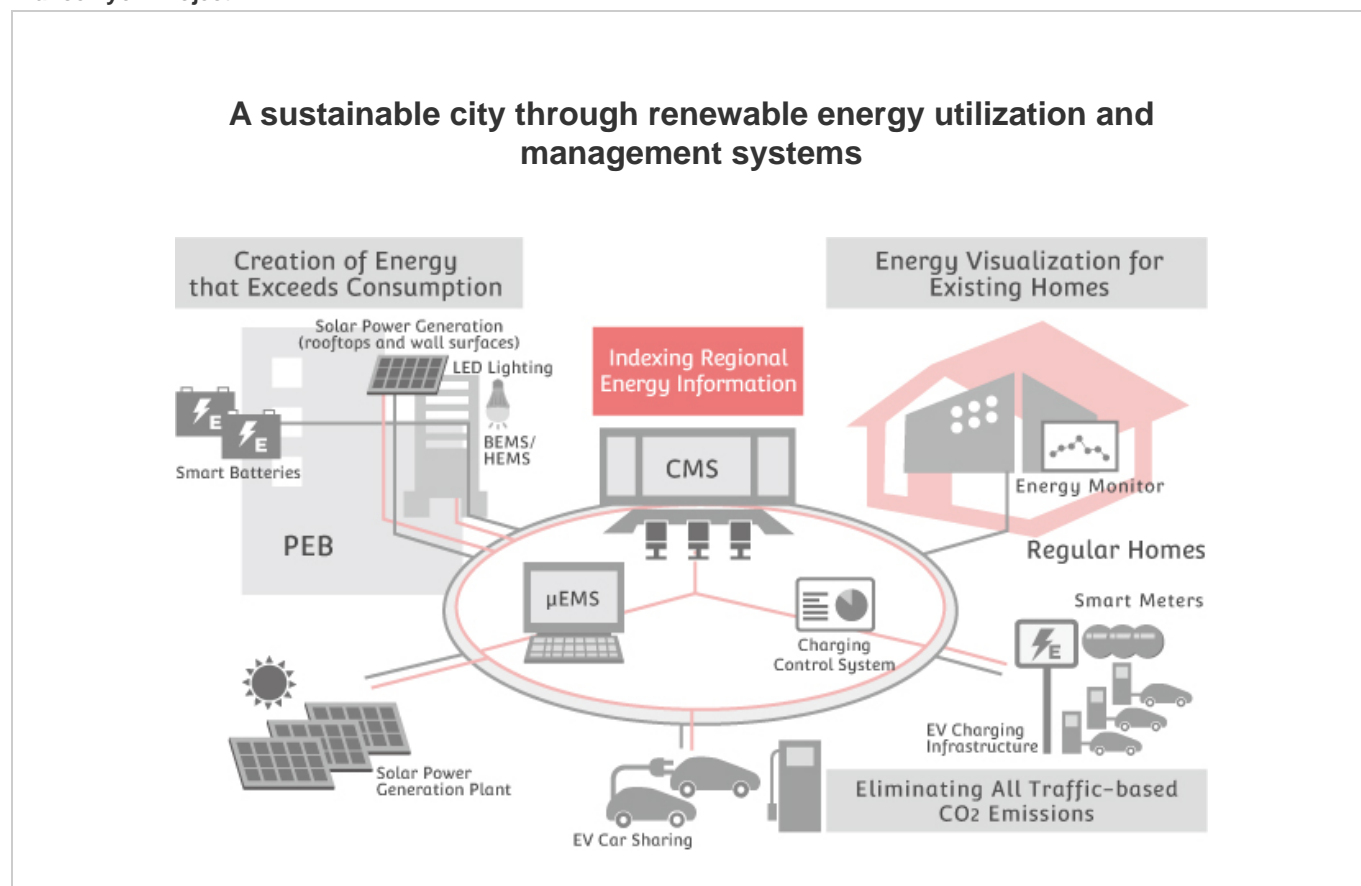
> Internal Management Audit and the audit status of the Audit Committee
> Toshiba Group Environmental Audit System
> Sites that have acquired ISO 14001 certification

Solving Regional Social Issues through Business

Smart Community

The rapid growth in world population, concentration of people in cities, increasing demand for energy, and information explosion due to ICT and networking are creating an urgent need for innovation in the areas of energy and storage. At the same time, city dwellers seek comfortable, convenient, safe, and secure living environments. Smart communities are expected to provide a solution to these needs. In order to contribute to the development of affluent future communities, Toshiba Group will carry out smart community projects around the world.

France Lyon Project

A sustainable city through renewable energy utilization and management systems

> France Lyon Project

A sustainable city through renewable energy utilization and management systems

Albuquerque: Smart Building Demonstration — NEDO-sponsored Project Began Operation May 2012

Demonstrating Self-sustained Building Operation

- Introduced equipment to create and store energy including a 50kw solar power generating system
- Variation in solar power generation is absorbed through μEMS[*1]-based demand response (DR) to achieve self-sustained operation

Smart Building (Mesa Del Sol)

Los Alamos County: Smart Grid Demonstration — NEDO-sponsored Project Began Operation in September 2012

System stabilization through μEMS-based demand and supply control

- Introduced 20-50% solar power generation into the distribution system
- Operational planning and control of power generation and storage combining DR[*2]

μEMS

Solar Power Generation(1MW) Kyocera Equipment

NaS Batteries (1MW) NGK Insulators Equipment

Solar Power Generation

Power Unit

Air Conditioner

Storage Battery

Thermal Storage Unit

Smart Appliance

Smart Meter   HEMS

Demonstration using smart meters and HEMS : DR-based power storage, thermal storage and load control

*1: μEMS: Micro Energy Management System *2: DR: Demand Response

> New Mexico, U.S.A. Japan-US Smart Grid Demonstration Project
> Smart community by Toshiba Group

Development of a Weather Radar for Forecasting the Occurrence of Heavy Rainfall and Tornadoes

In August 2013, in collaboration with the National Institute of Information and Communications Technology (NICT) and Osaka University, Toshiba developed a phased array weather radar to observe heavy rainfall (local downpours) and tornadoes and started experimental weather observation on Osaka University's Suita Campus.

This radar allows three-dimensional observation of rain distribution in a mere 30 seconds. This function has many potential applications: prior activation of sewage pumps that take time to activate; instruction to people working in the sewage system to stop their activity; evacuation guidance for people living in mountainous areas and river basins, and more.

We will continue the observation, which is also a performance assessment test, to study the mechanism of unexpected local weather phenomena. At the same time, we aim to utilize the radar for evacuation information by detecting early signs of the phenomena and prevent accidents.
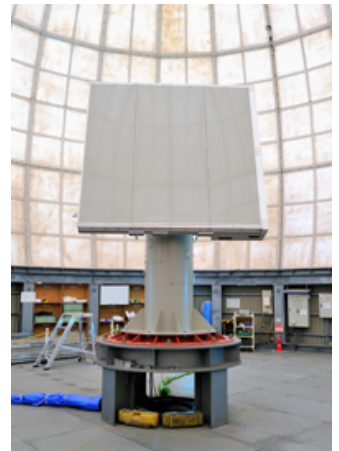
A phased array weather radar

Providing Region-specific Renewable Energy Solutions

The Olkaria I Geothermal Power Plant and the Olkaria IV Geothermal Power Plant, in which the Kenya Electricity Generating Co., Ltd. contracted the Toshiba Power Systems Company, Toyota Tsusho Corp. and Korea's Hyundai Engineering Co., Ltd. to build, were completed. Olkaria IV began operating commercially in September 2014 and Olkaria I in January 2015.

Geothermal power production generates electricity from hot water and steam under the ground and it is currently attracting attention as an ecofriendly method of electricity generation with minimal CO_2 emissions.

The Olkaria IV Geothermal Power Plant in Kenya

These power plants will be a stable power source for Kenya, supplying 280,000 kilowatts of electricity—roughly 20% of the nation's total generating capacity. Through these plants, Toshiba will support Kenya's rapidly increasing demand for electricity, and thus, will contribute to its economic development.

Developing Business Activities based on Local Communities

Establishment of Toshiba Medical Systems Manufacturing Asia SDN. BHD.("MMA") in Malaysia

The Toshiba Medical Systems Manufacturing Asia SDN. BHD. (MMA) was established in Penang, Malaysia, in December 2014. The company is Malaysia's first manufacturing base for diagnostic imaging systems, and will mainly produce diagnostic ultrasound systems and printed wiring boards. The company will proactively recruit locally, aiming to create more jobs for local employees.

New Manufacturing Site in Malaysia

Malaysia is a distribution hub not only for Southeast Asia, but also for Europe and the Middle East. Therefore, by supplying products from locations closer to customers in the global market, thereby optimizing the supply chain, this subsidiary is also expected to lower CO_2 emissions by shortening the haul distance. The company will also continue its measures to increase the proportion of local procurement of components, taking advantage of Malaysia's developed components industry, such as the semiconductor industry.

Support for Railroad Industry and for Training Electric Locomotive Maintenance Engineers in South Africa

From FY2006 to 2010, Toshiba Social Infrastructure Systems Company participated in bids held by Transnet Limited, a South African public transportation corporation. In a project organized with Mitsui & Co., Ltd. as the main contractor, Toshiba supplied, jointly with the South African train carriage manufacture Union Carriage and Wagon (UCW), 186 electric locomotive carriages. In order to support the safe operation of the railroad as well as to contribute to the local community by generating employment, Toshiba employs and trains local residents as engineers for the maintenance and inspection of locomotive carriages.

Electric locomotive (15E) for iron ore transport for which Toshiba delivered electric products

Toshiba has also utilized the export support program run by the Ministry of Economy, Trade and Industry, and held a seminar on railways in Tanzania in December 2014, for members from the Tanzanian Ministry of Transport and concerned parties such as railroad companies. In February 2015, the participants were also invited to participate in a training program in Japan. We introduced the latest trends and technologies concerning cargo transport, control and maintenance systems for locomotives, and contributed to advancing and developing the skills of Tanzania's railroad industry.

Support for the Employment and Independence of Intellectually Disabled People—Toshiba With Corporation

Toshiba With Corporation is a Toshiba Group subsidiary established in 2005 which mainly consists of intellectually disabled people, and supports the independence of the people. At Toshiba With, employees are engaged in business operations for cleaning, printing, mail delivery, and health care within Toshiba Group. Through these operations, they learn about work responsibilities, sense of purpose, and enjoyment in work, along with social rules and manners in order to achieve independent living.

The independence of the people with intellectual disabilities requires not only employment opportunities, but also support in living, including lifestyle and health management. To this end, the company works in close collaboration with disabled people's families and local support organizations to create a unified support system.

Cleanup work by Toshiba With employee

We will continue to support promoting awareness and understanding of disabilities, fostering employee self-reliance, so everyone may play a more active role in society.

Universal Design Workshop for Students from Tsukuba University of Technology

In August 2014, Toshiba held a workshop for students from the National University Corporation Tsukuba University of Technology, an institution of higher learning for the hearing impaired and the visually impaired. During the workshop students pinpointed elements in certain products, such as home appliances, that made them difficult to use, and devised ways to improve the design.

Seven students with hearing impairments, who are visual communication design majors from the Faculty of Industrial Technology, Department of Synthetic Design, took part.

Discussion at the workshop

The workshop was conducted using sign language, written messages and condensed summaries, and participants responded positively to the event—saying that it was a worthwhile and very edifying experience.

Certification as Yokohama-model Regional Contribution Company

In October 2014, Toshiba was certified as a Yokohama-model Regional Contribution Company, by the City of Yokohama, with the top rating. The certification is awarded to companies that: 1) have an awareness of the region and its communities, 2) conduct social business with a view toward contributing to the region, and 3) aim to grow and develop together with the region, based on specific standards. CSR activities of the entire Toshiba Group were highly rated, as were locally rooted activities Toshiba carried out in Yokohama at the Yokohama Complex, Keihin Product Operations and Toshiba's Kanagawa branch.

Certification logo of Yokohama-model Regional Contribution Company

Community-based Hazard Prevention Activities

In 1952, when there was a fire at Kitashiba Electric's transformer plant, the company was able to minimize the damage thanks to the cooperation of local citizens, such as the fire brigade, in putting out the fire. Since then, we have been actively engaging in hazard prevention activities, hand in hand with the local community. As of FY2014, there have been 29 joint emergency drills conducted with the local fire brigade.

When a fire occurred in 2006 near our factory, we were the first to arrive at the site, and we led the effort to extinguish the fire, rescue people and control traffic in the surrounding area. From the many years of engaging in activities, all of our employees understand the necessity of these hazard prevention activities.

Emergency drill with the local fire brigade

Communication with Local Communities through Science Seminars for Children

Since its establishment in 1992, Toshiba Yokkaichi Operations has held an annual environment meeting with the local municipality. At the meeting, we explain the results obtained from the measurement environment 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 regional elementary and junior high schools and display exhibitions in science seminars for children in an attempt to raise children's interest in science and manufacturing and to prevent them from moving away from the natural sciences.

Explaining the world of nanometers in a science seminar for children

Consideration for Employees' Exercise of Civil Rights

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.

Contribution to Local Communities through Job Creation and Tax Payment

Toshiba Group employs approximately 200,000 people around the world. The jobs created contribute to local communities, especially the production facilities that employ a considerable number of local people. By paying taxes in accordance with national laws and regulations, the 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.

Social Contribution Activities

Toshiba Group actively engages in a range of social contribution activities as a decent corporate citizen that is "Committed to People, Committed to the Future," as our Group slogan states. We focus our activities on five key areas, namely: protection of the natural environment; science and technology education; promotion of sports and culture; social welfare; and international exchanges and friendship. We also play an active role in providing disaster relief.

Medium- to Long-term Vision

Our aim is that every Toshiba Group operational site, and each and every employee working there, will take the initiative in contributing to society.

FY 2014 Achievement

Number of employees attended to Toshiba Group Simultaneous Social Contribution Activities on December 5, the International Volunteer Day.

Target 200,000people →

Achievement Approx. **140,000**people

Future Challenges and Approaches

We will continue to provide more information and opportunities to our employees, so that as many of them as possible can get involved in activities that contribute to society.

Toshiba Group Basic Policy on Social Contribution Activities

Toshiba Group has set the following basic policy on social contribution activities which is embodied Toshiba Group's slogan of "Committed to People, Committed to the future."

The five spheres of activities stated in the Toshiba Group Basic Policy on Social Contribution Activities are all related to social issues that Toshiba Group regards as important. We strive to the utmost to make the most of our knowledge gained through business and of our resources in conducting these activities.

In these endeavors, we keep track of the results and impact on business through regular dialogues with stakeholders, and reevaluate and decide on our course of action accordingly.

Toshiba Group Basic Policy on Social Contribution 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 sports and culture, social welfare, and international exchange and friendship.
3. We support employees' voluntary activities.

Structure of Toshiba Group's Social Contribution Activities

Toshiba Group has established a social contribution team in the CSR Office, as well as social contribution promotion staff on a Group-wide level, at each operational site, branch and associated company. We all adhere to the policy in planning and pursuing our social contribution initiatives.
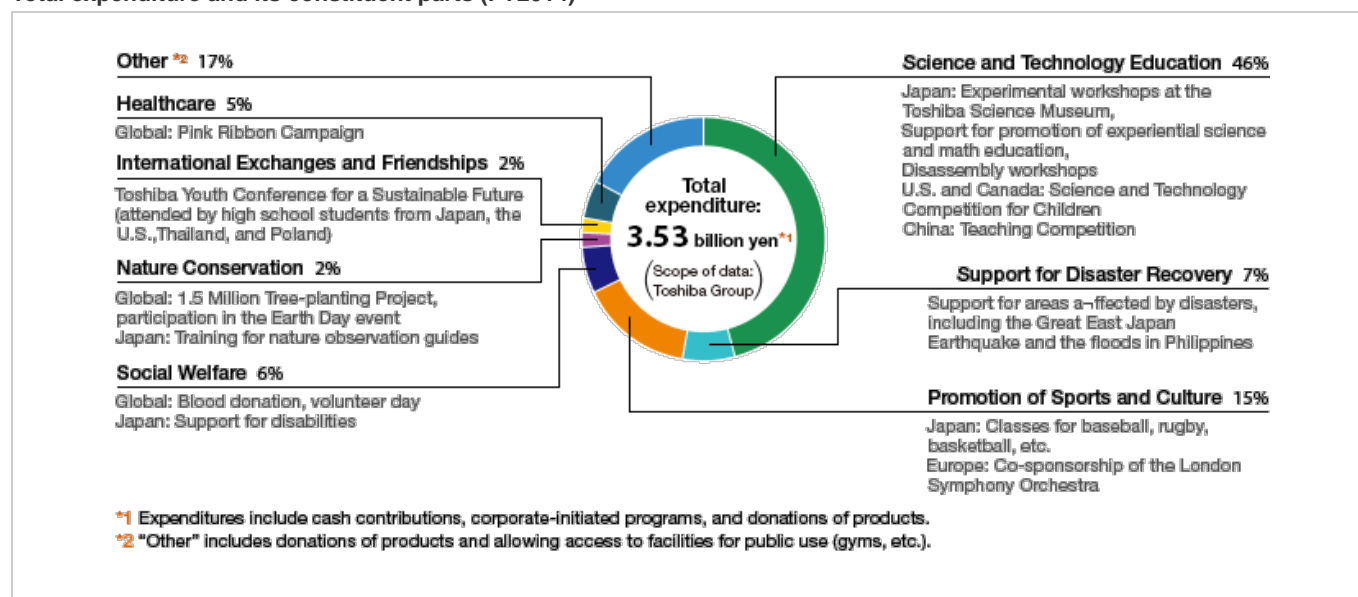
With regard to donations to disaster relief and to NPOs and NGOs, we assess the legality and appropriateness of such donations before doing so, based on our in-house regulations.

Structure of Toshiba Group's Social Contribution Activities
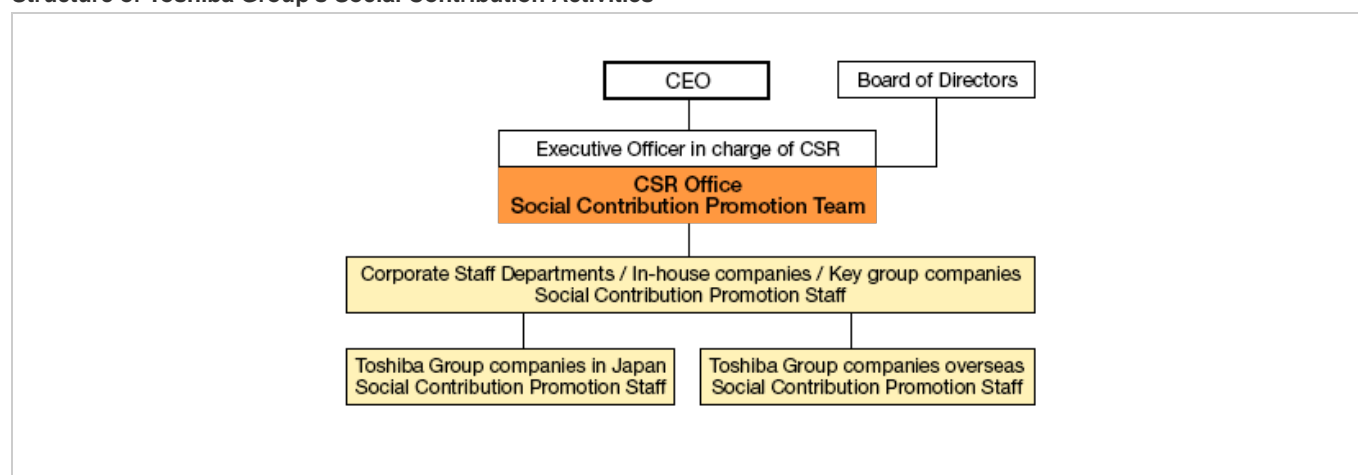
Social Contribution Activities: Total Expenditure and its Constituent Parts

Total expenditure and its constituent parts (FY2014)

Other *2* 17%

Healthcare 5%
Global: Pink Ribbon Campaign

International Exchanges and Friendships 2%
Toshiba Youth Conference for a Sustainable Future (attended by high school students from Japan, the U.S.,Thailand, and Poland)

Nature Conservation 2%
Global: 1.5 Million Tree-planting Project, participation in the Earth Day event
Japan: Training for nature observation guides

Social Welfare 6%
Global: Blood donation, volunteer day
Japan: Support for disabilities

Total expenditure: **3.53** billion yen*1
(Scope of data: Toshiba Group)

Science and Technology Education 46%
Japan: Experimental workshops at the Toshiba Science Museum, Support for promotion of experiential science and math education, Disassembly workshops
U.S. and Canada: Science and Technology Competition for Children
China: Teaching Competition

Support for Disaster Recovery 7%
Support for areas a¬ffected by disasters, including the Great East Japan Earthquake and the floods in Philippines

Promotion of Sports and Culture 15%
Japan: Classes for baseball, rugby, basketball, etc.
Europe: Co-sponsorship of the London Symphony Orchestra

*1 Expenditures include cash contributions, corporate-initiated programs, and donations of products.
*2 "Other" includes donations of products and allowing access to facilities for public use (gyms, etc.).

The Third-Party Assurance (PDF:90KB)

Social Contribution Award: Toshiba "ASHITA" Award

In order to invigorate our social contribution activities, Toshiba Group has been evaluating and giving awards to domestic and overseas activities since FY2005. Every year we evaluate the previous fiscal year's activities from nine perspectives—goals, the extent of employee involvement, originality, continuity, social impact, collaboration with external organizations, and so on—and CEO awards those activities that have achieved excellent results.

In FY2014, seven activities including the Co-creation Activities Towards Building an Autonomous Community in Rural Areas (Toshiba India) were awarded.

> Ashita Award for CSR Excellence

Toshiba Group Simultaneous Social Contribution Activities

Toshiba Group held the Toshiba Group Simultaneous Social Contribution Activities on December 5, the International Volunteer Day set by the United Nations. The aim of this initiative was to make a significant social contribution that cannot be achieved by individuals, through the simultaneous participation of all Toshiba Group employees.

Toshiba Group's operational sites and companies worldwide conducted 532 local activities, each suited to the local area in question, and a total of 137,224 people took part.

The initiative's concept, and the number of activities and participants, were highly commended and given an award at the 6th Make a CHANGE Day Awards* .

*The 6th Make a CHANGE Day Awards was an event hosted by Japan's Make a CHANGE Day Planning Committee, in order to promote volunteer and civic action. It awarded excellent activities out of those conducted and submitted between October 1, 2014 and March 11, 2015.

> CSR supported by 200,000 employees
> Toshiba Group Simultaneous Social Contribution Activities
> Make a CHANGE Day (Japanese)

Social Contribution Activity Examples

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 22nd anniversary in June 2014, commemorating its long history as a Japanese company's science education support program in North America. The number of participants up to FY2014 totals more than 330,000, and more than 101,000 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

Awards ceremony in Washington, D.C.

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.

> Social Contribution Activities - Science and Technology Competition (North America)

Toshiba Great East Japan Earthquake Scholarships

Toshiba Group offered a scholarship to 230 students enrolled in universities in Iwate, Miyagi and Fukushima Prefectures who became financially unable to continue their studies due to the earthquake and tsunami. Starting from October 2011 until the student's graduation, 100,000 yen was provided to each student per month, with the students being under no repayment obligation. The scholarship program was terminated in March 2015, after the last of the students succeeded in graduating. Since graduation, these scholars have been excelling in diverse fields, with some working for their local government or as teachers who participate in the restoration activities for their hometowns, while others have been pursuing their education further.

> YouTube video of the scholars (Japanese)

Mr. Chihiro Shirai, a graduate student at Iwaki Meisei University, at an interactive children's workshop about energy

Sending doctors and dentists to areas around the Toshiba factory in the Philippines

Toshiba Information Equipment (Philippines), Inc. has been providing medical and dental examination services to promote and improve the physical well-being of intended beneficiaries in the nearby community since 2006. In February 2015, the company dispatched a team consisting of doctors, dentists, nurses, and many employee volunteers to Bunan district and they worked for 238 local residents. In addition, it offered education programs on occupational health and safety as well as environmental protection to residents while waiting for their examinations. Since 2006, the team has visited more than 20 districts and provided medical exams for more than 5,700 people living the area.

Medical examination of local residents by dispatched doctors

Planting Activity in Republic of Serbia (1.5 Million Trees: Toward Sustainability)

Since FY2006, Toshiba Group has been continuing the "Planting 1.5 Million Trees: Towards Sustainability" project. The aim of the project is to build 1.5 million trees' worth of fores by 2025, which will be the 150th anniversary of Toshiba's foundation. In October 2014, as a part of this project, Toshiba Europe GMbH planted 7,500 trees in Tara National Park in Serbia. Participants learned through this event about the importance of the forest ecosystem and living in harmony with nature.

> 1.5 Million Trees: Toward Sustainability

Planting Activity in Republic of Serbia

International exchange and promotion of culture

Between October and December 2014, the Toshiba International Foundation (TIFO) held symposiums and commemorative events themed around international friendship, in Japan, USA and UK, as a part of TIFO's 25th anniversary activities. At the Japanese embassy in London, there was a commemorative speech (by Mr. Kazuyoshi Suzuki, Head of Center at the National Museum of Nature and Science) about Toshiba's founders, Hisashige Tanaka and Ichisuke Fujioka, and the contributions they made to the industrial development of modern Japan. There were also a commemorative reception and an exhibit of a replica of the "Myriad year clock." The exhibition explained the connection between the two founders and Europe, the difference between Japanese and Western concepts of time, and other topics. It drew over a thousand visitors in total, and was met with a positive response.

The replica Myriad year clock exhibited in London

Also working together with TIFO to actively share information about Japanese culture with the world, Toshiba supported the Ink And Gold: Art of the Kano exhibition at the Philadelphia Museum of Art in the United States, with the full cooperation of the Tokyo National Museum and the Japanese Ministry of Education, Culture, Sports, Science and Technology.

> Toshiba International Foundation

Website: Social Contribution Activities

Ensuing the Safety of Fukushima Daiichi Nuclear Power Station

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

Toshiba Group has been conducting relief activities, sincerely hoping for the earliest possible recovery and reconstruction of the areas and people affected. Toshiba Group is also continuing to provide cooperation and support in maintaining the stability of the power station and advancing its decommissioning.

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 from 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, 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. Also we provided and set large tanks which store water disposed by MRRS™. 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

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

Disposed water tanks (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™

Stakeholders

Toshiba Group's business activities involve relationships with diverse stakeholders. Here we clarify definition of each stakeholder, points of communication, and responsibilities of Toshiba group.

Major Stakeholders

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.

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.

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.

Governments and public bodies

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

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.

Stakeholders

Shareholders/Investors

Toshiba has 348,278 shareholders. Of the 4.22 billion shares issued, 34.0% are held by financial institutions, 29.2% by individuals and others, and 31.1% by foreign corporations (Not including less-than-one-unit shares, as of March 31, 2015).

Suppliers

Toshiba deals continuously with some 6,000 suppliers worldwide (as of March 31, 2015).

Employees

Approx. 200,000 people work for Toshiba Group at 598 companies, including approx. 111,000 employees working in Japan and approx. 87,000 employees overseas (as of March 31, 2015).

Examples of Communications

Customers

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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

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Major means of identifying stakeholders' views and requests

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

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Communication with Customer [Point of contact: Customer Satisfaction Division]

Share and refrection 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.

> Sharing and Utilization of Voice of Customers

Toshiba PC customer support

Framework for Reflecting VOC in Business Activities
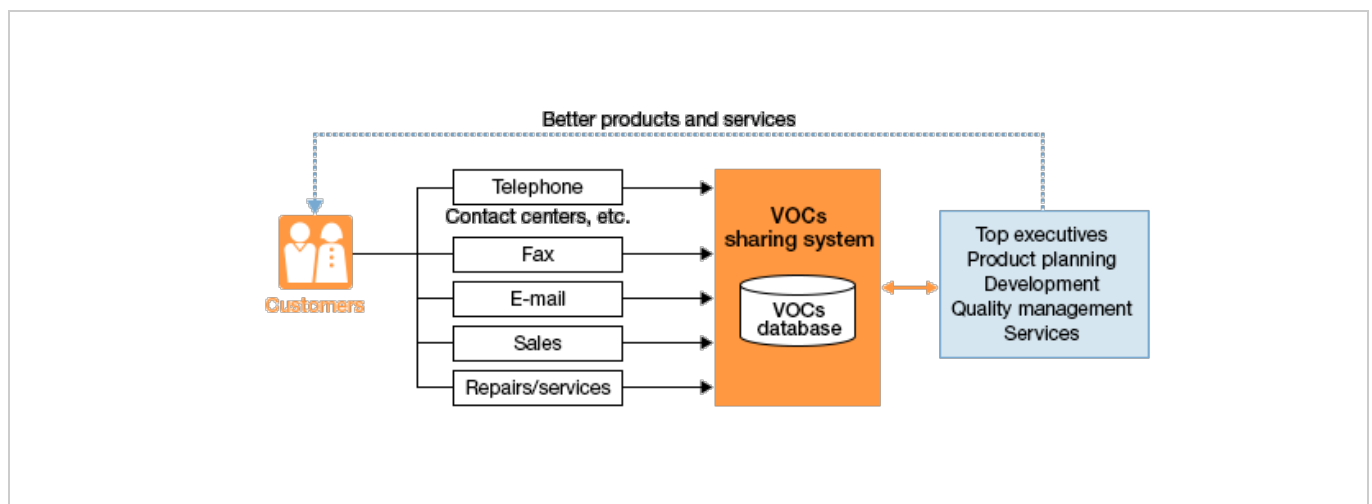
Shareholders/Investors

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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

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Major means of identifying stakeholders' views and requests

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

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

Publication of Shareholder Newsletters

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

> Shareholder Newsletter (Jpanese)

Enhancement of IR Website

In our corporate investor relations website, we have worked to make it useful, such as introducing an automatic generation tool of financing chart. Also we started to post videos of financial result briefings including Q&A parts with both of Japanese and English according to the request from some investors.

> IR website
> Questionnaire survey on the IR website

General Meeting of Shareholders

We held the General Meeting of Shareholders at Tokyo on June 25, 2014. The meeting was attended by 6,396 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. Also, booklets of Toshiba Group Annual Report 2014 were distributed at the meeting.

Communication with Investors [Point of contact: Corporate Communications Office]

Communication with Institutional Investors and Securities Analysts

Throughout the year, Toshiba works to promote communication with institutional investors and securities analysts by attending seminars hosted by securities firms, visiting investors in Japan and overseas and hosting interviews about Toshiba. In FY2014, in addition to annual financial and management policy briefings, we also held meetings to explain our healthcare business strategies and gave a tour of Toshiba's Fuchu Complex in response to investors' requests. Working in collaboration with securities firms, Toshiba's executive officers in charge explained our semiconductor and storage business strategies for investors in Japan and overseas, creating opportunities to promote their understanding of Toshiba Group's high-priority businesses.

Suppliers

Key responsibilities	Major means of identifying stakeholders' views and requests
■ Selecting suppliers fairly and engaging in fair trading practices ■ Respecting human rights in the supply chain ■ Promoting environmental management in the supply chain	■ Routine procurement activities ■ Briefing session on procurement policy ■ CSR survey ■ Clean Partner Line

Communication with Suppliers [Point of contact: Procurement Division]

Request to suppliers for promoting CSR management

We ask suppliers to promote CSR management through regular meetings to explain procurement policy and daily procurement operations. In FY2014, 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 approx.10,000 suppliers (cumulative total). Furthermore, we held the briefings for our suppliers regarding the EICC Code of Conduct in Japan and in China in FY2014.

> Explaining about the new procurement policy
> Cooperation with Industry Organization

Employees

Key responsibilities	Major means of identifying stakeholders' views and requests
■ Conducting fair assessment and treatment ■ Respecting human rights and diversity ■ Optimizing human resources and promoting their growth ■ Supporting diverse working styles ■ Maintaining and enhancing skills and capabilities ■ Ensuring occupational health and safety	■ Employee morale survey (TEAM Survey) ■ Dialogues, information exchange meetings ■ Risk hotline ■ Consulting services for employees

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 FY2014 we organized 28 Top Executive Innovation Visits, which involved top executives visiting manufacturing sites and other facilities to talk directly with employees in Japan and overseas.

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.

> Kirameki Forum

Local communities

Key responsibilities

- Respecting different customs and cultures
- Engaging in social contribution activities in local communities
- Preventing accidents and disasters at business sites
- Supporting neighboring communities in case of a disaster

Major means of identifying stakeholders' views and requests

- Dialogues, information exchange meetings
- Factory visits
- Employees' participation in community activities

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.

> Environment
> Support for Local Communities Developments

Governments and public bodies

Key responsibilities

- Complying with laws and regulations, and paying taxes
- Supporting government policies toward solving social issues

Major means of identifying stakeholders' views and requests

- Dialogues and proposals via economic associations and industry associations

Communication with Governments
[Point of contact: Each company, business site, and Corporate Communications Office]

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 Machinery Federation
  Chairman: Tadashi Okamura, Advisor, Toshiba Corporation
- WBCSD
  Vice Chairman: Masashi Muromachi, President, Toshiba Corporation
- Japan Institute of Logistics Systems
- Keidanren
- Japan Electronics and Information Technology Industries Association
- Home Electric Appliances Fair Trade Conference

* As of July 2015

NPO・NGO

Key responsibilities

- Providing support to solve diverse global issues
- Collaborating with and helping local communities solve their social problems
- Collaborating on our priority areas of corporate citizenship

Major means of identifying stakeholders' views and requests

- Dialogue through collaboration
- Exchange of views at stakeholder dialogues

Communication with NPOs and NGOs
[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.

Activity Example: Support for Promotion of Experiential Science and Math 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.

> Experiential Science Education

Toshiba Experiential Science Education

Activity Example: 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.

Explore the Forest Expedition

"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.

› Forest Development

Activity Example: Support for Recovery from Disasters

■ **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: Typhoon in Philippines, US Tornado, Earthquake in Philippines and China Sichuan in FY2013, Torrential rain in Philippines in FY2012, US Tornado in FY2011, Floods and landslides in Pakistan, China and India in FY2010, Sumatra Earthquake (Padang) in FY2009, Myanmar Cyclone in FY2008.

■ **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.

› Disaster Relief

Activity Example: Support and Collaboration with Human Rights Organizations

In collaboration with the public-service corporation Save the Children Japan, we are supporting to establish pre-schools in rural area of Tanzania. In December 2014, as part of the Toshiba Group Simultaneous Social Contribution Action, we collected donations from employees and held talks on the topic of "Human Rights for Children," together with Save the Children Japan. Many employees participated in these actions.

› Respect for Human Rights

Dialogue with environmental stakeholders

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

› Environmental Stakeholder Dialogue

Global environment

Key responsibilities

- Mitigating climate change
- Reducing waste discharges
- Reducing release of chemicals
- Conserving biodiversity

› Environment

Stakeholder Dialogue in Thailand (April 2015)

On April 23, 2015, Toshiba held a Human Rights Workshop targeting its Group companies in Thailand, where many of its business sites and suppliers are located. 33 representatives in charge of human resources, general affairs and procurement at 14 Group companies attended the event.

We invited Dr. Sriprapha Petcharamesree, a faculty member of the Institute of Human Rights and Peace Studies, Mahidol University, Thailand, whose research focus on a wide range of human rights in ASEAN region including business and human rights, to give the participants a lecture on human rights and business. The talk focused on human rights issues related to business operations in Thailand such as migrant workers, exploitation by agencies, labor unions, etc.) After the lecture participants exchanged opinions and view on human rights.

Date	April 23, 2015
Place	Bangkok, Thailand
Theme	Business and Human rights in Thailand

Dr. Sriprapha Petcharamesree
Institute of Human Rights and Peace Studies
Mahidol University

Comments from Dr. Sriprapha

- This is the first time that I was invited by a business company in Thailand to lecture on human rights. This is a rare initiative which should continue.

- The participants listened enthusiastically to the lecture which for many of them rather new but it helped building better understanding of human rights and its relationships with business.

- It is often considered that human rights education is the responsibility of educational institutions such as universities, but I encourage companies to do it as well. I think that the best approach is to educate trainers, and spread the activities.

- Human rights are part of our life and are issues that can affect a person's entire life. So it is important for us to make sure that we respect rights of others and that we are not doing anything that will violate human rights of other people.

- In Thailand, many workers are working in poor labor conditions especially migrant workers in fishery sector, farms and other worksites, and this has become more and more a serious issue. Their work is a repetitive routine of simple tasks year after year, with no opportunities for them to acquire skills, pay rises or promotions. Such an environment is, in many ways, considered human rights issues.

- All companies including electronics industry and their supply chains need to be aware of these conditions as this is a labor-intensive industry involving processes such as assembly-line work.

- It is important to create an environment where each and every worker can enjoy his/her rights so that they work with pride and a sense of ownership.

Toshiba Group Standards of Conduct

These Toshiba Group Standards of Conduct have 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.

Since its first establishment in May 1990, Toshiba Group Standards of Conduct have been updated as necessary, in light of the social and environmental change. This new edition issued in October 2014 places a greater emphasis on respect for human rights, supply chain management, and compliance awareness.

Toshiba Group Standard 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.

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 standards and ethics.

1. Human Rights

1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. comply with all applicable laws and regulations concerning human rights in each country and region, understand international standards, and respect human rights, and shall not condone use of either child labor or forced labor;

2. take appropriate measures in the event that Toshiba Group becomes aware of violation of human rights and demand that suppliers redress any violations of human rights; and

3. seek to raise awareness among related stakeholders with respect for human rights.

2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. 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; and

2. avoid any violation of human rights 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;

2. 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 comments that satisfy customer needs and requirements, and that 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; and

4. respect voice of customer and endeavor to develop and improve products and services that satisfy customer needs.

3. Procurement

1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. comply with all applicable laws, regulations and practices established by industry and international organizations;

2. provide suppliers (hereinafter including prospective suppliers) with equal opportunities for transactions with Toshiba Group;

3. conduct procurement in such a manner as to fulfill corporate social responsibilities together with the suppliers; and

4. conduct procurement based on mutual understanding and trust with suppliers.

2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. prioritize suppliers that:
   ・abide by all applicable laws, regulations and social standards, and take seriously human rights, good labor practices, occupational safety and health, and environmental protection;

   ・have sound finances;

   ・can supply goods and/or services to Toshiba Group with emphasis on appropriate quality, price and delivery lead-time;

   ・can provide a stable supply of goods and/or services as well as flexibly and quickly respond to demand fluctuations;

   ・possess technology that contributes positively to Toshiba Group products;

   ・have a plan to prevent interruptions in the supply of goods and/or services in times of unexpected circumstances that may affect the company and its supply chain; and

   ・require their suppliers to observe a procurement policy equivalent to that of Toshiba Group.

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; and

   ・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; and

4. ensure that all purchases are authorized by the relevant purchasing, procurement or subcontractor departments in accordance with Toshiba Group internal regulations.

4. 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 strive to supply safe, reliable 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 giving priority to customer satisfaction, and ensuring 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; and

3. in case Directors or Employees obtain information regarding an accidents involving any product or service, or the safety of any product or service, verify such information instantly and take appropriate measures in accordance with all applicable laws and internal regulations, including information provision, product recalls, and warning notices and labeling.

5. Marketing and Sales

1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. comply with all applicable laws and regulations (including prohibitions on commercial bribery and kickbacks) and conduct fair marketing and sales activities in accordance with proper corporate ethics; and

2. deliver superior products and services that satisfy customer needs and requirements.

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 (including prohibitions on commercial bribery and kickbacks), observe sound business practices and respect socially accepted ideas; and

3. endeavor to understand customer needs from their perspective and deliver optimal products and services

6. Competition Law and Government Transactions

1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. comply with all applicable laws and regulations enacted for the purpose of maintaining free and fair competition (hereinafter called "Competition Laws") in all business activities, including in all transactions with any government;

2. prepare and properly implement Competition Laws compliance programs and company rules on marketing activities that set out corporate policies and procedures for assuring compliance with applicable Competition Laws and related regulations; and

3. observe all applicable laws, regulations and lawful business practices in all government transactions, and not engage in activities such as bid obstruction (Note 1) .

2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. observe the Competition Laws compliance programs as well as company rules on marketing activities and promote free and fair business activities;

2. avoid, whether express or implied, 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 government agency, observe the company rules on marketing activities toward government agencies and not engage in activities such as bid obstruction or competitor coordination on orders (Note 2), and not provide false information, such as false estimates of contract prices, to any governmental agency or its officials (hereinafter including past officials);

4. not organize or participate in meetings, make pledges or arrangements, or exchange information or engage in any other activities which may result in suspicion of engaging in the activities set forth in paragraph 2 and 3 above;

5. not require distributors or dealers to agree to or maintain resale prices for any Toshiba Group Company product;

6. not allow third parties (including sales representatives) to engage in activities prohibited under paragraphs (2) to (5) above; and

7. when hiring former government officials, strictly examine the candidate in accordance with all applicable laws and regulations and the internal regulations of the governmental agency in which he or she worked, and, if such candidate is hired, not allow him or her to engage in marketing activities aimed at such governmental agency, except to the extent permitted by law.

Note1: Herein, "bid obstruction" means, when dealing with a government 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.

Note2: Herein, "competitor coordination on orders" means exchanging information or coordinating with competitors regarding which prospective bidder will be contracted, bid prices and other information.

7. Bribery

1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. observe all applicable laws and regulations, and lawful business practices, prohibit illegal or improper payments against lawful business practices; and

2. not provide any illegitimate benefits or favors to any politicians or political organizations.

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 prohibited by any applicable law or regulation, in any dealings with any government agencies, their officials, or members of any political party (including holders of a political office or candidates for such office) (except for cases that do not violate applicable laws or regulations and are considered socially acceptable), and shall not engage in sales transactions, loan transactions and the like (including guarantee transactions) that are not at arm's length;

2. 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, regardless of the form such monies or benefits take (for example "commissions" or "consulting fees"), in connection with marketing toward governmental agencies;

3. 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;

4. not allow third parties including intermediaries, such as distributors or agents, to engage in any activities described in paragraphs 1 to 3 above;

5. 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 all applicable laws and regulations of each country or region for such compensation;

6. not make contributions to political parties or committees, unless permitted to do so by applicable laws, regulations, and company rules; and

7. 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.

8. 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 all applicable 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 reduce 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;

6. try to maintain good and open communication channels for disclosure of sufficient information regarding our environmental activities; and

7. pay due consideration to environmental issues in every-day life, including global warming, and actively participating in environmental activities of local communities.

9. 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 Unites 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 detailed procedures for control of transactions stipulated in the Export Control Program; and

3. prevent our products from 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.

10. Antisocial Groups

1. Toshiba Group Corporate Policy

Toshiba Group Companies shall not have any relationships, including business transactions, with antisocial groups (Note1).

2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. refuse participation or contributions by antisocial groups in our business activities, and not promote their activities(Note2) ;

2. refuse any unjustifiable demand (Note3) decisively and unequivocally; and

3. comply with all applicable laws and regulations governing money laundering (concealing the origins of money obtained illegally).

Note1:Herein, "Antisocial Groups" means any groups or individuals pursuing illicit financial gain by violence, power and fraudulence.
Note2: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 benefits or favors.
Note3:Herein,"Unjustifiable demand" means a demand or other action related to business activities made by a member of criminal organization with the threat of violence.

11. 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 all applicable laws, regulations, and conventional wisdom to make fair and independent judgments and act honestly and 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; ; and

5. promote more active communication with relevant parties to create an open-minded and transparent working environment.

12. Intellectual Property Rights

1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. comply with all applicable laws and regulations associated with patent law, copyright law and other intellectual property rights (Note) 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 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; and

4. respect and take due care of the legitimate intellectual property rights of third parties.

Note: 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.

13. Accounting

1. Toshiba Group Corporate Policy

Toshiba Group Companies shall comply with all applicable laws and regulations regarding accounting and conduct proper accounts management and financial reporting in accordance with generally accepted principles.

2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. maintain proper and timely accounts in accordance with generally accepted accounting principles;

2. promote the prompt release of accurate accounts; and

3. endeavor to maintain and improve the accounting management system, and establish and implement internal control procedures for financial reporting.

14. 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, with respect to 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 (Note), such as corporate strategy and financial data; and

2. ensure that management policies are well communicated within 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.

Note: Herein, "business information" includes but is not limited to information regarding actions or activities which may raise the suspicion of such actions prohibited by these SOC (hereinafter called "Risk Compliance Information").

15. 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, age or sexual orientation.

16. Workplace

1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:
1. 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
2. endeavor to ensure a safe and comfortable working environment for Employees.

2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:
1. 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;
2. realize employees' work/life balance through various ways of working so that they can maximize their capabilities to the fullest extent;
3. cultivate a workplace environment that encourages the development of open-minded, cooperative and orderly work activities; and
4. maintain safety, cleanliness and good order in the workplace and endeavor to prevent industrial accidents, and try to maintain good health.

17. Information Security

1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. properly manage and protect corporate information (Note)(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. strive to prevent information security incidents, and take recovery and corrective measures immediately in the event of an incident.

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. observe information security regulations, and endeavor to protect corporate information and use corporate information only in a proper manner;

6. not to use any company-owned information technology equipment or services for any personal purposes;

7. not hurt the informational interests of third parties, such as accessing third party information without authorizations; and

8. not be party to any illegal insider trading (i.e., using nonpublic corporate information in trading the shares or the like of a company)

Note: Herein, "corporate information" means all information, including personal information, third party information such as customer and supplier information and company 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.

18. Company Assets and Conflicts of Interest

Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. properly manage company assets (hereinafter including the Toshiba brand and other intangible assets); and

2. always act in the best interest of the company.

2. SOC for Toshiba Group Directors and Employees

Directors and Employees shall:

1. refrain from diverting or appropriating company assets for personal use and endeavor to maintain company assets;

2. refrain from making improper use of company equipment and facilities;

3. 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; and

4. avoid business relationships with customers, suppliers, and competitors of the company that would pose a conflict of interest.

19. Community Relations

Toshiba Group Corporate Policy

Toshiba Group Companies shall:

1. contribute to and cooperate with all local communities in which Toshiba Group operates in order to perform its duties as a member of these communities and engage and collaborate with a wide range of stakeholders such as nonprofit organization, nongovernmental organization, administrative organization and international body;

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 and voluntary activities;

4. act responsibly and with integrity as a member of society; and

5. aspire to exhibit honestly and integrity in words and actions with an awareness of being member of Toshiba Group, whether at the workplace, in public places, or online.

Scope and Implementation

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. The SOC does not state or establish legal obligations on the part of the Toshiba Group and does not create any legal rights or claims on the part of any person. Instead, the SOC sets forth the values of the Toshiba Group and the expectations that the Toshiba Group has for its Directors and Employees. In many instances, these values and expectations exceed applicable legal obligations.

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; and

5. Toshiba Corporation's Risk Management Division, Corporate Communication 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 (Note) 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; and

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.

Note: "Risk Compliance Information" means any information regarding actions, or activities which may raise the suspicion of 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.

Membership in CSR-related organization

- UN Global Compact
- Electronic Industry Citizenship Coalition (EICC)
- World Business Council for Sustainable Development (WBCSD)
- World Economic Forum (WEF)
- Science and Technology in Society Forum (STS Forum)
- Busibess for Social Resiponsibility (BSR)
- Council for Better Corporate Citizenship (CBCC)

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.

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.

> United Nations Global Compact "Communication on Progress (COP)"
> United Nations Global Compact

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

Certificate

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 Ten Principles

EICC Membership

The Electronic Industry Citizenship Coalition (EICC) is the electronics industry's CSR promotion organization committed to fulfill CSR for labor, occupational health and safety, the environment, and ethical standards throughout the supply chain. It is founded in October, 2004, and as of June 2014 95 companies all over the world have joined. Toshiba Joined in June 2011 to promote supply chain CSR based on global standard.

> EICC

World Business Council for Sustainable Development (WBCSD)

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 has served as a member of the WBCSD Executive Committee as one of its Vice Chairmen since 2014. As a co-leader of zero emission cities which is business solution of the Energy & Climate cluster and a member of the ISO Smart Community Infrastructure Work Stream, Toshiba aims to act globally to contribute to the realization of sustainable societies.

> WBCSD

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.

> World Economic Forum

Participation in the STS Forum

The Science and Technology in Society (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, then Chairman is actively involved in guiding the direction of the Forum's activities.

> STS Forum

Participation in BSR

Business for Social Responsibility (BSR) is a global nonprofit organization for CSR activities which is established in the U.S. in 1992. 250 or more global organizations and companies had participated as a member, and Toshiba joined in 2003.
We engaged in stakeholder dialogues facilitated by BSR, and participated in Study Forums on human rights and supply chain CSR.

> BSR

Participation in CBCC

Council for Better Corporate Citizenship (CBCC) is an association, established in 1989 by Keidanren (Federation of Economic Organizations), which supports Japanese company to be accepted by regional communities as "Good corporate citizen" as well as promotes CSR activities in practice. Toshiba joined CBCC from its establishment, and currently takes part in activity as a member of planning committee.

> CBCC

History of CSR Activities

🌱 Concerned with environmental issues

FY2014	• Revised Toshiba Group Standards of Conduct and added Respect for Human Rights as Article 1. • Revised Toshiba Group Procurement Policy and requested some 10,000 suppliers (cumulative numbers) to abide by this revised content. • Commenced Toshiba Group Simultaneous Social Contribution Activities
FY2013	• Organized "Business & Human Rights Workshop" for human resource managers from 9 Asian countries. • Newly established "Social Contributions by Business" category to Social Contribution Award. • Introducing T-Compass, a new concept of environmental management. 🌱
FY2012	• Continued implementation of the PDCA cycle according to ISO 26000. Surveys of some 10,000 suppliers regarding their approaches to issues related to conflict minerals and CSR promotion. • 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). 🌱 • Donation of LED lighting to the Golden Hall of Chusonji Temple: this lighting improvement project with the temple won the Japan Lighting Award.
FY2011	• Implementation of PDCA cycle of checking, identification of issues, planning, action, and evaluation based on ISO 26000. • Established Toshiba Group Conflict Mineral Policy. • Revised Toshiba Group Procurement Policy and requested that suppliers continue to promote CSR in the supply chain. • Formulation of the Fifth Environmental Action Plan. 🌱 • Reviewing the BCP based on the experience of the Great East Japan Earthquake and the floods in Thailand.
FY2010	• Strengthened CSR management based on the principles of ISO 26000 • Initiated workplace meetings focusing on integrity • Introduction of a system for visualizing working hours • UD advisor system expanded to include non-Japanese employees • Announcement of the new concept for environmental management at a business policy briefing(Greening of Process,Greening of Products and Greening by Technology") 🌱
FY2009	• Ending production of general-use incandescent bulbs • Formulation of Toshiba Group Biodiversity Guidelines 🌱 • Establishment of Sign Language Club • Enforcement of the requirement to leave the office at the regular time for at least two days during the Family Week in Japan
FY2008	• Collaboration with NPOs to promote experiential science education. (Supporting the activities of experiential science education research organizations) • 1st Toshiba Cup Contest among students specializing in science and math education at teacher-training universities in China to present their creative teaching plans. • Reorganization of home appliance call centers (change to product-wise call centers) • Implementation of on-site CSR audit (related to human rights, occupational health and safety, the environment) of suppliers in Thailand. • Issue of Environmental Report. 🌱 • Announcement to allow the peak out of Toshiba Group's greenhouse gas emissions in 2012 and thereafter reduce the absolute emissions. 🌱

FY2007	- Toshiba Group Environmental Vision 2050 is established. - Structures and systems for Quality Control at Toshiba Group is reinforced. - Ethical education to Technical Employees in Japan and overseas is provided. - Toshiba Group Fourth Voluntary Plan is extended from FY2010 to FY2012, with New Targets Added. - Statutory Ratio of Employment of People with Disabilities is fulfilled in all the subject Group Companies in Japan.
FY2006	- Toshiba Group CSR Month is established. - Toshiba Group Standards of Conduct is revised. - The Clean Partner Line, a whistleblower system for suppliers and other business partners, is established. - Toshiba Group 1.5 Million Tree-planting Project is launched. - The New EASTER comprehensive audit system is put in place.
FY2005	- Toshiba With Co., Ltd., a special subsidiary for employment of the disabled, is established. - Toshiba Group CSR Conference is held. - Toshiba "ASHITA" Award is established. - The philosophy, policies and criteria for universal design are established. - Standards of Conduct concerning Sales to Government and Authorities are established and thoroughly implemented. - Participates in the Eco-Products International Fair
FY2004	- Toshiba Group Standards of Conduct is applied throughout the Group. - CSR report is issued. - An organization dedicated to promotion of equal opportunity is established. - Toshiba Group Procurement Policy based on CSR is established. - Toshiba Group Environmental Vision 2010 is announced. - Fourth Voluntary Environmental Plan is introduced.
FY2003	- Company with committees system is adopted. - CSR Division is established. - CSR Website is opened. - Factor T, an eco-efficiency indicator, is introduced. - Joins Business for Social Responsibility (BSR), an international CSR association based in the U.S. - Health and safety management system is introduced. - Toshiba Group Standards of Conduct is revised. - Joins UN Global Compact
FY2002	- Internal free agent system is introduced. - Zero emissions of waste is achieved.
FY2001	- Japanese version and international version of the Standards of Business Conduct are integrated.
FY2000	- Corporate risk management system is established. - Environmental accounting is introduced. - Third Voluntary Environmental Plan is introduced. - Green procurement is introduced.
FY1999	- In-house company system is introduced. - Environmental report is issued. Environmental Protection & Recycling Planning Center is established. - Toshiba Customer Information Center is established.
FY1998	- Executive officer system is introduced.
FY1996	- Second Voluntary Environmental Plan is introduced.

FY1995	▪ ISO 14001 certification is obtained.
FY1993	▪ First Voluntary Environmental Plan is introduced.
FY1992	▪ ExploraVision Award is started in the U.S. ▪ Family-care leave, child-care leave and short-time working hours systems are introduced.
FY1991	▪ Corporate Environmental Protection Council is established. ▪ Toshiba Group Environmental Exhibition is started. ▪ Toshiba Thai Foundation is established.
FY1990	▪ Basic Commitment of the Toshiba Group and the slogan are established. ▪ Toshiba Standards of Business Conduct and Toshiba International Standards of Conduct are established. ▪ Toshiba America Foundation is established.
FY1989	▪ Basic Policy for Environmental Protection is established. ▪ Environmental auditing is introduced. ▪ Toshiba International Foundation is established.
FY1988	▪ Environmental Protection Center is established.
FY1975	▪ Toshiba Group Health and Safety Convention is introduced.
FY1973	▪ Toshiba Management Philosophy is established.
FY1971	▪ Consumers Department is established.

GRI Content Index

This report contains Standard Disclosures from the GRI G4 Sustainability Reporting Guidelines.

C: CSR website

E: Environmental website

IR: IR website

O: Other website

*Core performance indicator

(as of December 2015)

General Standard Disclosures

Section	Indicator	References
Strategy and Analysis		
G4-1*	a. Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	C: CEO Commitment E: CEO Commitment IR: From the CEO IR: An Interview with the President (Japanese)
G4-2	a. Provide a description of key impacts, risks, and opportunities.	C: CEO Commitment C: FY2014 Material Issues C: Our Approach to Solving Global Social Issues C: FY2014 Performance Indicators C: Achievements of Key Performance Indicators (KPIs) E: CEO Commitment E: Environmental Vision 2050 E: Progress in the Fifth Environmental Action Plan IR: From the CEO IR: An Interview with the President (Japanese)
Organizational Profile		
G4-3*	a. Report the name of the organization.	C: Company Overview
G4-4*	a. Report the primary brands, products, and services.	C: Toshiba Group Business Overview
G4-5*	a. Report the location of the organization's headquarters.	C: Company Overview
G4-6*	a. Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	C: Toshiba Group Business Overview
G4-7*	a. Report the nature of ownership and legal form.	C: Company Overview C: Stakeholders
G4-8*	a. Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	C: Toshiba Group Business Overview

G4-9*	a. Report the scale of the organization, including: ▪ Total number of employees ▪ Total 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) ▪ Quantity of products or services provided	C: Toshiba Group Business Overview C: Company Overview IR: Financial Data
G4-10*	a. Report the total number of employees by employment contract and gender. b. Report the total number of permanent employees by employment type and gender. c. Report the total workforce by employees and supervised workers and by gender. d. Report the total workforce by region and gender. e. Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors. f. Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).	C: Diversity Promotion C: Number of Employees by Region and Business Segment (as of March 31, 2015)
G4-11*	a. Report the percentage of total employees covered by collective bargaining agreements.	C: Number of Employees by Region and Business Segment (as of March 31, 2015)
G4-12*	a. Describe the organization's supply chain.	C: Sustainability Issues and Initiatives by Business Segments
G4-13*	a. Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain, including: ▪ Changes in the location of, or changes in, operations, including facility openings, closings, and expansions ▪ Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations) ▪ Changes in the location of suppliers, the	C: CSR Reporting Policy (Significant Change during the Reporting Period) IR: Corporate History
Commitments to External Initiatives		
G4-14*	a. Report whether and how the precautionary approach or principle is addressed by the organization.	IR: Business Risk Factors C: Human Rights C: Risk Management and Compliance C: Quality Control C: Product Safety E: Greening of Products (Environmentally Conscious Products)
G4-15*	a. List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	C: Participation in External CSR Organizations C: Company Overview (Membership in CSR-related organizations) C: CEO Commitment/UN Global Compact

G4-16*	a. List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization: ▪ Holds a position on the governance body ▪ Participates in projects or committees ▪ Provides substantive funding beyond routine membership dues ▪ Views membership as strategic	C: Company Overview (Membership in CSR-related organizations) C: Stakeholders C: Participation in External CSR Organizations
Identified Material Aspects and Boundaries		
G4-17*	a. List all entities included in the organization's consolidated financial statements or equivalent documents. b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	C: Toshiba Group Business Overview（Business Structure) IR: Organization Chart O: Management Structure O: Business Overview (Business Domains)
G4-18*	a. Explain the process for defining the report content and the Aspect Boundaries. b. Explain how the organization has implemented the Reporting Principles for Defining Report Content.	C: CSR Reporting Policy C: Identifying Material Issues E: Editing Policy
G4-19*	a. List all the material Aspects identified in the process for defining report content.	C: FY2014 Material Issues
G4-20*	a. For each material Aspect, report the Aspect Boundary within the organization, as follows: ▪ Report whether the Aspect is material within the organization ▪ If the Aspect is not material for all entities within the organization (as described in G4-17), select one of the following two approaches and report either: 　– The list of entities or groups of entities included in G4-17 for which the Aspect is not material or 　– The list of entities or groups of entities included in G4-17 for which the Aspects is material ▪ Report any specific limitation regarding the Aspect Boundary within the organization	C: CSR Reporting Policy C: Identifying Material Issues E: Editing Policy
G4-21*	a. For each material Aspect, report the Aspect Boundary outside the organization, as follows: ▪ Report whether the Aspect is material outside of the organization ▪ If the Aspect is material outside of the organization, identify the entities, groups of entities or elements for which the Aspect is material. In addition, describe the geographical location where the Aspect is material for the entities identified ▪ Report any specific limitation regarding the Aspect Boundary outside the organization	C: CSR Reporting Policy C: Sustainability Issues and Initiatives by Business Segments E: Editing Policy
G4-22*	a. Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	C: Financial Results
G4-23*	a. Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	C: CSR Reporting Policy (Significant Change during the Reporting Period)

Stakeholder Engagement		
G4-24*	a. Provide a list of stakeholder groups engaged by the organization.	C: Stakeholders
G4-25*	a. Report the basis for identification and selection of stakeholders with whom to engage.	C: Stakeholders
G4-26*	a. Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	C: Stakeholders
G4-27*	a. Report 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. Report the stakeholder groups that raised each of the key topics and concerns.	C: Stakeholders
Report Profile		
G4-28*	a. Reporting period (such as fiscal or calendar year) for information provided.	C: CSR Reporting Policy E: Editing Policy
G4-29*	a. Date of most recent previous report (if any).	
G4-30*	a. Reporting cycle (such as annual, biennial).	
G4-31*	a. Provide the contact point for questions regarding the report or its contents.	C: Inquiries about CSR and Environmental Activities
GRI Content Index		
G4-32*	a. Report the 'in accordance' option the organization has chosen. b. Report the GRI Content Index for the chosen option (see tables below). c. Report the reference to the External Assurance Report, if the report has been externally assured. GRI recommends the use of external assurance but it is not a requirement to be 'in accordance' with the Guidelines.	C: CSR Reporting Policy
Assurance		
G4-33*	a. Report the organization's policy and current practice with regard to seeking external assurance for the report. b. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided. c. Report the relationship between the organization and the assurance providers. d. Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report.	C: The Third-Party Assurance for FY2014 Performance Data (PDF:90KB) E: Third-Party Evaluation

Section	Indicator	References
Governance		
Governance Structure and Composition		
G4-34*	a. Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	IR: Corporate Governance
G4-35	a. Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	C: CSR Management
G4-36	a. Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	C: CSR Management IR: Corporate Governance E: Environmental Management Structure
G4-37	a. Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body.	IR: Corporate Governance E: Performance Evaluation
G4-38	a. Report the composition of the highest governance body and its committees by: ▪ Executive or non-executive ▪ Independence ▪ Tenure on the governance body ▪ Number of each individual's other significant positions and commitments, and the nature of the commitments ▪ Gender ▪ Membership of under-represented social groups ▪ Competences relating to economic, environmental and social impacts ▪ Stakeholder representation	IR: Corporate Governance
G4-39	a. Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization's management and the reasons for this arrangement).	IR: Corporate Governance O: Directors and Executives
G4-40	a. Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members, including: ▪ Whether and how diversity is considered ▪ Whether and how independence is considered ▪ Whether and how expertise and experience relating to economic, environmental and social topics are considered ▪ Whether and how stakeholders (including shareholders) are involved	IR: Corporate Governance

G4-41	a. Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders, including, as a minimum: • Cross-board membership • Cross-shareholding with suppliers and other stakeholders • Existence of controlling shareholder • Related party disclosures	IR: Corporate Governance C: Toshiba Group Standards of Conduct
Highest Governance Body'S Role in Setting Purpose, Values, and Strategy		
G4-42	a. Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	C: CSR Management IR: Corporate Governance E: Environmental Management Structure
Highest Governance Body'S Competencies and Performance Evaluation		
G4-43	a. Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	C: CSR Management E: Environmental Management Structure
G4-44	a. Report the processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment. b. Report actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organizational practice.	IR: Corporate Governance
G4-45	a. Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes. b. Report whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities.	C: Identifying Material Issues IR: Corporate Governance C: CSR Management
G4-46	a. Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.	C: Identifying Material Issues C: CSR Management
G4-47	a. Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	C: Identifying Material Issues C: CSR Management
G4-48	a. Report the highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.	C: Identifying Material Issues

	Highest Governance Body'S Role in Evaluating Economic, Environmental and Social Performance		
G4-49	a. Report the process for communicating critical concerns to the highest governance body.	C: Stakeholders C: Risk Management and Compliance (Whistleblower System) IR: Shareholders' Meeting
G4-50	a. Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.	-
	Remuneration and Incentives	

G4-51	a. Report the remuneration policies for the highest governance body and senior executives for the below types of remuneration:
	▪ Fixed pay and variable pay:
	  − Performance-based pay
	  − Equity-based pay
	  − Bonuses
	  − Deferred or vested shares
	▪ Sign-on bonuses or recruitment incentive payments
	▪ Termination payments
	▪ Clawbacks
	▪ Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees
	b. Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives.
		IR: Compensation
		E: Performance Evaluation

G4-52	a. Report the process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organization.	IR: Compensation
G4-53	a. Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	C: Stakeholders C: Risk Management and Compliance (Whistleblower System) IR: Shareholders' Meeting
G4-54	a. Report the ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.	-
G4-55	a. Report the ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.	-

Section	Indicator	References
Ethics and Integrity		
G4-56*	a. Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	C: Toshiba Group Standards of Conduct
G4-57	a. Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.	C: Risk Management and Compliance (Whistleblower System)
G4-58	a. Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	C: Risk Management and Compliance (Whistleblower System)

Specific Standard Disclosures

Section	Indicator	References
Economic		
Aspect: Economic Performance		
G4-EC1	Direct economic value generated and distributed	IR: Financial Indicators
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	IR: Mid-to Long-term Vision and Basic Strategic Policies E: Environmental Vision 2050
G4-EC3	Coverage of the organization's defined benefit plan obligations	C: Toshiba Corporate Pension Plan IR: Business Risk Factors
G4-EC4	Financial assistance received from government	-
Aspect: Market Presence		
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	-
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	C: Fair Evaluation and Talent Development
Aspect: Indirect Economic Impacts		
G4-EC7	Development and impact of infrastructure investments and services supported	C: Social Contribution Activities C: Support for Disaster Recovery
G4-EC8	Significant indirect economic impacts, including the extent of impacts	E: Environmental Accounting
Aspect: Procurement Practices		
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	C: CSR Management in the Supply Chain C: Support for Local Communities Developments

Environmental		
Aspect: Materials		
G4-EN1	Materials used by weight or volume	E: Overview of Environmental Impacts
G4-EN2	Percentage of materials used that are recycled input materials	E: Efficient Use of Resources
Aspect: Energy		
G4-EN3	Energy consumption within the organization	E: Overview of Environmental Impacts
G4-EN4	Energy consumption outside of the organization	E: Making GHG emissions in the supply chain visible for all categories
G4-EN5	Energy intensity	E: Reducing energy-derived CO_2 emissions
G4-EN6	Reduction of energy consumption	E: Progress in the Fifth Environmental Action Plan E: Reducing total GHG emissions E: Reducing energy-derived CO_2 emissions E: Reducing CO_2 emissions associated with product logistics E: Reductions in CO_2 emissions from employees' business travel E: Use of renewable energy E: Introducing electric vehicles E: Making GHG emissions in the supply chain visible for all categories E: Mitigation of Climate Change E: Accelerating the implementation of energy conservation measures through energy-saving diagnosis
G4-EN7	Reductions in energy requirements of products and services	E: Creation of Excellent ECPs E: Mitigation of Climate Change E: Product Eco-efficiency E: Greening by Technology/Low-Carbon Energy Technologies
Aspect: Water		
G4-EN8	Total water withdrawal by source	E: Overview of Environmental Impacts E: Efficient use of water resources
G4-EN9	Water sources significantly affected by withdrawal of water	-
G4-EN10	Percentage and total volume of water recycled and reused	E: Overview of Environmental Impacts E: Efficient use of water resources
Aspect: Biodiversity		
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	E: Conservation of Biodiversity
G4-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: Conservation of Biodiversity
G4-EN13	Habitats protected or restored	E: Conservation of Biodiversity

G4-EN14	Total number of iucn red list species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	E: Conservation of Biodiversity
Aspect: Emissions		
G4-EN15	Direct greenhouse gas (GHG) emissions (scope 1)	E: Overview of Environmental Impacts E: Reducing total GHG emissions E: Reducing energy-derived CO_2 emissions E: Reducing CO_2 emissions associated with product logistics E: Reductions in CO_2 emissions from employees' business travel E: Use of renewable energy E: Making GHG emissions in the supply chain visible for all categories
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (scope 2)	E: Making GHG emissions in the supply chain visible for all categories
G4-EN17	Other indirect greenhouse gas (GHG) emissions (scope 3)	E: Making GHG emissions in the supply chain visible for all categories
G4-EN18	Greenhouse gas (GHG) emissions intensity	-
G4-EN19	Reduction of greenhouse gas (GHG) emissions	E: Reducing energy-derived CO_2 emissions E: Mitigation of Climate Change E: Greening by Technology/Low-Carbon Energy Technologies
G4-EN20	Emissions of ozone-depleting substances (ODS)	E: Management of ozone-depleting substances
G4-EN21	NOx, SOx, and other significant air emissions	E: Overview of Environmental Impacts E: Management of substances that have impacts on the atmosphere and hydrosphere
Aspect: Effluents and Waste		
G4-EN22	Total water discharge by quality and destination	E: Overview of Environmental Impacts E: Management of substances that have impacts on the atmosphere and hydrosphere
G4-EN23	Total weight of waste by type and disposal method	E: Overview of Environmental Impacts E: Reducing the total waste volume
G4-EN24	Total number and volume of significant spills	E: Soil and groundwater purification
G4-EN25	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	-
G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff	E: Conservation of Biodiversity

Aspect: Products and Services		
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	E: Greening of Products/Creation of Products with the Highest Level of Environmental Performance
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	E: Overview of Environmental Impacts E: Recycling end-of-life products globally E: Recycling of end-of-life products in Japan
Aspect: Compliance		
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	E: Risks and compliance
Aspect: Transport		
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	E: Overview of Environmental Impacts E: Reducing CO_2 emissions associated with product logistics
Aspect: Overall		
G4-EN31	Total environmental protection expenditures and investments by type	E: Environmental Accounting
Aspect: Supplier Environmental Assessment		
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	-
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	E: Making GHG emissions in the supply chain visible for all categories
Aspect: Environmental Grievance Mechanisms		
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	-
Social		
Labor Practices and Decent Work		
Aspect: Employment		
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	-
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or parttime employees, by significant locations of operation	C: Diversity Promotion (Toshiba Corporate Pension Plan)
G4-LA3	Return to work and retention rates after parental leave, by gender	C: Diversity Promotion
Aspect: Labor/Management Relations		
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	-

Aspect: Occupational Health and Safety		
G4-LA5	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	-
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	C: Frequency of Occupational Accidents Leading to Absence at Toshiba Group
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	-
G4-LA8	Health and safety topics covered in formal agreements with trade unions	C: Occupational Health and Safety (Promotion Framework)
Aspect: Training and Education		
G4-LA9	Average hours of training per year per employee by gender, and by employee category	-
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	C: Fair Evaluation and Talent Development
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	-
Aspect: Diversity and Equal Opportunity		
G4-LA12	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: Diversity Promotion
Aspect: Equal Remuneration for Women and Men		
G4-LA13	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
Aspect: Supplier Assessment for Labor Practices		
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	-
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	C: CSR Management in the Supply Chain
Aspect: Labor Practices Grievance Mechanisms		
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	C: Risk Management and Compliance

Human Rights		
Aspect: Investment		
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	-
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	C: Key Issue: Respect for Human Rights C: Risk Management and Compliance Education
Aspect: Non-discrimination		
G4-HR3	Total number of incidents of discrimination and corrective actions taken	-
Aspect: Freedom of Association and Collective Bargaining		
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	C: Policy and Management System on Human Rights C: CSR Management in the Supply Chain/Thorough Implementation measures based on the Toshiba Group Procurement Policy and its monitoring
Aspect: Child Labor		
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	C: CSR Management in the Supply Chain/Thorough Implementation measures based on the Toshiba Group Procurement Policy and its monitoring
Aspect: Forced or Compulsory Labor		
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	C: CSR Management in the Supply Chain/Thorough Implementation measures based on the Toshiba Group Procurement Policy and its monitoring
Aspect: Security Practices		
G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	-
Aspect: Indigenous Rights		
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	-
Aspect: Assessment		
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	C: Policy and Management System on Human Rights

Aspect: Supplier Human Rights Assessment		
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	C: CSR Management in the Supply Chain/Thorough Implementation measures based on the Toshiba Group Procurement Policy and its monitoring
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	C: CSR Management in the Supply Chain
Aspect: Human Rights Grievance Mechanisms		
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	C: Risk Management and Compliance
Society		
Aspect: Local Communities		
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	C: Community Relations E: Conservation of Biodiversity/Initiatives at production sites E: Management of Chemicals/Reducing emissions of chemical substances E: Environmental Management at Production Sites/Soil and groundwater purification
G4-SO2	Operations with significant actual and potential negative impacts on local communities	C:Community Relations (Structure for Community-related Corporate Citizenship Activities)
Aspect: Anti-corruption		
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	C: Risk Management and Compliance
G4-SO4	Communication and training on anti-corruption policies and procedures	C: Risk Management and Compliance
Aspect: Public Policy		
G4-SO5	Confirmed incidents of corruption and actions taken	C: Risk Management and Compliance (Response to Compliance Violations)
G4-SO6	Total value of political contributions by country and recipient/beneficiary	-
Aspect: Anti-competitive Behavior		
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	C: Risk Management and Compliance
Aspect: Compliance		
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	C: Risk Management and Compliance
Aspect: Supplier Assessment for Impacts on Society		
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	-
G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken	C:CSR Management in the Supply Chain

Aspect: Grievance Mechanisms for Impacts on Society		
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	C: Risk Management and Compliance

Product Responsibility		
Aspect: Customer Health and Safety		
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	C: Quality Control C: Product Safety E: Greening of Products/Creation of Products with the Highest Level of Environmental Performance
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	C: Product Safety
Aspect: Product and Service Labeling		
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	C: Risk Management and Compliance (Product Safety Information and Advertising) E: Greening of Products/Creation of Products with the Highest Level of Environmental Performance
G4-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: Risk Management and Compliance (Product Safety Information and Advertising)
G4-PR5	Results of surveys measuring customer satisfaction	C: Customer Satisfaction (CS) Survey
Aspect: Marketing Communications		
G4-PR6	Sale of banned or disputed products	C: Risk Management and Compliance (Product Safety Information and Advertising)
G4-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: Risk Management and Compliance (Product Safety Information and Advertising)
Aspect: Customer Privacy		
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	C: Risk Management and Compliance (Information Security Management)
Aspect: Compliance		
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	C: Product Safety

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, the environment and anti-corruption advocated by the United Nations.

❯ Participation in CSR-related organizations

C: CSR website

E: Environmental website

(Evaluations as of December 2015)

Global Compact Ten Principles		
Human Rights		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	C: Respect for Human Rights C: Employment and Labor Relations/ Respecting Employees Human Rights C: Diversity Promotion C: Occupational Health and Safety C: Risk Management and Compliance C: CSR Management in the Supply Chain C: Quality Control C: Product Safety C: Stakeholders (NPO/NGO)
Priciple 2	Make sure that they are not complicit in human rights abuses.	C: Respect for Human Rights C: Employment and Labor Relations/ Respecting Employees Human Rights C: Risk Management and Compliance C: CSR Management in the Supply Chain
Labour		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	C: Employment and Labor Relations C: Risk Management and Compliance C: CSR Management in the Supply Chain
Principle 4	The elimination of all forms of forced and compulsory labour	C: Respect for Human Rights C: Risk Management and Compliance C: Respecting Employees Human Rights
Principle 5	The effective abolition of child labour	C: Risk Management and Compliance C: CSR Management in the Supply Chain
Principle 6	The elimination of discrimination in respect of employment and occupation.	C: Diversity Promotion C: Risk Management and Compliance C: CSR Management in the Supply Chain C: Support for Local Community Development

Environment		
Principle 7	Businesses should support a precautionary approach to environmental challenges;	C: Stakeholders (Governments and public bodies) E: Environment
Principle 8	Undertake initiatives to promote greater environmental responsibility	C: Product Safety C: Stakeholders (Governments and public bodies) E: Environment
Principle 9	Encourage the development and diffusion of environmentally friendly technologies.	C: Stakeholders (Governments and public bodies) 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: Stakeholders (Governments and public bodies)

Comparison with ISO 26000

The Toshiba CSR Report adopts a reporting format based on the seven core subjects of ISO 26000. We strive to evaluate our CSR initiatives according to the core subjects as well as to expand our CSR initiatives and CSR reporting.

❯ Effective use of ISO 26000

C: CSR website

E: Environmental website

IR: IR website

O: Other website

(Evaluations as of December 2015)

Core Subjects	Issues	References
6.2 Organizational governance		C: CSR Management
		C: Stakholders
		C: Stakholder Dialogue
		IR: Corporate Governance
6.3 Human rights		
6.3.3	Due diligence	C: Respect for Human Rights
6.3.4	Human rights risk situations	C: Respect for Human Rights
6.3.5	Avoidance of complicity	C: Respect for Human Rights
6.3.6	Resolving grievances	C: Respect for Human Rights
6.3.7	Discrimination and vulnerable groups	C: Respect for Human Rights
6.3.8	Civil and political rights	C: Respect for Human Rights
6.3.9	Economic, social and cultural rights	C: Respect for Human Rights
6.3.10	Fundamental principles and rights at work	C: Respect for Human Rights
		C: CSR Management in the Supply Chain
6.4 Labour practices		
6.4.3	Employment and employment relationships	C: Employment and Labor Relations
		C: Fair Evaluation and Talent Development
		C: Diversity Promotion
6.4.4	Conditions of work and social protection	C: Diversity Promotion
		C: Occupational Health and Safety
6.4.5	Social dialogue	C: Employment and Labor Relations
		C: Fair Evaluation and Talent 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: Fair Evaluation and Talent 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 CO_2 emissions
		E: Reducing CO_2 emissions associated with product logistics
		E: Employees' Business Travel
		E: Use of Renewable Energy
		E: Introducing electric vehicles
		E: Making CO_2 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
6.6.4	Responsible political involvement	C: Risk Management and Compliance
		C: Stakeholders (Governments and public bodies)
6.6.5	Fair competition	C: Risk Management and Compliance
6.6.6	Promoting social responsibility in the value chain	C: CSR Management in the Supply Chain
		C: Risk Management and Compliance/ Export Control
6.6.7	Respect for property rights	C: Risk Management and Compliance
		C: Research & Development and Intellectual Property
6.7 Consumer issues		
6.7.3	Fair marketing, factual and unbiased information and fair contractual practices	C: Product Safety
6.7.4	Protecting consumers' health and safety	C: Quality Control
		C: Product Safety

6.7.5	Sustainable consumption	C: Quality Control
		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
6.7.7	Consumer data protection and privacy	C: Risk Management and Compliance
		C: Enhancement of Customer Satisfaction
6.7.8	Access to essential services	C: Enhancement of Customer Satisfaction
6.7.9	Education and awareness	C: Quality Control
		C: Product Safety
6.8 Community involvement and development		
6.8.3	Community involvement	C: Support for Local Community Development
		O: Social Contribution Activities
		C: Stakeholders (Governments and public bodies)
		C: Stakeholders (NPO/NGO)
		C: Risk Management and Compliance
6.8.4	Education and culture	C: Support for Local Community Development
		O: Social Contribution Activities
6.8.5	Employment creation and skills development	C: Support for Local Community Development
6.8.6	Technology development and access	C: Support for Local Community Development
6.8.7	Wealth and income creation	C: Support for Local Community Development
6.8.8	Health	C: Support for Local Community Development
6.8.9	Social investment	C: Support for Local Community Development
		C: Stakeholders (Governments and public bodies)
		C: Stakeholders (NPO/NGO)

Evaluation by External Parties

Awarding entity / Name of the award	Evaluation Target	Recipient	Period
Quality Related			
The 8th Union of Japanese Scientists and Engineers (JUSE) Quality Management Level Research by JUSE cosponsored by Nikkei inc. JUSE	9th place overall (5th place in the electrical appliance manufacturer category)	Toshiba Group	Oct 2014
Customer Related			
Germany Universal Design Consumer Favorite 2015	Cordless vacuum cleaner VC-CL1200/VC-CL200	Toshiba Group	Mar 2015
Germany Universal Design Expert Favorite 2015	Whole-body X-ray CT scanner Aquilion™ PRIME	Toshiba Group	Mar 2015
Employee Related			
The Tokyo Stock Exchange and METI Nadeshiko Brand	Toshiba chosen as one of the award winners	Toshiba Corporation	Mar 2015
Ministry of Economy, Trade and Industry (METI) Diversity Management Selection 100	Toshiba chosen as one of the award winners	Toshiba Corporation	Mar 2013
Environment Related			
Evaluation by media and SRI			
The 18th Nikkei Environmental Management Survey Company Ranking	2nd place (Manufacturing industry category)	Toshiba Corporation	Jan 2015
CDP Japan 500 Climate Change Report 2014	Disclosure score is 100/100 and performance is classed to the 'A' band (1st place among global companies)	Toshiba Corporation	Oct 2014

Evaluation of products and technologies			
The Energy Conservation Center, Japan (ECCJ) Energy Conservation Grand Prize for Excellent Energy Conservation Equipment FY2014	Products and Business Models Category Chairperson's Prize Environmentally conscious hot water supplier ESTIA	Toshiba Carrier Corporation	Jan 2015
	Products and Business Models Category Chairperson's Prize LED loaded with Only One technology	Toshiba Lighting & Technology Corporation	Jan 2015
Environment Minister's Award for Global Warming Prevention Activity FY2014	Technological Development and Commercialization category Image Processing Scanner Vertical Type	Toshiba TEC Corporation	Dec 2014
The 11th Eco-Products Awards	Eco-Products Category, Chairperson's Award, Eco-Products Awards Steering Committee Whole-body MRI with superconducting magnet Vantage Elan™	Toshiba Medical Systems Corporation	Nov 2014
	Eco-Service Category, Chairperson's Award, Eco-Products Awards Steering Committee Environmentally conscious lighting system for cultural heritage	Toshiba Lighting & Technology Corporation	Nov 2014
Evaluation of business activities			
The 11th LCA Society of Japan Awards	Encouragement Award The lifecycle evaluation and the usage of packaging and packing materials for electrical and electronic components	Toshiba Logistics Corporation and Toshiba Corporation	Jan 2015
Environment Minister's Award for Global Warming Prevention Activity FY2014	Countermeasure Technology Introduction and Dissemination category Activities to Mitigate Global Warming and Social Contribution to Local Community	Fuchu Complex, Toshiba Corporation	Dec 2014
Biodiversity Action Award Japan 2014	Judge's Prize Conservation activities and promoting the mainstreaming of biodiversity at 64 global sites.	Toshiba Group	Nov 2014
Kanagawa Global Environmental Award FY2014	Conservation Activity for Global Environment Category Conservation Activity in Yokohama Complex, Toshiba Corporation	Yokohama Complex, Toshiba Corporation	Nov 2014
	Conservation Activity for Global Environment Category Conservation Activity of Toshiba Lighting & Technology Corporation	Toshiba Lighting & Technology Corporation	Nov 2014
Kawasaki City The 3rd Smart Lifestyle Award	Grand Prize Global Simultaneous Activities for Environment	Toshiba Corporation	Nov 2014

3Rs (Reduce, Reuse and Recycle) Promotion Merit Awards FY2014	Chairperson's Prize 3R activity accompanied by manufacturing NAND flash memory of resource circulation type	Yokkaichi Operations,Toshiba Corporation	Oct 2014
Japan Environmental Management Association for Industry Resource Circulation Technologies and Systems Award FY2014	Minister prize of METI Collection of artificial fluorite from fluoric acid waste liquid and its recycle	Toshiba Corporation, Asahi Glass Co., Ltd. and Organo Corporation	Oct 2014
Thailand CSR-DIW Award 2014	Standard for Corporate Social Responsibility	Toshiba Hokuto Electronic Devices (Thailand) Co., Ltd	Oct 2014
Singapore 3R Packaging Awards	Gold prize To reduce packaging waste	Toshiba TEC Singapore Pte Ltd	Jun 2014
China Shenyang Environmental Credit Evaluation	Green Company (The most excellent rating)	Toshiba Elevator and Building Systems Corporation	Mar 2014
Advertising Related			
The 18th Environmental Communication Awards	Excellent Award, TV CM category LED advertising "LED 10 years live"	Toshiba Corporation	Mar 2015
The 63rd Nikkei Advertising Award	Excellent Award of Consumer Products and Industrial category LED advertising "Toshiba LED at Grand Central Terminal"	Toshiba Corporation	Oct 2014
The 43rd Fuji-Sankei Group Advertising Awards	Media category Grand Prize in Newspaper "LED 10 years live"	Toshiba Corporation	Apr 2014
	Public category Excellence Award in Magazine "LED 10 years live"		
The 81st Mainichi Advertising Design Award	Award of Electronics, Precision Instrument and Office Machine category LED advertising "Toshiba LED at the Louvre"	Toshiba Corporation	Apr 2014
Product and Technology Related			
The Commendation for Science and Technology by the Minister of Education, Culture, Sports, Science and Technology	The Young Scientists' Prize Research on MIMO signal processing for high speed wireless LANs	Toshiba Corporation	Apr 2015

The New Technology Development Foundation 47th Ichimura Prizes: The Ichimura Prizes in Industry	Meritorious Achievement Prize Development of ultra-high performance and low power hardware-based network protocol processing technology	Toshiba Corporation	Apr 2015
	Cotribution Prize Development of variable magnet force motor	Toshiba Corporation Toshiba Lifestyle Products & Services Corporation	Apr 2015
The Japan Electrical Manufacturers' Association 64nd JEMA TECHNICAL AWARD	Development and commercialization of the material for rotor of large-scale geothermal steam turbines	Toshiba Corporation	Apr 2015
	Development of hydraulic-and-electric double-arm robot which can handle and assemble heavy materials.	Toshiba Corporation	Apr 2015
THOMSON REUTERS Top 100 Global Innovators 2014	Selected as THOMSON REUTERS Top 100 Global Innovators (Selected for the 4th consecutive year since 2011)	Toshiba Corporation	Nov 2014
The Promotion Foundation for Electrical Science and Engineering 62th Electrical Science and Engineering Promotion Awards	The Electrical Science and Engineering Promotion Award Electronic frequency converter feeding circuit for shinkansen railyard	Toshiba Corporation Central Japan Railway Company	Nov 2014
Japan Institute of Invention and Innovation Local Commendation for Invention of Kanto 2014	The Encouragement Prize of Invention of the Minister of Education, Culture, Sports, Science and Technology Method of manufacturing electronic device	Toshiba Corporation	Nov 2014
	The Encouragement Prize of the Commissioner of Japan Patent Office Magnetic resonance imaging system to observe the flow dynamics of cerebrospinal fluid and blood	Toshiba Corporation	Nov 2014
	The Prize of the Director-General of Kanto Bureau of Economy, Trade and Industry Speech rate conversion technology	Toshiba Corporation	Nov 2014
Japan Institute of Invention and Innovation National Commendation for Invention 2014	The Prize of The Chairman of Japan Business Federation Invention of high performance NAND flash memory	Toshiba Corporation	Jul 2014

The Third-Party Assurance

In order to improve the reliability of the environmental and social performance data presented in this report, Toshiba Group requested Lloyd's Register Quality Assurance Ltd.* to conduct a third-party verification of the data.
We have requested the social performance data to be reviewed in FY2014 in addition to the environmental which was only the target until FY2013.
The both FY2014 results were reviewed to check the processes of the collection, aggregation, and internal verification of data and the accuracy of aggregated data.

* LRQA is a certification body approved by over 50 accreditation agencies in areas such as quality, the environment, energy, occupational safety, food safety, medical devices, automobiles, aeronautics, and railways.

Lloyd's Register
LRQA

LRQA Assurance Statement
Relating to Toshiba Corporation's environmental and social performance data within the CSR Report 2015 for the fiscal year 2014

This Assurance Statement has been prepared for Toshiba Corporation in accordance with our contract but is intended for the readers of this Report.

Terms of Engagement
Lloyd's Register Quality Assurance Ltd. (LRQA) was commissioned by Toshiba Corporation to provide independent assurance on the Toshiba Group's (TOSHIBA) environmental and social performance data within its CSR Report 2015 ("the report") for the fiscal year 2014, (01 April 2014 to 31 March 2015), against the assurance criteria below to a limited level of assurance using LRQA's verification procedure and ISO 14064–3:2006 "Specification with guidance for validation and verification of greenhouse gas assertions".

Our assurance engagement covered TOSHIBA's global operations and activities and specifically the following requirements:
- confirming that the report is in conformance with TOSHIBA's in-house reporting procedures and discloses TOSHIBA's material environmental and social issues
- evaluating the reliability of performance data and information for only the selected datasets listed below:

Environmental:
- Greenhouse gas (GHG)[1]: Scope 1, Scope 2 and Scope 3 (Categories[2] 4[3] and 11[3]) emissions
- Wastes: total amount generated, recycled and disposed of in metric tons
- Water: total volume consumed, reused and recycled in million cubic meters
- Wastewater and water quality indicators: volume discharged in million cubic meters and total amount of suspended solids (T-S), chemical oxygen demand (COD) and nitrogen (T-N) discharged in metric tons
- Air emission indicators: total amount of nitrogen oxides (NOx), sulphur oxides (SOx) and particulate matters (PM) emitted in metric tons
- Chemical substances: total amount handled and total amount emitted in metric tons.

Note 1: Scope 1, 2, and 3 emissions are as defined in The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard.
Note 2: The categories of the Scope 3 emissions are as defined in the Greenhouse Gas Protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard, Table 5.3.
Note 3: Scope 3 emissions attributed to Category 4 (Upstream transportation and downstream distribution) included for operations and activities in Japan only. Category 11 is based on use of sold products with the data taken from reports generated by TOSHIBA's Sales Team.

Social:
- Occupational health and safety: lost-time injury frequency rate for employees and contractors[4], occupational illness frequency rate for employees[4],
- Diversity: number and percentage of female managers[5] and percentage of employees with disabilities[4]
- Supply chain management: suppliers[6] participating in briefings and those covered by the survey, suppliers subject to guidance, support and suspension of transactions, number of companies targeted by the 'Conflict Minerals Survey' and number and percentage of companies that have agreed to Toshiba Group's Procurement Policy
- Social contribution activities: total expenditure[7] and its constituent parts.

Note 4: Covers Toshiba Group companies in Japan only.
Note 5: Covers Toshiba Corporation only.
Note 6: Supplier as defined in TOSHIBA's CSR Report.
Note 7: Expenditure is taken from TOSHIBA's survey reports, with the exception of Toshiba Corporation's charitable donations which are taken direct from TOSHIBA's own accounting department reports, which are submitted to tax agencies.

Our assurance engagement excluded the data and information of TOSHIBA's suppliers, contractors and any third-parties mentioned in the report, other than those specified above.

LRQA's responsibility is only to TOSHIBA. LRQA disclaims any liability or responsibility to others as explained in the end footnote. TOSHIBA's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of TOSHIBA.

LRQA's Opinion
Based on LRQA's approach nothing has come to our attention that would cause us to believe that TOSHIBA has not:
- prepared their report in conformance with TOSHIBA's in-house reporting procedures nor excluded any material environmental and social issues
- disclosed reliable performance data and information for the selected datasets.

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

Note: The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. This means that LRQA checks only that the data presented has been consolidated correctly and is repeatable. It does not verify the accuracy of the data presented by TOSHIBA to its source or look for institutionalised or hidden accounting errors at site level.

This document is subject to the provision on page 2.

Lloyd's Register LRQA

LRQA's Approach

LRQA's assurance engagements are carried out in accordance with LRQA's verification procedure and ISO 14064-3:2006 for GHG emissions data. LRQA's verification procedure is based on AA1000's principles and ISAE3000's processes. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- assessing TOSHIBA's approach to stakeholder engagement to confirm that issues raised by stakeholders were captured correctly. We did this by reviewing TOSHIBA's various communication tools and events which promote on-going engagements i.e. dialogue and exchange of information with main stakeholders.
- reviewing TOSHIBA's process for identifying and determining material environmental and social issues to confirm that the right issues were included in their report. We did this by benchmarking reports written by TOSHIBA and its peers to ensure that sector specific issues were included for comparability.
- auditing TOSHIBA's environmental and social data management systems to confirm that there were no significant errors, omissions or mis-statements in the report. We did this by reviewing the effectiveness of data handling processes and systems, including those for internal verification. We also spoke with key people in various departments responsible for compiling the selected environmental and social performance datasets.
- comparing TOSHIBA's 2014 fiscal year against its 2013 fiscal year to confirm the year-on-year change in GHG emissions. We did this as it is a specific requirement for CDP's 2015 Climate Change Information Request.
- visiting four of TOSHIBA's facilities to sample source data for the selected datasets to confirm its reliability. These facilities were located in Oita, Kashiwazaki, Oume, and Yokosuka, Japan.

Observations

Further observations and findings, made during the assurance engagement, are:

- Stakeholder Inclusivity:
  We are not aware of any key stakeholder groups that have been excluded from TOSHIBA's stakeholder engagement process. TOSHIBA's report has been informed by these stakeholder views and expectations.
- Materiality:
  We are not aware of any material environmental and social issues that have been excluded from the report. TOSHIBA's management approach has been structured to improve their performance associated with these material environmental and social issues. These processes are not biased to the company's management.
- Responsiveness:
  TOSHIBA has processes in place to respond to all of its stakeholders. TOSHIBA has an active presence and role in numerous forums and associations developing policies, particularly those for its sector.
- Reliability:
  TOSHIBA uses a well-defined, centralized system to collect and calculate its environmental and social performance data. As LRQA commented in the assurance statement for FY2013 environmental performance data, TOSHIBA should continue to improve their quality assurance and control systems. Implementing an effective internal data verification processes within each member company and at facilities will increase the reliability of the datasets and identify if there are any accounting irregularities.

LRQA's Competence and Independence

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

LRQA is TOSHIBA's certification body for ISO9001, TS16949 and gap analysis engagement for ISO26000. The certification assessment, verification and gap analysis are the only work undertaken by LRQA for TOSHIBA and as such does not compromise our independence or impartiality.

Signed: Dated: 19 June 2015

Dr. Dave Mateo
LRQA Lead Verifier
On behalf of Lloyd's Register Quality Assurance Ltd.
Queen's Tower A, 10th Floor, 2-3-1 Minatomirai, Nishi-ku
Yokohama 220-6010, JAPAN

LRQA Reference: YKA4005164

Reference View

TOSHIBA uses a well-defined, centralized system to collect and calculate its environmental and social performance data. As LRQA commented in the assurance statement for FY2013 environmental performance data, TOSHIBA should continue to improve their quality assurance and control systems. Implementing an effective internal data verification processes within each member company and at facilities will increase the reliability of the datasets and identify if there are any accounting irregularities.

CSR Reporting Policy

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 2015 with the two new features described below.

CSR Report 2015 has the following three points:

1. **Reporting Toshiba's solutions for global social issues through business activities**
   > Highlights of CSR Activities

2. **Disclosing CSR Performance categorized into ESG (Environmental, Social and Governance) and enhancing the contents**
   > CSR Performance

3. **Reporting the following themes as our material issues: Respect for Human Rights, Promoting Supply Chain CSR and Environmental Management**
   > Material Issue Respect for Human Rights
   > Material Issue CSR Management in the Supply Chain
   > Material Issue Environmental Management

Organizations covered in this report

In principle, Toshiba Group (Toshiba Corporation and its 598 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 FY2014 (from April 1, 2014 to March 31, 2015).
It also covers issues related to the inappropriate accounting issue and our approach to Toshiba Group's revitalization.

Significant changes during the reporting period

- Consolidated NuGeneration Ltd, the U.K.-based company to Toshiba according to acquiring stakes.

- Concluded a prior contract in respect of a license agreement for a pipeline for the supply of LNG, as required by US regulations.

Publication

Current issue: August 2014 (next issue scheduled for August 2015; previous issue: August 2013)

Reference Guidelines

- GRI (Global Reporting Initiative)
    Sustainability Reporting Guidelines ver. 4
    This report contains Standard Disclosures from the GRI Sustainability Reporting Guidelines.
- United Nations Global Compact [COP(Communication on Progress) Advanced level]
- Environmental Reporting Guidelines 2012, 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 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.
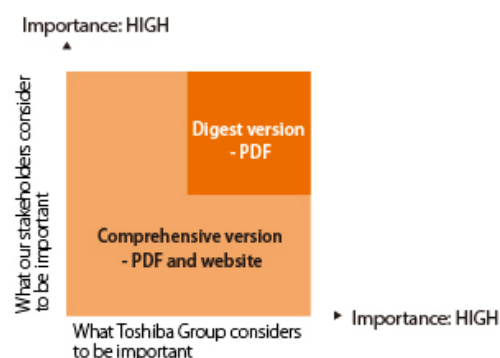
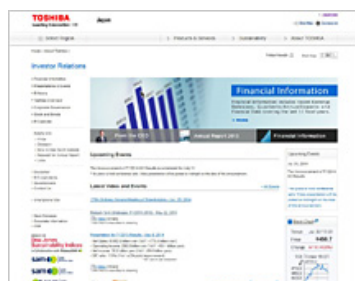### Annual Report/Investor Relations (IR) Website

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.
We have referred to the IIRC's International Integrated Reporting Framework, and in order to provide information essential as an integrated report, we have expanded nonfinantial information and the ESG section.
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 January 2016)

> IR website

Key reporting items (IR website)
IR News
Management Policy
Financial Data
IR Library
Stock and Bond Information
For individual investors

Environmental Report/Environment Website

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.
In the Environmental Report, we provide a detailed description of the global environmental activities of Toshiba Group as a whole.

Environmental Report
(PDF file)
(Issued in January 2016)
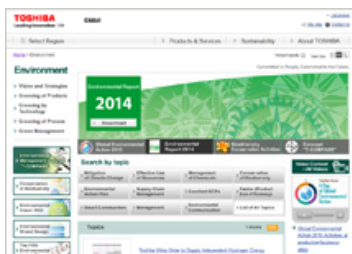
> Environment website

**Key reporting items
(Environment website)**
Topics
Green of Product
Green by Technology
Green of Process
Green Management

Company Overview

Company Overview (as of March 31, 2015)

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	6,655.9 billion yen
Number of employees	198,741 (consolidated)

CSR-related international charters/guidelines Toshiba endorses

- United Nations Global Compact
- Global Reporting Initiative (GRI) "Sustainability Reporting Guidelines"
- Electronic Industry Citizenship Coalition (EICC) Code of Conduct
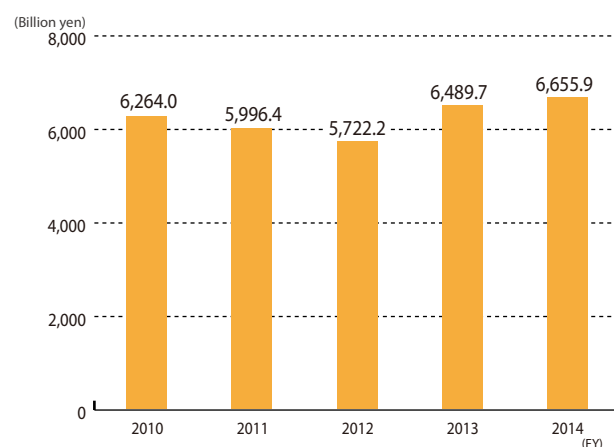- ISO 26000 - Guidance on Social Responsibility

Number of shareholders	391,614
Number of shares issued	4,237,602,026 shares
Number of consolidated subsidiaries	584 (167 in Japan, 417 overseas)
Number of affiliates using equity method accounting	217
Stock exchange listings	Tokyo, Nagoya

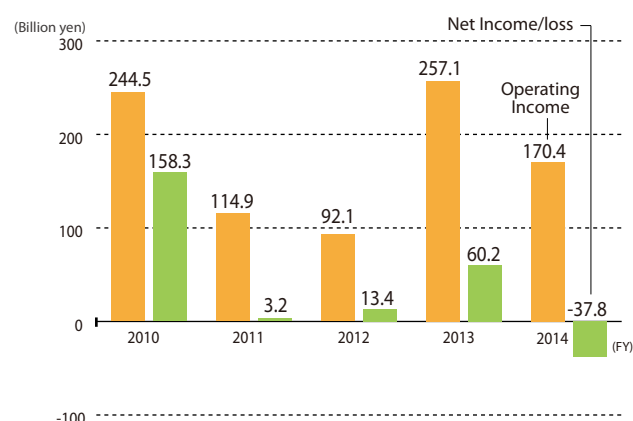Membership in CSR-related organizations

- United Nations Global Compact
- Electronic Industry Citizenship Coalition (EICC)
- World Business Council for Sustainable Development (WBCSD)
- World Economic Forum (WEF)
- Science and Technology in Society Forum (STS Forum)
- Business for Social Responsibility (BSR)
- Council for Better Corporate Citizenship (CBCC)

Financial Results (Consolidated)

Net Sales

(Billion yen)

FY	Net Sales
2010	6,264.0
2011	5,996.4
2012	5,722.2
2013	6,489.7
2014	6,655.9

Operating Income & Net Income/loss

(Billion yen)

FY	Operating Income	Net Income/loss
2010	244.5	158.3
2011	114.9	3.2
2012	92.1	13.4
2013	257.1	60.2
2014	170.4	-37.8

Committed to People, Committed to the Future.

TOSHIBA CORPORATION

1-1, Shibaura 1-chome, Minato-ku, Tokyo,105-8001, Japan

Contacts:

CSR Management Office **Fax: +81-3-5444-9222**

Inquiry page on Toshiba website(general inquiries)
URL http: //www.toshiba.co.jp/csr/en/contact/

The CSR Reprt is available on the Toshiba website
URL http://www.toshiba.co.jp/csr/en/