

# 2017

## CSR Report

Corporate Social Responsibility



# Reporting and Disclosure Items

Toshiba Group provides an overview of its financial and non-financial management in our Annual Report (Integrated Report). In addition, in our CSR Report, we provide more detailed non-financial information; and we report on environmental activities in greater detail in our Environmental Report.

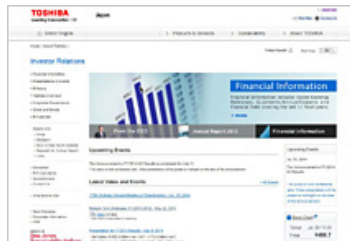
We also provide the latest information on related matters in a timely manner through our corporate website.

## About financial and outline of non-financial information

Annual Report / Investor Relations Website



> [Annual Report](#)



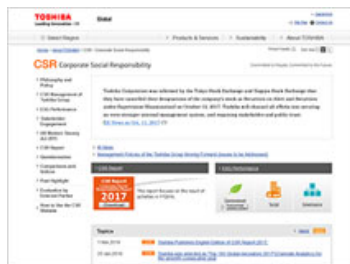
> [Investor Relations Website](#)

## About non-financial information (ESG)

CSR Report / CSR Website



> [CSR Report](#)

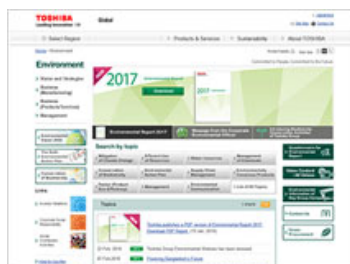


> [CSR Website](#)

Environmental Report / Environment Website



> [Environmental Report](#)



> [Environment Website](#)

# CSR Reporting Policy

## Our effort to report on the priority issues for our stakeholders and those for Toshiba Group

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In editing the CSR Report, we take into consideration the issues material for both our stakeholders as well as the Group.

CSR Report 2017 has the following three points:

1. **Reporting top commitment from executive officer in charge of CSR to engage in CSR management of Toshiba Group.**  
> [Message from the Executive in Charge of CSR](#)
2. **Reporting continuous effort toward CSR materialities**  
> [Material Issues](#)
3. **Disclosing ESG Performance categorized into ESG (Environmental, Social and Governance) and enhancing the contents**  
> [ESG Performance](#)

### Organizations covered in this report

In principle, Toshiba Group (Toshiba Corporation and its 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. "Toshiba Group in Japan" refers to Toshiba corporation and its consolidated subsidiaries in Japan. "Toshiba Group overseas" refers to consolidated subsidiaries overseas.

### Reporting period

This report focuses on the results of activities in FY2016 (from April 1, 2016 to March 31, 2017).

It also includes some activities continuing from the past as well as more recent ones.

### Significant Change during the Reporting Period

- The rehabilitation proceedings and deconsolidation of Westinghouse Electric Company Group
- The conclusion of a company split of the Memory business
- The completion of share transfer of Toshiba Lifestyle Products & Services Corporation to Midea
- The completion of transfer of the Video camera system business to Toshiba Medical Systems Corporation

### Publication

Current issue: March 2018 (previous issue: December 2016)

## 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

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# Basic Corporate Data

(AS of May 31, 2017)

Company Name:	TOSHIBA CORPORATION
Headquarters Address:	1-1, Shibaura 1-chome, Minato-ku, Tokyo, Japan
Founded:	July 1875
President and CEO:	Satoshi Tsunakawa
Common Stock:	¥200,000 million
Net Sales: (Consolidated basis)	¥4,870.8 billion
Fiscal Year:	April 1 to March 31
Number of Employees: (Consolidated basis)	153,492
Number of Shares issued:	4,237.6 million shares
Number of Shareholders:	366,030
Stock Exchange Listings:	Japan : Tokyo and Nagoya

## Business Domains

# Energy Business Domain

### Creating Sustainable Societies

Power systems are indispensable for contemporary lifestyles, and demand for expected to remain vigorous worldwide. Leveraging expertise cultivated since the company's foundation, Toshiba Group is contributing to the creation of infrastructure that enriches quality of life for people throughout the world. In order to ensure stable supply of electricity, we offer hydro, solar, geothermal and wind power generation facilities in the renewables space, as well as thermal and nuclear power generation systems.

We are also a leading supplier of power transmission and distribution systems that deliver electricity to homes, commercial facilities and other users; rechargeable batteries for the efficient storage of energy; hydrogen-based autonomous energy supply systems utilizing renewable energy and hydrogen; and smart grids, energy distribution systems that combine power infrastructure with communications infrastructure.

#### ● Large-scale Power Generation systems



Thermal Power



Nuclear Power

#### ● Renewable Energy



Hydro Power



Geothermal Power



Photovoltaic

#### ● Transmission and Distribution Energy Storage



T&D



Supervisory Control  
And Data Acquisition  
Systems (SCADA)



Pure Hydrogen Fuel Cell System



Hydrogen-based Autonomous Energy Supply System

Toshiba Energy Systems & Solutions Corporation  
President and CEO

Yoshihiro Aburatani

## Business Domains

# Social Infrastructure Business Domain

## To Realize a Sustainable Society with Safety, Security and Reliability

Toshiba Group aims to realize a sustainable society that is safe, secure and reliable through our solutions for Public Infrastructure, Building & Facilities and Transportation and Industrial Systems all over the world.

For public infrastructure, we offer systems and solutions for water supply and sewerage, highways, disaster prevention, broadcasting, telecommunications, security and automation. For buildings and facilities, we offer energy-saving, eco-friendly solutions for elevators & escalators, air-conditioners, and lighting offering higher comfort. For Transportation and Industrial Systems, we offer high value-added systems and solutions for railways, motors & inverters, rechargeable batteries and automotive devices. Also, we offer retail & printing solutions to support businesses for stores, logistics and offices.

### ● Public Infrastructure



Water Treatment Systems



Broadcasting Systems



Security and Automation Systems



Air Traffic Control Systems

### ● Building & Facility / Offices & Stores



Lightings



Elevators



Air-conditionings



POS System

### ● Transportation and Industrial Systems



Railway Systems



Industrial Systems



Lithium-ion Rechargeable Battery

Toshiba Infrastructure Systems & Solutions Corporation President and CEO	Shinichiro Akiba
Toshiba Tec Corporation President and CEO	Takayuki Ikeda



## Business Domains

# Electronic Devices Business Domain

### Storage and Devices that are shaping our future

In the era of big data, you either sink or swim in the sea of information. In fact, advanced electronics are contributing more than ever in all areas of society, from cutting energy consumption to the control and operation of automobiles. Toshiba Group supports this progress by bringing innovative products to new markets.

In the discrete semiconductor business, we focus on the power devices that control equipment power consumption. Our system LSI business supports advances in electronic equipment by offering ICs for IoT, automotive, communications and power supply applications. In the HDD business, we focus on enterprise HDDs for data centers and servers.

In our age of big data, Toshiba Group sets the pace for developing storage solutions with NAND Flash memories and BiCS FLASH™ with a 3D stacked cell structure. These devices are the building blocks for storage in smartphones and tablet PCs and, increasingly, as SSD, in data centers and servers-the essential infrastructure that sustains our data-driven society.



Toshiba Electronic Devices & Storage Corporation President and CEO	Hiroshi Fukuchi
Toshiba Memory Corporation President and CEO	Yasuo Naruke

## Digital Solutions Business Domain

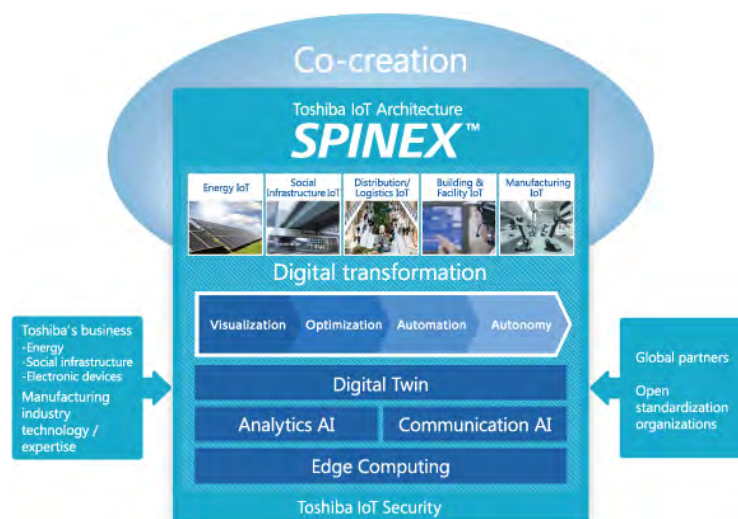
### Accelerate Digital Transformation and Co-create New Value Propositions

Toshiba Group takes full advantage of know-how cultivated in over 140 years of experience in the social infrastructure business and manufacturing to accelerate digital transformation with the latest ICT, such as the IoT and artificial intelligence (AI), and co-creates new value propositions with our customers and society.

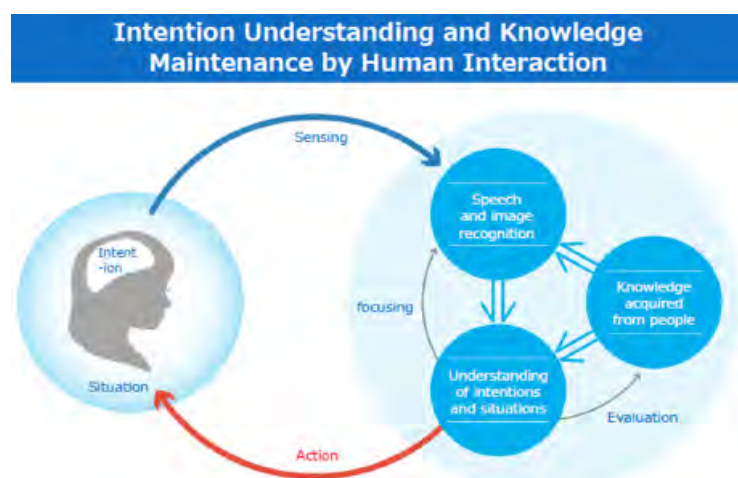
We support digital transformation with the “Toshiba IoT Architecture SPINEX”, which combines the Group's latest technologies with expertise and experience gained from a wide range of industries and worksites.

We also have been devoted many years of effort to the development of Media Intelligence-speech, image and character recognition technologies-and to promoting “Toshiba Communication AI RECAIUS”, aiming not only to connect things but also develop a deep and comprehensive understanding of human intentions and situations, to support interpersonal communications.

We will continue to contribute to creating a comfortable and safer society for people worldwide, through Co-Creation that enables open innovations that extend far beyond the boundaries of companies, industries and regions.



Toshiba IoT Architecture SPINEX



Toshiba Communication AI RECAIUS

# The Toshiba Commitment

## 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**



- › Basic Commitment of the Toshiba Group
- › [Toshiba Group Management Vision](#)
- › [Toshiba Brand Statement](#)
- › [Toshiba Group Standards of Conduct](#)

# 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

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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

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### 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

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### 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

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### 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

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### 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

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### 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

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### 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

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### 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 United States if we are engaged in transactions involving U.S. products and technological information; and
3. prepare and implement export control compliance programs (hereinafter called the "Export Control Programs") that stipulate corporate policies and procedures for assuring compliance with the foregoing laws and regulations.

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

Directors and Employees shall:

1. refrain from any transactions that may undermine the maintenance of global peace and security or any product or technology transactions that may violate the following laws and regulations:
  - all applicable export control laws and regulations in each of the countries and regions where Toshiba Group operates
  - the export control laws and regulations of the United States applicable to transactions involving U.S. products and technological information;
2. assure strict management of transactions from the initial inquiry through the delivery of products and services by observing 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

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### 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

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### 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

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### 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

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### 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

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### 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

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### 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

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## 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

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### **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

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### **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 honesty 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.



# Message from the President



As the head of Toshiba's management team, my first and driving concern is to promote initiatives that revitalize the company and the Group, and that regain stakeholder and public trust. I approach these challenges in the spirit of putting the customer first.

I am fully aware that we face strong headwinds, and I know that some recent actions have caused concern and inconvenience to our stakeholders. However, we are determined to succeed, starting with a resolute response to the inappropriate accounting and the huge impairment loss in the overseas nuclear power businesses.

In response to the accounting problem, we initiated wide ranging reforms of our internal controls and corporate governance in 2015. These included establishing an Internal Audit Division, and an Audit Committee composed entirely of outside directors. At the board level, we reinforced oversight of top management and operations by appointing a majority of outside directors.

More recently, we have taken resolute action to deal with the damage from the impairment loss. Our former in-house companies are now independent operations, responsible for developing and expanding new businesses while maximizing business value. At the strategic level we will promote collaboration amongst the Group, focus on maximizing corporate value and strengthening governance.

Going forward, we will continue to implement necessary measures, promote CSR-based management toward fulfilling our social responsibilities and seek to contribute to the realization of a sustainable future through business activities that place the highest priority on human life, safety and compliance.

In an environment where the only certainty is change at an ever faster pace, including rapid development of information and communications technology, we must overcome many complex problems, such as population growth, resource depletion and the ever-growing need for energy. We will seek to contribute to society and overcome these issues by rebuilding Toshiba Group as a globally competitive organization focused on four main business domains: Social Infrastructure as the core, Energy, Electronic Devices and Digital Solutions. We will channel our energy into creating value that our customers need today, and grow the seeds that will become next generation businesses and solutions that solve customers' problems.

Toshiba Group as a whole is making a united effort to regain the trust of its stakeholders, including customers and shareholders and the public. As we do so, I ask for your understanding and continued support.

Satoshi Tsunakawa  
President and CEO

October 2017

> [IR News](#)

# Message from the Executive in Charge of CSR



**Toshiba Group contributes to realization of a sustainable society through CSR management.**

**Naoto Hasegawa**  
Executive Officer  
Corporate Vice President

Businesses today operate in fast changing circumstances, clearly symbolized by the Sustainable Development Goals (SDGs) and the UN's Paris Agreement. At the same time, global society faces serious issues that are becoming ever more complex and challenging and, more than ever, companies are expected to take an active part in finding solutions.

In contributing to the realization of the sustainable society that the SDGs aim for, Toshiba Group provides innovative technologies and solutions in the field of Infrastructure that sustains quality of life; Energy that sustains everyday lives, that is cleaner and safer; and in Electric Devices and Digital Solution that support Energy and Infrastructure. In doing so, we seek to support society's development.

Toshiba Group's corporate philosophy shares a clear message: "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." All of us in Toshiba Group work together on the basis of CSR management, so that we may continue to offer new value to customers and to society.

Toshiba, as a member of The United Nations Global Compact, adheres to universal principles, addresses CSR-related issues identified through dialogues with stakeholders, and makes every effort to regain the trust of all stakeholders and the public.

## CSR Management

Toshiba Group's CSR management is the base for all corporate activities. It seeks to contribute to sustainable social development by supporting the resolution of global social issues through business and by setting human life, safety and compliance as our top priorities.

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

### Toshiba Group's CSR Management



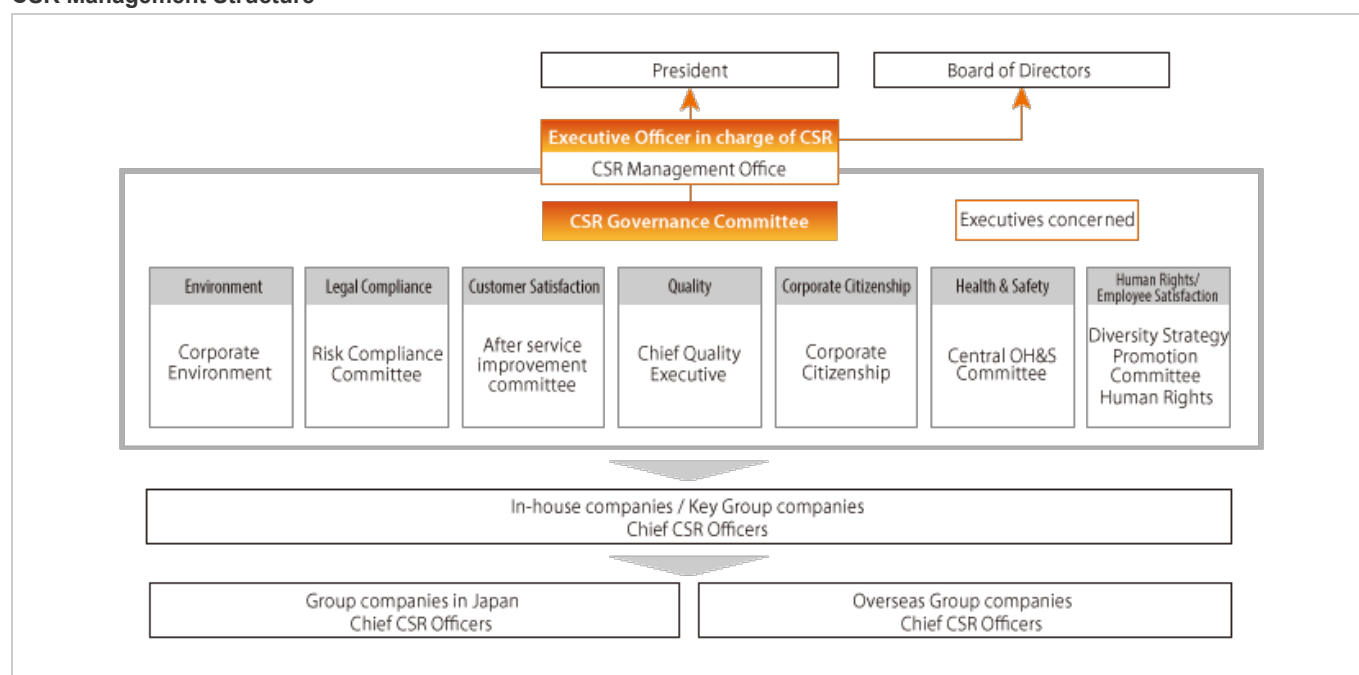
# Organization of CSR Management

In 2003 Toshiba internally established an organization promoting CSR and 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 periodically in order to discuss and determine Toshiba Group CSR Action Policy. Based on the policies 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.

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



## Monitoring

We have been conducting the Global CSR Survey annually since FY2005 in order to check and improve CSR-related activities at overseas Group companies.

The survey consists of items concerning human rights, labor, ethics, amount of expenditure on social contribution activities, management of suppliers, and so on. The answers submitted by suppliers are gathered, analyzed and shared with the department in charge of managing the results, and we request improvements be made in problematic areas.

# Increasing Employee Awareness of CSR

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In order to increase CSR awareness throughout Toshiba Group, the President speaks about the Group's corporate philosophy, "Committed to People, Committed to the Future" at the start of each accounting period, during company ceremonies and start-of-year addresses, as well as at any other opportunity. He puts particular emphasis on practicing CSR management and on its importance. The overview is circulated among domestic and overseas bases and Group companies through in-house newsletters and the office organization system. We also conduct training programs all year round including rank-specific CSR education such as for new employees and newly appointed officers, and e-learning on various themes such as the environment, information security, human rights and engineering ethics.

## Toshiba Group's CSR Month

The Toshiba Group has designated December as its CSR Month since FY2006. During this month, we assess our CSR initiatives and hold a variety of events, such as the Group-wide CSR Conference and other events at our companies and business sites focusing on social contribution and other CSR activities.

In FY2016, we delivered the President's message to Toshiba Group employees to explain that we need to think about our corporate social responsibility (CSR) and take action in order to regain public trust in Toshiba Group for its regeneration. We also participated in the Toshiba Group Simultaneous Social Contribution Activities on International Volunteer Day (December 5).

On December 13, we held our annual CSR Conference, which was attended by some 680 employees, including executive officers and labor union representatives. On the conference day, the executive officer in charge of CSR reported on global CSR issues facing companies as well as on progress in management reform. In addition, Shoei Utsuda, Counselor of Mitsui & Co., Ltd., delivered a special lecture entitled "Looking Back on Two Incidents at Mitsui & Co., Ltd." In this lecture, Mr. Utsuda discussed measures that were taken to regain public trust after the compliance issue arose at Mitsui and efforts to do good work to be recognized by the public. He also provided advice about what is needed for Toshiba Group and what the Group needs to consider now.

The conference made us realize the importance for Toshiba Group members to work together to the best of our abilities in order to restore the trust of all stakeholders.

# Material Issues

## The Situation up to FY2016

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Since FY2011, Toshiba Group has been repeating a PDCA cycle (plan, do, check, act) to administer self-evaluations based on ISO26000. We refer also to opinions we receive via dialogue with stakeholders and evaluative reviews from third-party organizations in order to determine our material issues.

In FY2013, we identified "Respect for Human Rights," "CSR Management in the Supply Chain," and "Environmental Management" as material issues. In FY2016, we continued our efforts to tackle these issues. We record our progress regarding these efforts in the ESG activity report.

 [FY2016 Material Issues \(Identified in FY2013\)](#)

ESG Activity Report

- > [Respect for Human Rights](#)
- > [CSR Management in the Supply Chain](#)
- > [Environment Management](#)

Meanwhile, the accounting issue that arose in FY2015 is likely to have resulted partly from our corporate culture. In FY2016, therefore, we placed high priority on preventing similar problems from recurring and on reforming our corporate culture.

### Initiatives for reforming our corporate culture


Reforming management mentality

- > [Delivering messages from top executives](#)
- > [Seminars for senior management](#)
- > [Delivering messages from senior management](#)
- > [360-degree survey](#)

Reforming employees' mentality








- > [Education on accounting compliance](#)
- > [Workplace CSR meetings](#)
- > [Employee morale survey](#)

In addition, in response to the losses in the overseas nuclear business that transpired in December 2016, we placed the highest priority on identifying the cause of the problem and developing remedial measures. We held a briefing session on February 14, 2017 and published documents to explain the background to the matter and the remedial measures that have been developed.

 [Briefing material regarding the extension of the deadline for the submission of the Financial Report on the Third Quarter, financial forecast, and the overview of the losses in the nuclear business \(938 KB\)](#)

## Regular Dialogues with Stakeholders

We maintain 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 sessions 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
Governments and public bodies		Dialogues with economic and/or industry associations
NPOs/NGOs		Dialogue through collaboration, Exchange of views at stakeholder dialogues

> [Stakeholders](#)

# Main Contents of ESG Performance

Toshiba Group tackles issues related to the environment, 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.) and governance (corporate governance, risk compliance, etc.), setting medium- to long-term vision and implementing initiatives to improve performance.

	Items	Main contents
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 <sub>2</sub> emissions
	Quality Control	Quality promotion structure, ensuring product quality, management system to ensure quality, and disclosing quality information
	Product Safety and Product Security	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
Governance	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
	Corporate Governance	Governance Overview, Directors and Executives, Compensation, Takeover Governance 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



# FY2016 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.

## Governance

Corporate Governance	FY2015	FY2016	FY2016	FY2017
	Achievements	Targets	Achievements	Targets
Number of directors (GRI G4-34, G4-38)	11	—	9	—
Number of directors not concurrently serving as executive officers (GRI G4-38)	7	Half of all directors	6	Half of all directors
Number of female directors Percentage of female directors (ISO26000 6.2, GRI G4-38)	1(9%)	Over 1	1(11%)	Over 1
<a href="#">&gt; Corporate Governance</a>				

Risk Management and Compliance	FY2015	FY2016	FY2016	FY2017
	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)	100%	100%	100%	100%
	"Toshiba Group Standards of Conduct" was published in 24 different languages. Various education programs are provided such as education based on the needs of employees at different organizational levels, job functions, and e-learning 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)	1 times/yr, 90,000	2 times/yr,	1 times/yr, 85,000	1 times/yr,
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%
	In February 2017, we held e-learning on sales risks, 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)	208 reports (204/4)	—	399 reports (389/12*)	—
	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. * Including duplicate reports received by the internal secretariat.			

Risk Management and Compliance	FY2015	FY2016	FY2016	FY2017
	Achievements	Targets	Achievements	Targets
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
We conducted education on advertising and labeling in the e-learning on sales risks, thus ensuring full compliance with advertising and labeling regulations.				
<a href="#">&gt; Risk Management and Compliance</a>				

## Environmental Management

For the items related to Environmental Management, Toshiba Group has set new targets based on the new standards regarding the boundary and benchmark year of the Sixth Environmental Action Plan for the period from 2017 to 2020.

### Improvement of environmental performance of products and services

Mitigation of Climate Change	FY2015	FY2016	FY2016	FY2017
	Achievement	Target	Achievement	Target
Reduction of CO2 emissions through eco-products (Power consumption)*1 (ISO26000 6.5.5, GRI G4-EN17, G4-EN19)	15.1 million tons	15.5 million tons	15.65 million tons	For details, see P42
In order to reduce CO2 emissions through the use of eco-products, we will continue to create Environmentally Conscious Products (ECPs).				
<a href="#">&gt; Mitigation of Climate Change: Results of FY2016 and future initiatives</a>				
Efficient Use of Resources	FY2015	FY2016	FY2016	FY2017
	Achievement	Target	Achievement	Target
Increasing the use of recycled plastics for products*2 (ISO26000 6.5.4, GRI G4-EN2)	8.80%	3.50%	10.60%	For details, see P42
The rate was improved by the increased amount of recycled plastic usage by MFP (Multi Functional Printers) etc. We will promote using recycled plastic even from now on.				
<a href="#">&gt; Efficient Use of Resources: Increased use of recycled plastics</a>				
Management of Chemicals	FY2015	FY2016	FY2016	FY2017
	Achievement	Target	Achievement	Target
Reduction of specified chemical substances in products*3 (Reduction of PVC/BFR *4) (ISO26000 6.5.3)	76 product groups	All 66 product groups	65 product groups	For details, see P42
We could not achieve the goal in FY2016 because one product group (fuel cell) was introduced to the market ahead of the original schedule. We plan to develop next-generation products by employing alternative materials within FY2017. From FY2017, we will promote the use of alternatives to the four phthalate esters*5 which will be subjected to regulation in various countries.				
<a href="#">&gt; Management of Chemicals in products</a>				

\*1 [CO<sub>2</sub> emissions of assumed substitute products] – [CO<sub>2</sub> emissions of shipped products]

\*2 [Amount of recyclable plastics] / [amount of plastics used for products] × 100

\*3 Special uses are excluded.

\*4 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.

\*5 Bis (2-ethylhexyl) phthalate, butyl benzyl phthalate, di-n-butyl phthalate, diisobutyl phthalate. Used mainly as a plasticizer for plastics (cable coatings, etc.) and other materials; there is concern about its effects on the human body.

## Reducing environmental impacts in manufacturing

Mitigation of Climate Change	FY2015	FY2016	FY2016	FY2017
	Achievement	Target	Achievement	Target
Reduction in total greenhouse gas emissions*6 (Compared to FY1990 level) (ISO26000 6.5.5, GRI G4-EN19)	2.86 million tons <42%>	3.25 million tons <48%>	2.94 million tons <43%>	For details, see P42
	Promoted energy conservation and replacement to energy saving instruments in each site. We will further promote improvement.			
> <a href="#">Reducing total GHG emissions</a>				
Efficient Use of Resources	FY2015	FY2016	FY2016	FY2017
	Achievement	Target	Achievement	Target
Reduction in waste volumes*7 (Compared to FY2000 level) (ISO26000 6.5.3, 6.5.4, GRI G4-EN23)	75,000 tons <40%>	110,000 tons <58%>	77,000 tons <41%>	For details, see P42
	More waste was turned into valuables due to intensive sorting of discharge. We will keep improving the situation in the future.			
> <a href="#">Reducing the total waste volume</a>				
Management of Chemicals	FY2015	FY2016	FY2016	FY2017
	Achievement	Target	Achievement	Target
Reduction in the total emissions of chemicals discharged (Compared to FY2000 level) (ISO26000 6.5.3, GRI G4-EN1)	1,360 tons <54%>	1,620 tons <64%>	1,398 tons <56%>	For details, see P42
	Achieved the goal mainly by installing equipments for removing volatile organic compounds. We will keep improving the situation in the future.			
> <a href="#">Reducing emissions of chemical substances</a>				
*6 5.31 t-CO2/10-thousand kWh is used for the power factor in Japan, and GHG Protocol data is used overseas.				
*7 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).				

# Social

Respect for Human Rights	FY2015	FY2016	FY2016	FY2017
	Achievements	Targets	Achievements	Targets
Number of companies surveyed about conflict minerals *8 Cumulative Numbers (ISO26000 6.3.5, GRI G4-LA14, G4-HR9-11)	Approx. 1,800*8	Approx. 1,800*8	Approx. 1,400*8	—
3TG*9 Toshiba Group conducted a survey on the use of conflict minerals for Toshiba Group suppliers that could have been using 3TG*9 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. In FY2016 number of companies surveyed has been decreased because of reforming business structure and identification of suppliers who are less possibility to use 3TG.				
<a href="#">             &gt; Addressing the Conflict Minerals Issue           </a>				
*8 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. *9 Abbreviation of four minerals, tin, tungsten, tantalum and gold, which are specified as "Conflict Minerals".				
<a href="#">             &gt; Respect for Human Rights           </a>				

Fair Evaluation and Talent Development	FY2015	FY2016	FY2016	FY2017
	Achievements	Targets	Achievements	Targets
Satisfaction rate of employees (Toshiba Corp.)	64/100	—	66/100	—
Converting the result of in-depth survey of employee, TEAM Survey, to the score out of 100 points. Through this survey, we placed high priority on reforming our corporate culture monitoring satisfaction rate of employees.				
<a href="#">             &gt; Fair Evaluation and Talent Development           </a>				

Diversity Promotion	FY2015	FY2016	FY2016	FY2017
	Achievements	Targets	Achievements	Targets
Number and percentage of female managers (Toshiba Corp.) (GRI G4-LA12)	333 (4.1%)	5.0%	326 (4.3%)	TBD
According to the split-up of inner companies, FY2017 target is to be determined later.				
Percentage of female recruits (Toshiba Corp.) (GRI G4-LA1)	Administrative:50% Technical: 19%	—	—	Administrative:50% Technical: 25%
Recruitment of new university graduates for administrative and technical positions at Toshiba to start work in April 2017 has been canceled.				
Employee male-female rate (Toshiba Corp.) (GRI G4-10)	Male:88.0% Female:12.0%	—	Male:88.0% Female:12.0%	—
Employment percentage of people with disabilities (Toshiba incl. a special subsidiary company in Japan) (ISO26000 6.3.7, GRI G4-LA12)	2.03%	2.00%	2.05%	2.00%
In the timing of June, each year. 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.				

Diversity Promotion	FY2015	FY2016	FY2016	FY2017
	Achievements	Targets	Achievements	Targets
Average number of years with company (Toshiba Corp.)	Ave. 18.0 yrs (Male: 18.3 yrs, Female: 16.1 yrs)	—	Ave. 18.2 yrs (Male: 18.5 yrs, Female: 15.5 yrs)	—
Percentage of leave acquisition (Toshiba Corp.)	85%	—	86%	—
	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: 10(1.0%) Female: 358	—	Male: 17(1.6%) Female: 348	—
	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)	372	—	388	—
	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: 1 Female: 2	—	Male: 2 Female: 2	—
	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: 456	—	Male: 10 Female: 426	—
	Employees who are raising children who have not yet completed elementary school.			
› <a href="#">Diversity Promotion</a>				

Occupational Health and Safety	FY2015	FY2016	FY2016	FY2017
	Achievements	Targets	Achievements	Targets
Number and percentage of Group companies in Japan (manufacturing) that have acquired OHSAS18001 certification (ISO26000 6.4.6, GRI G4-LA5)	61 (100%)	— (100%)	57 (100%)	— (100%)
	Toshiba Group assessed risks related to OHSAS18001 and promoted 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)	0.15	—	0.12	—
	Result of our performance is less than average for all industry in Japan (1.63 days), manufacturing industry in Japan (1.15 days), electrical appliance manufacturing industry in Japan (0.51 days) of Industrial Accident Statistics (FY2016) issued by the Ministry of Health, Labour and Welfare.			

> [Occupational Health and Safety](#)

CSR Management in the Supply Chain	FY2015	FY2016	FY2016	FY2017
	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)	100%	100%	97%	100%
	In keeping with the FY2014 revision of the Toshiba Group Procurement Policy, we requested a total of 10,000 suppliers*10*11 to comply. In consequence of structural reform of business, we could not get consensus from a part of suppliers in FY2016. We will continue to make every effort to gain consent from all of our suppliers.			
Number of suppliers at which the CSR survey is conducted *10 Cumulative numbers (ISO26000 6.3.5, 6.4.3, 6.6.6, GRI G4-HR1, HR4-6, G4-SO9-10)	9,288*10	7,000*10	8,729*10	7,000*10
	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 *10 Cumulative numbers (ISO26000 6.3.5, 6.4.3, 6.6.6, GRI G4-HR1, HR4-6, G4-SO9-10)	Guidance and support provided: 900*10 Transaction suspended: 8*10	—	Guidance and support provided: 288*10 Transaction suspended: 0	—
	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 support 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.			
*10 As Toshiba Group companies conduct surveys based on each contract, we count one contract in case multiple contracts are concluded with one supplier.				
*11 The company numbers are approximate due to their commercially sensitive information.				
➤ <a href="#">CSR Management in the Supply Chain</a>				

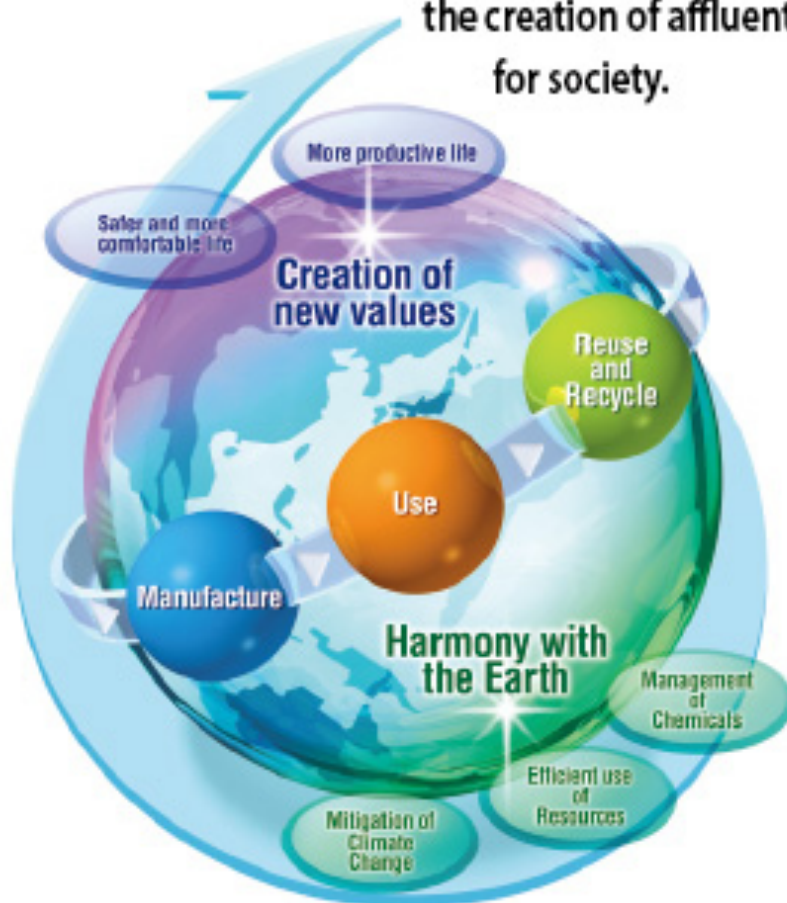
Social Contribution Activities	FY2015	FY2016	FY2016	FY2017
	Achievements	Targets	Achievements	Targets
Expenditures for Social Contribution Activities including donations for natural disasters, etc. (ISO26000 6.8.3, GRI G4-SO1)	2.96 billion yen	—	2.14 billion yen	—
	In FY2016, expenditures have been decreased because of review of donation programs, deduction of uncontinuous business etc.			
Number of social contribution programs (ISO26000 6.8.3, GRI G4-SO1)	1,359 programs	—	1,174 programs	—
	Number of acheivement on FY2015 has been changed to 1,359 by additional reportings. In FY2016, we held the Toshiba Group Simultaneous Social Contribution Action 2016 on or around December 5th, International Volunteer Day. A total of 401 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)	1.18 million	1.21 million	1.21 million	
	1.5 million afforestation activities has been terminated in FY2016 as group activities, but it will be continued as independent activities at some places.			
Number of visitors to Toshiba Science Museum	370,000	—	310,000	300,000
	In FY2015 there were a lot of visitors after a renewal, in FY2017 we will improve guidance, exhibition and event to get higher satisfaction of visitors so that we can keep 300,000 visitors.			
▶ <a href="#">Social Contribution Activities</a>				

## Environmental Management

Toshiba Group has developed "Environmental Vision 2050," a long-term vision under which we aim to realize a world in which people can enjoy affluent lifestyles in harmony with the Earth by the year 2050. Toshiba Group strives to provide safer and more comfortable lifestyles and create enriched value for customers, and also strives for harmony with the Earth by working to mitigate climate change, use resources efficiently, and manage chemicals properly throughout the life cycle of products.

### Environmental Vision 2050

**Toshiba Group practices environmental management  
that promotes harmony with the Earth, contributing to  
the creation of affluent lifestyles  
for society.**





## Medium- to Long-term Vision

In order to realize our Environmental Vision 2050, we have formulated a detailed medium-term plan, the Environmental Action Plan, to reduce the environmental impacts of product/service lifecycles and contribute towards the achievement of a sustainable society.

## Main Achievements in FY2016

### Reducing environmental impacts in manufacturing

**Reduction of total greenhouse gas emissions\*1** **2.94** million t-CO<sub>2</sub> (43% of the FY1990 level)

Activities such as energy-saving investments, air conditioning/lighting power-saving, and energy management have reduced total greenhouse gas emissions to 2.94 million tons.

\*1: 5.31 t-CO<sub>2</sub>/10,000 kWh is used for the power factor in Japan. Overseas electricity is based on the GHG Protocol data.

### Improvement of environmental performance of products and services

**Reduction of CO<sub>2</sub> emissions through eco-products**  
(Power supply\*2)

**100** million t-CO<sub>2</sub>

Activities toward the development and dissemination of diverse energy technologies such as hydroelectric, geothermal, photovoltaic, and high-efficiency thermal power have resulted in the reduction of CO<sub>2</sub> emissions by 100 million tons.

\*2: Products and services related to power supply, such as power plants.



Olkaria IV Geothermal Power Plant in Kenya

**Reduction of CO<sub>2</sub> emissions through eco-products**  
(Power consumption\*3) \*4

**15.65** million t-CO<sub>2</sub>

CO<sub>2</sub> emissions were reduced by 15.65 million tons through our development and offerings of products/services with high-level energy-saving functionality.

\*3: Products and services related to power consumption, such as social infrastructure products and office equipment.

\*4: [CO<sub>2</sub> emissions of assumed substitute products – CO<sub>2</sub> emissions of shipped products] (Compares emissions per year during the usage stage and cumulates emissions for half the expected number of years of use).



Air-cooled heat pump chiller "Universal Smart X"

## Future Challenges and Approaches

As issues such as global warming and resource depletion continue to be a serious concern, Toshiba Group believes that, as a member of the international community, we have the responsibility of helping resolve these issues. In the Sixth Environmental Action Plan, which is active from FY2017 to FY2020, we will move forward with environmental considerations at our sites and make developments in environmentally conscious products and services that are unique to Toshiba Group. We will also focus on activities that will act as a foundation for such developments such as ensuring environmental risk compliance, promoting environmental communication and conserving biodiversity, to contribute towards the resolution of various environmental issues and to achieve a sustainable society.

# Toshiba Group's Sixth Environmental Action Plan

The outline and detailed items of our medium-term plan, the Environmental Action Plan are as follows. Toshiba Group will focus on the 15 targets implementing activities to reduce environmental impacts throughout the life cycles of products and services (Business) and related fundamental activities (Management).

## The outline of the Sixth Environmental Action Plan



\* Yokohama City Environmentally Conscious Architecture Authentication System

## The items of the Sixth Environmental Action Plan

Activity area		Activity content	FY2017 plan	FY2020 plan
Business	Reducing environmental impacts in manufacturing	Reduction of total greenhouse gas emissions <sup>*1</sup>	1.46 million t	1.66 million t
		Improvement of total energy-derived CO <sub>2</sub> emissions per unit activity <sup>*2</sup> (Compared to FY2013 level)	99%	92%
		Reduction of waste volumes <sup>*3</sup>	45,000 t	52,000 t
		Improvement of the total volume of waste generated per unit production (Compared to FY2013 level)	99%	96%
		Improvement of the amount of water received per unit production (Compared to FY2013 level)	99%	96%
		Reduction of the total amount of chemicals discharged per unit production (Compared to FY2013 level)	99%	96%
	Improvement of environmental performance of products and services	Increased reduction of CO <sub>2</sub> emissions (cumulative total)	Power supply <sup>*4</sup> 9.6 million t	16.3 million t
			Power consumption <sup>*5</sup> 1.7 million t	6.3 million t
		Increased amount of resources saved (cumulative total)	100,000 t	460,000 t
		Increased amount of recycled resources (recycled plastics) used (cumulative total)	740t	3,000t
		Reduction of specified chemical substances contained in products	Using alternative materials for four phthalate esters <sup>*6</sup> or identifying alternates for all products by July 2019	
Management	Ensuring of environmental risk compliance	Enhancement of compliance with global environmental regulations and human resource development	- Reviewing of measures to ensure compliance with global environmental regulations - Enhancement of local networks of environmental human resources at overseas production sites	
	Environmental communication	Improvement of information disclosure	Improvement of reporting based on external requirements	
		Development of networks with stakeholders	- Enhancement of communication with customers through Toshiba Group Environmental Exhibition and education program at Toshiba Science Museum - Enhancement of communication with local communities by implementing Global Environmental Action at business and production sites worldwide	
	Conservation of biodiversity	Contributions to Aichi Targets	Choosing 10 of the 20 Aichi targets as Toshiba goals to develop measures at business and production sites worldwide	

Note:

- The benchmark year, boundary, and calculation method of some of the items have been modified from the Fifth Environmental Action Plan (FY2012-2016) due to the change of the inside and outside circumstances of Toshiba Group.
- Toshiba Memory Corporation's stock is scheduled to be transferred by the end of March 2018; therefore, Toshiba Memory is not included in the calculation of numerical goals for FY2017 and FY2020.
- Values related to the energy consumption required for manufacturing (production amounts, number of products manufactured, number of persons, total floor area, etc.) are used for basic-unit goals for greenhouse gas emissions.
- As an indicator that enables appropriate assessment of reduction in waste, water, and chemical substances, volume-based real outputs are used for basic-unit goals.
- Real production = [Nominal output in Japan] / [corporate goods price index (for electrical equipment) announced by the Bank of Japan for the year (compared to 1990 levels, where 1990 is represented as 1)] + [nominal output outside Japan]

\*1 5.31 t-CO<sub>2</sub>/10,000 kWh is used for the power factor in Japan. GHG Protocol data is used overseas.

\*2 The coefficient of electricity for sites in Japan is fixed to that of FY2013.

\*3 Obtained by deducting the volume of objects with value from the total volume of waste generated (excluding business and production sites engaged in waste treatment and power generation).

\*4 Compared with CO<sub>2</sub> emissions (rate to net production output) for average thermal power of the same fuel type; for renewable energy, compared with CO<sub>2</sub> emissions (rate to net production output) for average thermal power of all types; an accumulated total of annual reductions plus reductions achieved by newly built power generation systems.

\*5 [CO<sub>2</sub> emissions of assumed substitute products – CO<sub>2</sub> emissions of shipped products] (Compares emissions per year during the usage stage and cumulates emissions for half the expected number of years of use)

\*6 Bis (2-ethylhexyl) phthalate, butyl benzyl phthalate, di-n-butyl phthalate, diisobutyl phthalate. Used mainly as a plasticizer for plastics (cable coatings, etc.) and other materials; there is concern about its effects on the human body.

## 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

**Carry out human rights impact assessments for high-priority areas and perform human rights due diligence at a 100% level at business sites with high human rights risks.**

### FY 2016 Achievements

- Compiled a Report on Compliance with the U.K. Modern Slavery Act regarding relevant company divisions in Japan
- Held human rights awareness seminars for relevant company divisions in 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\(1.08MB\)](#).

- 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.

In addition, based on the Modern Slavery Act enacted in the United Kingdom in 2015, Toshiba Group has declared that it does not approve any form of modern slavery, including human trafficking and forced labor.

- > [Toshiba Group Procurement Policy](#)
- > [UK Modern Slavery Act 2015](#)

## **Toshiba Group Slavery and Human Trafficking Statement**

Pursuant to the United Kingdom (UK) Modern Slavery Act 2015, Chapter 30, Part 6, Section 54, the Toshiba Group states that we have taken steps during the financial year to ensure that slavery and human trafficking is not taking place in any of our supply chains and in any part of our business. These steps include the adoption of various policies, putting in place a framework for respecting human rights, the ongoing identification and monitoring of human rights risks, employee training and the establishment of a whistleblower system and consulting service to ensure that modern slavery is not taking place in our business or supply chains.

### **Company overview**

Toshiba is a world leader and innovator in pioneering high technology, a diversified manufacturer and marketer of advanced electronic and electrical products and systems spanning energy systems, infrastructure systems and storage devices. Toshiba was founded in 1875, and today operates a global network of more than 510 companies, with approx. 153,000 employees worldwide and annual sales of 4.87 trillion yen (US\$44.3billion).

### **Policies**

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. In addition to complying with laws and regulations, the Toshiba Group Standards of Conduct stipulates respect for basic human rights and opposes child labor and forced labor.

<http://www.toshiba.co.jp/csr/en/policy/soc.htm>

We request all our suppliers, who play an important role in the Toshiba Group companies' production and services, to understand and put into practice the Toshiba Group Procurement Policy, which contains a clear prohibition on forced labor (including slave labor) and human trafficking.

<http://www.toshiba.co.jp/procure/en/policy/index.htm>

We have established the Toshiba Group Conflict Mineral Policy which 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.

[http://www.toshiba.co.jp/csr/en/performance/social/procure.htm#conflict\\_minerals\\_1](http://www.toshiba.co.jp/csr/en/performance/social/procure.htm#conflict_minerals_1)

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

The 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. Moreover, our Business and Human Rights Center serves as the point of contact on human rights issues for all Group companies. We 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 the Toshiba Group.

### **Identification and Monitoring of Human Rights Risks**

The Toshiba Group continuously investigates potential human rights risks in its business activities through reviews based on ISO 26000, the international standard providing guidelines for corporate social responsibility. To monitor the implementation of Toshiba's human rights initiatives, we will continue to perform gap analyses based on ISO 26000 guidelines and CSR surveys. As a part of the CSR surveys, Toshiba has conducted annual human rights due diligence on 119 Group companies and we confirmed that there is no situation of forced labor in FY2016.

### **Training**

The Toshiba Group Standards of Conduct has been adopted by Group companies and is available in 24 languages. Training on the Standards of Conduct is provided to Group employees to make the Standards of Conduct the guiding principles of our daily business activities.

### **Establishment of Whistleblower System and Consulting Service**

The Toshiba Group receives internal reports and consultations concerning human rights through various points of contact such as our Risk Hotline, Audit Committee Hotline, and Clean Partner Line.



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Satoshi Tsunakawa

Representative Executive Officer

President and Chief Executive Officer

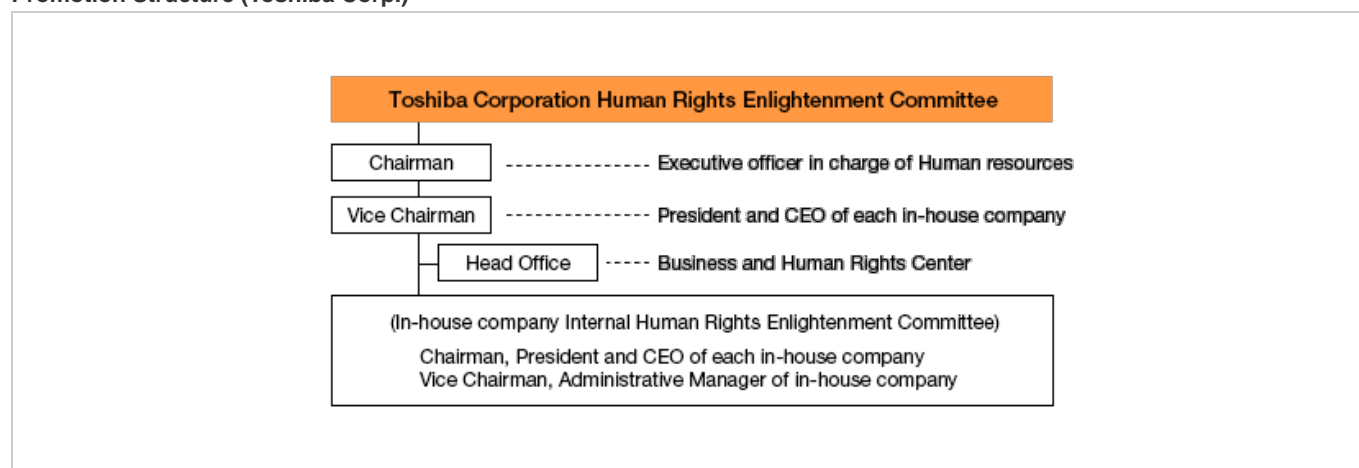
Toshiba Corporation

September 2017

## Framework for Respecting Human Rights

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.)



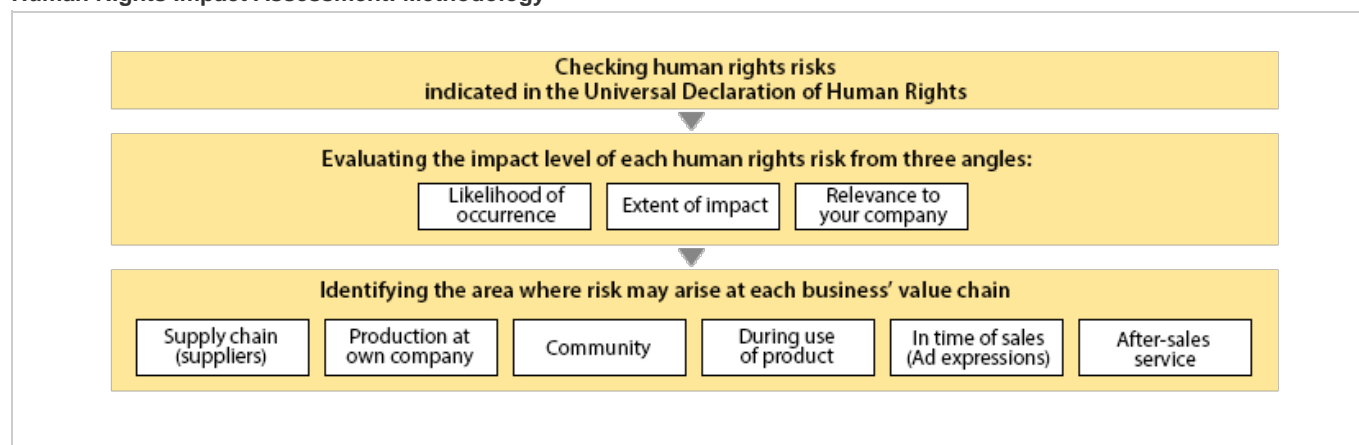
## Identification and Monitoring of Human Rights Risks

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 the past, 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 CSR surveys targeting both overseas Group companies and our suppliers, and Conflict Minerals surveys.

- > [CSR surveys targeting overseas Group companies](#)
- > [CSR surveys targeting our suppliers](#)
- > [Conflict Minerals surveys](#)

## 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 FY2016, the theme of the lecture was "Harassment and Anger Management" and 134 managers from general affairs, human resources, and other administrative departments of Toshiba Group companies attended the lecture.

## Disclosure of Risk Management Case Studies Regarding Human Rights

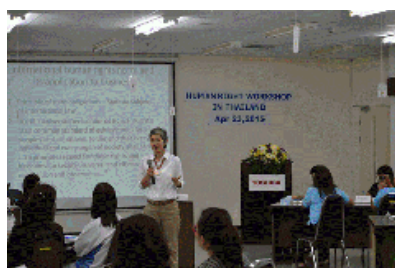
Toshiba publishes case studies from outside the company regarding violation of human rights on our company intranet, in order to improve employee awareness. We summarize and introduce the key points of management risks, and related laws in a comprehensive fashion.

## 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
Apr 2015	Thailand	33 people and managers from general affairs and human resources, procurement departments of 14 Toshiba Group companies in Thailand	<ul style="list-style-type: none"> <li>▪ Learning about global human rights issues, and about human rights violations in Thailand</li> <li>▪ Exchanging opinions and sharing information between Group companies about potential risks in each company</li> </ul>
Dec 2014	Japan	53 people from general affairs and human resources departments of 24 Toshiba Group companies in Japan	<ul style="list-style-type: none"> <li>▪ 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</li> <li>▪ Hold Workshop to detect possible human rights risks at each step in each business's value chain</li> </ul>
Nov 2014	China	54 managers from general affairs and human resources departments of 31 Toshiba Group companies in China	<ul style="list-style-type: none"> <li>▪ Learn from case studies about global issues, and potential risks and the impact they might have on our business</li> </ul>
Feb 2014	Philippines	45 managers from human resources department of 9 countries in Asia and others	<ul style="list-style-type: none"> <li>▪ Lectures on cases of human rights violations, and outlines of international principles</li> <li>▪ Group discussions on human rights risks in the country</li> </ul>



A workshop in Thailand

## Prevention of Harassment

[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.

In FY2016, to improve the skills of consulting service staff, we provided training regarding LGBT\* and maternity harassment.

\* LGBT: An acronym standing for Lesbian, Gay, Bisexual, and Transgender (including persons with gender identity disorder), and is a term which generally represents sexual minorities



Human rights training at workplace

## Establishment of Whistleblower System and Consulting Service

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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. Moreover, an overview of the reports and consultations that the Risk Hotline receives are periodically published on our intranet.

### Whistleblower System for Employees: "Audit Committee Hotline"

Toshiba established an Audit Committee Hotline in FY2015 that allows employees to report directly to the Audit Committee, which is not under the command of the President and CEO. The Audit Committee Hotline has been established primarily to prevent any occurrence of compliance violation risks, such as violations of laws and regulations, and improper transactions, as well as to accelerate the resolution of issues.

### 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.

➤ [Risk Management and Compliance](#)

## 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](#)

## 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 human rights seminars hosted by Caux Round Table (CRT) Japan, the 2016 Business Human Conference in Tokyo, and the 2015 Stakeholder Engagement Program (FY2016)
- Participation in the Human rights Subcommittee Meeting (Global) held by BSR, a U.S.-based CSR promotion organization (FY2016)
- Participation in the human rights seminars hosted by Caux Round Table (CRT) Japan: 2015 Business Human Rights Conference in Tokyo, and the 2015 Stakeholder Engagement Program (FY2015)
- Participation in the Human Rights Subcommittee Meeting (Global) held by BSR, a U.S.-based CSR promotion organization (FY2015)
- Participation in the Japan Human Rights Study Forum hosted by Business for Social Responsibility (BSR), a US-based CSR promotion organization (FY2015)
- 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
- Participation in the Human Rights Due Diligence Study Group organized by the Global Compact Network Japan (GC-NJ) (from FY2013, FY2014)
- 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)

### Support for Human Rights NGOs

- In collaboration with the public-service corporation Save the Children Japan, we're implementing Early Childhood Development fund-raise 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. At the same event in December 2015, we held a report session to present the findings of the on-site survey, and to explain the value of the donations, and the uses to which the money will be put. The events were attended by many employees (FY2014, FY2015).



Children who attend pre-school in Tanzania

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

## 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 2016 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

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Toshiba and Toshiba Union conduct various talks to improve labor relations and operations.

Large-scale transfers of union members and changes in working conditions are also deliberated between labor and management, and discussions are being held whenever reforms in business structure are required.

We will continue to hold labor-management talks in accordance with the Labor Agreement.

## Employment by region and business domain (as of March 31, 2017)

Region	Number of employees	Business domain	Number of employees
Japan	95,181	Energy Systems & Solutions	26,534
China	15,782	Infrastructure Systems & Solutions	43,520
Asia*1 & Oceania	23,718	Retail & Printing Solutions	20,777
North America	7,663	Storage & Electronic Devices Solutions	29,423
Central & South America	1,264	Industrial ICT Solutions	13,069
Europe*2 & Africa	9,884	Others	20,169
Total	153,492	Total	153,492

\*1 Excluding Japan and China

\*2 Including Russia

## Fair Evaluation and Talent Development

Under the group management policy of achieving honest management, Toshiba Group is working to create an open corporate culture that serves as a basis for such management. To encourage diverse employees to exercise their respective capabilities, we have established fair evaluation systems and seek to develop and deploy talents to the greatest extent.

### Medium- to Long-term Vision

To create an open corporate culture and to enable a diverse workforce who share Toshiba Group's management vision and values to excel and grow.

### FY 2016 Achievement

To create a better corporate culture, we expanded the scope of the 360-degree survey, which is designed to raise the awareness of organizational leaders, and conducted the survey for approximately 800 general manager-class employees.

### Future Challenges and Approaches

In order for Toshiba Group to be rebuilt, become trustworthy again and recover and enhance its financial basis quickly under a new management system, it is essential for inspired individuals with a broad perspective 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	<ul style="list-style-type: none"> <li>Respect a diverse sense of value and humanity</li> <li>Open and direct communication skills in cross-cultural settings</li> <li>Quantify targets and provide logical explanations</li> </ul>
Leading Innovation	<ul style="list-style-type: none"> <li>Recognize potential, set higher targets and challenge adversities</li> <li>Read the signs of change in business environment, grasp essential issues, and respond proactively</li> <li>Perform a strict benchmarking exercise and share mid-long term strategies and crisis protocol with the organization</li> </ul>
Organizational Development	<ul style="list-style-type: none"> <li>Respect the strength of individuals and cultivate organizational power by uniting each member's abilities</li> <li>Reform work practices by enhancing efficiency at both the individual and organizational level</li> <li>Eager to develop next generation human resources</li> </ul>
Broad Outlook	<ul style="list-style-type: none"> <li>Act with insight and inquiring mind that seek for fundamental principles</li> <li>Valid thoughts and sense of value based on sophistication and well-rounded humanity</li> <li>Focus on customer-centered actions and understand their counterparts' viewpoints</li> </ul>
Action Oriented	<ul style="list-style-type: none"> <li>Act with passion and commitment</li> <li>Be action-oriented and proactive in planning and accomplishing goals</li> <li>Defy stereotype with renewed sense of perspective</li> </ul>
Leadership	<ul style="list-style-type: none"> <li>Honest and adhere to compliance</li> <li>Listen to the frontline workers, see actual operations, and grasp and understand real issues</li> </ul>

## 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.

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 20 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



Global Marketing Leaders Program



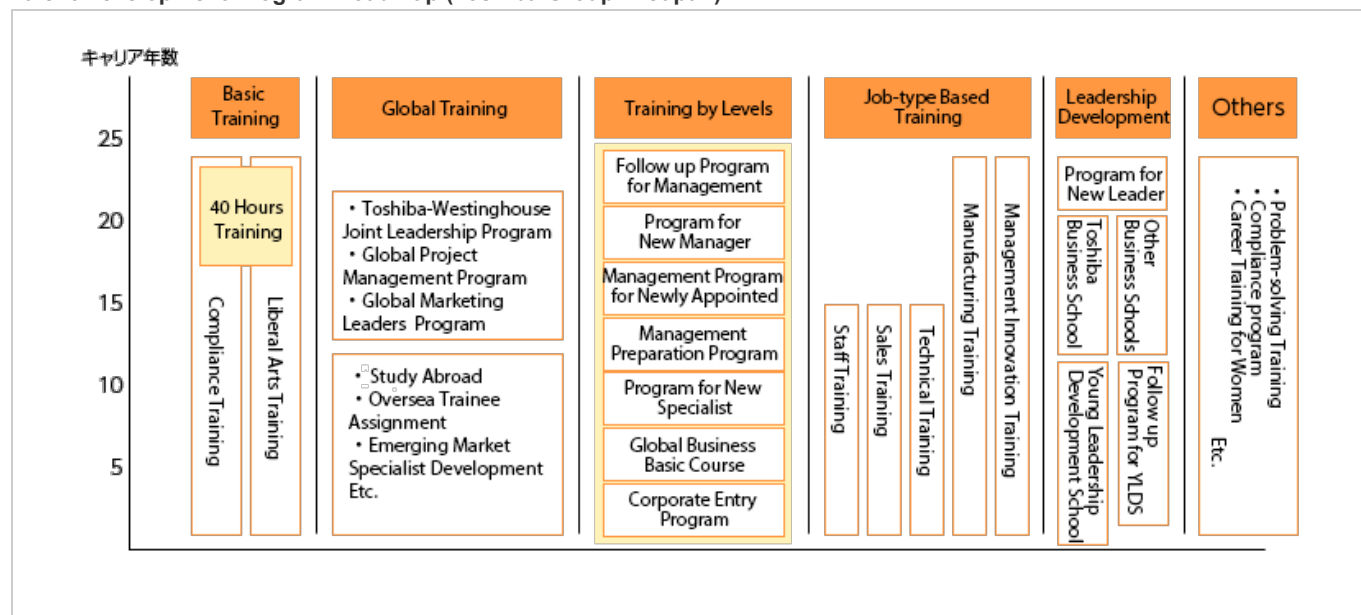
## Training Programs

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

### Main Training Programs

Training Category	Outline
Basic Training and Development	A program that is designed to teach employees about the actions and values that form the shared basis for all members of the Toshiba Group, such as compliance education, Toshiba Value Education and Liberal Arts Training.
Global Training and Development	A program that 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. The program also aims to teach the skills that allow people to succeed globally.
Training and Development based on Levels of Responsibility	A program that seeks to improve basic knowledge, skills, and management capabilities required for employees assigned to a new position (leader, manager, etc.). This program also includes training to continuously improve the management capabilities required of managers, as well as education aimed at acquiring an early stage knowledge and skills required for global business.
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. The training is held for senior management as well.

### 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 Toshiba Business School-Global SQE Training
China	Global CEP Chinese Language Version	Functional Program	Basic Management Course QE Training	Senior Management Program
Asia	Global CEP # web-based 90min.		Basic Management Course QE Training	Asia Management Development Course
Americas			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.

In FY2016, we conducted the 360-degree survey, which was introduced in FY2015, targeting approximately 800 general manager-class employees. The major aim of this survey is to encourage the growth of managers based on objective data on their strengths and weaknesses and to enhance their leadership in order to create healthier organizations. We investigate managers from various perspectives with regard to their day-to-day work performance and activities, with such perspectives including those of managers themselves, as well as of their supervisors, peers, and subordinates. Managers must accept survey results in a sincere manner and use the results to improve themselves and workplace communication, thereby creating a better corporate culture. Toshiba also provides follow-up training programs to promote ongoing self-improvement.

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	FY2015	FY2016
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	66	37
In-house free agent	Full-time employees who have been employed by the company for 5 years or more.	19	42	21	22	16

# Employee Morale Survey

Since FY2003, Toshiba has conducted the TEAM Survey for the purpose of soliciting the opinions of employees. Through the survey, we periodically monitor the level of employee awareness of various measures and how far they have propagated into the organization. Where issues are identified, we seek to resolve them, applying the results to improve the corporate culture.

In FY2016, we conducted an anonymous survey targeting about 70,000 employees in 54 Toshiba Group companies in Japan and overseas, and received responses from approximately 90% of the employees. This survey assesses employees' understanding of company policies, and whether their working conditions allow them to exercise their abilities. In addition, since FY2015, we have also asked questions about opinions regarding the President and top management as well as about legal compliance.

Based on these survey results, in order to achieve "honest management (creating an open corporate culture)," which is our management policy, our top management is taking the lead in attempting to make Toshiba trustworthy again, and building a workplace environment where everyone can voice their opinions frankly. By transmitting messages from the President and disclosing information more actively, we are endeavoring to build an open corporate culture. We will perform necessary measures in a successive manner, in order to address issues requiring improvement that surface in each division.

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



## TEAM survey execution cycle (annual)



## Establishment of Consulting Service

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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

(Toshiba Corp., at the end of FY2020)

7.0%

### FY 2016 Achievement

#### Percentage of female managers

##### Achievement

4.3%

(Toshiba Corp., at the end of FY2016)

### 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 diverse human resources as 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

Toward the restoration of trust in Toshiba Group and its regeneration, we are working to promote diversity in order to establish a corporate culture that enables diverse personnel to play active roles irrespective of gender, nationality, or whether they have disabilities or not.

# 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. In FY2015, this was further reorganized into the Management Reform Division, Corporate Culture Reform & Diversity Group, which is working to achieve an open corporate culture.

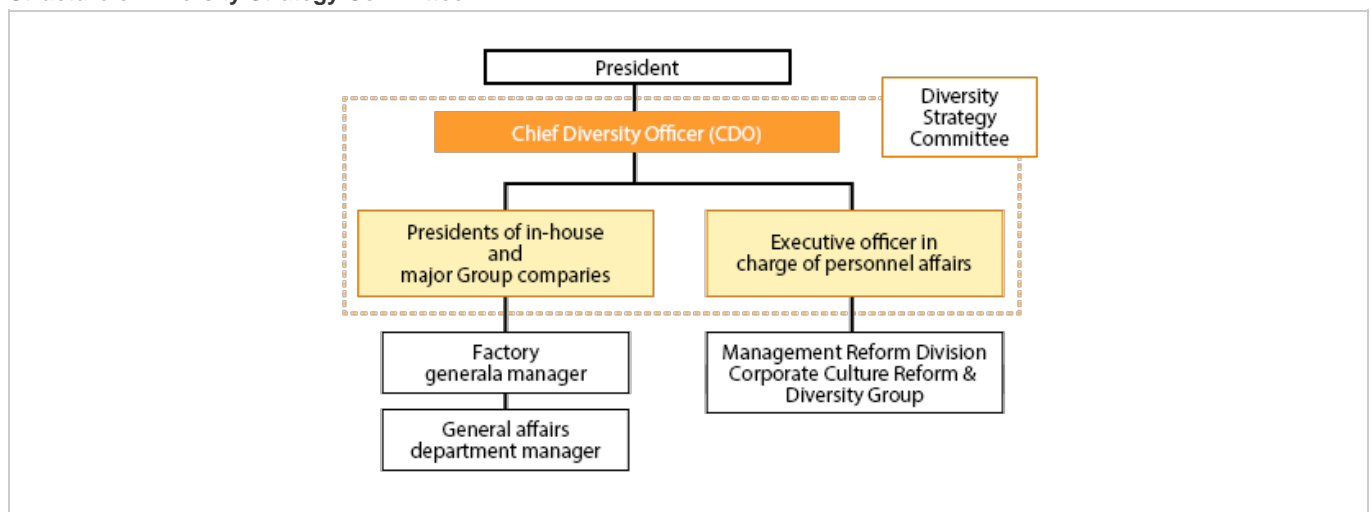
Our Corporate Senior Executive Vice President acts as the Chief Diversity Officer (CDO), the executive officer in charge of diversity promotion.

And each Toshiba Group company establishes a Diversity Strategy Committee, which serves as an advisory organization to effect diversity measures proactively and independently.

The committee convenes regularly, chaired by the CDO and attended by the executive officer in charge of personnel affairs, as well by the presidents of in-house and major Group companies to determine the direction of diversity strategies for each Toshiba Group company.

The committee has taken various actions to promote diversity, 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

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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.

## 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.



Intranet web page "Kirameki"

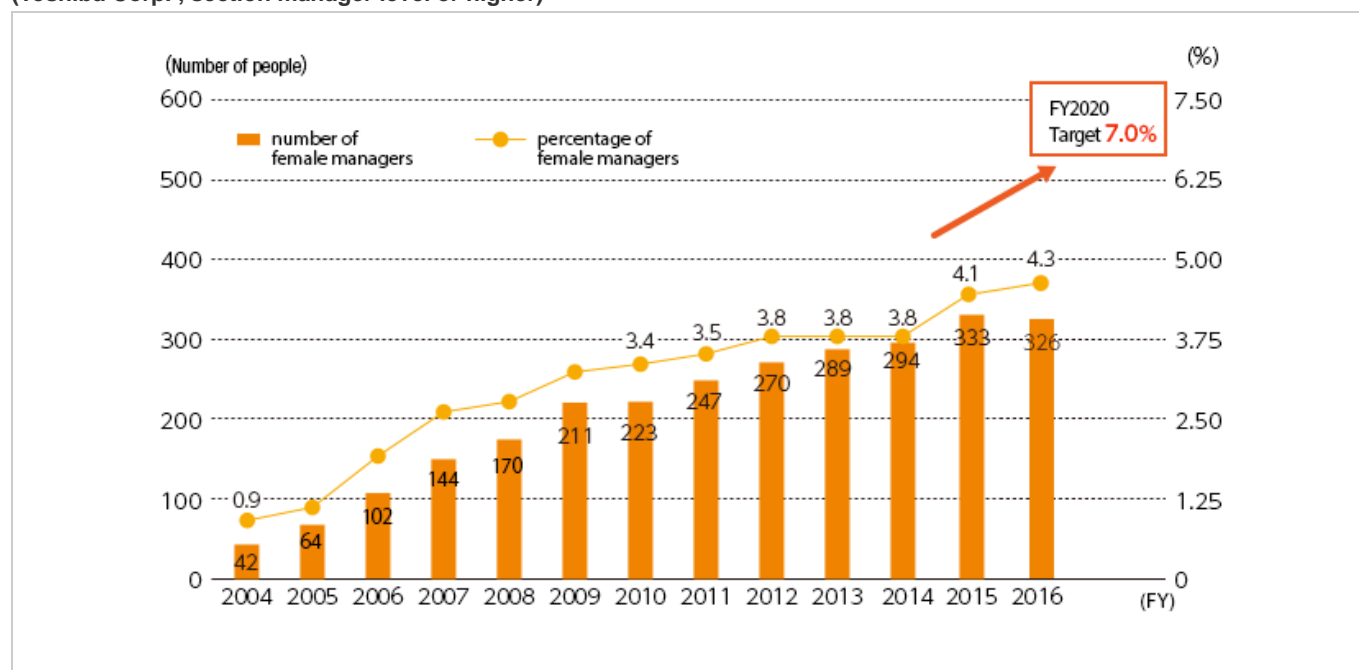
# Promoting the Career Development of Female Employees

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Toshiba is promoting measures to accelerate success for female employees.

The Act to Advance Women's Success in Their Working Life was enacted in FY2016. The act defines the obligations of national and local governments and private business owners to advance women's careers to realize a society that enables women to fully develop their creativity and abilities. Based on this act, Toshiba has developed an action plan aimed at increasing the percentage of female managers to at least 7.0% by FY2020. We have also set our recruitment target for new female university graduates at 50% for administrative positions and 25% for technical positions. In our action plan, we formulated measures to achieve these targets, including following progress in training for female manager candidates and awareness raising for managers and workers.

**Trends in the number/percentage of female managers  
(Toshiba Corp. , section manager level or higher)**



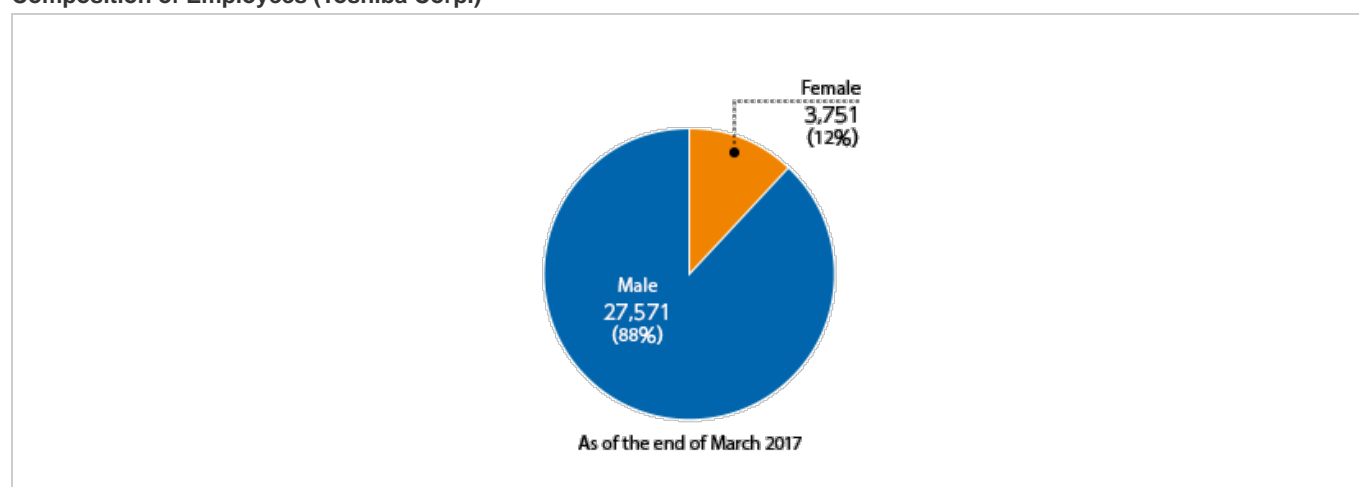
**Percentage breakdown of female managers (Toshiba Corp.)**

	FY2013	FY2014	FY2015	FY2016
Percentage of female managers	3.8%	3.8%	4.1%	4.3%
Section manager class	4.4%	4.5%	4.8%	5.1%
Division manager class	3.0%	2.7%	2.9%	3.0%

**Percentage of female recruits (Toshiba Corp.)**

Recruitment of new university graduates for administrative and technical positions at Toshiba to start work in April 2017 has been canceled.

**Composition of Employees (Toshiba Corp.)**





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

System/Measure	Overview
Career training for young female employees	<p>As of FY2015, career design training for all female employees in their third year since joining the company</p> <p>Program overview:</p> <ul style="list-style-type: none"> <li>Thinking about how to balance possible future life events and work</li> <li>Improving mindset via letters from supervisors</li> <li>Role model lectures from senior female colleagues</li> </ul>
Sending employees to cross-industrial exchange training for female employees	<p>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).</p>
Awareness promotion training for top management	<p>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).</p>
Seminar to support employees returning after childcare leave (for the relevant employee and supervisor)	<p>Since FY2015, we have conducted seminars for those scheduled to return to work after childcare leave, those who have already returned to work (as well as for the supervisors of such employees), to support their smooth return to the workplace. The seminars for the returnees require the attendance of their partner, in order to provide an opportunity to think together about balancing work and family.</p>



Group work at the career training for young female employees



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



Working with spouses in a seminar to support employees returning after child care leave

## Activity Example: Increasing the number of female science and engineering majors and provide support for development

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 October 2015, Toshiba Corp. held a "PC disassembly workshop" at Shinagawa Joshi Gakuin, an all-girls school in Tokyo. With the support of employee volunteers acting the role of disassembling experts, students actually took apart PCs 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.



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



PC disassembly workshop

# 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.

After entering Toshiba, they play active roles in the various fields as 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.

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.

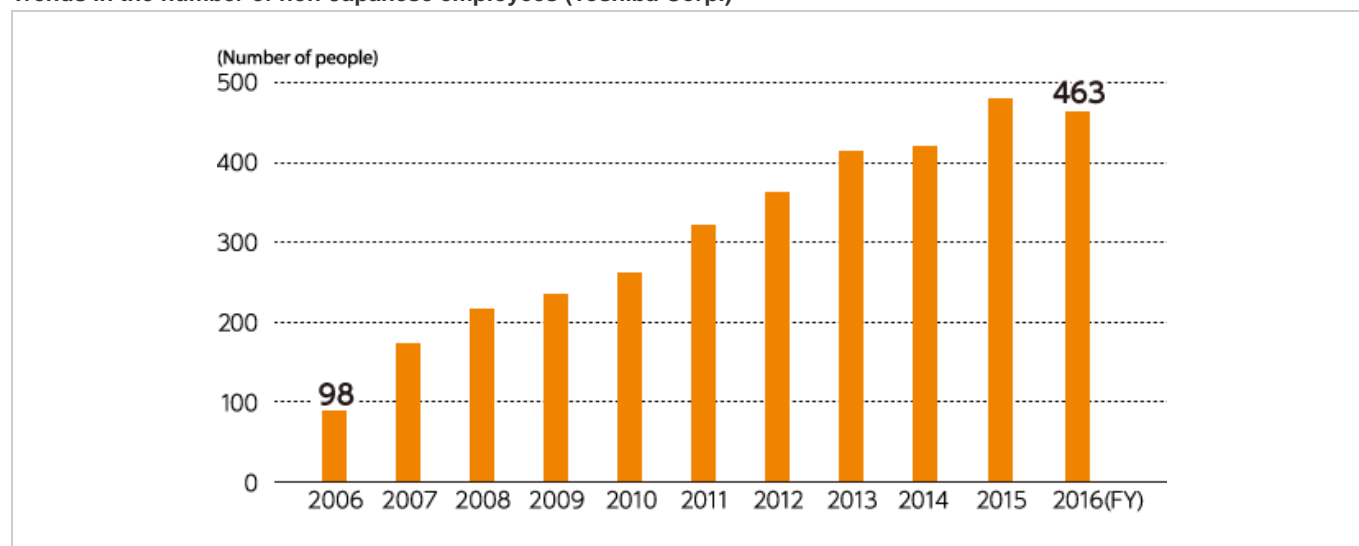
## Designating prayer rooms

Since FY2013, we have designated prayer rooms and prayer spaces in head quarter and 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, 2017, the percentage of employees with disabilities has become 2.3% 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 (Toshiba incl. a special subsidiary company in Japan)

	June 2013	June 2014	June 2015	June 2016	June 2017
Number of people	792.5	802.5	822.0	764.0	637.5
Percentage of Employment	2.04%	2.09%	2.03%	2.05%	2.33%

\* In CSR Report 2016, we presented the percentage of people with disabilities for the Toshiba Group as a whole. However, since FY 2017, our data has been limited to the employment percentage at Toshiba Corporation, and changed in the timing of calculation from April to June. Data for past fiscal years has been corrected accordingly.

## 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, 40 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 FY2016, approximately 4,600 people in total have participated in such lessons. Sign Language Club members are engaged in activities outside the company as well. As part of school support programs conducted by Minato Ward in Tokyo, we conduct on-site lessons with the theme "Let's talk with people who can't hear," to teach elementary school children how to communicate with those who are hearing impaired. In FY2016, we conducted the lessons in six classes at three schools. We also invited Ayako Imamura, a movie director with hearing impairments, to a charity presentation of her movie Start Line and donated the proceeds to the Kanagawa Welfare Association of the Deaf.



On-site lesson, "Let's talk with people who can't hear," at an elementary school

## Active Utilization of Elderly People

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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)

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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 2,076 hours, and the average number of annual non-scheduled working hours per employee was 403 hours in FY2015. 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	Flextime system
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	<u>Until the end of the month in which the child turns 3 years old</u>	Up to <u>1 year old</u> except when certain requirements are met
		Number of times	<u>Up to three times</u> per child	<u>Up to once</u> 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 <u>children who have not yet completed elementary school</u>	Employees who are raising <u>children under three years old</u>
		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*1 for those over an hour.	—
Family care	Family care leave		Up to <u>365 days</u> in total per person requiring nursing care	Up to <u>93 days</u> in total per person requiring nursing care
	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*1 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)	

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



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

	FY2012	FY2013	FY2014	FY2015	FY2016
Childcare leave	Male: 12 Female: 296	Male: 8 Female: 336	Male: 7 Female: 350	Male: 10 Female: 358	Male: 17 Female: 348
Paternity leave	Male: 423	Male: 384	Male: 359	Male: 372	Male: 388
Family-care leave	Male: 6 Female: 6	Male: 6 Female: 10	Male: 2 Female: 3	Male: 1 Female: 2	Male: 2 Female: 2
Short-time shift	Male: 9 Female: 409	Male: 9 Female: 417	Male: 10 Female: 438	Male: 9 Female: 456	Male: 10 Female: 426

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

After my first child was born, I took six-months' childcare leave, thanks to which I was able to spend an extremely valuable time with the newborn baby and my wife.

The reason I used this system was that I wanted to watch, together with my wife, the many moments of development that a baby goes through before the age of one. Also, I thought that doing the baby care and housework together with my wife would deepen the love in our family and have a good influence on the baby's growth.

The childcare leave seemed like a long period before I took it, but when it was over it felt like a longish holiday. Thanks to the support of those around me, I was able to return smoothly to my work in developing software technology. I think the enriching feeling of having a new family increased my motivation for work.



Noriaki Ichida  
Industrial ICT Solutions  
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 FY2016, a child graduated from the nursing program for the fourth 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
Time management training	Toshiba Group companies in Japan	Learning how to work efficiently and managing subordinates' time, as part of training programs at based on levels.
Nursing care seminars	Toshiba Group companies in Japan	Nursing care seminars (held in FY2016 at 27 business sites)

### 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).

### 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 by sites from FY2014.



Nursing care seminar at Tokyo HDQ

## Benefits

**Toshiba Corporate Pension Plan** : For our employees' lives after retirement, we have the Toshiba Corporate Pension Plan (defined benefit plan), in addition to their old-age pension from Japan's welfare pension insurance scheme. In October 2015, we also introduced a defined contribution pension, in order to improve employees' post-retirement funds still more.

**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.

\* Following FY2016, we are postponing providing welfare benefits in FY2017 as well.



## 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:**

(FY2016, Manufacturing companies of Toshiba Group in Japan)

100%

### FY 2016 Achievement

Target: Prevention of serious accidents

Achievements:

**Percentage of companies that have acquired OHSAS 18001 certification:**  
(FY2016, Manufacturing companies of Toshiba Group in Japan)

100%

### Future Challenges and Approaches

To uphold OHS as one of our top priorities, we will implement measures to build a safe and comfortable work environment, including improving the safety of facilities and working conditions and ensuring compliance with basic safety rules, and will mitigate risks based on risk assessments. We will also provide education to improve employees' knowledge and skills about health management, such as factory line training for management and self-care education for all employees, and promote measures to improve workplace environments based on stress check results.

# Policy on OHS

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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

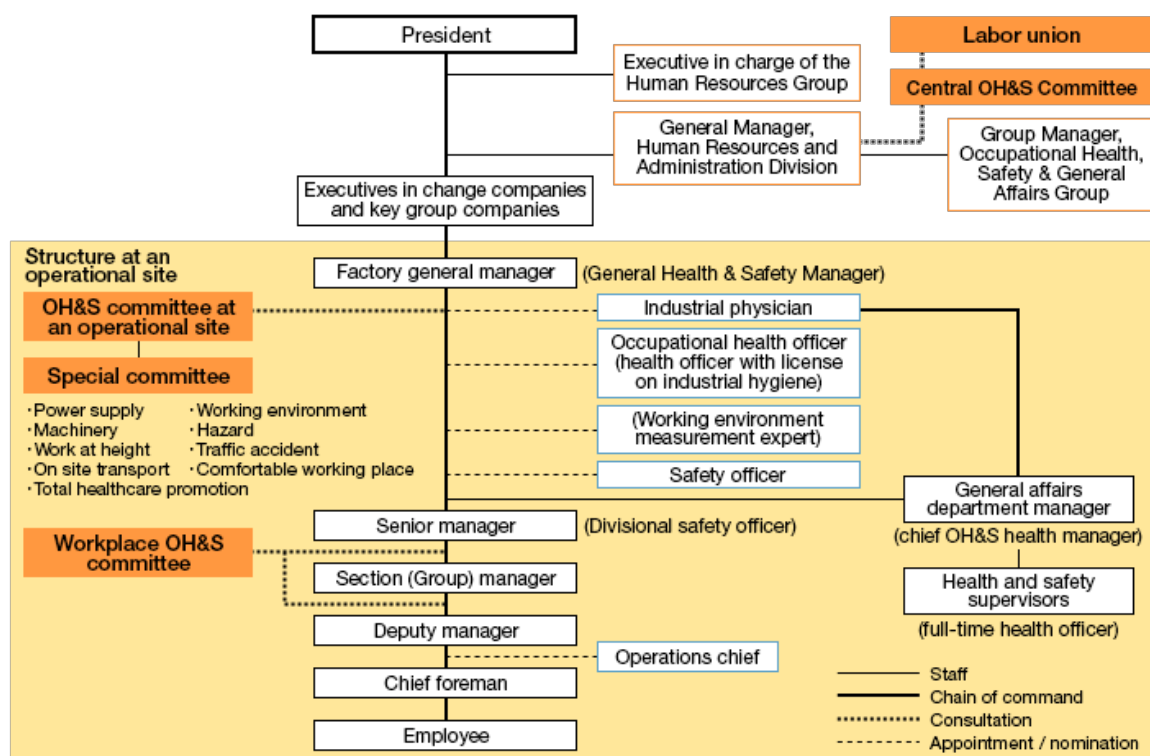
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The chart below shows the framework for the management of OHS across the Toshiba Group. Under the central guidance of the Human Resources and Administration Division, OHS activities fall within the management jurisdiction of each of the in-house companies 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 efforts to high priority issues and 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 2017)



## 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 all manufacturing subsidiaries in Japan and major manufacturing subsidiaries overseas have 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



# 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.

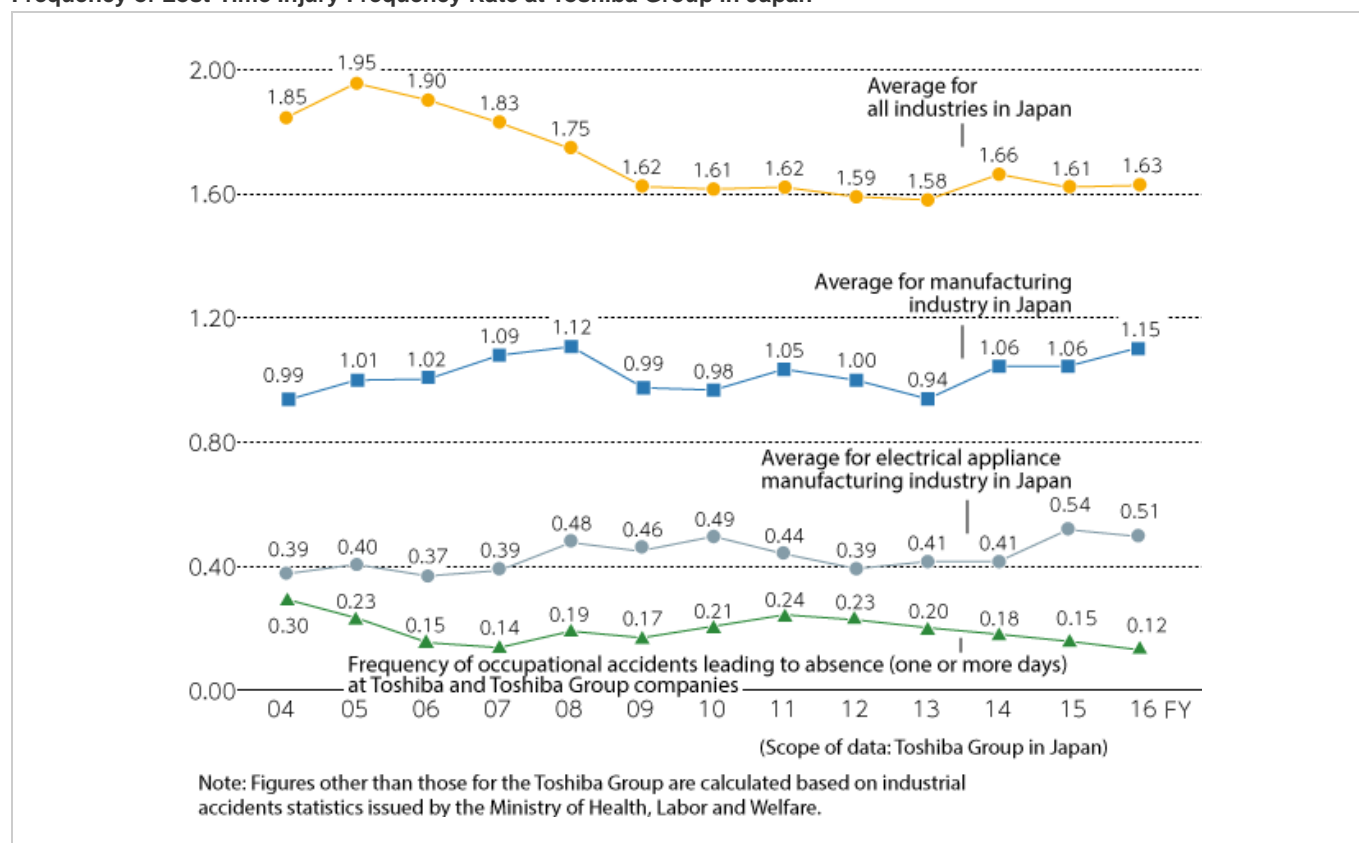
## Education on OHS

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, and employees in mid-level, 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



# Ensuring Health Management

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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 country'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, India, Indonesia, Thailand, Vietnam 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.

#### 7. Compliance with Stress Check Regulations

The revised Industrial Health and Safety Act (issued June 25, 2013) obligates business operators to periodically conduct stress checks. Having built its own stress check system, Toshiba Group started to conduct stress checks under the guidance of the main office department in FY2016. We asked doctors to provide face-to-face guidance, if requested by employees who meet specified conditions based on check results. We will also implement stress management measures, including encouraging employees to be sensitive to stress and improving workplace environments that cause stress, thereby preventing employees from developing mental health problems.

## 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.

## 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

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Toshiba Group promotes its procurement activities in accordance with the United Nations Global Compact (UNGC) and the Electronic Industry Citizenship Coalition (EICC) Code of conduct. We also ask our suppliers to respect basic human rights and to realize safe and clean workplace environments during their business activities.

We explain and request all our suppliers to comply with the Toshiba Group Procurement Policy which includes consideration for human rights, labor, OHS in their operations.

- > [Toshiba Group Procurement Policy](#)
- > [CSR Management in the Supply Chain](#)



## 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

Contributing to solving social issues in our supply chain through appropriate procurement transactions

- Full notification of our procurement policy to our suppliers
- Obtaining consent for the Toshiba Group Procurement Policy from new suppliers

**100%** of our new suppliers

- Keeping track of supplier activities, and advising on improvement

### FY 2016 Achievement

- Holding briefings for suppliers :
  - Explaining the Toshiba Group Procurement Policy
  - Explaining the Use of Conflict-Free Minerals which are stipulated in the Procurement Policy
- Surveys of suppliers and providing instructions for improvement :
  - Conducting CSR Self-Assessment (EICC Self-Assessment Questionnaire Survey) and providing individual guidance based on the results
  - Conducting a conflict minerals survey and providing individual guidance based on the results
  - Conducting a supplier environmental conservation survey

### Future Challenges and Approaches

We will continue to request that new suppliers consent and practice 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.

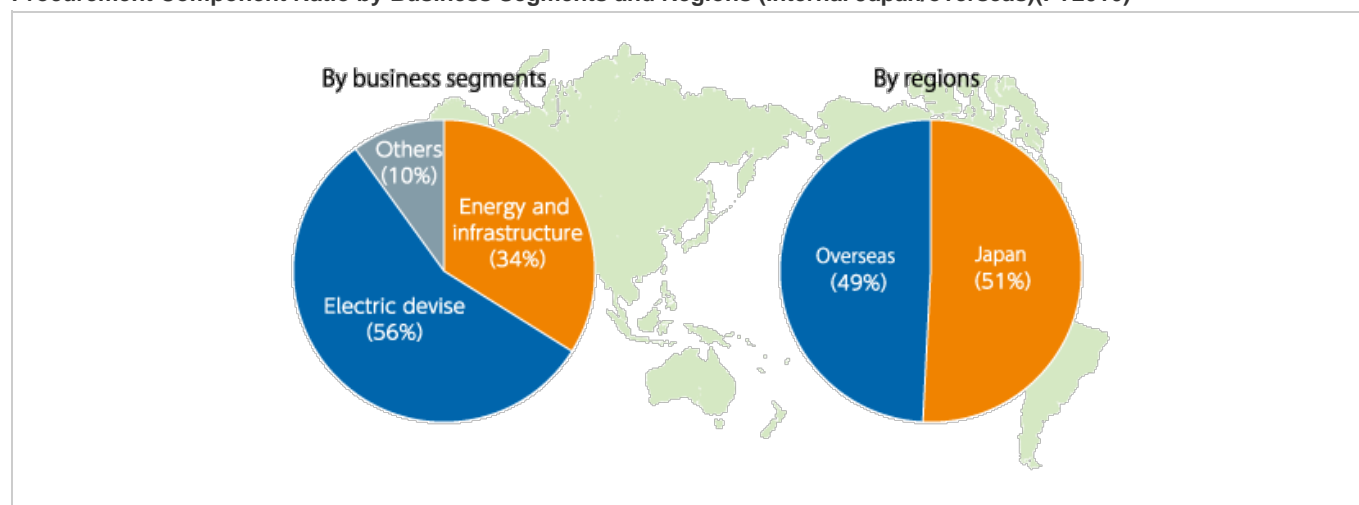
## Toshiba Group's Supply Chain

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, energy and infrastructure accounts for 34% of our procurement costs, while electric device account for 56%. By region, overseas suppliers account for 49% 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)(FY2016)



# 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 request all our suppliers, who play an important role in the Toshiba Group companies' production and services, to consent and put into practice the Toshiba Group Procurement Policy. Whenever the contents of the said Policy are revised in keeping with social conditions, we inform all our suppliers both inside and outside Japan.

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	<ul style="list-style-type: none"> <li>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.</li> <li>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).</li> </ul>
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

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In order to drive forward its CSR management in the supply chain in accordance with global standard, 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 June 2016, we held Japan's first EICC outreach meeting together with the EICC and EICC membership companies in Japan. To create a responsible supply chain, we presented case studies on the activities of companies inside and outside Japan, in addition to the latest global trends, EICC initiatives and tools. Also, in January 2017, we established the EICC Japan Network together with EICC member companies in Japan for the purpose of establishing and promoting the EICC Code of Conduct and solving common issues.

We request Toshiba Group company suppliers to carry out a CSR self-assessment each year in accordance with the EICC Code of Conduct depending on their respective industries and sizes, thereby checking how initiatives are being implemented regarding compliance with regulations and social norms, human rights, occupational health and safety, environmental conservation, and ethics. Based on assessment results, we provide guidance to individual suppliers in accordance with their risk levels, and request that they make improvements.

\*In October, 2017, EICC changed to RBA (Responsible Business Alliance).



> [RBA Membership](#)



## Promotion of the Supply Chain Management

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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, and got consensus from them. In FY2016, we explained the policy to our suppliers and requested their consensus.

\* 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](#)

## 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 requests 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.

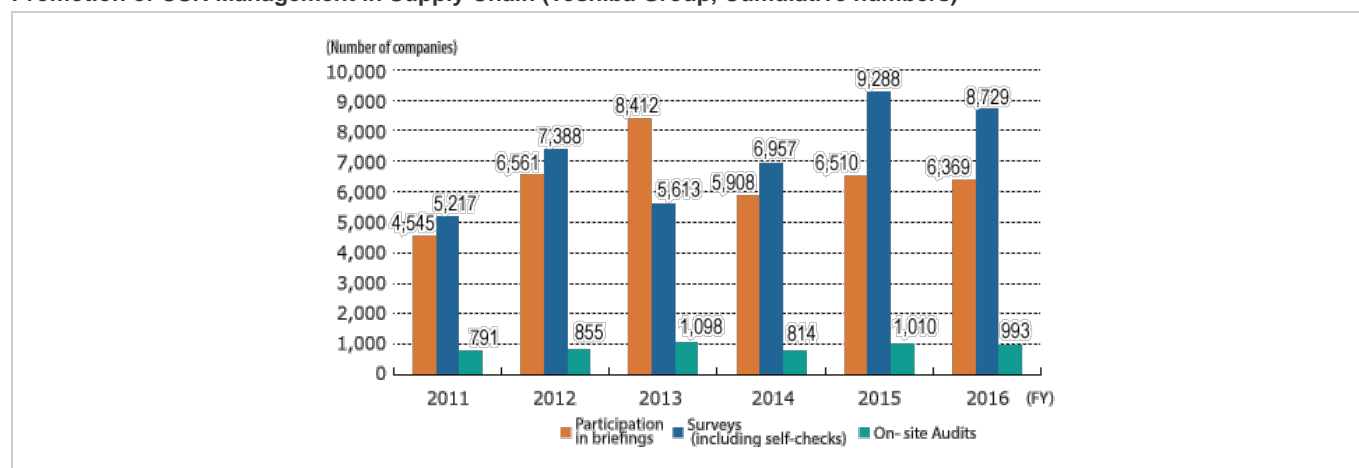
Toshiba Group holds briefings to explain to suppliers its policies on the environment, human rights, and occupational health and safety. We also conduct supplier surveys to monitor their performance in accordance with the Toshiba Group Procurement Policy (including self-assessment) at each business site.

### Suppliers participating in briefings and those covered by the survey (FY2016, Toshiba Group, Cumulative numbers)

Topic	Participation in briefings	Surveys*	On - site Audit*
Human rights Safety	3,453	2,756	610
Environment	2,916	5,973	383
Total	6,369	8,729	993

\*The survey includes self-inspections using the EICC SAQ (Self-Assessment Questionnaire), third-party audits, and surveys/audits using our own standards.

### Promotion of CSR Management in Supply Chain (Toshiba Group, Cumulative numbers)



## Actions on Suppliers in the Event of Breach of the Procurement Policy

If a supplier violates the standard of transaction, 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 (FY2016, Toshiba Group, Cumulative numbers)

Topic	Guidance and Support	Suspension of transactions
Human rights Safety	66	0
Environment	222	0

### Examples of supplier guidance and instructions (FY2016)

Environmental Activities	<ul style="list-style-type: none"> <li>Guidance on how to store waste and hazardous materials</li> <li>Request for disclosure of data on improvements regarding waste water</li> </ul>
Human Rights and Occupational Health & Safety	<ul style="list-style-type: none"> <li>Guidance on how to document working conditions and distribute the documents</li> <li>Instructing smelters to obtain conflict-free verification*</li> <li>Request for safety and health education for employees and guidance on how to provide such education</li> <li>Confirming safety and health standards for company cafeterias</li> </ul>

\*Conflict-free verification: a system by which a third-party organization verifies that an organization is conflict-free; i.e. does not use conflict minerals

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

Category	Survey items
CSR management at the companies audited	<ul style="list-style-type: none"> <li>Labor disputes</li> <li>Communication with employees</li> <li>Labor agreements and working hours</li> <li>Workplace safety</li> <li>Employee health conditions</li> <li>Environmental initiatives such as the acquisition of ISO14001 certification</li> </ul>
CSR management with regard to the supply chain of the companies audited	<ul style="list-style-type: none"> <li>Adoption of CSR policy that encompasses consideration for human rights, labor conditions, and the environment;</li> <li>Communication of the CSR policy to suppliers and their status of compliance with the policy;</li> <li>Regulations concerning plant wastewater and air emissions</li> </ul>

# 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<sup>\*1</sup> 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 161 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<sup>\*2</sup> standards, EICC Code of Conduct, 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.

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

<sup>\*2</sup> 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, investigates and reports 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<sup>\*1</sup>, 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](#)<sup>\*2</sup> 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.

<sup>\*1</sup> Derivatives of cassiterite, coltan and wolframite

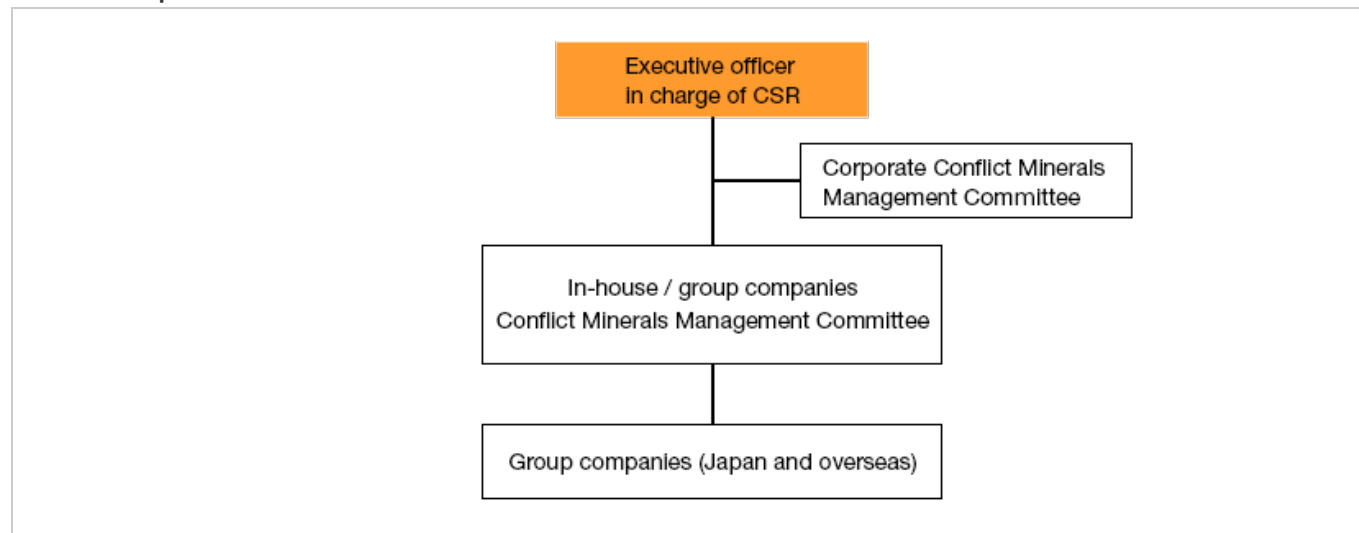
<sup>\*2</sup> In October, 2017, EICC changed to RBA (Responsible Business Alliance).

GeSI is 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 1,352 suppliers that might use 3TG\* in FY2016.

We also supported the management of JEITA's Conflict Minerals Inquiry Briefings as a member of JEITA Survey Committee on Responsible Minerals Procurement. We explained to approx. 1,100 participants the questions in the latest version of CMRT and issues in the FY2016 survey.

JEITA HP :

 [JEITA Conflict Minerals Inquiry Briefings \(English\)](#) (PDF:866KB)

\* Tin, tantalum, tungsten, and gold



## 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.
	As a member of this working group, issued a document to smelters which have not got Conflict-Free Certification demanding to comply certification program
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.

\*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.

➤ [JEITA Responsible Minerals Trade Working Group](#)

## 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.5.0\* of our Green Procurement Guidelines in January 2017.

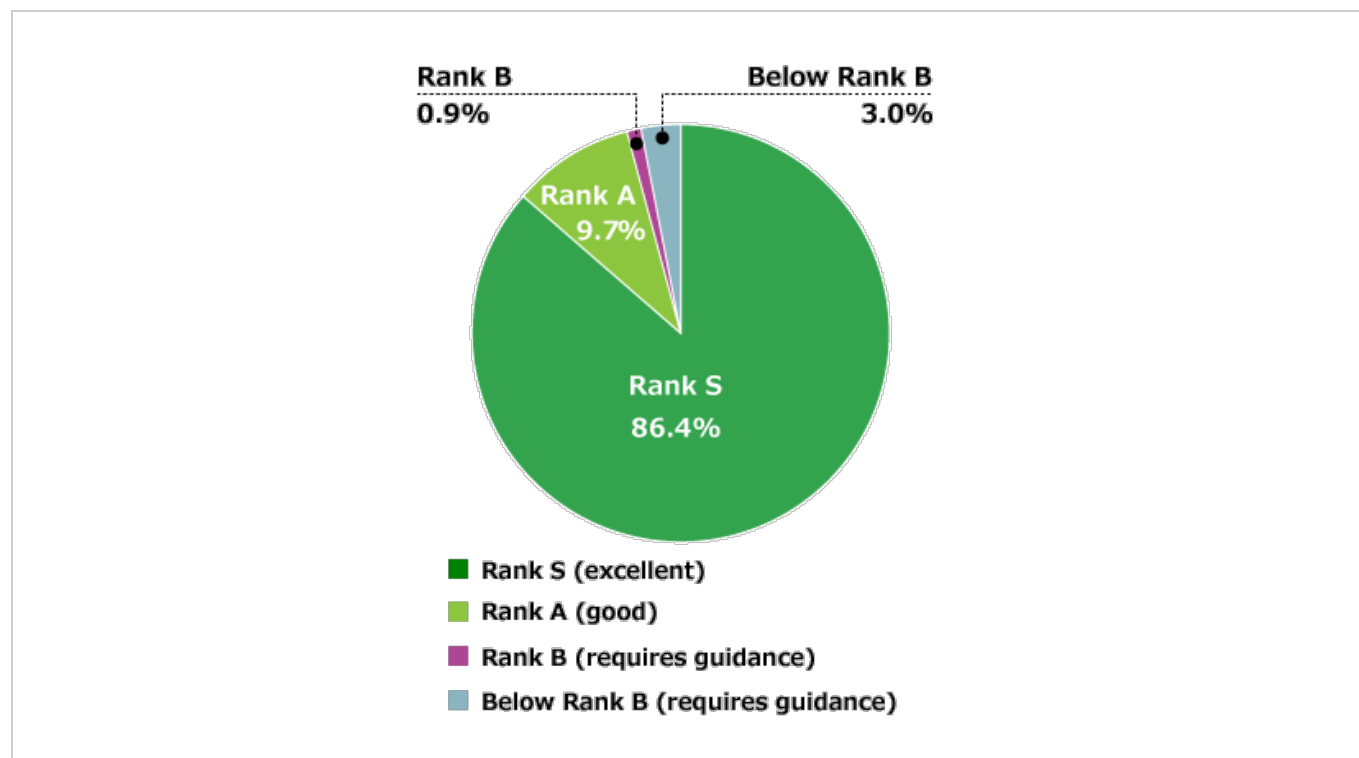
In Ver.5.0 of our Green Procurement Guidelines, we reviewed and added commentaries on Rank A substances (prohibited substances) and Rank B substances (substances requiring control) in the environment-related substance list in accordance with the latest legal regulations.

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 environmental performance, we request our suppliers to conduct a voluntary assessment of the level of greenness of their environmental activities (Toshiba standards) based on the environmental standard ISO 14001 by using a standard format and to report on assessment results. Assessment items include suppliers' environmental policies (corporate philosophy, environmental organizations, environmental improvement plans, environmental education, etc.), programs regarding environmental issues (air pollution, water contamination, waste, resource and energy consumption, foul odors, noise and vibration, recycling, biodiversity, etc.), and whether there are systems for managing the chemicals contained in products. In selecting suppliers, we assign priority based on the ranks of the suppliers and also encourage them to improve their level of greenness.

➤ [Green Procurement Guidelines \(English, Japanese and Chinese\)](#)

The level of greenness of suppliers during FY2016 was 96.1%  
(includes Rank S and Rank A)



## 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<sub>2</sub> Emissions in the Supply Chain

Toshiba Group endeavors to keep track of and calculate the total amount of GHG\*<sup>1</sup> emissions throughout the supply chain. We use a calculation method based on the guidelines released by the Ministry of the Environment, Japan\*<sup>2</sup>, 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.

\*<sup>1</sup> CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>

\*<sup>2</sup> 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.
- Holding and Enhancing training related to quality awareness

### FY 2016 Achievement

- Conducted product quality training (7 programs) in China, attended by a total of 309 people by the local staff trained at Toshiba.
- One product quality program commenced in Vietnam, attended by a total of 27 people.
- 19 product quality programs commenced at training centers in Japan, attended by a total of 835 people.

### 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 Quality Assurance:

Total commitment to people and to the future is the cornerstone of Toshiba's corporate philosophy. While strictly obeying all laws and statutes that affect company operations, we will strive to contribute to society by putting our customers first and providing safe, high-quality products and services with advanced features that will ensure customer satisfaction.

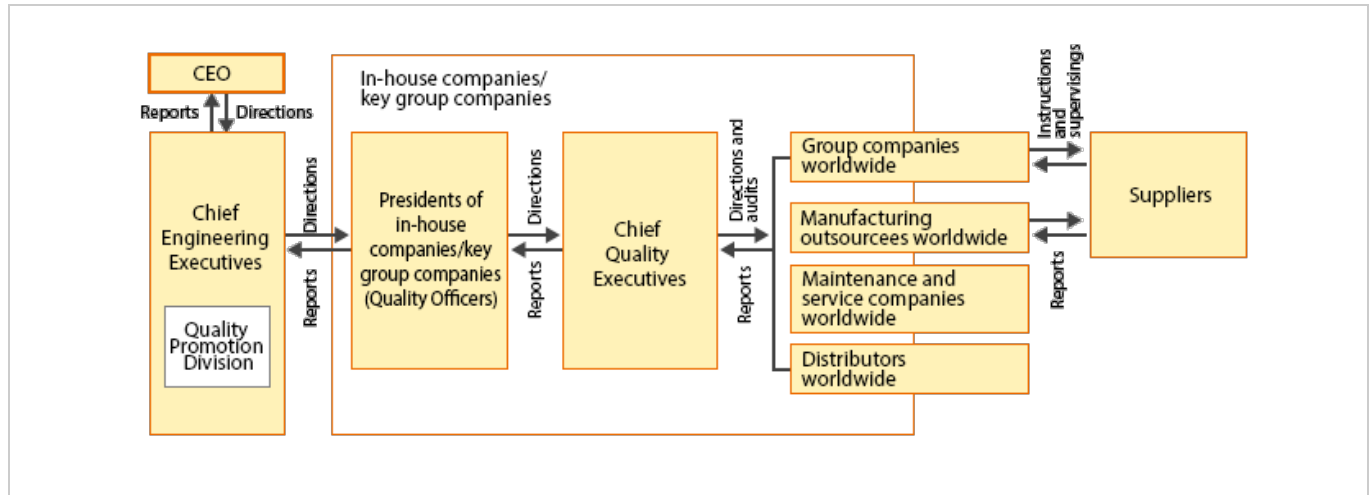
### Standards of Conduct:

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 and aim for prevention through risk analysis.
6. We collect, analyze and appropriately disclose information with the aim of preventing quality incidents.

# Structure of Promoting Quality Control

Chief Engineering Executives and the Quality Promotion Division manage the quality assurance activities of Toshiba Group as a whole, while presidents of in-house companies and key group companies are in charge of individual products and operations. To enhance the quality level throughout product life cycles, from planning, development, and production to final disposal and recycling, Chief Quality Executives of in-house companies/key group companies provide guidance and conduct audits for factories, suppliers, maintenance and service companies, as well as for manufacturing outsourcees worldwide.

## Structure of Promoting Quality Control of Toshiba Group

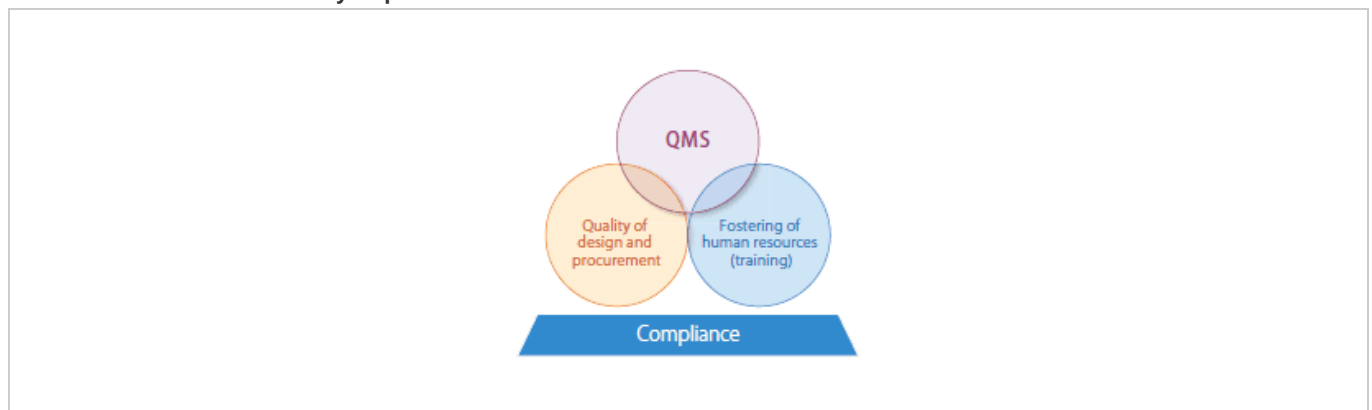


# Initiatives Aimed at Enhancing Quality Capabilities

Toshiba Group is working to strengthen our capabilities to ensure quality based on the four main pillars of the quality enhancement initiatives listed below.

We focus on improving the Quality Management System (QMS) based on ISO 9001 to raise the quality of design and procurement, which are the root cause of defects, as well as to enhance the training of personnel who can support the development of the QMS. We regard compliance as 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; ISO/TS16949, a more advanced system and 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 2017

	Targeted sites	Certified sites	Percentage of certificate
Toshiba Corp.	15	14	93.3%
Toshiba Group companies in Japan	53	45	84.9%
Toshiba Group companies overseas	37	36	97.3%
Toshiba Group TOTAL	105	95	90.5%

## 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 FY2016, a total of 1,171 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 87,033 Group employees and overseas subsidiary staff at a Group-wide level in FY2016 and the execution rate was 99.99%.

### Activity Example: Enhancement of Local-based Training

Toshiba Group is focusing on the training of quality control in overseas companies. To provide education suited to local customs and environments, we train local instructors at our company sites in different countries.

In China, the Toshiba China Academy, a training institute of Toshiba China Co., Ltd., plays a central role in improving the skills of personnel. Since FY2015, local instructors have been in charge of all existing lecture courses. In addition to periodic lectures, we provide education and management that meet the needs of company sites, thereby improving the skills of quality assurance personnel and the level of education system. We aim to develop local education systems in other countries and regions based on the same policy.



Training by local instructor in China

## 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.

Along with practical education to broaden the base of FMEA activities, we are also working to train reviewers to improve the level of design review as part of our efforts 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" and "Toshiba Software 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)



Toshiba Software 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

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In the event that incidents related to quality occur, information is disclosed on the Toshiba website in order to notify customers of such incidents as quickly as possible.

➤ [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 \(Japanese\)](#)

## Product Safety and Product Security

Based on Toshiba Group Basic Policy on Product Safety and Toshiba Group Standard of Conduct, we ensure product safety and product security, and positively disclose full information of safety to customers.

### Medium- to Long-term Vision

- Complying with relevant laws and regulations on Product Safety
- Eradicating serious product incidents arising from our corporate negligence
- Proactively disclosing information on serious product incidents

### FY 2016 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.

We will also promote company-wide activities according to security of our products, systems and services.

## Basic Policy on Product Safety and Product Security

In keeping with the Toshiba Group Standard of Conduct on Product Safety and Product Security, Toshiba Group endeavors to comply with relevant laws and regulations, to ensure product safety and product security, 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 Standard of Conduct on Product Safety and Product Security

1. We observe both Japanese and overseas laws and regulations related to product safety and product security.
2. We collect, and proactively disclose, a wide range of information about product accidents.
3. We immediately report any product accident to the authorities concerned in accordance with relevant laws and regulations.
4. We promptly inform customers when a need arises to recall and repair products.
5. We appropriately raise caution and display warnings when deemed necessary in order to help people use its products in a safe manner.
6. If an accident should occur, we carry out a thorough analysis of the causes and take necessary measures to prevent it from recurring. We also strive to prevent accidents by predicting risk at the design stage.
7. We strive to eliminate vulnerabilities from products prior to shipment.
8. We collect a wide range of information on product vulnerabilities in order to reduce risk.
9. We widely provide product security measures in cooperation with the relevant organizations.

\*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.

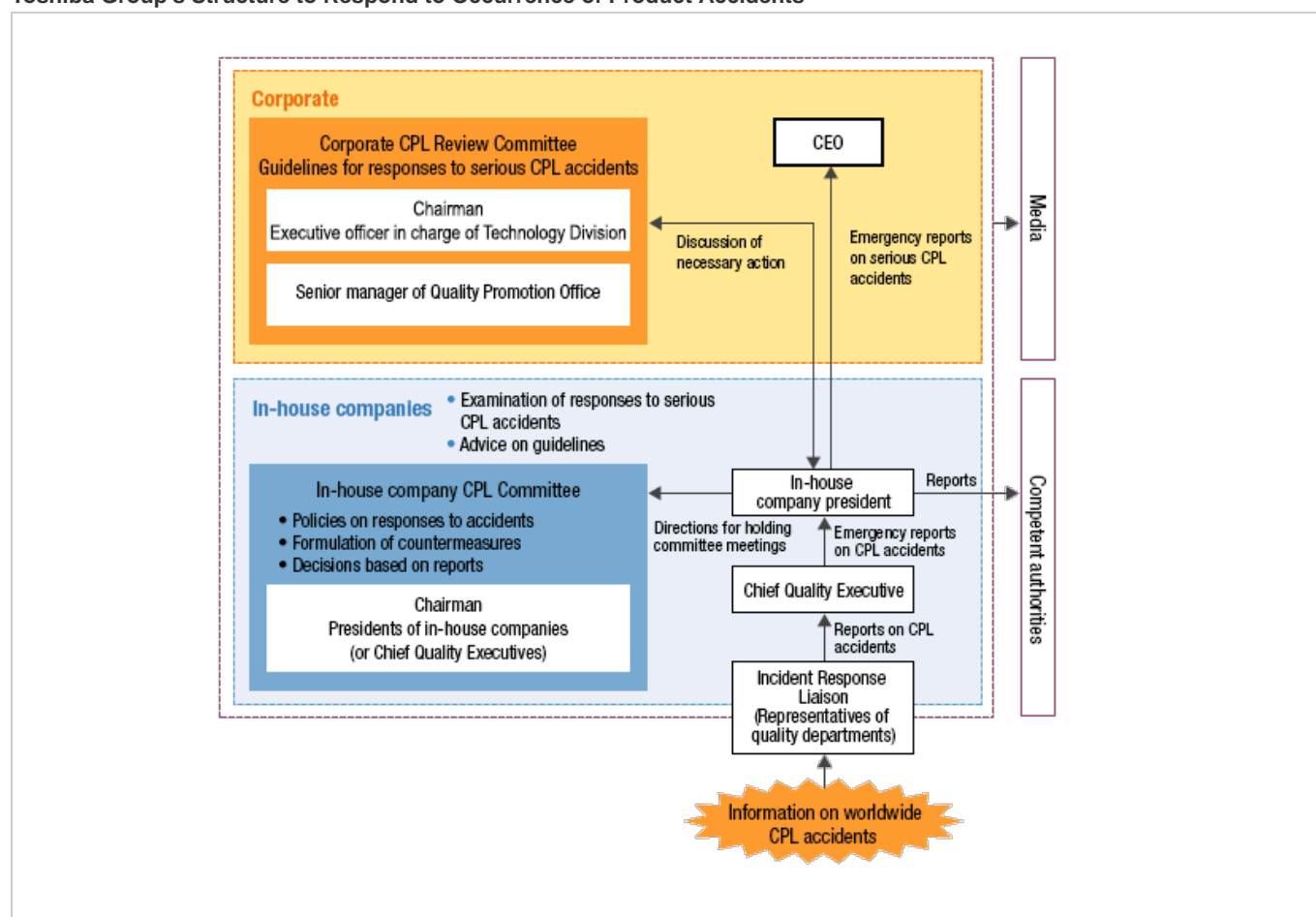
Furthermore, we are developing an information system to enable swift communication with quality assurance divisions and top management regarding information on product accidents obtained by repair and service staff as well as on how such incidents are being handled by Toshiba.

In FY2016, Toshiba disclosed a total of 18 accidents in the list of serious product accidents on our website\*2: 12 cases that were suspected to have been caused by products, 6 cases in which the causes unknown.

\*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. 87,033 people took the training in FY2016 and the participation ratio was 99.99%.

## 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.

Further, in case of Toshiba brand products which businesses are transferred outside Toshiba group such as home appliances, we also endeavor to promote information disclosure by sharing product accident information with the companies which businesses have been transferred.

## Disclosure of information to Toshiba product users

### How to use elevator and escalator safely and comfortably

- > [Commitment to safety, security and comfort \(Toshiba Elevator and Building Systems Corporation\)\(Japanese\)](#)

### Notices to ensure safe use of products

Ventilating fan, Electric bath dryer, Electric heater, Refrigerator-freezer, etc.

- > [Notices to ensure safe and correct use of products \(Japanese\)](#)

### 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, owing to the growing concern in case of earthquake, we 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, in FY2016 totally 2,298 participants were joined to our events.

Furthermore, the Company also promoted local resident-oriented activities, including making a presentation at a lecture session held by the Shinagawa Ward CSR Council.



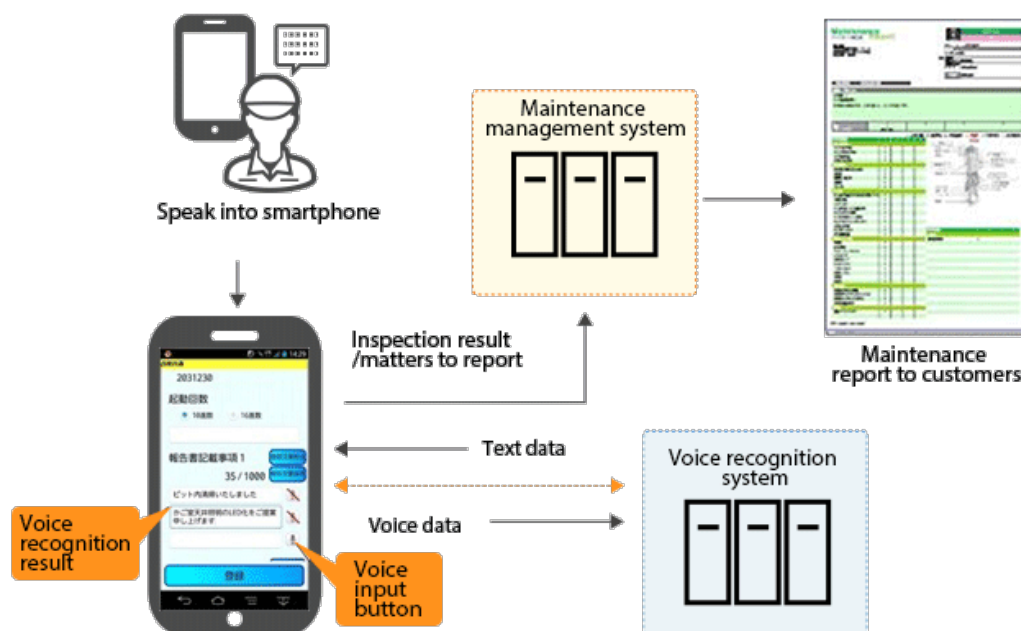
Elevator / Escalator safety campaign at a kindergarten



Safety Campaign Using a Trailer Caravan

### Activity Example: Voice recognition system incorporated in maintenance services

Toshiba Elevator and Building Systems Corporation introduced a system in which matters to be reported during regular checks of elevators and escalators can be recorded as maintenance reports using a voice recognition system.



Maintenance staff voice-record the details and the state of the inspection on-site into a smartphone during the inspection. The recorded sound data is converted into text, and recorded as text data in an app installed on the smartphone. As the staff can record just by speaking a few words even during maintenance operations, this allows us to provide as required precise information to customers more quickly. It also improves safety by reducing the workload of maintenance staff.

In the future, we will improve this system further, and evaluate how to apply it in times of emergency, for example after earthquakes.

## 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.

Further, in case of Toshiba brand products which businesses are transferred outside Toshiba group such as home appliances, we also endeavor to promote information disclosure by sharing product accident information with the companies which businesses have been transferred.

> [Important announcement for customers using our products \(Japanese\)](#)

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.

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.



[Flyer showing products subject to recall \(Japanese\)](#)  
(PDF:553KB)

# Safety Considerations for Electromagnetic Waves

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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.

## Enhancement of Customer Satisfaction

Feedback from our customers is the origin of all our ideas. In order to increase customer satisfaction, all Toshiba Group employees operate from a customer perspective. This applies not just to those who work in direct contact with customers, such as those in sales and after-sales services, but in all divisions, from development, design, manufacturing, product quality, staff, and so on.

### Medium- to Long-term Vision

The Toshiba Group's goal is to provide high-quality services in all business areas.

### FY 2016 Achievement

We set a "Special month to improve Customer Satisfaction," and ran education and training on CS for employees

### Future Challenges and Approaches

We will continue to provide CS training and education for our employees, in particular our Customer Satisfaction Improvement Month activities. Moreover, we will continue several activities as After-sales Service improvement committee.

## 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



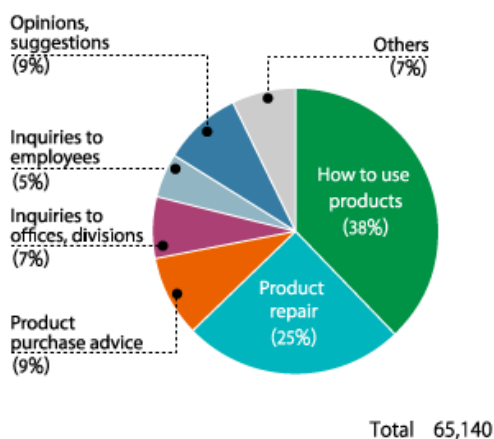
## Customer Support

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 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.

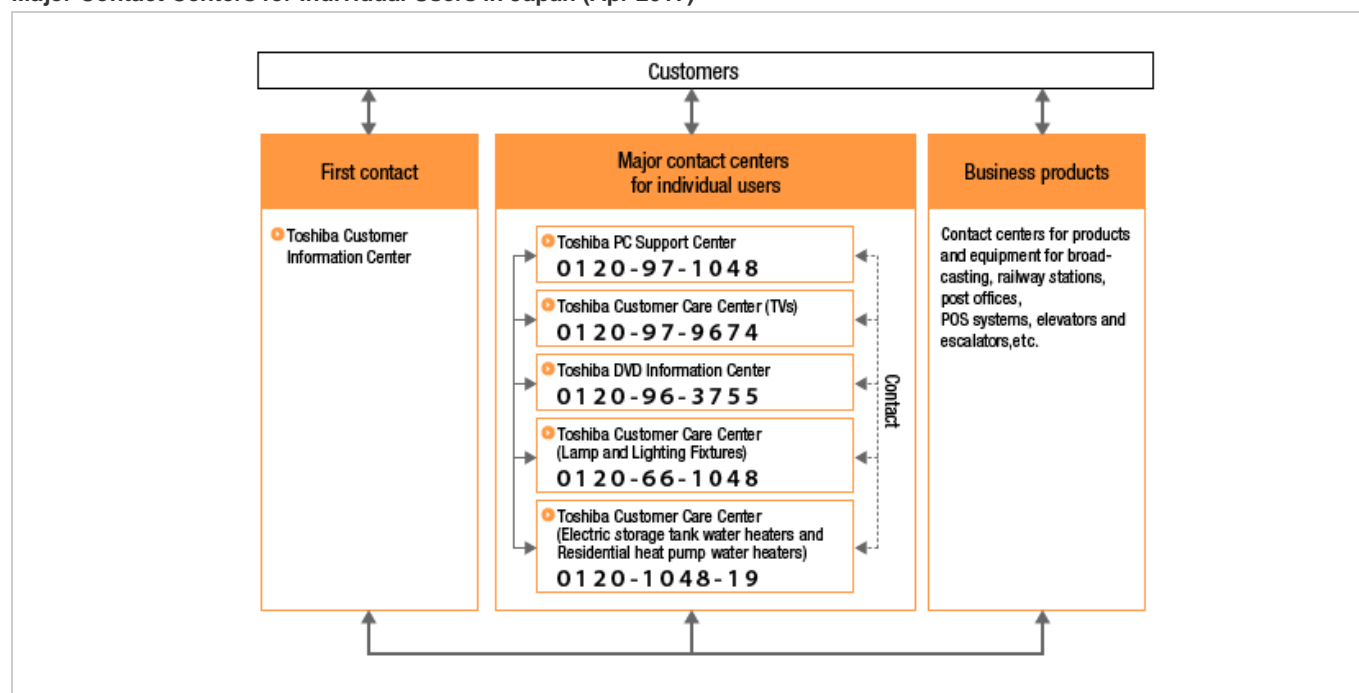
> [General customer support > Inquiries \(Japanese\)](#)

### Toshiba Customer Information Center: Breakdown of Inquiries (FY2016)





## Major Contact Centers for Individual Users in Japan (Apr 2017)



## Improvement of Support to Customers

### Initiatives for After-sales Services

In order for each after-sales services division in the Toshiba Group to share their issues and tackle service improvement Group-wide, we have established an After-sales Service Enhancement Working Group.

This working group's activities include surveying service sites to identify issues, training for service engineers.

Moreover, we also have an After-sales Service Meetings by region to share information within each region and strengthen cooperation.



KIZUKI training to improve receptiveness in after-sales services

### Initiatives for Handling Inquiries from Customers

We have a Contact Center Enhancement Working Group, which is aimed at improving the quality of response at Toshiba Group call centers. This working group plans and implements telephone response skill training, CS awareness surveys of contact center staff, and self-checks of response quality.

In November 2016, we held the 10th Contact Center Competition. A total of 25 participants from 18 call centers competed in a contest of response quality, in order to encourage overall improvement. Moreover, when the Act on the Elimination of Disability Discrimination was enforced in April 2016, points to consider when taking calls were collated as guidelines.



Contact Center Competition

# Improvement of Customer Satisfaction (CS) Mind of Employees

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## Customer Satisfaction Improvement Month

In FY2015, Toshiba Group created Customer Satisfaction Improvement Month. Every year thereafter, we implement measures to promote and raise employees' awareness about the importance of CS during the designated month.

### ■ E-learning to improve customer satisfaction

We provide e-learning for employees to improve customer satisfaction. In FY2016, we held e-learning sessions for 69,114 Toshiba Group employees in Japan, 99% of whom attended the sessions.

### ■ After-sales Service Convention

We held an After-sales Service Convention, with representatives and employees of Toshiba Group's after-sales companies and divisions in attendance. During the convention, we held a CS Activity Award ceremony to celebrate activities that contributed to improving customer satisfaction, as well as a CS Case Study Sharing Session to share CS improvement initiatives among group companies and a CS Lecture Session to learn from CS improvement programs developed by outside organizations.

## 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.

## 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.

### Activity Example: Utilizing a New Facility Training Building with Showroom Features

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.



East Japan Service Information Center of Toshiba Elevator and Building Systems Corp.

### 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. System Support Center in Tokyo

## 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.

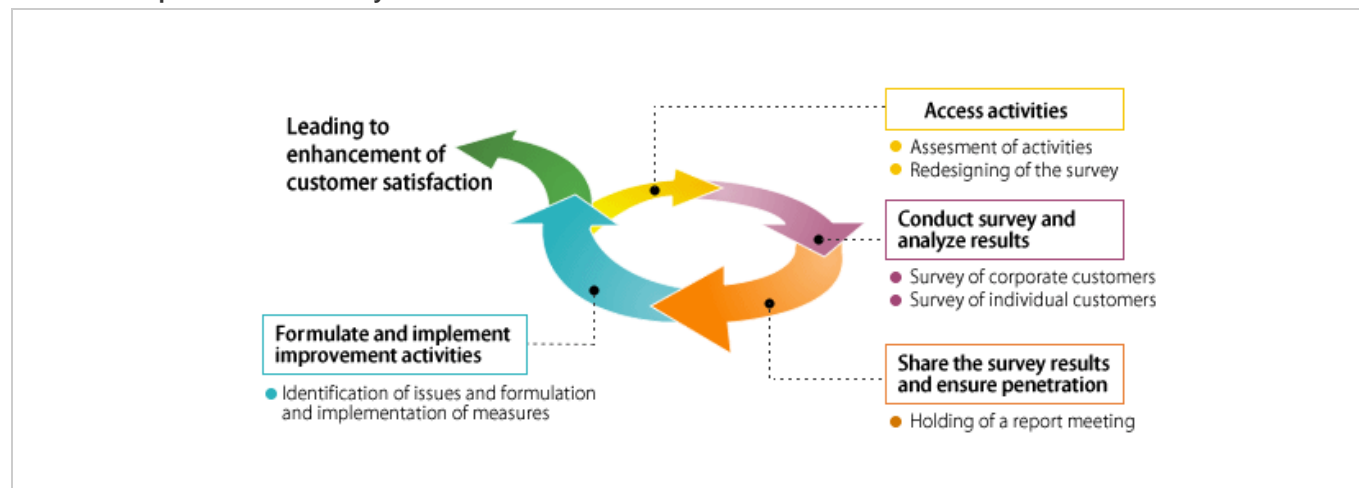
High priority items with low implementation status are focused, and targets are set. Accordingly, measures for improvement are implemented, such as customer response skill training, monitoring, etc.

# 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



# 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 nine times at present.

In addition, 22 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 Mar 2017.

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](#)



[PrivacyMark System](#)

# 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: Achieving a Stable Electricity Supply in Times of Emergency with a Hydrogen-based Autonomous Energy Supply System

Toshiba's Energy Systems & Solutions Company is offering H2 One™, a hydrogen-based autonomous energy supply system that uses renewable energy and hydrogen and is suitable for a diversity of purposes.

We delivered a BCP\*-model H2 One™ to East Japan Railway Company and started its operation in April 2017 at the JR Nambu line Musashi-Mizonokuchi station in Kawasaki City.

The H2 One system stores CO2-free hydrogen produced by solar power, enabling autonomous power generation for over 48 hours by using the hydrogen even when vital utilities are severed during disasters and power outages. This system supplies electricity for a certain level of lighting and toilet services in the station building in emergencies, thereby contributing to the role of the building as a temporary evacuation shelter. For daily use, the system provides electricity by stabilizing fluctuations in solar power generation, and hot water it produces will be circulated through benches at the station to warm them.

Through providing H2 One™, Toshiba will continue to support developing environmentally friendly, disaster-resilient communities and protect business continuity in emergencies by providing a stable energy supply.

\*BCP: Business Continuity Plan

## Activity Example: Providing BPO\* services to manage supplier information for procurement activities

Toshiba's Industrial ICT Solutions Company provides services that support customers to continue their business activities. One such service is the Supply Chain Watching Service for BCP, which handles the collection, maintenance and renewal of supplier information on behalf of customers, with regards to the procurement of raw materials, parts and so on. In the event of a disaster, the service surveys how the situation will affect customers, and visualizes whereabouts of risk.

Through this service, which utilizes the Toshiba Group's experience and knowhow regarding operating procurement systems, we will assist our customers to formulate BCPs, support them in the event of disasters, and contribute to the better management and use of supplier information.

\*BPO: Business Process Outsourcing

## 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 2016 Achievements

- Toshiba elevator for train station buildings won the IAUD Silver Award
- Development of a real-time superimposition system using the universal design advisor system
- Utilized RECAIUS™, Toshiba Communication AI that supports a variety of human activities
- Started to provide 1KDK-5A, a home radio receiver for disaster prevention

### 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.

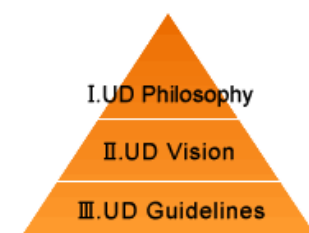
Toshiba's Universal Design makes products more user-friendly and safer.

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.)



# Universal Design Promotion Structure

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Toshiba Group incorporates UD principles into the development process through network of representatives from each business unit, and disseminates information about Toshiba's UD both inside and outside the Group.

## Universal Design Advisor System

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Toshiba Group has a UD Advisor System in place, in which employees with disabilities and non-Japanese employees are invited to participate. Based on this system, registered employees can contribute to the development and evaluation of UD products, stepping beyond their own department.

### Activity Example: Promoting the development of a real-time superimposition system

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Toshiba Group is working with UD advisors with hearing impairments to develop a real-time superimposition system through the application of speech recognition technology. By converting speech in meetings and lectures to text in real time, we aim to provide easy access to captions any time to those who need them via their computers and tablets as well as projectors for the audience.

We gathered opinions about problems and needs regarding company meetings and other opportunities for information communication through a questionnaire for UD advisors and developed an initial prototype by focusing on the necessary functions. We then asked UD advisors to use the prototype in their routine job meetings, thereby making improvements based on information obtained from the advisors. We strive to create captions that are easier to read and to make the system easier to use. To that end, we enhance easy-to-use features that allow access to information when it is needed, improve the system configuration that enables users to use the system even in places where the network connection is unstable, and add tools that allow users to correct recognition errors easily. We are currently conducting in-house verification experiments with the aim of commercializing the system in the first half of FY2018.

## Development of Universal Design Products and Services

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Toshiba develops products in areas as wide-ranging as public facilities, information equipment, consumer electronics, and home appliances. 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](#).

Toshiba's  
**UNIVERSAL DESIGN**

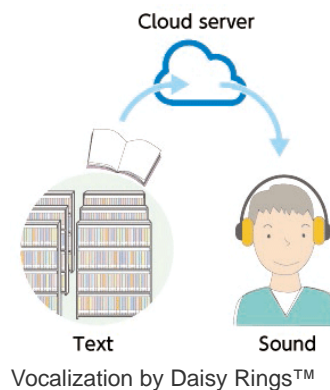
### Activity Example: Application of Toshiba communication AI RECAIUS™ to support people in various activities

Toshiba's communication AI RECAIUS™ is a service that recognize words and people in sounds and images, interprets intentions and the situation, and communicates to users in an easy-to-understand way. Since it was started in 2015, this service has supported people's activities in a variety of situations.

Part of the service, the text-to-speech editor DaisyRings™, is a system that allows users to easily create vocalized\* content by using speech synthesis for those who have difficulty in reading text due to visual impairments or dyslexia. DaisyRings is used mainly in schools and libraries. For example, in the Chiba Prefecture Seibu Library, DaisyRings is used to vocalize the cumulative catalogue of recorded books, various service guides, as well as brochures on lectures sponsored by the library and handout materials, thereby reducing the time and workload required for vocalization. Vocalized books are provided directly to library users and also made publicly available through the National Diet Library's data communication service.

\*Vocalize: electronically convert text to speech

> [RECAIUS™ \(Japanese\)](#)



### Activity Example: Developing 1KDK-5A, a home radio receiver for disaster prevention

Toshiba has newly developed a home radio receiver designed to receive broadcasts in homes, community centers, and other indoor places via the municipal administrative radio system for disaster prevention, which communicates evacuation and recovery information to community residents during a disaster.

The municipal administrative radio system for disaster prevention is used to deliver important life-saving information in an emergency as well as to communicate disaster prevention information in normal times. To realize a human-friendly design that supports lifestyles security, we examined how this system is used in disasters as well as in normal times and created a radio receiver that is easy for all people to install and use.

For example, we cooperated with the Japan Braille Library to examine the usage and arrangement of Braille letters and the amount of protrusion on the volume knob. We requested persons with visual impairments to evaluate our prototypes and reflected their opinions in the product design. Toshiba's home radio receiver for disaster prevention, 1KDK-5A, won a 2016 Good Design Award in a comprehensive design contest sponsored by the Japan Institute of Design Promotion.



Home radio receiver for disaster prevention, 1KDK-5A



# Promotion of Universal Design

## Updating universal design guidelines

Toshiba Group provides rules and guidelines to enable diverse employees working for the group to effectively and efficiently develop universal design products based on a shared understanding. In FY2016, we updated comments and examples to explain these guidelines in detail and publicized the guidelines to employees via an intranet website.

## Communication with outside organizations

To spread and promote the use of universal design, Toshiba Group provides information on its own initiatives and the results of its activities and also actively collaborates with outside companies and organizations.

### Activity Example: Universal Design Networking Event for Students from Tsukuba University of Technology

In September 2016, Toshiba held a networking event for 10 students from the National University Corporation Tsukuba University of Technology, an institution of higher learning for the hearing impaired and the visually impaired.

At the networking event, we introduced case studies of universal design initiatives, accounts of corporate life from hearing-impaired Toshiba Group employees, and so on. There was an active Q&A session, and we were thanked at the end by the participating students and their supervising teachers.



Discussion at the networking event

### Activity Example: Elevator for train station buildings wins the IAUD Silver Award

In these years, there is a growing need of reasonable consideration for disabled persons and more convenience for diverse users. Responding to complaints from wheelchair users that train station elevators are difficult to use, Toshiba Elevator and Building Systems Corporation developed an elevator for train station buildings based on universal design for public facilities.

The newly developed elevator won the Silver Award in the public space category of the IAUD Awards 2016 hosted by the International Association for Universal Design (IAUD). The product was highly evaluated for its user-oriented design, which was developed through repeated reviews conducted as part of joint research with Keio University Graduate School of System Design and Management to ensure ease of use as well as advanced functionality.



Elevator for train station buildings

## Support for Local Communities Developments

For Toshiba Group, it is our responsibility as a good corporate citizen not just to resolve issues faced by local communities through business, but to develop 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 2016 Achievement

Contributed to the realization of a sustainable society through business, such as geothermal power generation in Africa, and strategic collaboration with Russia in the postal/logistics system business.

### 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.

## 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.

For manufacturing sites, the Toshiba Environmental Audit also evaluates the extent to which operations have an impact on the local environment. Furthermore, 183 manufacturing sites which were targeted in all Toshiba Group companies have acquired ISO 14001 certification.

- > [Toshiba Group Environmental Audit System](#)
- > [Sites that have acquired ISO 14001 certification](#)

## Solving Regional Social Issues through Business

### Sustainable Development Goals (SDGs)

In September 2015, the "2030 Agenda for Sustainable Development" was unanimously adopted at the U.N. Summit. The Agenda consists of 17 goals and 169 targets, and is applied to all countries universally.

The 2030 Agenda commits to leaving "no one left behind," and aims to solve societal issues, including poverty, famine, education and health by 2030. It also seeks to mitigate climate change and protect the environment in creating a sustainable society.

Toshiba will contribute to solving global-scale issues related to these goals through business, and to realizing a sustainable society, collaborating with various countries and organizations.





## Geothermal Power Generation in Africa

In 2013, Toshiba delivered geothermal steam turbines and power generators to Olkaria Geothermal Plants No. 1 and No. 4, Kenya's largest geothermal power plants. We subsequently concluded agreements with national governments and related companies regarding collaborations in Ethiopia, Tanzania, Djibouti, and Uganda, which we regard as high-priority regions for geothermal power generation in Africa, in order to develop business in the continent. In addition to drafting the guidelines required to develop, supply, operate and manage equipment, we also provide support for personnel development, including accepting trainees.

Geothermal power generation, which uses heat generated from magma, emits a relatively small amount of carbon dioxide and is expected to provide a sustainable and stable power source. Toshiba will continue contributing to the mitigation of global warming and create an enriched lifestyle for African people through a diverse renewable energy business.



The Olkaria IV Geothermal Power Plant in Kenya



## Strategic Collaboration with Russia in the Postal/Logistics System Business

Toshiba is gradually implementing an automatic mail processing system for the Moscow International Postal Exchange Office, for which we received an order in 2014. This system automatically processes packages and post of various sizes and optimizes the layout and movement of equipment and operators, enhancing the capability to process packages and postal items. Based on its performance, we concluded a strategic collaboration agreement in December 2016 which includes stipulations regarding our contributions to improving the management of the Russian postal system.

In Russia, the international mail order market is expanding at a rapid pace due to the widespread use of online shopping. In 2016, the international cargo market doubled in size compared to the previous year. As a total integrator of postal/logistics systems, Toshiba will promote innovation in the Russian postal/logistics business in order to contribute to sustainable improvements in infrastructure and industry.



The automatic mail processing system for the International Postal Exchange Office in Moscow, Russia

# Contributions to Local Communities around Business Sites

## 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.

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.



Cleanup work by Toshiba With employee

## 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. 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.



## Improving the Environment of Surrounding Communities

Toshiba Group companies strive to improve the environment around their business sites. In FY2016, group company employees across Japan cleaned areas around their business sites approximately 370 times.

Also, at Toshiba Hokuto Electronics Corporation's Asahikawa head office plant, employees have planted some 200 flowers, including begonias, salvias, marigolds, and moss phloxes in flower beds on the sidewalks around the company. They water and take care of the flowers beautifying the area.



Cleaning areas around the Yokohama Complex



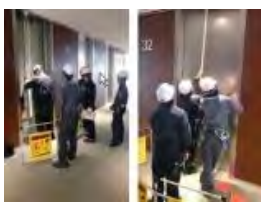
Toshiba Hokuto Electronics employees taking care of flowers

## Preventing Disasters and Crimes in Local Communities

Toshiba Group is working to prevent disasters and crimes in the communities around its business sites.

For building management companies that purchase Toshiba elevators and local fire stations, Toshiba Elevator and Building Systems Corporation provides training for rescuing passengers trapped in elevators, using methods suited to the structure of buildings and elevators. The number of training sessions held annually in different areas totals approximately 1,000. In FY2016, some 5,700 people participated in these sessions. In the training, participants learn how to rescue people safely through hands-on practice and think about the considerations that need to be made for passengers.

At Toshiba Plant Systems & Services Corporation, employees participate in patrols to prevent crime in areas around the Chubu Branch Office on an ongoing basis, together with members of the local crime prevention association, police, the fire department and local government organizations. Through these activities, we communicate with the residents of the local community and contribute to its safe and secure development.



Training to rescue passengers trapped in an elevator conducted by Toshiba Elevator and Building Systems Corp.



A crime prevention patrol by Toshiba Plant Systems & Services



## Support for Elderly Households

At Toshiba Corporation's Hokkaido Office and other Toshiba Group companies that have business sites around Sapporo city, employees help to clear the area of snow every winter. They help respond to the needs of the elderly people who cannot clear away the snow on their own, contributing to solving local problems and building relationships with local residents.



Employees clearing snow off a roof

## Workplace Experience for Children

Toshiba Group provides workplace experience opportunities for children to learn about how product work and how they're manufactured.

Toshiba Tec Solution Services Corporation accepted students from a private junior high school in Chiba Prefecture for two days to allow them to experience the work done by maintenance service engineers. Toshiba Carrier Corporation invited students from junior high schools in the vicinity of Fuji Operations to learn about air conditioning and to experience welding and assembly in production lines.

We hope that these experiences will help children learn about the different types, styles and importance of the work, to aid in their future career planning.



Workplace experience at Toshiba Tec Solution Services

## Contest to Stimulate Interest in Science and Technology

To stimulate elementary school children's interest in science and technology, employees at Toshiba's Himeji Semiconductor Plant work with the local board of education to hold a Toshiba Dream and Idea Contest every year. This contest accepts entries operated by batteries and electrical parts as well as environmental posters from elementary schools in the area. Employees participate in the contest as judges and award creative entries made by the children. Award-winning entries are exhibited to the public. In FY2016, we received 313 entries for the contest.



Reviewing entries submitted for the 24th Dream and Idea Contest and the 12th Environmental Poster Contest

## 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 expands its business 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 and their employees make an economic contribution to the regions where they operate.

# Ensuring the Safety of Fukushima Daiichi Nuclear Power Station

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

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Toshiba Group has been conducting relief activities, sincerely hoping for the earliest 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, Toshiba Group takes the accident very seriously and have remained united in our resolve to overcome every difficulty.

### 1. Achieving a stable state of cold shutdown (occurrence of the earthquake to December 2011)

In April 2011, the government and TEPCO developed a preliminary roadmap for termination of the accident of Fukushima Daiichi Nuclear Power Station.

In step 1, where we effectively reduced the high radiation dose rate, Toshiba Group mainly worked to prevent the nuclear-contaminated cooling water injected into the damaged plants from flowing out into the ocean.

Under harsh work conditions including blackouts and high levels of radiation, Toshiba Group built and began operating a coolant recirculation system designed to purify and recycle contaminated water in order to cool the reactor core, along with a radioactive substance removal system and a containment gas management system, within a 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.

In step two, our goal was to control the release of radioactive substances and to greatly reduce the radiation dose.

Toshiba Group concluded 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. The stable operation of SARRY allowed us to effectively cool the nuclear reactors through the coolant recirculation system, and to help achieving a state of cold shutdown for the Fukushima Daiichi Nuclear Power Station's Units 1 through 3 in December.

In step 2, Toshiba Group also contributed to verifying the cooling state of nuclear reactors by installing substitute thermometers for measuring nuclear reactor pressure vessel temperature and monitoring control systems and by restoring power systems inside the power station.

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



## 2. Initiatives based on a medium- and long-term roadmap (from December 2011)

In December 2011, the Japanese government and TEPCO published a medium- and long-term roadmap for the decommissioning of Fukushima Daiichi Nuclear Power Station's Units 1 through 4. Thereafter, third revisions are being reviewed by June 2015. This roadmap provided details and a targeted schedule for contaminated water treatment, removal of fuel from the spent fuel pool, removal of fuel debris\*2, and nuclear waste treatment.

\*2 Fuel debris: Nuclear fuel melted in a nuclear reactor accident, which is cooled and solidified by being mixed with concrete and metals in the nuclear reactor.

### ■ Contaminated water treatment

To treat contaminated water, SARRY™ is in under stable operation to eliminate the cesium contained in treatment water. To reduce the concentration of strontium and 62 radioactive nuclides other than cesium below environmentally neutral levels, Toshiba Group newly developed and delivered a Multi Radio-nuclide Removal System (MRRS™\*3) and an extended MRRS™ and we treated a total of 670,000 tons of retained water by June 2017. Toshiba Group will continue to inspect both facilities for stable operation and contribute to completion of processing in 2020.

To preserve treatment water, we installed 108 reliable welding tanks so far. Toshiba Group will contribute to inspection inside the tank already installed in the site and expansion.

\*3 MRRS™ : Multiple Radio-nuclides Removal System

### ■ Removal of fuel from the spent fuel pool

To remove fuel from the spent fuel pool of Unit3, where the reactor building was severely damaged, it was essential to remove large rubbles from the operation floor of Unit 3 nuclear reactor building. To this end, Toshiba Group carried out repeated detailed simulations of rubbles removal operation by using 3D CAD programs to build a monitoring system, thereby completing remote removal of large rubbles in November 2015. In addition, other rubbles removal, decontamination and shielding installation were completed in December 2016, and the atmosphere radiation dose rate was reduced until manned work was possible. We will proceed with preparation work such as installation of fuel removal system to start fuel removal.

### ■ Removal of fuel debris

Removing fuel debris requires conducting a survey on conditions around nuclear reactors. Toshiba Group examined how to conduct a survey of the conditions inside the nuclear reactor building for Unit 2 in the high radiation environment and developed survey equipment. By using the equipment, we took video inside the primary containment vessel and obtained temperature and radiation data in January 2012. In March 2013, we conducted a survey on the vent pipes on the bottom of the primary containment vessel by the quadruped robot to confirm that there was no leakage.

In order to design methods for removing fuel debris, it is necessary to continue detailed investigation in a harsh environment such as high radiation dose rate, high humidity, and darkness in the primary containment vessel. Therefore, we developed robots etc through the Japanese national projects. In February 2017 we put them in the Fukushima Daiichi Nuclear Power Station and measured the temperature and radiation dose rate inside the primary containment vessel of Unit2 and took video just under the reactor pressure vessel for the first time. In the future, we will continue to conduct additional investigations on Unit 2. We are also developing a compact underwater Remotely Operated Vehicle (ROV) to investigate inside the primary containment vessel of Unit3 through a Japanese national project. We plan to use this ROV in the site by the end of FY2017.



Expanded Multi-Radionuclide Removal System (MRRS)



Operation floor of the Unit 3 nuclear reactor building (decontamination and shielding completed)(Photo courtesy of TEPCO)



Robot for investigating inside primary containment vessel



Underwater ROV for investigating inside primary containment vessel

## Social Contribution Activities

To realize a sustainable society, Toshiba Group actively promotes social contribution activities as well as business activities, thereby contributing to solving various societal issues.

### 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 2016 Achievement

Number of social contribution programs

Achievement **1,174** programs

### Future Challenges and Approaches

We will continue to provide more information and to make opportunities to our employees, so that many of them can get involved in activities voluntarily that contribute to society.

## Toshiba Group Basic Policy on Social Contribution Activities

Toshiba Group has set the basic policy on social contribution activities which is embodied Toshiba Group's slogan of "Committed to People, Committed to the future."

The five key areas 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.

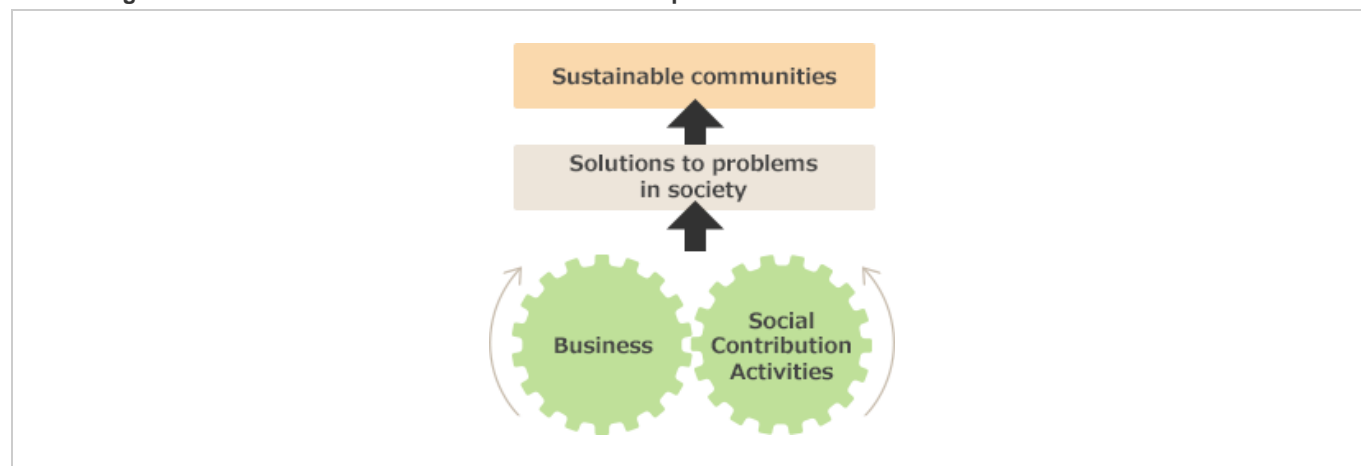
Toshiba Group will contribute to solving societal issues and creating a sustainable society through business activities as well as social contribution activities by using knowledge and resources acquired through business.

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.

## Positioning of Social Contribution Activities in Toshiba Group

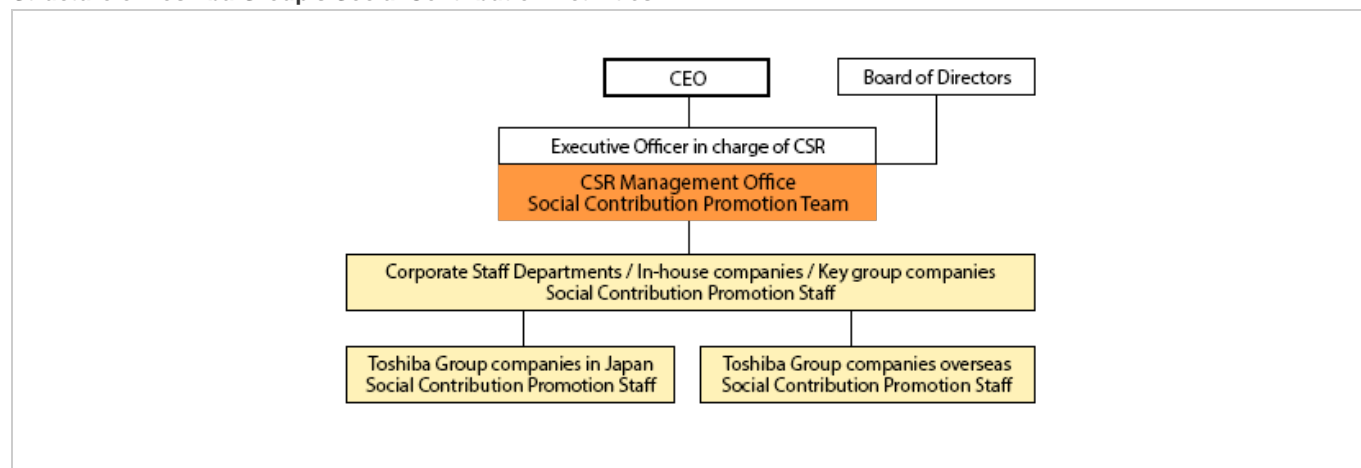


## Structure of Toshiba Group's Social Contribution Activities

Toshiba Group has established a social contribution promotion team in the CSR Management 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



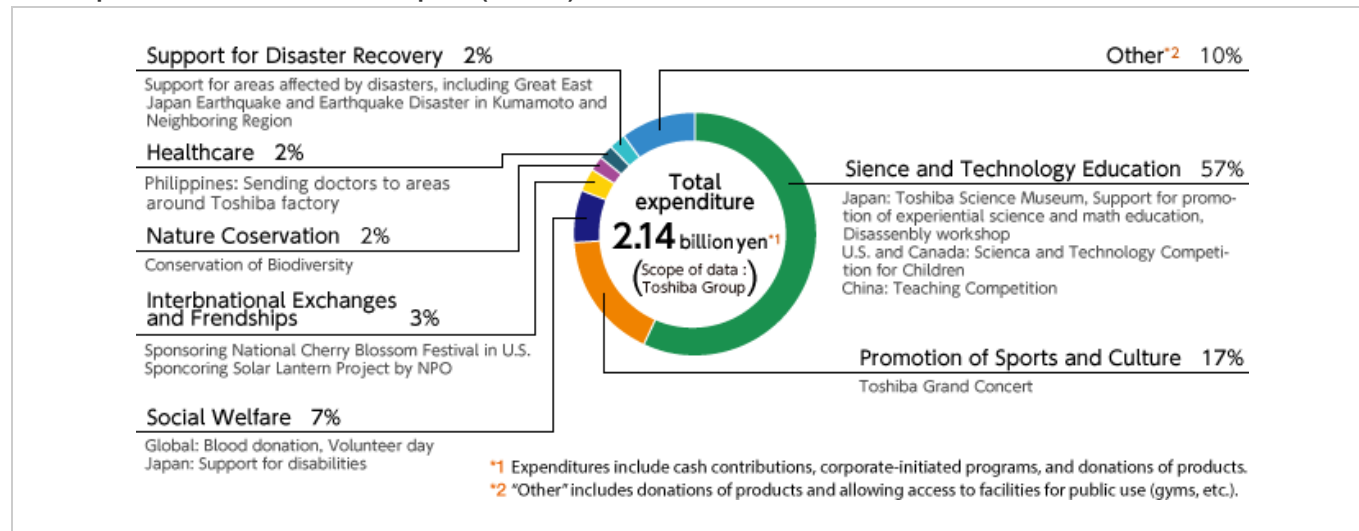
## Supporting Social Contribution Activities by Employees

As part of its work-life balance policy, Toshiba maintains a system to support social contribution activities by employees. For example, employees are able to take long-term leave by accumulating annual leave for the purpose of participating in volunteer activities. Toshiba also has a system for donating a maximum of 100,000 yen or reused PCs to NPOs and other organizations that employees belong to.

> [Work-style Innovation \(WSI\)](#)

# Social Contribution Activities: Total Expenditure and its Constituent Parts

## Total expenditure and its constituent parts (FY2016)



## 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 FY2016, 1,359 programs were carried out throughout the year, and four programs were awarded, including the program to protect the golden venus chub, an endangered species (Toshiba Himeji Semiconductor Plant).

> [Ashita Award for CSR Excellence](#)

# Toshiba Group Simultaneous Social Contribution Activities

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Toshiba Group holds the Toshiba Group Simultaneous Social Contribution Activities from FY2014 targeted 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.

In FY2016, to achieve "Zero Hunger," one of the United Nations Sustainable Development Goals (SDGs), we organized food drives at 19 business sites in 5 countries around the world. A food drive is a program for donating redundant food brought from home. In Japan, we urged participation in the program at the head office and other business sites. In addition, we also held a charity concert by Toshiba Philharmonic Orchestra and Toshiba Philharmonic Choir to collect preserved food. A total of approximately 3,000 kg of the food collected was donated to Food Bank Kawasaki to support people in need.



Food brought by charity concert audience



Food drive at Toshiba America, Inc.

> [Toshiba Group Simultaneous Social Contribution Activities](#)

## Science Technology Education

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### Toshiba Science Museum: Where You Can Experience the Joy of Science and Technology

In January 2014, the Toshiba Science Museum was reopened near JR Kawasaki Station as a location for the support of science-technology education, a linchpin in Toshiba's social action programs. It is used for a multitude of purposes, such as social studies field trips, school trips, corporate training, international exchanges, and sightseeing. It is a facility where people of all generations can have fun while learning about science and technology through extensive hands-on programs and exhibitions consisting of 3 concepts: past, present, and future.

> [Toshiba Science Museum](#)



Science show is held every day at the stage

## 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-1 to k-12 students 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 25th anniversary in June 2017, commemorating its long history as a Japanese company's science education support program in North America. The number of participant totals about 388,000 in the past. In FY2017 applications from 15,243 children and 4,939 teams have been filed.

Many creative ideas that exceed adults' imagination are generated every year, such as a dream heart pacemaker that continues its function by using human body energy and magic pills that solve rapidly growing problems of electronic parts waste.

➤ [Social Contribution Activities - Science and Technology Competition \(North America\)](#)



The past EVA winners from New York on a Satellite Media Tour with Mr. Leland Melvin, a STEM advocate, an author, and a former NSTA astronaut.

## Scientific exchange program for Japanese and American high school students

Since 2014, Toshiba Group has been working in collaboration with U.S.-Japan Council to host the TOMODACHI Toshiba Science & Technology Leadership Academy, a program aimed at developing young leaders who serve as a bridge between Japan and the United States. This program is part of the TOMODACHI initiative developed by U.S.-Japan Council and the U.S. Embassy. In 2016, the third year of the program, we held the event at the National Olympics Memorial Youth Center for eight days from late July to early August. In addition to high school students from Japan and the United States (eight from each country), several teachers from both countries also participated in the program as mentors to engage in a hands-on science exchange program.

➤ [Science Exchange Program Targeting Japanese and American High School Students](#)



High school students working to build an elevator

## Teaching Competition in China

Seeking to contribute to the future development of scientific and technical human resources in China, in 2008 we established the Contest of Math and Science Teaching Program for the Normal University Students in China in cooperation with China's Ministry of Education.

This is a contest for students of Chinese teacher training universities.

Winners and their instructors are invited to Japan for the opportunities to have experience of Japanese science, technology and culture, and exchange with teachers and students of Japanese teacher training university.

In 2016, approximately 12,000 students from 45 Normal Universities throughout China participated.

➤ [Teaching Competition in China](#)



Mr. Lv Tianxi of Tianjin Normal University (right) received the Toshiba Innovation Award.



## Science Education Program for Elementary School Children

In March 2017, we launched a science education program for elementary school children in collaboration with the Association of Corporation and Education. Entitled "What's on the Other Side of a Power Outlet?: Let's Learn How Power is Generated through Experiments!", the program uses energy as a theme to enable children to learn about the mechanism of power generation through experiments as well as to think about environmental issues and the future of energy. The program is conducted at the Toshiba Science Museum. We also visit elementary schools in areas around Tokyo to provide on-site classes.



Children watching a simulation experiment on thermal power generation

## Scholarships and Internship

Toshiba group awards scholarships to university students in Japan, China, Vietnam, Philippines etc. to help support development of a new generation.

Furthermore Toshiba factories are receptive to local requests for tours, and some even accept internships of a few weeks.

- > [Scholarships](#)
- > [Internship, Factory Tours and Hands-on Experiences](#)

## Protection of the Natural Environment

### Conservation of Biodiversity

Toshiba Group has been developing biotopes at approximately 60 business sites worldwide through three steps: conducting a biodiversity survey; selecting indexes and implementing biodiversity measures; and measuring effects. At each biotope, employees are working to protect habitats for a variety of biological species, including rare ones, thereby building ecosystem networks. In the future, we aim to further raise employees biodiversity awareness as well as to contribute to achieving the Strategic Plan for Biodiversity 2011-2020 and the Aichi biodiversity targets,\* a global goal for 2020. To this end, we will strive to expand the range of our activities, including conserving the environment in areas outside business sites, eliminating alien species, educating employees, and collaborating with stakeholders.

\*Global goals regarding biodiversity protection adopted at the 10th Conference of the Parties to the Convention on Biological Diversity (COP10) held in October 2010

- > [Conservation of Biodiversity](#)



Protection and breeding of golden venus chubs (Ministry of the Environment endangered species class 1B) (Toshiba Himeji Semiconductor Operations)

## Social Welfare

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### **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 twice a year since 2006.

In August 2016, the company dispatched a team consisting of doctors, dentists, nurses, and many employee volunteers to Bucal district and they worked for 300 local residents.



Medical examination for local residents by dispatched doctors

## International Exchanges with Friendship, and Promotion of Sports and Culture

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### **International exchange program for high school students from Japan and the ASEAN countries**

Since FY2014, the Toshiba International Foundation (TIFO) has been holding Toshiba Youth Club Asia (TYCA), an international exchange program for high school students from Japan and the ASEAN countries.

The theme for FY2016 was "Asian Vision 2040," and the program was held over eight days in March. A total of 12 high school students from Cambodia, Laos, Myanmar, Philippines, Thailand, Vietnam, and six Japanese high school students, listened to lectures by experts, went on field trips, and held group discussions about what they themselves can do in the future, and then they presented their own vision.

Through TYCA, TIFO will go on providing opportunities to high school students from Japan and ASEAN countries, who have diverse cultures and values, to discuss the future of Asia, bearing in mind social issues.



Lively discussion in "U.N. Simulation," one of the programs

### **Promoting Sports**

Toshiba promotes sports not only to help children to grow up healthy but also to inspire and encourage everyone through the impressive performances of top athletes.

TAmateur sports teams of Toshiba employees play an active role in making a difference in society.

> [Promoting Sports](#)



# Disaster Relief

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As a company that conducts business worldwide, Toshiba Group wishes to contribute to restoring areas affected by natural disasters. To that end, we review what is most appropriate in consideration of local characteristics and damage situations, and donate money, provide our company products, and collaborate with NGOs. In addition, employees also engage in fund raising and volunteer activities.

In FY2016, we provided support to areas affected by the Kumamoto Earthquake that occurred in Japan in April and areas affected by Typhoon No. 10 that occurred in August.

> [Disaster Relief](#)

## Corporate Governance

Companies are required to provide appropriate management while responding to changing circumstances, demands from stakeholders, etc. Toward this, Toshiba Group has established internal control systems and continually works to enhance managerial efficiency and transparency, and effectively execute its stakeholder strategy.

### Medium- to Long-term Vision

Toshiba Group endeavors to realize sustainable growth and medium- and long-term gains in corporate value, thereby benefitting all of the Group's stakeholders.

### FY 2016 Achievement

Toshiba decided to spin-off four in-house companies, and took the appropriate actions in due course.

### Future Challenges and Approaches

Each spun-off company is establishing optimal management systems to support it in maximizing its value. Toshiba Corporation now takes the initiative in reinforcing intra-Group cooperation and coordination, taking into account business sustainability, such as the need to retain special construction licenses, and seeks to maximize the corporate value of Toshiba Group as a whole, and to maintain and reinforce its governance systems.

## Toshiba's Corporate Governance Policy

Toshiba's central aim in corporate governance is to achieve sustainable growth and to enhance Toshiba Group's corporate value over the medium- to longterm thereby contributing to the profit of all stakeholders, including shareholders, investors, employees, customers, suppliers, creditors and local communities.

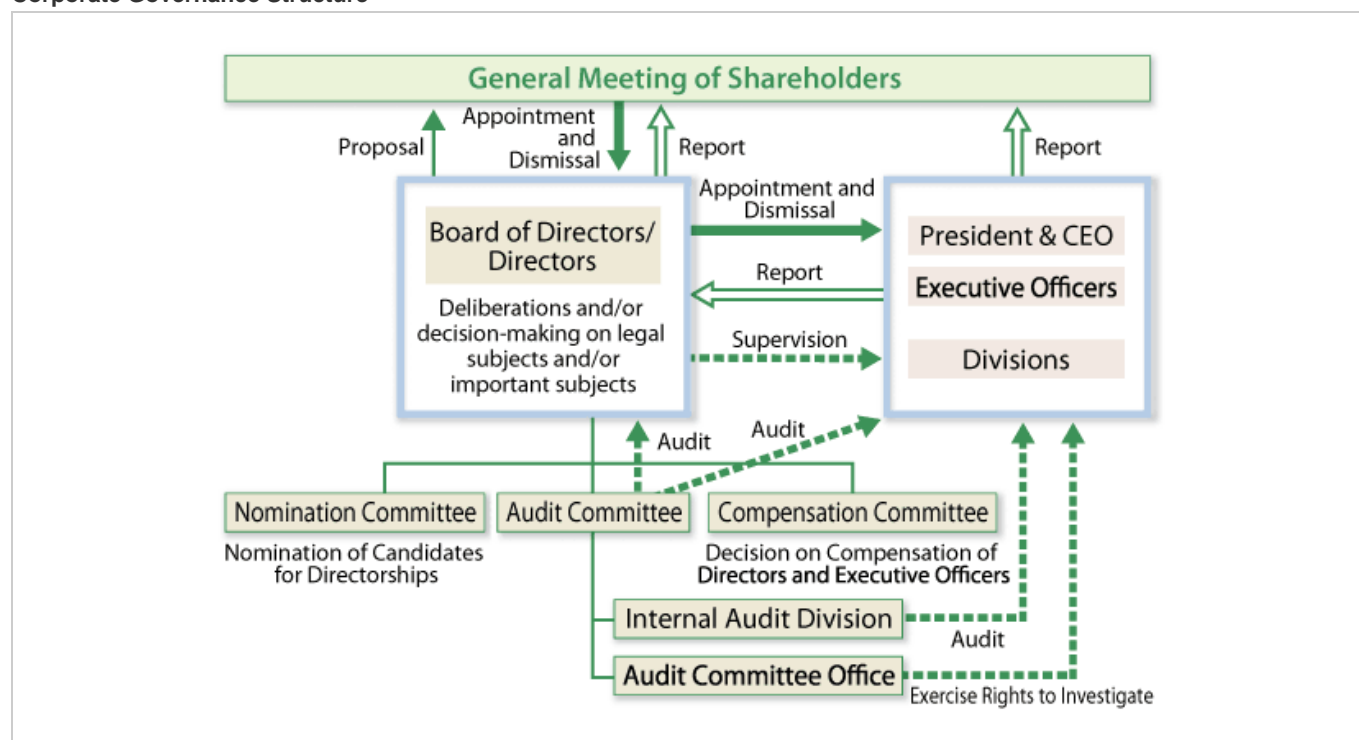
The Board of Directors has adopted "Corporate Governance GuidelinesA separate window will open." that form the framework of governance of the Company.

 [Corporate Governance Guidelines\(published in 8th August 2016\)](#)  [181KB/12 pages]

# Toshiba's Governance Structure

Toshiba places importance on the Board of Directors' supervisory functions and opts to delegate a great deal of decision-making authority to persons who actually execute the operations. This is why the Company has adopted a committee governance structure. Toshiba stipulates that the ratio of Outside Directors should be over half the members of the Board of Directors (as of October 2017, six out of the ten members are Outside Directors) to secure an effective function for the "monitoring and supervision of business execution," while appointing an Outside Director as Chairman of the Board. Furthermore, an Audit Committee, a Nomination Committee and a Compensation Committee composed, in principle, only of independent Outside Director members, have been set up to ensure managerial transparency.

## Corporate Governance Structure



## Committee Composition

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

# Role of Outside Directors

Outside Directors shall be selected from managers, accounting specialists, legal specialists and other individuals with outstanding knowledge and experience and who meet all the requirements set out by Toshiba, in addition to the independence related-provisions prescribed by the Tokyo Stock Exchange.

The primary missions of the Board of Directors are "establishment of the Company's basic strategies, including its basic management policies," "monitoring of Executive Officers" and "monitoring of Directors."

Toshiba established "Executive Sessions," meetings that only consist of Outside Directors to stimulate their information exchanges and to deepen their understanding of the Company's business.

## Reasons for selection of Outside Directors and Significant concurrent positions

Name	Reasons for selection	Significant concurrent positions (As of Sept. 2017)
Teruko Noda	Ms. Teruko NODA is appropriately supervising the management of the Company based on her rich experience and insight as a certified public accountant.	
Kouichi Ikeda	Mr. Kouichi IKEDA is appropriately supervising the management of the Company based on his rich experience and insight as a management executive.	Advisor to the Board, Asahi Group Holdings, Ltd. Outside Director, Sumitomo Chemical Company, Ltd.
Yuki Furuta	Mr. Yuki FURUTA is appropriately supervising the management of the Company based on his rich experience as a legal professional and insight concerning to corporate law and corporate governance.	
Yoshimitsu Kobayashi	Mr. Yoshimitsu KOBAYASHI is appropriately supervising the management of the Company based on his rich experience as a management executive.	Director, Chairman, Mitsubishi Chemical Holdings Corporation Director, Chairman, The KAITEKI Institute, Inc. Chairman, Japan Association of Corporate Executives Chairman, Council on Competitiveness-Nippon
Ryoji Sato	Mr. Ryoji SATO is appropriately supervising the management of the Company based on his rich experience and insight as a certified public accountant and CEO of an auditing firm.	Outside Company Auditor, NIPPON LIFE INSURANCE COMPANY
Shinzo Maeda	Mr. Shinzo MAEDA is appropriately supervising the management of the Company based on his rich experience and insight as a management executive.	Senior Advisor, SHISEIDO Co., Ltd Outside Director, Yuasa Trading Co., Ltd Chairman of the Board of Directors, SHISEIDO BEAUTY ACAMEDY Chairman, Tokyo Convention & Visitor Bureau Vice Chairman, The Tokyo Chamber of Commerce and Industry

## Independence Criteria for Outside Directors

- (1) The outside director currently belongs or at any point in the past three years has belonged as an executive director, executive officer, or employee to a company in which the Company currently holds 10% or more of the voting rights.
- (2) The outside director currently belongs or at any point in the past three years has belonged as an executive director, executive officer, or employee to a company that currently holds 10% or more of the voting rights of the Company.
- (3) The outside director currently belongs or at any point in the past three years has belonged as an executive director, executive officer, or employee to a company whose transactions with the Company in any of the past three fiscal years totaled a monetary amount exceeding 2% of the consolidated net sales of that company or the Company.
- (4) The outside director currently is or at any point in the past three years has been an executive director, executive officer, or employee of a financial institution from which the Company currently borrows funds equal 2% or more of its total assets.
- (5) The outside director has in any of the past three fiscal years received compensation other than officer compensation exceeding ten million yen from the Company as a law, accounting, or tax expert or consultant; or an organization to which the outside director belongs has in any of the past three fiscal years received from the Company compensation as a law, accounting, or tax expert or consultant exceeding 2% of the annual revenue of that organization.
- (6) In any of the past three fiscal years, the Company has made contributions exceeding ten million yen to the outside director or to a corporation to which the outside director currently belongs or at any point in the past three years has belonged as an officer that executes business or as an employee.
- (7) The outside director currently belongs or at any point in the past three years has belonged as an executive director, executive officer, or employee to a company whose outside officers currently include any officer with experience as an officer of the Company that executed business.
- (8) The outside director currently is or at any point in the past three years has been a representative officer, officer, or employee of the current accounting auditor or an accounting auditor in the past five fiscal years of the Company.

## Effectiveness Evaluation of the Board of Directors

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The Board of Directors evaluates the overall effectiveness of the Board once a year, discloses an outline of the results, and revises the management of the Board on an as-needed basis.

The following shows the conclusions obtained as the result of analysis and evaluation of the effectiveness of the Board during the target period from June 22, 2016 through the end of March 2017, in which a questionnaire survey was conducted targeting all Directors and their responses were discussed while receiving advice from external specialists.

### Items evaluated as appropriate

#### 1. Implementation of Executive Sessions

A total of 26 sessions took place during the target period from June 22, 2016 through the end of March 2017, to have free discussions about company-wide issues and items set as main themes, such as the Company's medium- to long-term plans and risk issues, as well as provide information and have a Q&A session about matters to be discussed by the Board of Directors. Each session lasts for a sufficient amount of time for free and active discussions.

#### 2. Implementation of Board Meetings

A total of 19 Board Meetings were held during the target period of June 22, 2016 through the end of March 2017. It has been confirmed that free and constructive discussions and exchanges of opinions took place based on the results of deliberations at Executive Sessions.

#### 3. Activities of the Nomination Committee, Audit Committee and Compensation Committee

On the whole, the activities of the respective committees have been evaluated as being appropriate, in terms of the number and composition of members, frequency of meetings, quality of discussions, etc.

## Future Challenges

### 1. Composition of the Board of Directors

There has been an argument that the number of Directors, the composition of In-house Directors, etc. should be reexamined. We will review the composition of the Board of Directors for the next meeting in a timely manner.

### 2. Implementation of Board Meetings and Executive Sessions and distribution of information materials

It has been confirmed that the implementation of Board Meetings and Executive Sessions, which showed a need for improvement in the previous year, need to be improved this year again, as there were times when things such as schedules, notices of finalized agenda, information materials, were not provided sufficiently in advance.

### 3. Governance

While Toshiba's governance system has been evaluated as being improved, there has been an argument, in association with the huge loss arising from Toshiba's overseas nuclear business, stating that group governance over overseas subsidiaries should be further improved and strengthened, so that risk issues at these subsidiaries can be detected and reported earlier.

## Other opinions

- (Opinion regarding the Compensation Committee) There is a need to consider an overhaul of the compensation system, for example in such a way as to provide incentives for medium- to long-term performance improvements. Given that it is difficult to define an orientation for the Company at the moment, this is a challenge for the future.
- There were times when I felt that some issues that had not been sufficiently discussed on the business execution side could reach the agenda of a Board Meeting.
- What governance should there be for in-house companies that have been spun off should be adequately discussed.

We will make further improvement efforts, mainly by resolving the challenges identified in this analysis/evaluation, and strive to regain the trust of our shareholders through initiatives aimed at increasing the effectiveness of Executive Sessions, Board Meetings and each committee.

## Election Criteria for Executive Officers and Ensuring the Transparency of Nomination Procedures

The Nomination Committee has authority to propose the appointment and dismissal of Directors, including the President and Chief Executive Officer, selects candidates for directorships according to the criteria and processes described below, and submits the proposals to the General Meeting of Shareholders for finalization. Furthermore, the Company has introduced a system for votes of confidence by senior management regarding the President and Chief Executive Officer to provide supporting materials based on which the Nomination Committee can create their appointment proposals.

For the appointment and dismissal of Executive Officers (excluding the President and Chief Executive Officer), the Executive Office Personnel Committee, chaired by the President and Chief Executive Officer, shall select candidates according to the criteria shown below and the final decisions shall be made by the Board of Directors.

### Director Nomination Criteria

- (1) Being a respected, dignified, and highly ethical person;
- (2) Being responsive to compliance with laws and regulations;
- (3) Being in good health to conduct the required duties;
- (4) Having the ability to make objective judgments on management issues as well as excellent foresight and vision;
- (5) Having no interest in or transaction with the Toshiba's main business fields that might affect management decisions; and
- (6) For outside directors, having expertise, insight, and a good track record in field such as law, accounting, or corporate management.

### Executive Officer Election Criteria

- (1) Being a respected, dignified, and highly ethical person with excellent leadership ability;
- (2) Being responsive to compliance with laws and regulations;
- (3) Being in good health to conduct the required duties;
- (4) Having the ability to make objective judgments on management issues as well as excellent foresight and vision;
- (5) Being highly skilled at business execution and having a track record of consistently delivering high performance and results;
- (6) Having rich work experience and expert knowledge in the Toshiba's business areas and the ability to contribute to management; and
- (7) Having no interest in or transaction with the Toshiba's main business fields that might affect management decisions.

(Note) The executive officer election criteria provided above were resolved by the Board of Directors; As of August 2016, the Nomination Committee is considering new executive officer election criteria as part of the reforms to the Toshiba's corporate governance.

>

### Ensuring the Impartiality of Nomination Procedures

1. The Nomination Committee is responsible for determining a plan (the succession plan) that ensures the objectivity and fairness of the process for selecting a successor to the President & CEO.
2. The Nominating Committee has revised the criteria for the nomination of Executive Officers. This gives the Nominating Committee the authority to conduct interview with all the candidates, and also introduces a system for surveying the confidence of senior managers in the President & CEO.

## Merit-based Compensation Amounts for Officers

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At Toshiba, the Compensation Committee makes decisions and establishes policies in relation to compensation for officers. Since the main responsibility of directors is to supervise the execution of the overall Group's business, compensation for directors is determined at an adequate level to secure highly competent personnel and to ensure the effectiveness of the supervisory function. Since the responsibility of executive officers is to increase corporate value in their capacity as executives responsible for companies or divisions within the Group, compensation for executive officers is divided into fixed compensation and performance-based compensation, and determined at an adequate level to secure highly competent personnel and ensure that their compensation package functions an effective incentive to improve business performance.

### (1) Director's compensation

Fixed compensation is paid to directors who do not concurrently hold office as an executive officer, and is based on status as a full-time or part-time director and on the duties performed.

Fixed compensation is paid to directors who concurrently hold office as an executive officer, in addition to the executive officer compensation specified in (2) below.

### (2) Executive officer's compensation

Executive officer compensation is comprised of the basic compensation based on executive officer rank (e.g. president and chief executive officer, corporate senior executive vice president) and service compensation calculated according to the duties of the executive officer. Some 40-25% of the service compensation will fluctuate from zero (no compensation) to two times according to the year-end performance of the Company or of the division for which the executive officer is responsible.

### (3) Compensation standard

Compensation standards are determined at suitable levels for a global company, with the aim of securing highly competent management personnel. The compensation standards of other listed companies and payroll and benefits of employees are considered when determining the Company's compensation standards of management.

**Amounts of Compensation, etc. of Toshiba's directors and executive officers in FY2016**

Officers Position	Total Amounts of Compensation, etc. (Millions of yen)	Fixed Compensation (Millions of yen)	Performance-based Compensation (Millions of yen)	Number of persons of Officers
Directors (excluding Outside Directors)	24	24	-	6
Outside Directors	101	101	-	7
Executive Officer	852	852	-	33

It should be noted that in the consolidated amount of compensation, etc., no individual officer received ¥100 million or more.

## Toshiba's Internal Control Systems Development Status

Toshiba Group constantly refines its system of internal controls, towards ensuring management effectiveness and efficiency and reliable reporting on operations and finances and to secure high level legal compliance and risk management.

We also ensure that domestic Group companies, regardless of the scale of their operations, establish internal control systems based on those of the parent Company, as follows.

(Excerpted from Page 72 of the securities report for the 178th fiscal period)

### (a) Systems to Ensure the Appropriateness of Business Operations of Toshiba Corp. and its Subsidiaries

The Board of Directors resolved systems to ensure the appropriateness of business operations as follows:

1. System to ensure that Executive Officers' compliance with laws and regulations and the Articles of Incorporation.
  - 1) Executive Officers periodically report to the Board of Directors of Toshiba Corp. on their execution of their duties and are required to report on necessary items to the Board of Directors, as necessary.
  - 2) The General Manager of the Internal Audit Division periodically reports to the Board of Directors of Toshiba Corp. on internal audit results.
  - 3) The Audit Committee of Toshiba Corp. periodically interviews Executive Officers, and the General Manager of the Internal Audit Division periodically reports to the Audit Committee on internal audit results.
  - 4) Executive Officers report to the Audit Committee of Toshiba Corp. on any material violation of laws and regulations without delay in accordance with the Rules concerning Reporting to the Audit Committee.
  - 5) Toshiba Corp. has established the Toshiba Group Standards of Conduct clarifying values and codes of conduct to be shared by all officers and employees and ensures, through continuous execution of officer education, etc., that Executive Officers of Toshiba Corp. comply with the Toshiba Group Standards of Conduct.
  - 6) Toshiba Corp. separates supervision from business execution by placing the Internal Audit Division under the direct control of the Audit Committee and establishes a system in which the Internal Audit Division effectively performs audits of accounting, compliance inspections and audits of other matters.



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

- 1) In accordance with the Rules concerning the Document Retention Period, Executive Officers of Toshiba Corp. appropriately retain and manage material documentation, such as information materials for the Management Meetings and decision-making documents, and other documents such as account books and records.
- 2) Executive Officers of Toshiba Corp. run a system that allows Directors to access significant information, such as information materials for the Management Meetings, decision-making documents, financial statements and records and business reports.

3. Rules and other systems concerning risk of loss management

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

4. System to ensure that Executive Officers efficiently execute their duties

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

5. System to ensure that employees' performance of their duties conforms to laws and regulations and the Articles of Incorporation

- 1) The Representative Executive Officer, President and CEO of Toshiba Corp. ensures, through continuous execution of employee education, etc., that employees comply with the Toshiba Group Standards of Conduct clarifying values and codes of conduct to be shared by all officers and employees.
- 2) The CRO of Toshiba Corp. formulates and promotes measures of Toshiba Group concerning compliance with laws and regulations in his/her capacity as the chairman of the Risk-Compliance Committee in accordance with the Basic Rules concerning Risk-Compliance Management.
- 3) Toshiba Corp. establishes a whistle-blower system in which the officers and employees of Toshiba Corp. are able to make a report to the business execution side of Toshiba Corp. if they become aware of an illegal act of Toshiba Corp., and the Executive Officer of Toshiba Corp. in charge endeavors to detect problems early and deal with them in an appropriate manner by making use of the whistle-blower system. The Toshiba Group Standards of Conduct clearly stipulate that the officers and employees who have used this system must not be treated disadvantageously on the grounds that they have done so. In addition, Toshiba Corp. establishes a whistle-blower system in which the Audit Committee of Toshiba Corp. directly receives internal reports and endeavors to collect information on problems early.

6. System to ensure the appropriateness of business operations of the corporate group composed of Toshiba Corp. and its subsidiaries

- 1) The subsidiaries adopt and implement the Toshiba Group Standards of Conduct and establish whistle-blower systems according to the legal systems and circumstances of the countries in which they operate.
- 2) Toshiba Corp. establishes a system in which its subsidiaries report to Toshiba Corp. in accordance with the Operational Communication Arrangement, etc. in the event that material issues arise in their business operations.
- 3) Toshiba Corp. formulates appropriate measures for internal control, including that of its subsidiaries, and causes its subsidiaries to promote the measures according to their situations.
- 4) The subsidiaries establish audit systems such as auditors in accordance with the Toshiba Group Auditors' Audit Policy.
- 5) Toshiba Corp. executes internal audits on the accounting treatment processes and business processes of its subsidiaries.
- 6) Toshiba Corp. appropriately and effectively manages the systems and business processes common throughout Toshiba Group and establishes a system in which shared resources are appropriately and effectively allocated.
- 7) Under the relevant license agreements, Toshiba Corp. in principle obligates its affiliates that are permitted to use "Toshiba" in part of their company names to adopt the Toshiba Group Standards of Conduct.

**(b) Items Necessary for Performance of Duties by the Audit Committee of Toshiba Corp.**

The Board of Directors resolved items necessary for the Audit Committee's performance of its duties as follows:

1. Directors and employees assigned to assist the Audit Committee in the performance of its duties

In order to assist the Audit Committee of Toshiba Corp. in the performance of its duties, the Audit Committee Office consisting of around ten staff is established, and the head of the Audit Committee Office is an Executive Officer. No director is assigned to assist the Audit Committee in the performance of its duties.

2. Ensuring independence of employees mentioned in the preceding paragraph from Executive Officers and effectiveness of instructions to such employees

The Audit Committee has the right to approve the appointment, request the dismissal, and veto the dismissal of the head and employees of the Audit Committee Office of Toshiba Corp., and the head of the Audit Committee Office is under the direction of the Audit Committee. The employees of the Audit Committee Office are under the direction of the Audit Committee and the head of the Audit Committee Office.

3. System for reporting to the Audit Committee

- 1) Directors, Executive Officers and employees of Toshiba Corp. report to the Audit Committee on each relevant occasion in accordance with the Rules concerning Reporting to the Audit Committee and the Rules concerning Operation of the System of Reporting to the Audit Committee in the event that any material issue arises that may affect operations and financial performance.
- 2) The subsidiaries of Toshiba Corp. periodically report their situations and other matters to the Audit Committee of Toshiba Corp. through the Toshiba Group Auditors Liaison Organization, etc. In addition, Toshiba Corp. establishes the Toshiba Group Auditor Hotline through which the auditors and employees in charge of audit reporting of the subsidiaries are able to make a report to the Audit Committee if they become aware of an illegal act of such subsidiaries.
- 3) Toshiba Corp. establishes the Audit Committee Hotline through which the officers and employees of Toshiba Corp. and officers and employees of its domestic subsidiaries are able to make a report to the Audit Committee of Toshiba Corp. in accordance with the Rules concerning Operation of the System of Reporting to the Audit Committee if they become aware of an illegal act of Toshiba Corp. or such subsidiaries.
- 4) The Representative Executive Officer, President and CEO provides members of the Audit Committee designated by the Audit Committee with opportunities to attend important meetings, including the Management Committee meetings.

4. System to ensure that persons reporting to the Audit Committee are not treated disadvantageously on the grounds that they have made such report

The Rules concerning Reporting to the Audit Committee and the Rules concerning Operation of the System of Reporting to the Audit Committee clearly stipulate that the officers and employees of Toshiba Group who have made a report to the Audit Committee of Toshiba Corp. must not be treated disadvantageously on the grounds that they have done so.

5. Policy on procedures for advance payment or redemption of expenses arising from performance of duties of the Audit Committee's members and other settlement of expenses or debts arising from performance of such duties

If a member of the Audit Committee requests Toshiba Corp. to make advance payment of the expenses, etc. set out in Article 404, Paragraph 4 of the Companies Act in relation to the performance of his or her duties, unless it is determined after examination by the relevant departments that the expenses or debts in relation to such request are not necessary for the performance of duties of such member of the Audit Committee, Toshiba Corp. promptly settles such expenses or debts. Toshiba Corp. annually budgets a certain amount for the payment of expenses and other costs arising from the performance of duties of the Audit Committee's members. If the need arises during the fiscal year, Toshiba Corp. increases the budget after examination by the relevant departments at the request of the Audit Committee's members.

6. Other system to ensure that audits by the Audit Committee are conducted effectively

- 1) The Representative Executive Officer, President and CEO periodically exchanges information with the Audit Committee.
- 2) Executive Officers and employees report the execution of their duties to the Audit Committee by means of the periodic interviews conducted by the Audit Committee and circuit interviews.
- 3) The Audit Committee places the Internal Audit Division under its direct control. The Audit Committee presents audit policies and gives audit instructions to the Internal Audit Division. The General Manager of the Internal Audit Division periodically reports the internal audit results to the Audit Committee.
- 4) The Audit Committee has accounting auditors provide explanations and reports concerning the accounting audit plan at the beginning of each fiscal year, the situation of accounting audits during each fiscal year, and the results of the accounting audits at the end of each fiscal year.
- 5) The Executive Officer in charge provides explanations to the Audit Committee concerning the settlement of accounts at the end of each fiscal year as well as each quarterly settlement of accounts prior to the approval by the Board of Directors.
- 6) The General Manager of the Internal Audit Division is an Executive Officer. The Audit Committee has the right to approve the appointment, request the dismissal, and veto the dismissal of the General Manager of the Internal Audit Division. The General Manager of the Internal Audit Division is under the direction of the Audit Committee.
- 7) The members of the Audit Committee have the right to access all internal reports made to the whistle-blower system on the business execution side.

## Takeover Defense Measures

Toshiba introduced countermeasures against large-scale acquisitions of shares of the Company (so-called "Takeover Defense Measures") in June 2006 before renewing them in June 2009 and June 2012. However, we have decided not to renew these countermeasures after carefully considering the renewal in light of: 1) the changing operating environment; 2) the state of progress of the development of the Financial Instruments and Exchange Act; and 3) the opinions of shareholders.

Even after the termination of the measures, if any party seeks to acquire a large number of shares in the Company, we will i) request the party to provide information necessary and sufficient for shareholders to properly judge whether the proposed acquisition is reasonable or not and ii) publish the opinion of the Toshiba Board of Directors to secure an amount of time and information for shareholders to consider the proposed share acquisition. Thus, the Company will continue striving to secure and improve its enterprise value and shareholders' shared benefit while taking appropriate action within a scope that is allowed under the Financial Instruments and Exchange Act, the Companies Act and other applicable laws and regulations.

# Status of Internal Audits and Audits by the Audit Committee

(Excerpted from Page 72 of the securities report for the 178th fiscal period)

## 1. The Internal Audit and the Audit Committee organization, personnel and procedures

The Internal Audit Division (personnel: some 50 staff) was established as an internal audit department, and is under the direct control of the Audit Committee. By monitoring the operational status of in-house companies on a daily basis, the internal Audit Division is able to strengthen the audit system with respect to their operations. By strengthening cooperation with the Audit Committee, the Accounting Auditor, we seek to strengthen the various audit functions, such as accounting audits, internal control audits and audits on legality.

In addition, an Audit Committee Office with a staff of approximately 10 has been established to support the Audit Committee in carrying out its responsibilities. The office is headed by an Executive Officer, and a system has been put in place that gives it the right to carry out investigations and hear information for itself, on the basis of instructions received from the Audit Committee.

The Audit Committee works in close cooperation with the internal Audit Division to confirm the development of internal systems.

The Internal Audit Division carries out on-site inspections and reports its results to the Audit Committee. However, if it deems it necessary, the Audit Committee has the right to carry out its own on-site inspections. Furthermore, in addition to receiving explanations from independent auditors on their audit plans at the beginning of each fiscal year, the Audit Committee can also request reports on the status of audits during the course of each term, and explanations and reports on end-of-year audits, as necessary.

It should be noted that the Audit Committee has three members. As certified public accountants, the Chairman of the Audit Committee, Mr. Ryoji Sato, and committee member Ms. Teruko Noda, have been involved in the practice of corporate accounting for many years and have considerable knowledge of finance and accounting.

## 2. Mutual cooperation between the internal audit, the Audit Committee audit and the accounting audit, and the relationship with the Internal Control Division

Mutual cooperation between internal audits, Audit Committee's audits and the accounting audits is detailed in "1. The Internal Audit and the Audit Committee organization, personnel and procedures". In Toshiba, divisions responsible for internal controls ensure the appropriateness of all information disclosure, including financial reporting, and the effectiveness and efficiency of operations, compliance, and risk management, etc. The Legal Affairs Div., Accounting Div., CRO, and Risk Compliance Committee are included among divisions in this category. Along with providing the Audit Committee with timely reporting required by the "Audit Committee reporting and information access rules," the said divisions responsible for internal controls also provide information to the internal Audit Division and Accounting Auditor from time to time, as required.

## 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 and rebuild Toshiba, 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

- We aim to regain the trust from all of our stakeholders under a new management and governance system.

### FY 2016 Achievement

- We held three awareness-raising training sessions for officers and top management to improve the awareness of top management.

### Future Challenges and Approaches

We will develop organizations and systems required to maximize our corporate value and to strengthen governance for the company split scheduled for July 2017 and beyond. After the split, each business company will become an independent legal entity. However, we will continue our risk management and compliance policy for Toshiba Group as a whole.

## Policy on Risk Management and Compliance

On March 15, 2017, Toshiba Corporation's shares were designated as "securities under supervision (under examination)." On the same day, Toshiba re-submitted a verification of its internal control system to the Tokyo Stock Exchange and the Nagoya Stock Exchange. The verification included additional improvement measures, such as enhancing monitoring with strengthened risk management and governance, as well as raising awareness about not only legal compliance but also overall compliance. We will continue to implement measures to prevent recurrence and will make efforts to improve compliance of and governance over the associated companies, which contributed to the continued designation of Toshiba's shares as securities on alert and as securities under supervision (under examination). At the same time, we will develop a robust profit structure in order to regain the trust of all our stakeholders, including shareholders and investors. To that end, we will implement the Toshiba Rebuilding Initiative, a management policy plan focused on the following: stronger internal controls and a reformed corporate culture; decisive action on business structural reform; a review of the business portfolio and operational structure; and reform the financial base.

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 analyzes whistleblower reports and cases both inside and outside the company, and identifies vulnerabilities in risk compliance management based on risk tables that cover the entire management environment. It also reviews activities from the preceding fiscal year, and deliberates on priority measures and monitors activities for the immediate 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.

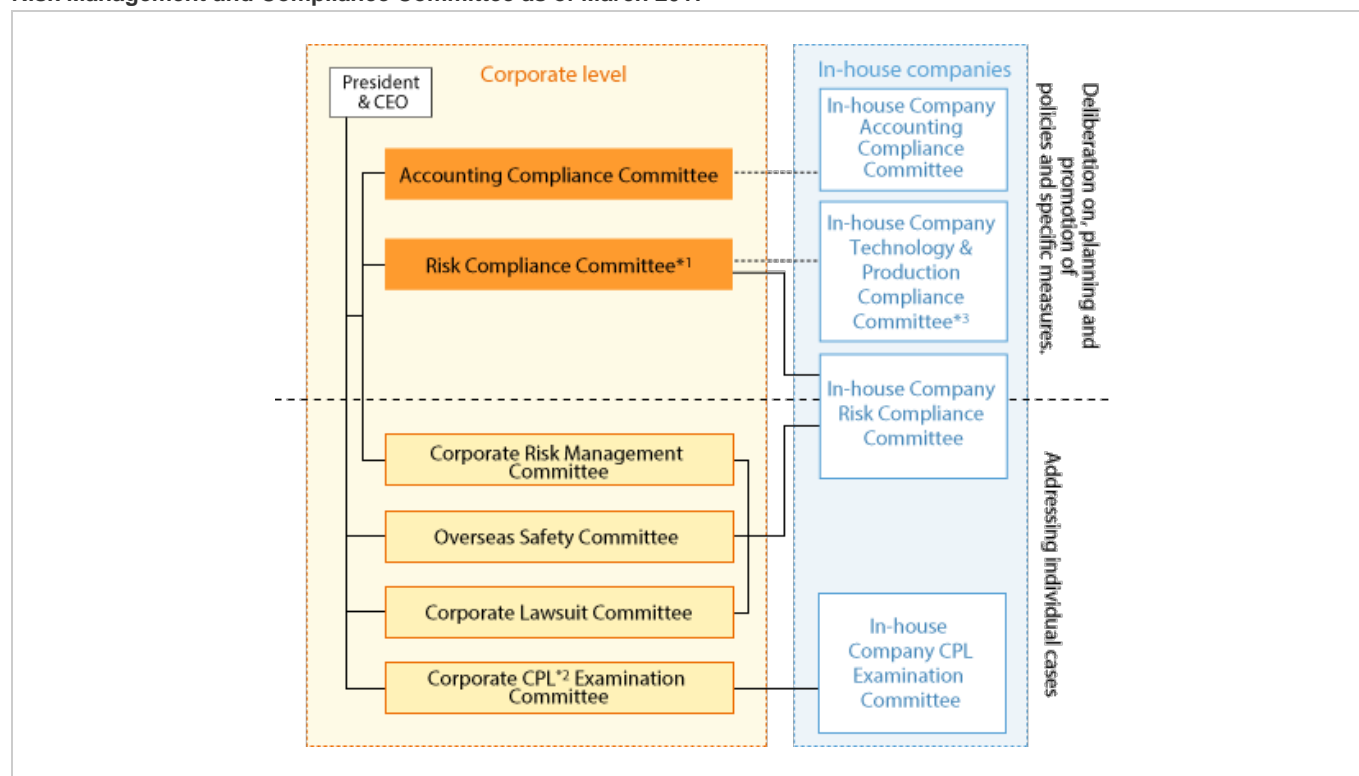
In the event of a serious risk compliance issue, there is a system in place by which the relevant in-house committees, etc. promptly evaluate and implement countermeasures. Furthermore, we carry out sensitivity analyses at management meetings, etc. of the correlation between key risks and management, 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."

In March 2016, Toshiba established a new Accounting Compliance Committee. Its purpose is to aggregate finance- and accounting-related information, and to identify signs that might point to inappropriate financial reporting, doing both in timely fashion, and to detect risks that threaten internal control at an early stage.

The President and CEO is the head of the Accounting Compliance Committee, and the Audit Committee and the Internal Audit Division act as observers. Together they assess the risk of financial statements not being created or disclosed properly, and the risk that internal control, whose role is to support the reliability of financial reports, is not functioning effectively. Having done this, they supply information needed to prevent these risks, and discuss and decide on measures to deal with them.

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

## Risk Management and Compliance Committee as of March 2017



\*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 order to create an open work environment, Toshiba is enhancing its whistleblower system, on top of preventing risks by stimulating day-to-day communication in each workplace.

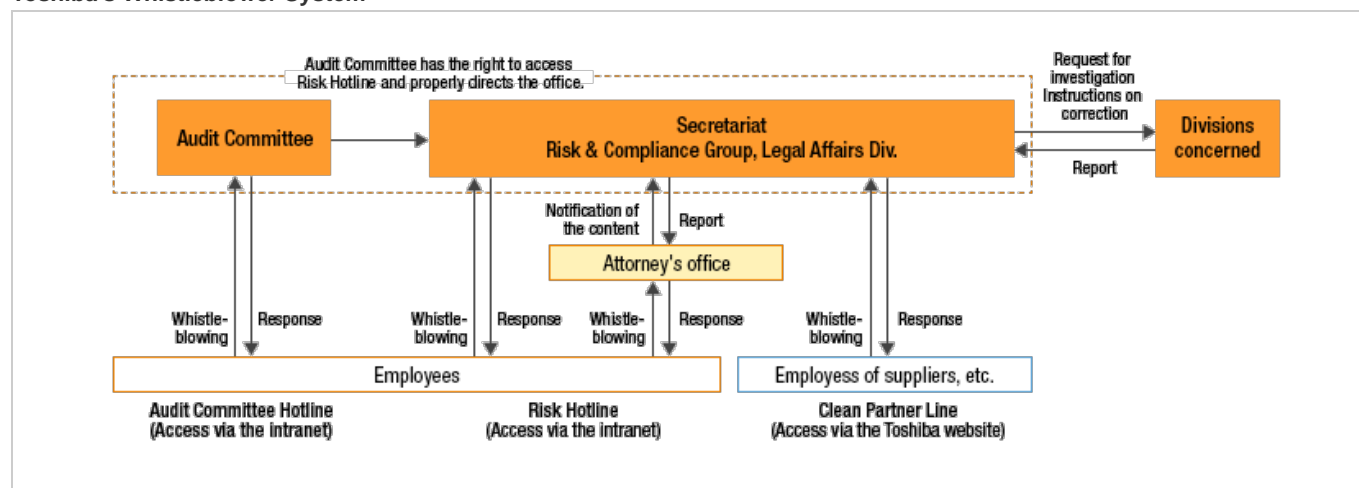
In January 2000, Toshiba established a whistleblower system to collect internal information on SOC violations, particularly those concerning laws and regulations, and to deal with wrongdoing through a self-rectification system. Under this system, an employee can report an incident and seek advice. In 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.

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.

In December 2016, we delivered a message from the President to all employees of Toshiba Group companies in Japan to emphasize that we place the highest priority on respecting our customers and ensuring compliance. We also encouraged employees to actively use the whistleblower system in order to make sure that our policies are implemented.

### Toshiba's Whistleblower System



## Operational Status of the "Risk Hotline" in FY2016

The numbers of reports received and consultations undertaken by the "Risk Hotline" and "Audit Committee Hotline" in FY2016 are as follows.

We notified employees about the existence of the system and its assurance of strict anonymity through e-learning. We also reported on whistleblower cases to the whole company on a number of occasions. As a result, the number of employees using the Risk Hotline increased by 82% from 263 in FY2015.

### Number of reports received by the "Risk Hotline"

	FY2015 Number of reports received(within parentheses: anonymous reports)	FY2016 Number of reports received(within parentheses: anonymous reports)
Reports received by internal secretariat	204 reports (121 reports)	389 reports (235 reports)
Reports received by attorney's office	4 reports (1 report)	12 reports (7 report)*
Total	208 reports (122 reports)	399 reports (240 reports)

\* Including duplicate reports received by the internal secretariat

### Number of reports received by the "Audit Committee Hotline"

	October 2015 to March 2016 Number of reports received (within parentheses: anonymous reports)	FY2016 Number of reports received (within parentheses: anonymous reports)
Total	55 reports (41 reports)	80 reports (53 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.

Out of the whistleblower reports, cases that everyone should bear in mind are taught as part of employee training. In order to protect whistleblower anonymity, such cases are presented without any names.

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



# Compliance Training

At Toshiba, the President issued a message to all employees, expressing a firm commitment to implementing the corporate governance reform discussed by the Management Revitalization Committee. He also expressed that he would work to the best of his ability to revive Toshiba Group. In an effort to change the mindset of top management, we held awareness-raising training sessions for officers and top management four times in FY2015 and three times in FY2016, with a total of 603 executives participating in the FY2016 sessions. The company also held seminars by rank and function for employees to enhance the effectiveness of accounting compliance. Toshiba plans to continue these seminars.



Seminar for senior management

In addition, following the previous fiscal year, we provide accounting compliance education through e-learning to deepen employees' understanding about the importance of financial reporting and cash flow management. In FY2016, all employees (approximately 100,000) of 144 consolidated subsidiary group companies in Japan and approximately 2,300 executives of 128 overseas group companies participated in the seminar.

## Making the Toshiba Group Standards of Conduct Available to All Employees

Toshiba Group has created Standards of Conduct (SOC) in 24 languages and made them available on the company's internal website. 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 and educational leaflets, for all employees.

## 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 theme in FY2016 was "Towards Creating a Better Work Environment." Employees discussed what they often experience and what they need to change in their workplaces. Approximately 85,000 employees at 8,000 workplaces in Japan participated in discussions.

In addition, by soliciting the frank opinions of employees via their workplace managers, and sharing analysis results and key opinions within the company, we monitor the level of compliance awareness at each workplace and develop new measures for the future.



Meeting at which participants actively exchange opinions

# Inspection of implementation status of compliance measures

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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. 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.

More specifically, we have developed and implemented Basic Public Relations Management Rules and appointed public relations management officers for each department. When conducting transactions with a new customer, the public relations management officers of that department confirm that the customer has no relations with anti-social groups. If a need arises during a background check to further investigate the customer, the Legal Affairs Division verifies whether there is any information on the customer's relationship with anti-social groups. We also periodically conduct surveys on customers that we already have business relations with. Transaction contracts normally include a clause regarding the exclusion of organized crime syndicates, which enables a contract to be cancelled without notice when the business partner is identified as an anti-social group.

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.

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. Having been revised since then, "Antisocial Groups" is now an independent article, further stressing our policy to reject all contact with such groups.

By providing e-learning lessons about the SOC to all employees, we continuously ensure that employees understand the importance of excluding anti-social groups from the business they do. In FY2016, we collaborated with Toshiba Hokuriku and Kyushu branch offices to hold seminars for sales and service departments, focusing on the current state of anti-social groups and how to respond to unjustifiable demands.

# Compliance with the Antimonopoly Act and Anti-Corruption

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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 FY2016 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 FY2013 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, on the axis of the Toshiba Group Standards of Conduct. In Japan, employees received e-learning training on sales-related risks in February 2017 for employees, in order to raise the standard of sales-related legal risk management. 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.

Also, as part of its social contributions, Toshiba Corporation offers political contributions, when necessary, in order to contribute to the realization of policy-oriented politics, to support the healthy development of parliamentary democracy and to improve the transparency of political contributions.

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](#)

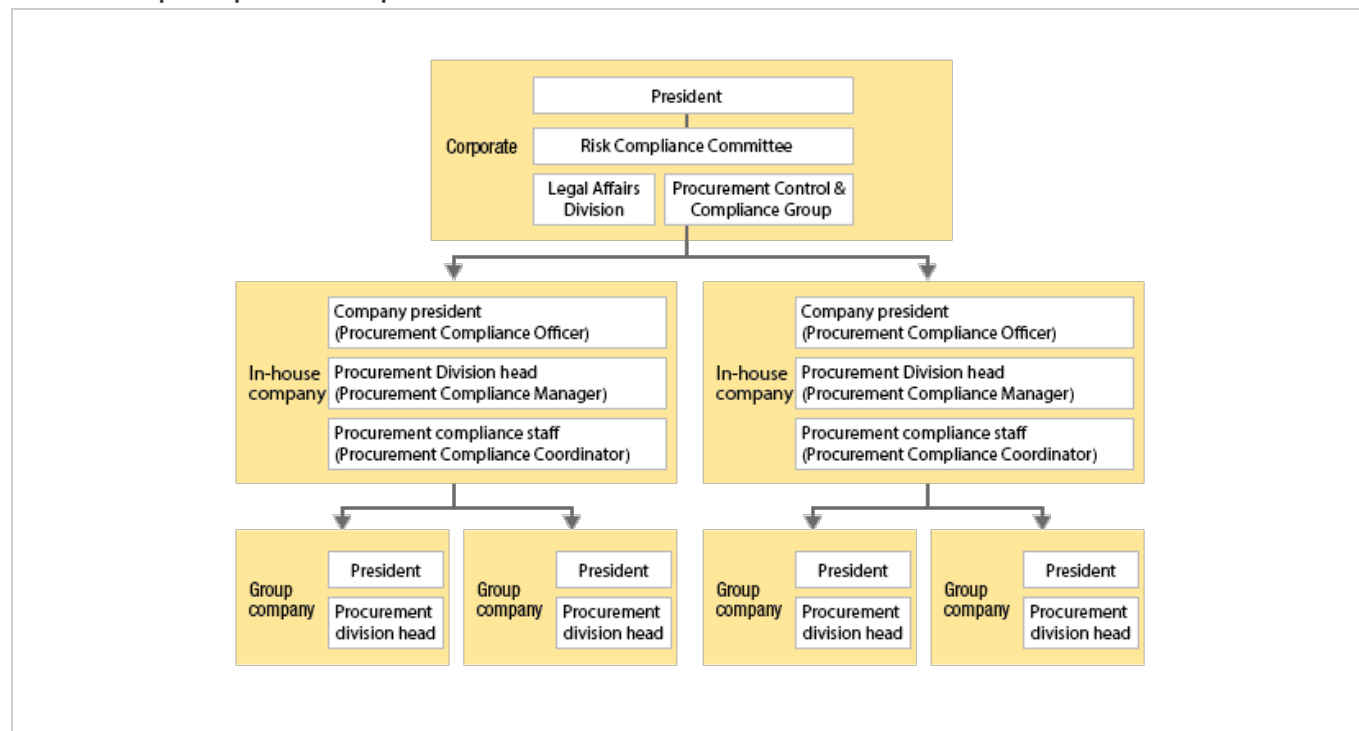
The Toshiba Group is promoting thorough observance of CSR both in its own procurement activities, and in those of its suppliers.

There is a CSR procurement promotion structure established within the Group, which acts in order to carry out each procurement transaction in compliance with the relevant Japanese and international laws and regulations.

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 Control & Compliance Group and attended by Compliance Managers and Compliance Coordinators.

#### Toshiba Group CSR procurement promotion structure



In FY2015, Toshiba revised its regulations on managing procurement processes, in order to strengthen internal control regarding accounting compliance. The revised content has been circulated around the whole company and the Group companies, based on the structure for the promotion of CSR-based procurement. Group companies' regulations have also been revised accordingly.

In FY2016, we verified whether the regulations were properly implemented.

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

In order to ensure compliance and fair transactions, Toshiba has established a whistleblower system for suppliers and business partners called Clean Partner Line, as a point of contact for our suppliers to tell us about issues and concerns regarding persons associated with the Toshiba Group.

Personal information on whistleblowers, without the whistleblower's consent, is not disclosed to anyone other than the Clean Partner Line staff. Also, what is reported by whistleblowers is handled based on strict procedures, with care taken not to treat whistleblowers and their companies unfavorably for whistleblowing.

We notify our business partners of this system and request that they make use of it.

## **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 FY2016, a total of 60,071 employees were 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 promoter specialized in the Act to ensure fair transactions with subcontractors.

# **Export Control**

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## **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

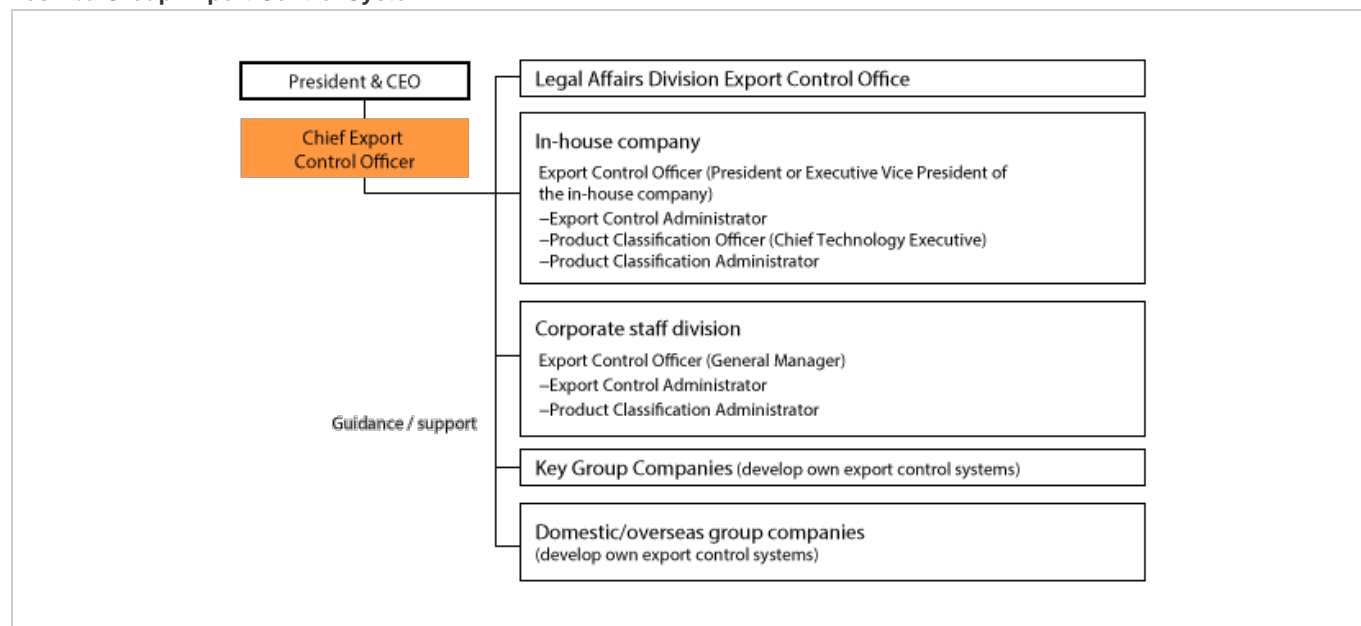
Chapter 8 Group Companies

➤ [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, Legal Affairs Division Export Control Office 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 in-house company or the general manager of the 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 export control workshop targeted at local staff working in export control.

# Information Security Management

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## 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.

- > [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, 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 Risk Compliance Committee deliberates matters that are necessary to ensure information security throughout the company. The Chief Information Security Officer formulates and enacts measures in order to make sure that internal rules related to information security are enforced in a problem-free, effective and definitive manner.

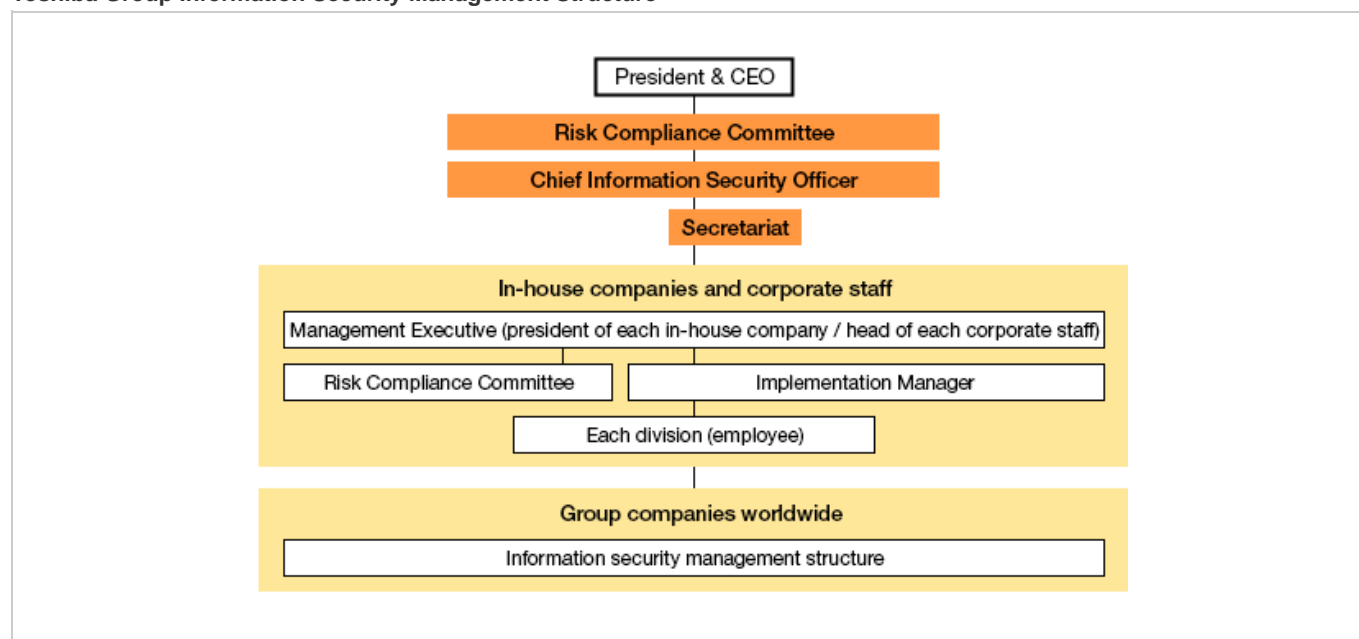
At the in-house companies, the company presidents serve as Information Security Management Executive, bearing full responsibility for information security at their respective companies. The Information Security Management Executive appoints Information Security Implementation Managers who are responsible 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 Internal 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 Strategic Planning 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	<ul style="list-style-type: none"> <li>Periodic reviews of information security-related regulations</li> <li>Development and maintenance of structure</li> <li>Implementation of audits, etc.</li> </ul>
(2) Personal and legal measures: Ensure adherence to rules	<ul style="list-style-type: none"> <li>Regulation of information protection duties and disciplinary measures for breach of duties in rules of employment</li> <li>Provision of periodic employee education and training</li> <li>Contractor information security evaluation and conclusion of confidentiality agreements, etc.</li> </ul>
(3) Physical measures: Support implementation of rules in terms of physical security	<ul style="list-style-type: none"> <li>Carry-in/carry-out control of information devices</li> <li>Facility access control, room / facility entry control</li> <li>Locking of highly important information , etc.</li> </ul>
(4) Technical measures: Support implementation of rules in terms of technology	<ul style="list-style-type: none"> <li>Virus protection and hard disk encryption of personal computers</li> <li>Checking the vulnerabilities of servers accessible to the public enhancing their protection</li> <li>Monitoring and controlling unauthorized access from the outside and information leakage, etc.</li> </ul>

To protect against cyber-attacks, which are becoming more sophisticated with every passing year, we have enhanced the functions to block suspicious e-mails and trained all employees in handling targeted attack e-mails. In addition, we enhanced the monitoring for our network and in-house systems to quickly cope with a virus invasion into the company systems.

## 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 Strategic Planning 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.

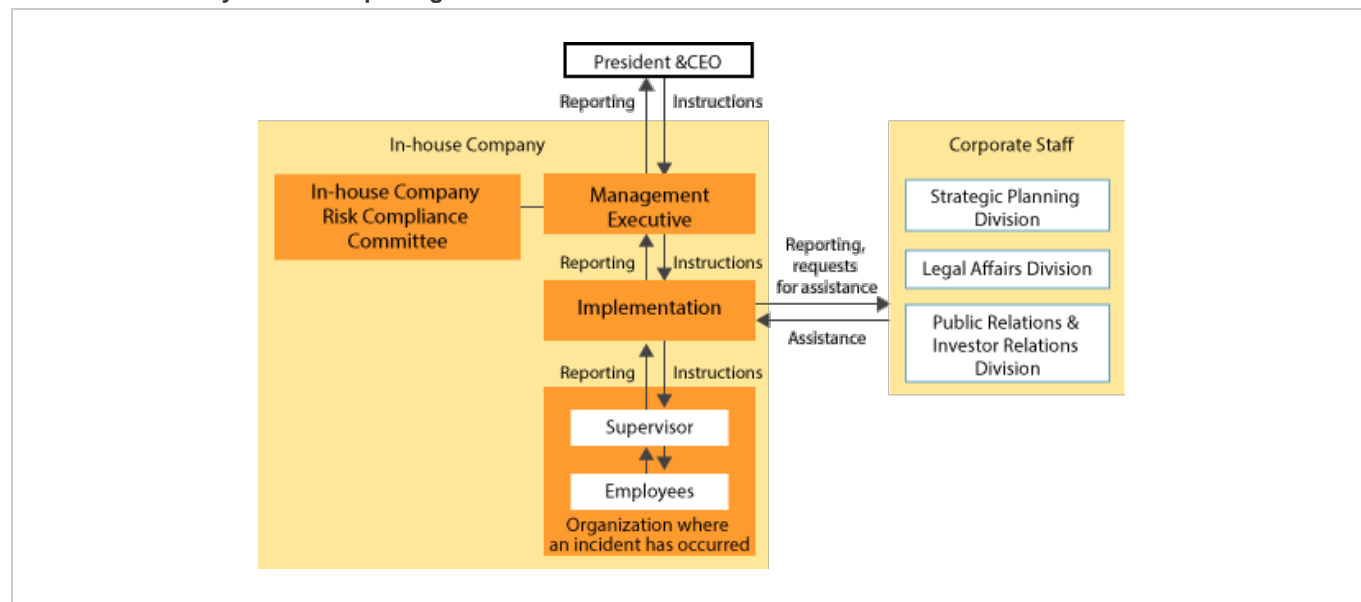
Moreover, Toshiba Group conducts yearly training for all officers, as well as permanent and temporary employees, in order to enforce strict compliance with in-house regulations. There are also programs such as training for those working in information security, and introductory training for new graduate 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 FY2016, 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

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## 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\*<sup>1</sup> and other policies.

Quality assurance organizations of in-house companies and affiliated companies monitor the safety standards of the countries where products are marketed and technical standards such as the UL Standards\*<sup>2</sup> and CE Marking\*<sup>3</sup> to ensure that their product labeling is in compliance with the relevant standards.

- [Toshiba Group Standards of Conduct 2. Customer Satisfaction](#)
- [Toshiba Group Standards of Conduct 15. Advertising](#)

\*<sup>1</sup> The code specifies prohibition of misleading representations, matters requiring representation, standards for representation of certain matters, etc. The objective is to contribute to consumers' 'well-informed selection of products, prevent inducement of customers by means of unjustifiable premiums and misleading representations, and ensure fair competition.

\*<sup>2</sup> UL Standards: Safety standards issued by Underwriters Laboratories Inc., a U.S. not-for-profit product-safety testing and certification organization. UL has developed standards for materials, products and facilities.

\*<sup>3</sup> CE Marking: This mark indicates that the product bearing it is in compliance with safety standards of the European Union (EU). CE Marking is mandatory for certain types of products sold in the EU.

## Compliance with Regulations and In-House Standards Regarding Products

In FY2016, there were no cases in which regulations and in-house standards regarding safety and health were violated in product or service life cycles.

With regard to regulations and in-house standards regarding product/service information and labeling, we discovered a labeling error after products were shipped and implemented the appropriate measures under the guidance of authorities.

### Labeling error incident

- [Error in the identification number of the USB Type-C™ adapter for the dynabook V/VC/VZ series](#) (Toshiba Client Solutions Co., Ltd.) 17th Mar 2017 (Japanese)
- [Free-of-charge replacement of SeeQVault™-compatible microSDHC memory cards / microSD card reader MSV-RW32GA](#) 17th Jun 2017 (Japanese)

## Compliance with Regulations on Advertising and Labeling

In FY2016, 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.

# Risk Management with Business Continuity Plan (BCP)

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

Toshiba implements measures to ensure the safety of employees and their families, support recovery of devastated areas, and maintain business sites and factories.

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.

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 group is promoting to establish a more disaster-resistant procurement system.

Based on Toshiba Group's Procurement Policy, we request our suppliers to cooperate in continuing to provide supplies in the event of an unanticipated disaster.

In 2012, we established the BCP Procurement Guidelines to provide crisis management standards.

Also, to minimize the risk of supply chain disruptions and to reduce the amount of time required to resolve supply chain disruptions, we have built a system to manage corporate information on upstream suppliers in the supply chain. In the event of an unanticipated disaster, we use this system to quickly investigate its effects on our supplies worldwide so that action can be taken promptly.

## Tax Affairs

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Based on a basic tax policy, the Toshiba Group complies with legal ordinances, notices and regulations in various countries and makes efforts to properly file tax returns and pay taxes.

### Basic Policy Regarding Taxes

The Toshiba Group follows the following policy to properly file tax returns and pay taxes:

1. Legal compliance

Placing the highest priority on life, safety, and compliance in its Group Standards of Conduct, the Toshiba Group understands the reasoning behind and complies with the legal regulations of various countries, files tax returns and pays taxes in accordance with guidelines published by OECD and other international organizations.

2. Paying an appropriate amount of tax

The Toshiba Group makes an effort to achieve appropriate profit and sustained growth in its Group Management Vision. While ensuring compliance to legal regulations, the Group strives to pay an appropriate amount of tax by understanding the reasoning behind and using legally approved systems, such as consolidated tax payments.

## 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 solution for global-scale social issues. We aim to do this by listening at all times to the demands of the market and our customers, 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 providing products with outstanding performance, functions, and quality, we create new value with solutions that make the most of relationships with customers developed through such products, thereby contributing to society.

### FY 2016 Achievement

We enhanced R&D systems inside and outside our companies for the purpose of accelerating the development of Artificial Intelligence (AI) technology that provides the key to creating new solution and services.

### Future Challenges and Approaches

Focusing on four business areas (Social Infrastructure, Energy, Electronic Devices, and Digital Solutions) that support people's lives and society, we will create innovative technologies and globally promote R&D to solve various societal issues by integrating solutions and services. We will also continue to enhance collaboration with external organizations to provide greater value to society more quickly.

## Research and Development

### Research and development strategy

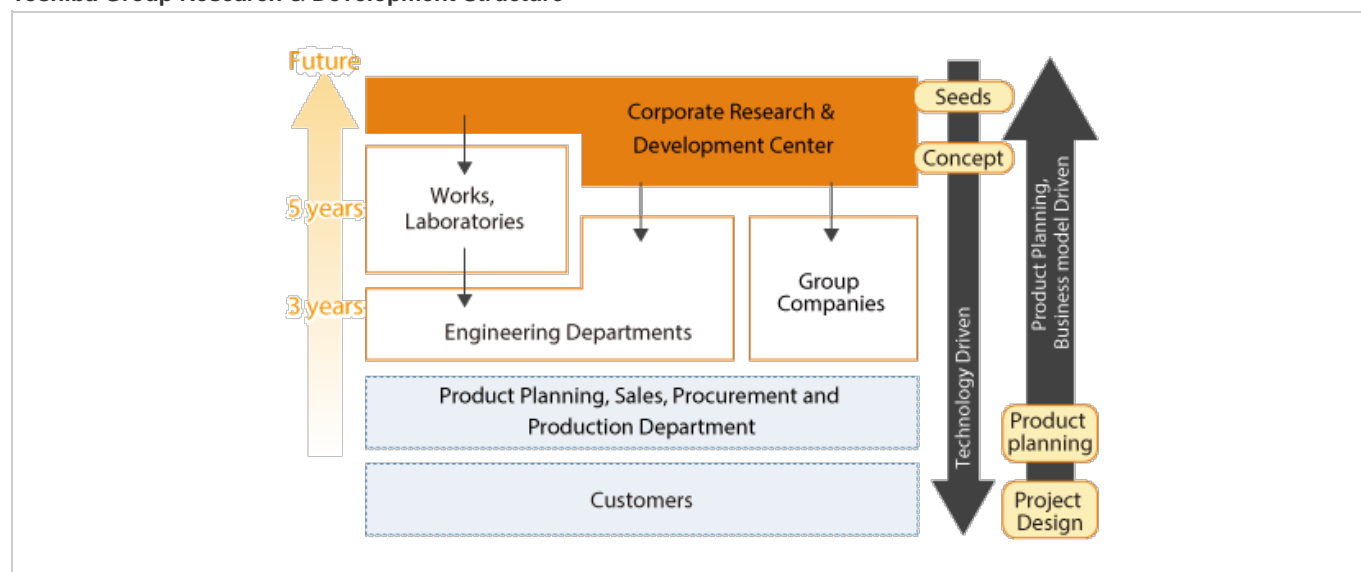
The social issues we are faced with today, such as resource and energy issues resulting from population increases, as well as climate change and environmental problems, are becoming more diverse and complex than ever. Focusing on the areas of Social Infrastructure, Energy, Electronic Devices, and Digital Solutions, Toshiba Group will promote technological development to grow and develop together with society. We aim to solve social issues not only with "substantial products" with outstanding performance, functions, and quality, but also with "substantial solutions" that make the most of relationships with customers developed through such products.

In the area of Social Infrastructure, we will provide highly reliable technology and services to customers in a wide range of industries, including public infrastructure, buildings and facilities, and railroad and industry systems, in order to realize a safe, secure and reliable society. In the area of Energy, we will promote the stable supply and efficient use of conventional energy. In addition, we will contribute to realizing a low-carbon society by providing the world with technology and services that create, distribute and store clean energy, including hydrogen. In the area of Electronic Devices, with a view to building infrastructure for a Big Data society, we will develop cutting-edge technologies—including new semiconductor and storage products—for various industries, such as memory/storage, industrial and automotive applications, and wireless communications. In the area of Digital Solutions, we will work together with customers to create digital services that make the most of our industrial know-how and IoT/AI technologies.

### Toshiba Group Research & Development Structure

Toshiba conducts research and development in locations that best suit the purpose in question, both in terms of leading in a technical sense based on seeds and concepts, and of leading in terms of product planning and the business model. We have a research and development structure in which our research and development sites are categorized into the following: corporate laboratories that tackle mid-to long-term basic research; works laboratories that engage in mid-term component technology development; and engineering departments and Group companies that deal with product technology that realizes products and services. This structure is optimal for solving technological challenges.

## Toshiba Group Research & Development Structure



Toshiba has built research and development sites in the U.S., Europe, China, India and so on that conduct research and development in collaboration with our sites in Japan. In order to boost our global competitiveness, we are improving our capacity to respond swiftly to changes in the market, in our research and development as well. Particularly in China and the rest of Asia, where markets are expanding, we are working to build not only manufacturing sites, but also local engineering sites and development sites. In the future, we will base our research and development in developing countries, and produce products for the global market, including developed countries.

## Major R&D bases in Japan and overseas



## Collaborations with external parties

### ■ Towards achieving a clean energy society that does not emit CO<sub>2</sub> (April 2015, March 2016)

Toshiba has started the operation of the H2One™, a CO<sub>2</sub>-free, autonomous hydrogen energy supply system designed to provide a stable supply of electricity and hot water by using renewable energy and hydrogen, at City of Yokohama Port and Harbor Bureau, Tohoku Electric Power Company, and JR Nambu Line Musashi-Mizonokuchi station. We reduced the size of the conventional stationary model to increase mobility, thereby developing an in-vehicle model that can provide energy quickly during a disaster. We will continue to develop such systems for various applications—the BCP model, a remote island model, etc.—and to contribute to achieving a clean society without CO<sub>2</sub> emissions.

- [Toshiba H2One™ Hydrogen Based Autonomous Energy Supply System Now Providing Power to the City of Yokohama's Port & Harbor Bureau](#)
- [Toshiba H2One™ Hydrogen Based Autonomous Energy Supply System Now Providing Power to Tohoku Electric Power Co.,](#)
- [Toshiba's Autonomous Off-grid Hydrogen Energy System H2One™ now Providing Power at JR Station in Japan](#)
- [Toshiba releases "H2One™ Truck Model", Hydrogen-Based Autonomous Energy Supply System loaded on Truck -- Improved mobility suitable for ensuring flexible energy supply in case of disaster --](#)



An independent energy supply system utilizing hydrogen

### ■ Increasing data capacity even further (February 2017)

Toshiba launched sample chips of 512 Gbit/chip BiCS FLASH™; three-dimensional 64-layered 3-bit/cell flash memory in collaboration with SanDisk.

By optimizing circuit technology and processes, we reduced the chip size, thereby increasing memory capacity per unit area by approximately 1.65 times compared to 256-Gbit device that use the 48-layer stacking process.

Mass production is scheduled for the second half of 2017.

We will continue to cater to various market needs, including needs for larger capacity and smaller chip sizes.

\* BiCS FLASH is a trademark of TOSHIBA Corporation.

- [Toshiba Now Shipping Samples of 64-Layer, 512-gigabit 3D Flash Memory](#)



BiCS FLASH™ three-dimensional flash memory

### ■ Achieving a low-carbon society by accelerating the widespread use of electric buses (March 2017)

Toshiba has developed an EV bus system featuring the latest wireless rapid charging system and SCiB™ lithium-ion rechargeable batteries. With the cooperation of Kawasaki City and ALL NIPPON AIRWAYS CO., LTD., Waseda University and we drove EV buses on public roads in Kawasaki and areas near Haneda Airport from February 2016 to January 2017 to test the convenience of wireless recharging and reductions in CO<sub>2</sub> emissions.

This verification experiment was conducted as the Technological Development and Verification Project for CO<sub>2</sub> Emission Reduction Enhancement, a project commissioned by the Ministry of the Environment.



Wirelessly charged EV bus

- [Electric Bus with Toshiba's Wireless Charger Cuts CO<sub>2</sub> Emissions by up to 60% in Field Testing](#)



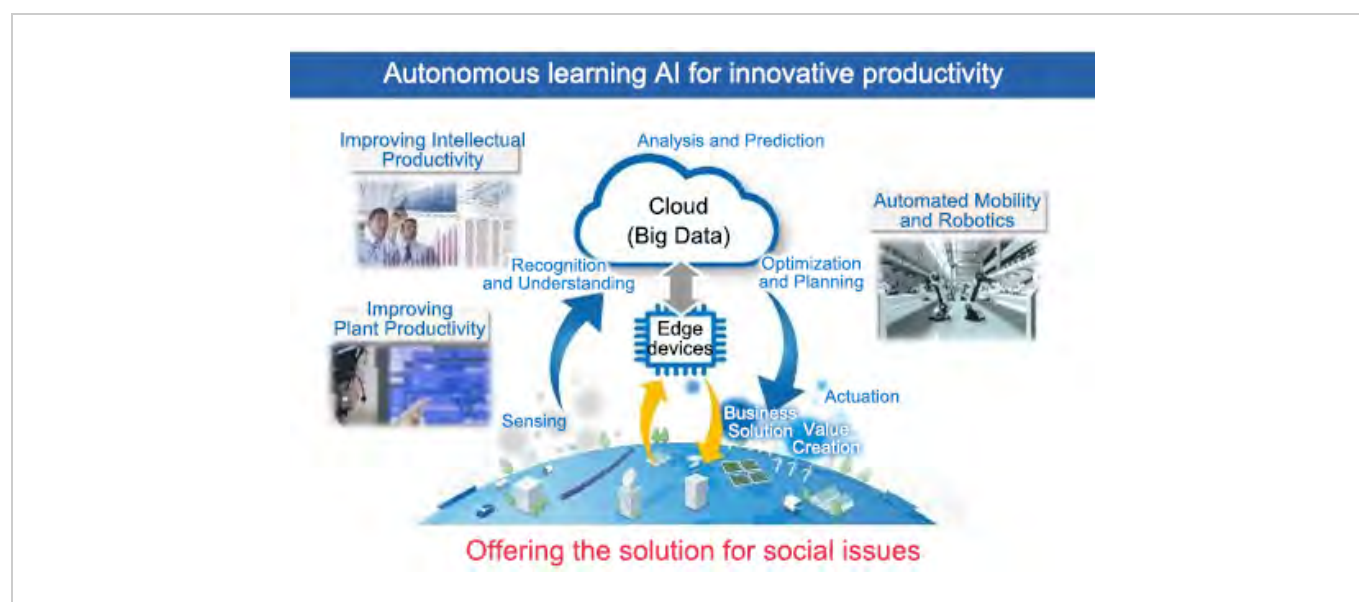
## ■ Enhancement of R&D in AI technology (March 2017)

As a center for the development of fundamental technology for Artificial Intelligence (AI), Toshiba opened the RIKEN AIP-Toshiba Collaboration Center at the RIKEN Center for Advanced Intelligence Project (AIP). We will develop the technology to achieve "Autonomous learning AI for innovative productivity" focusing on the following three core areas:

- "Improving Plant Productivity" covers AI technologies applied at process improvement in manufacturing facilities.
- "Improving Intellectual Productivity" utilizes media data, to extract intelligence from data sources such as voices, images and texts. \*1
- "Automated Mobility and Robotics", which enables automation in infrastructure inspection and maintenance, and carrying task in logistics and distribution.

\*1 To utilize enormous data from documents, e-mail, social media as "intelligence", by extracting necessary information which people want or need, and utilize it to increase the value of applications, and services and customer satisfaction.

➤ [Toshiba and RIKEN to Collaborate in AI Research and Development](#)



## 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 is also making efforts to bolster and utilize actively our intellectual property that contributes to business development, in each business area of Energy, Electronic Devices and Digital Solution, especially centering on Social Infrastructure. We will endeavor to ensure that these measures contribute effectively to the Toshiba Group's business recovery, and to ensuring improved profits.

➤ [Toshiba Group Standards of Conduct 12. Intellectual Property Rights](#)



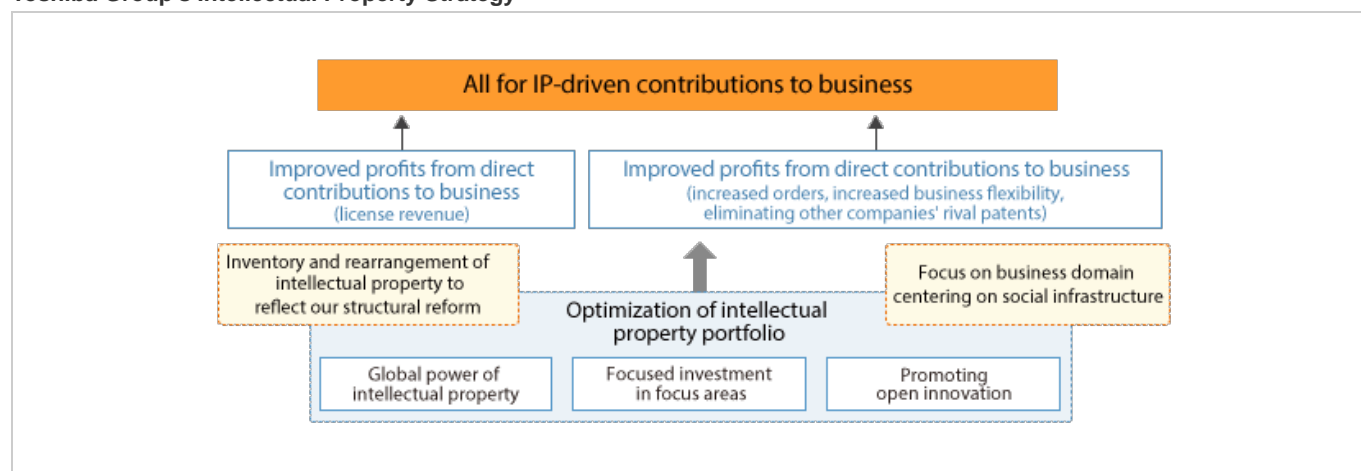
## Our Structure Concerning Intellectual Property

The organizational structure of the Intellectual Property Division is composed of the corporate Intellectual Property Office, and the intellectual property divisions at our individual laboratories, companies and affiliated companies.

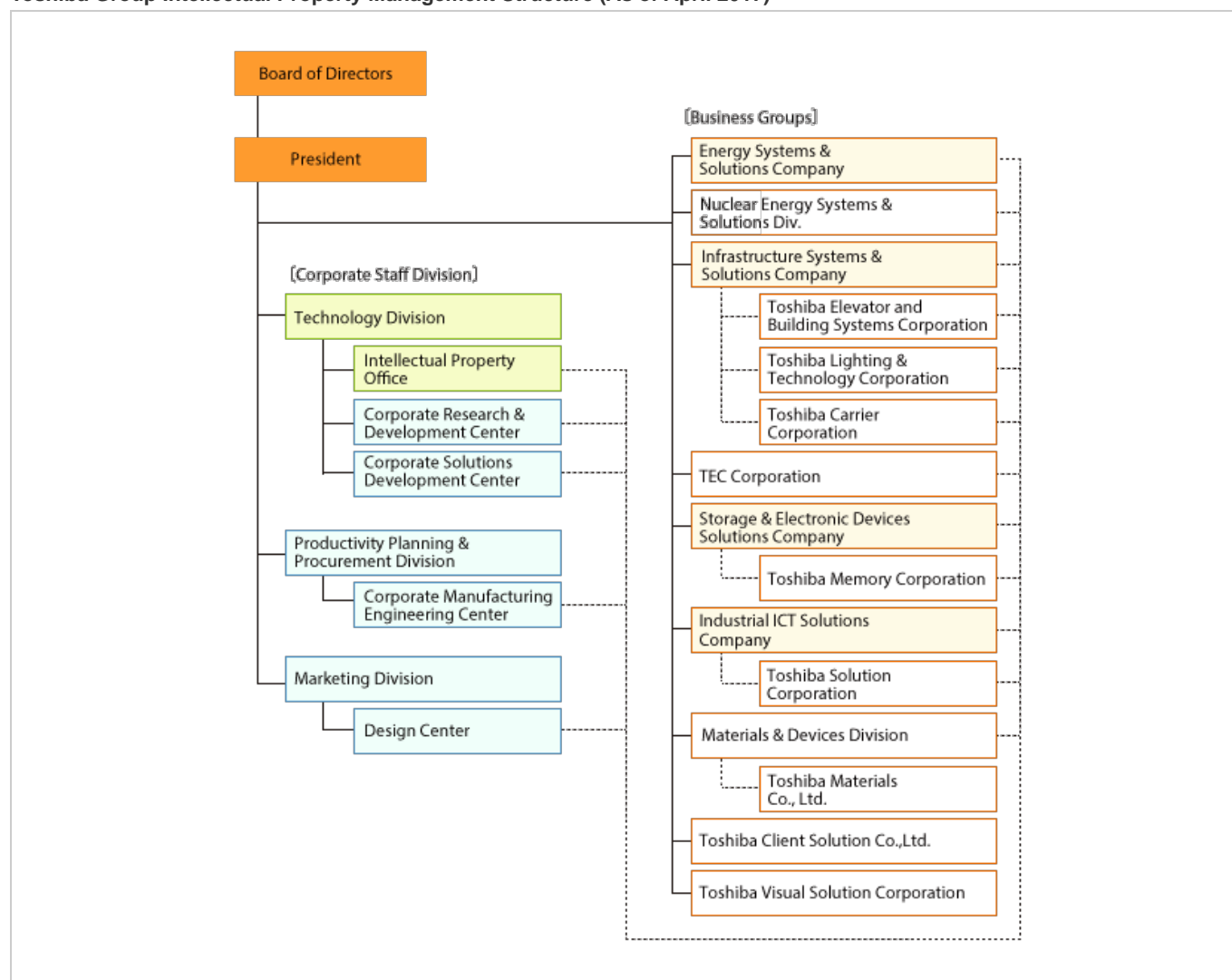
The corporate Intellectual Property Office formulates and promotes company-wide strategy and measures regarding intellectual property, handles contracts and disputes, manages patent information and deals with matters related to intellectual property right laws, such as the Copyright Law.

On the other hand, the intellectual property divisions at laboratories, companies and affiliated companies promote intellectual property strategies based on their respective operations, and strive to enhance intellectual property, in order to build an excellent intellectual property portfolio.

### Toshiba Group's Intellectual Property Strategy



## Toshiba Group Intellectual Property Management Structure (As of April 2017)



## 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.

## 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.

# 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 digital products, and electric 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.

### ✓ NPOs/NGOs

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.

### ✓ Shareholders/ Investors

Toshiba has 366,000 shareholders. Of the 4.24 billion shares issued, 25.8% are held by financial institutions, 31.4% by individuals and others, and 38.2% by foreign corporations (Not including less-than-one-unit shares, as of March 31, 2017).

### ✓ Suppliers

Toshiba deals continuously with some 6,900 suppliers worldwide (as of March 31, 2017)

### ✓ Employees

Approx. 153,000 people work for Toshiba Group at 519 companies, including approx. 95,000 employees working in Japan and approx. 58,000 employees overseas (as of March 31, 2017).



# Examples of Communications



## Customers

### Key responsibilities

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

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

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

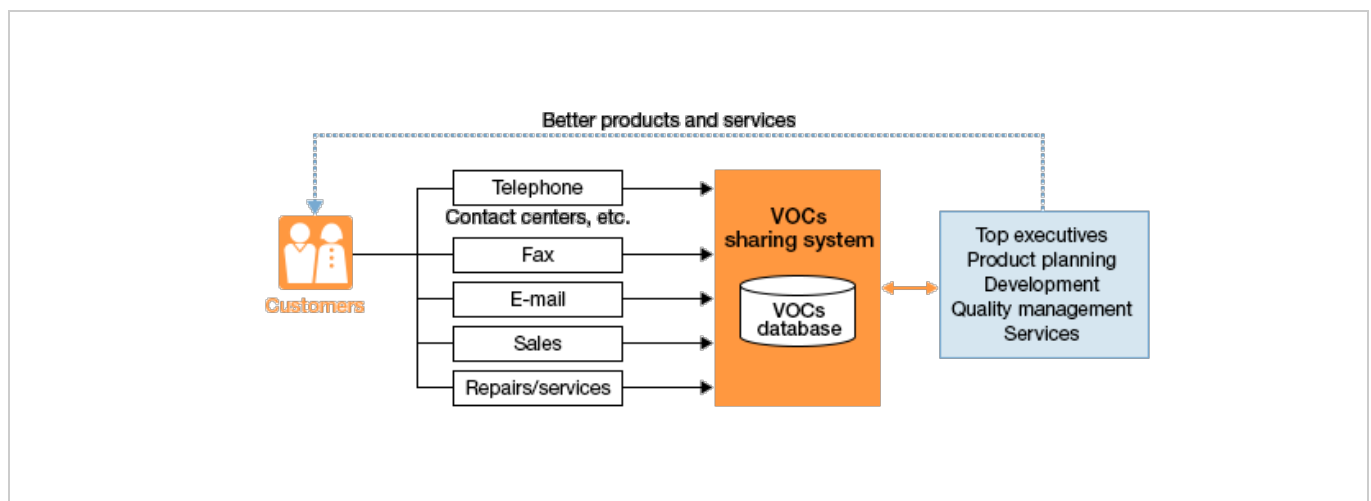
Communication with Customer [Point of contact: Customer Satisfaction Division]

## Share and reflection 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](#)

### Framework for Reflecting VOC in Business Activities





## Shareholders/Investors

### Key responsibilities

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

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

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

We newly established a Public Relations & Investor Relations Division and Information Disclosure Office in April 2016, which is an organization under the President's direct supervision, as part of our redesign of the information disclosure system.

Toshiba will continue to actively disclose risk and other information, so that the disclosure structure throughout the entire Toshiba Group may provide information promptly, and contribute to our shareholders' and investors' profits.

### Communication with Shareholders

[Point of contact: Legal Affairs Division and Public Relations & Investor Relations Division]

## Publication of Shareholder Newsletters

Toshiba Group strives to communicate with individual shareholders through our shareholder newsletters.

> [Shareholder Newsletter \(Japanese\)](#)

## Enhancement of IR Website

On the IR page on our website, we strive to provide all our investors with information that will affect investing decisions, fairly and in an easy-to-understand form.

We have also begun live audio streaming of some of our information sessions in FY2015, in response to requests from investors.

In FY2016, we further enhanced our live audio streaming program, providing video and live audio streaming of question-and-answer sessions for nearly all briefing sessions.

> [IR website](#)

> [Questionnaire survey on the IR website](#)

## General Meeting of Shareholders

On June 22, 2016, Toshiba held its ordinary general meeting of shareholders at the Ryogoku Kokugikan sporting arena in Tokyo, which was attended by 2,089 people.

At the ordinary general meeting of shareholders, we reported on problems facing Toshiba regarding the accounting issue, as well as on Toshiba's management policies, and obtained approval for the selection of Directors and other matters.

Moreover, on March 30, 2017, Toshiba held an extraordinary general meeting of shareholders at the Makuhari Messe convention center, which was attended by 1,343 people.

At the extraordinary general meeting of shareholders, we reported on the background of the matter regarding the massive losses in our nuclear business, along with remedial measures to be developed, and obtained approval regarding an absorption-type company split agreement concerning Toshiba Memory Co., Ltd.

We will continue to put extra effort into running our general meetings of shareholders, so that our shareholders may have a better understanding of Toshiba.

**Communication with Investors [Point of contact: Public Relations & Investor Relations Division]**

## Communication with Institutional Investors and Securities Analysts

In FY2016, Toshiba held company-by-company IR briefing sessions for the first time, in addition to our usual financial briefing sessions and factory visits. Toshiba considers IR briefing sessions as opportunities for company presidents to hold dialogues directly with market stakeholders, including institutional investors and securities analysts. We will continue to hold these sessions periodically, once each year, to report on the respective companies' management goals and progress in achievements.

With regard to matters that have serious impact on the market, such as the posting of losses in our nuclear business and spinning off the memory business, Toshiba also held conferences for news reporters, institutional investors, and securities analysts, as needed, with the President/CEO and, when necessary, relevant executives including external directors, attending the conferences to provide explanations.

In addition to these, we attempt to communicate with institutional investors and securities analysts throughout the year, through attending seminars hosted by securities companies, and visiting and interviewing Japanese or foreign investors.



## Suppliers

### Key responsibilities

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

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

- Routine procurement activities
- Briefing session on procurement policy
- CSR survey
- Clean Partner Line

**Communication with Suppliers [Point of contact: Procurement Office]**

### 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).

In addition, we conduct surveys on suppliers based on the EICC Code of Conduct presented in Toshiba Group's procurement policy to confirm the status of compliance.

- [Explaining about the new procurement policy](#)
- [Cooperation with Industry Organization](#)



## Employees

### Key responsibilities

- 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

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

- Employee morale survey (TEAM Survey)
- Dialogues, information exchange meetings
- Leadership Survey (360-degree survey)
- Intranet
- Risk hotline
- Consulting services for employees

**Communication with Employees [Point of contact: Human Resources and Administration Division / Legal Affairs Division / Management Reform Division]**

## Messages from top executives

In FY2016, the President of Toshiba Corporation visited Toshiba Group's 25 business sites in Japan to deliver messages to some 5,500 group employees. We aimed to increase the employees' motivation by directly delivering messages about the importance of accelerating our efforts to restore the trust of all stakeholders and to revitalize the company, as well as about expectations for respective businesses and divisions.



Employees listening to Toshiba Corporation President's message

## Messages from Executive Officers

During the seminar for senior management held in November 2016, Toshiba provided an opportunity for participants to reflect on the results of the employee morale survey and our current corporate culture. Also, after the seminar, all the senior executives who participated in the seminar reviewed their own behavior and thought about what to do now as senior executives, thereby issuing messages for employees on the intranet Renewal Portal Site.

## Employee morale survey (TEAM survey) and disclosure of results

Toshiba has conducted the employee morale survey (TEAM survey) since FY2003, as a way to gain feedback from employees. Through this survey, we periodically monitor the level of understanding among our employees towards the company's measures, and how widespread this understanding is.

We released a message from our President based on the survey results, and disclosed information about the results, using the survey to create a more open corporate culture. We also introduce opinions that employees voiced in the survey on the intranet Renewal Portal Site, and communicate with employees, for example by giving the company's answers to these opinions

## Leadership survey (360-degree survey)

We conducted a leadership survey (360-degree survey). The aim is for senior management to grow through identifying their own strengths and weaknesses objectively, so that they can build and lead a more sound organization through stronger leadership. The survey targeted approximately 800 senior manager-class employees in a diversified manner, asking the members themselves, their supervisors, peers and subordinates, about their attitudes and behavior regarding work.

## CSR workplace meetings

We hold CSR workplace meetings, so that managers and the employees they manage can talk and think together, and share feelings and opinions, in order to build a work environment where everyone feels free to discuss any matter.

In FY2016, the theme was "Towards Creating a Better Working Environment." Participants discussed problems that they often encounter or have experienced in their workplaces as well as what needs to be changed about their work environment. The meetings were attended by a total of approximately 85,000 employees across 8,000 workplaces in Japan.

## Improved distributing of information by opening a "Renewal Portal Site" intranet site

Toshiba opened a "Renewal Portal Site" intranet site in FY2015, which contains the information regarding the account processing issue and our measures for reforming our corporate culture. On this page, we publish messages from senior management, results of the leadership survey (360-degree survey), the employee morale survey (TEAM Survey), and the CSR workplace meetings, as well as other information.





## 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
- Providing company facilities for residents' use
- Holding summer festivals to promote communication with residents and to revitalize communities
- Providing opportunities for community workshops to sell their products
- Employees' participation in community activities

**Communication with Local Communities [Point of contact: Each company and business site]**

## Environmental communication

We communicate information about our environmental efforts, such as factory visits and nature-watching sessions. This is so that a wide range of stakeholders, such as the communities around our factories and offices, schools, customers, companies, and students, may learn about Toshiba Group's activities, and think about the environment together with us.

➤ [Environmental Communication](#)

## Support for Local Communities Developments

For Toshiba Group, it is our responsibility as a good corporate citizen 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.

➤ [Support for Local Communities Developments](#)

## 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.

➤ [Social Contribution Activities](#)



## 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 [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.



## NPOs/NGOs

### 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 Management Office and Corporate Environment Management Office]

## 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: Conservation of Biodiversity

Toshiba periodically conducts biological species surveys on our plant premises in collaboration with the NPO TR Net (run by Dr. Yuji Kishi, Professor Emeritus at Keio University). In FY2016, we carried out surveys on biotope ponds at the Komukai Complex (Kawasaki City) and the Keihin Product Operations (Yokohama City). At the Komukai Complex, we confirmed the presence of approximately 15 species, including scarlet skimmer dragonfly larvae and lesser emperor dragonfly shells, and approximately 10 species at the Keihin Product Operations, including white tipped skimmer dragonfly larvae and Japanese eight-barbel loaches.



Biological species survey (Toshiba Komukai Complex)



Japanese eight-barbel loaches (the Ministry of the Environment's endangered species class IB) found in the pond which are conserved outside habitat range.  
(Toshiba Keihin Product Operations)

> [Conservation of Biodiversity](#)

## Activity Example: Support for Recovery from Disasters

### ■ Support for recovery from the Kumamoto Earthquake

When a natural disaster occurs, Toshiba usually collaborates with NPOs and NGOs that are well informed about affected areas to provide support for affected people. At the time of the Kumamoto Earthquake in 2016, we worked in collaboration with the Association for Rengein Tanjoji International Cooperation and other groups.

### ■ Response to the Great East Japan Earthquake and Recovery Support Activities

We are continuing to provide support for recovery from the 2011 Great East Japan Earthquake.

As part of our efforts, we provide funding for the Fukushima Recovery Solar and Agriculture Experience Association, which is engaged in photovoltaic power generation at Minamisoma Solar Agripark to raise funds for the management of Asubito Fukushima, a general corporation working to develop personnel for the recovery of Fukushima. Starting in 2016, Toshiba employees visit the park to conduct volunteer activities, including developing facilities. We also carried out a program entitled "Let's Learn about Hydrogen Energy for the Future" in a hands-on workshop held at the park.

In addition, since 2014, a total of 232 Toshiba employees have participated six times in the Fukushima Organic Cotton Project developed by Iwaki OtentoSUN Enterprise Cooperative as volunteers doing farm work in cotton fields.



Volunteers working at Minamisoma Solar Agripark

> [Disaster Relief](#)

### Activity Example: Support and Collaboration with Human Rights Organizations

In FY2016, Toshiba co-sponsored the Amnesty Film Festival hosted by the human rights NGO Amnesty International to present movies on human rights.

> [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](#)

# 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](#)
- [Responsible Business Alliance](#) (RBA)
- [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](#)

## RBA Membership

The Responsible Business Alliance (RBA) 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 April 2017 110 companies all over the world have joined. Toshiba Joined in June 2011 to promote supply chain CSR based on global standard.

\*In October,2017,EICC changed to RBA.

> [RBA](#)



# World Business Council for Sustainable Development (WBCSD)

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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, Toshiba aims to act globally to contribute to the realization of sustainable societies.



> [WBCSD](#)

## Participation in the World Economic Forum

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The World Economic Forum (WEF) is an international platform which 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 etc.

Toshiba Group participated in the forum as a Strategic Partner Associate and the Toshiba representative served as a co-chairman at the 2013 Annual General Conference (Davos Conference). Currently, we are participating as a managing company in the Infrastructure & Urban Development Community Initiative, which discusses how to achieve sustainable infrastructure and economic development, as well as in the Future of Production Initiative, which assesses future possibilities of the manufacturing industry. We also actively participate in regional meetings held in countries around the world in order to contribute to solving problems unique to individual regions.

> [World Economic Forum](#)

## Participation in the STS Forum

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The Science and Technology in Society (STS) forum is a platform 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 to attending annual general conferences, we also participate in science and technology dialogues held in countries around the world, including India and Kenya.

> [STS Forum](#)

## Participation in BSR

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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

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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

FY2016	<ul style="list-style-type: none"> <li>▪ Losses arose in the nuclear business; implemented various initiatives to identify the cause of the issue and to develop remedial measures.</li> <li>▪ Published a statement based on the UK Modern Slavery Act 2015.</li> </ul>
FY2015	<ul style="list-style-type: none"> <li>▪ Started investigation into the cause of accounting issue, and addressing various measures for recurrence prevention.</li> <li>▪ Held seminars to explain Global Compact and EICC Code of Conduct for both suppliers and people from Toshiba Group companies.</li> </ul>
FY2014	<ul style="list-style-type: none"> <li>▪ Revised Toshiba Group Standards of Conduct and added Respect for Human Rights as Article 1.</li> <li>▪ Revised Toshiba Group Procurement Policy and requested some 10,000 suppliers (cumulative numbers) to abide by this revised content.</li> <li>▪ Commenced Toshiba Group Simultaneous Social Contribution Activities</li> </ul>
FY2013	<ul style="list-style-type: none"> <li>▪ Organized "Business &amp; Human Rights Workshop" for human resource managers from 9 Asian countries.</li> <li>▪ Newly established "Social Contributions by Business" category to Social Contribution Award.</li> <li>▪ <b>Introducing T-Compass, a new concept of environmental management.</b> </li> </ul>
FY2012	<ul style="list-style-type: none"> <li>▪ 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.</li> <li>▪ <b>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).</b> </li> </ul>
FY2011	<ul style="list-style-type: none"> <li>▪ Implementation of PDCA cycle of checking, identification of issues, planning, action, and evaluation based on ISO 26000.</li> <li>▪ Established Toshiba Group Conflict Mineral Policy.</li> <li>▪ Revised Toshiba Group Procurement Policy and requested that suppliers continue to promote CSR in the supply chain.</li> <li>▪ <b>Formulation of the Fifth Environmental Action Plan.</b> </li> <li>▪ Reviewing the BCP based on the experience of the Great East Japan Earthquake and the floods in Thailand.</li> </ul>
FY2010	<ul style="list-style-type: none"> <li>▪ Strengthened CSR management based on the principles of ISO 26000</li> <li>▪ Initiated workplace meetings focusing on integrity</li> <li>▪ Introduction of a system for visualizing working hours</li> <li>▪ UD advisor system expanded to include non-Japanese employees</li> <li>▪ <b>Announcement of the new concept for environmental management at a business policy briefing(Greening of Process, Greening of Products and Greening by Technology)</b> </li> </ul>
FY2009	<ul style="list-style-type: none"> <li>▪ Ending production of general-use incandescent bulbs</li> <li>▪ <b>Formulation of Toshiba Group Biodiversity Guidelines</b> </li> <li>▪ Establishment of Sign Language Club</li> <li>▪ Enforcement of the requirement to leave the office at the regular time for at least two days during the Family Week in Japan</li> </ul>

FY2008	<ul style="list-style-type: none"> <li>▪ Collaboration with NPOs to promote experiential science education. (Supporting the activities of experiential science education research organizations)</li> <li>▪ 1st Toshiba Cup Contest among students specializing in science and math education at teacher-training universities in China to present their creative teaching plans.</li> <li>▪ Reorganization of home appliance call centers (change to product-wise call centers)</li> <li>▪ Implementation of on-site CSR audit (related to human rights, occupational health and safety, the environment) of suppliers in Thailand.</li> <li>▪ Issue of Environmental Report. 🌱</li> <li>▪ Announcement to allow the peak out of Toshiba Group's greenhouse gas emissions in 2012 and thereafter reduce the absolute emissions. 🌱</li> </ul>
FY2007	<ul style="list-style-type: none"> <li>▪ Toshiba Group Environmental Vision 2050 is established. 🌱</li> <li>▪ Structures and systems for Quality Control at Toshiba Group is reinforced.</li> <li>▪ Ethical education to Technical Employees in Japan and overseas is provided.</li> <li>▪ Toshiba Group Fourth Voluntary Plan is extended from FY2010 to FY2012, with New Targets Added. 🌱</li> <li>▪ Statutory Ratio of Employment of People with Disabilities is fulfilled in all the subject Group Companies in Japan.</li> </ul>
FY2006	<ul style="list-style-type: none"> <li>▪ Toshiba Group CSR Month is established.</li> <li>▪ Toshiba Group Standards of Conduct is revised.</li> <li>▪ The Clean Partner Line, a whistleblower system for suppliers and other business partners, is established.</li> <li>▪ Toshiba Group 1.5 Million Tree-planting Project is launched.</li> <li>▪ The New EASTER comprehensive audit system is put in place. 🌱</li> </ul>
FY2005	<ul style="list-style-type: none"> <li>▪ Toshiba With Co., Ltd., a special subsidiary for employment of the disabled, is established.</li> <li>▪ Toshiba Group CSR Conference is held.</li> <li>▪ Toshiba "ASHITA" Award is established.</li> <li>▪ The philosophy, policies and criteria for universal design are established.</li> <li>▪ Standards of Conduct concerning Sales to Government and Authorities are established and thoroughly implemented.</li> <li>▪ Participates in the Eco-Products International Fair 🌱</li> </ul>
FY2004	<ul style="list-style-type: none"> <li>▪ Toshiba Group Standards of Conduct is applied throughout the Group.</li> <li>▪ CSR report is issued.</li> <li>▪ An organization dedicated to promotion of equal opportunity is established.</li> <li>▪ Toshiba Group Procurement Policy based on CSR is established.</li> <li>▪ Toshiba Group Environmental Vision 2010 is announced. 🌱</li> <li>▪ Fourth Voluntary Environmental Plan is introduced. 🌱</li> </ul>
FY2003	<ul style="list-style-type: none"> <li>▪ Company with committees system is adopted.</li> <li>▪ CSR Division is established.</li> <li>▪ CSR Website is opened.</li> <li>▪ Factor T, an eco-efficiency indicator, is introduced. 🌱</li> <li>▪ Joins Business for Social Responsibility (BSR), an international CSR association based in the U.S.</li> <li>▪ Health and safety management system is introduced.</li> <li>▪ Toshiba Group Standards of Conduct is revised.</li> <li>▪ Joins UN Global Compact</li> </ul>
FY2002	<ul style="list-style-type: none"> <li>▪ Internal free agent system is introduced.</li> <li>▪ Zero emissions of waste is achieved. 🌱</li> </ul>
FY2001	<ul style="list-style-type: none"> <li>▪ Japanese version and international version of the Standards of Business Conduct are integrated.</li> </ul>

FY2000	<ul style="list-style-type: none"> <li>▪ Corporate risk management system is established.</li> <li>▪ Environmental accounting is introduced. 🌱</li> <li>▪ Third Voluntary Environmental Plan is introduced. 🌱</li> <li>▪ Green procurement is introduced. 🌱</li> </ul>
FY1999	<ul style="list-style-type: none"> <li>▪ In-house company system is introduced.</li> <li>▪ Environmental report is issued. Environmental Protection &amp; Recycling Planning Center is established. 🌱</li> <li>▪ Toshiba Customer Information Center is established.</li> </ul>
FY1998	<ul style="list-style-type: none"> <li>▪ Executive officer system is introduced.</li> </ul>
FY1996	<ul style="list-style-type: none"> <li>▪ Second Voluntary Environmental Plan is introduced.</li> </ul>
FY1995	<ul style="list-style-type: none"> <li>▪ ISO 14001 certification is obtained. 🌱</li> </ul>
FY1993	<ul style="list-style-type: none"> <li>▪ First Voluntary Environmental Plan is introduced. 🌱</li> </ul>
FY1992	<ul style="list-style-type: none"> <li>▪ ExploraVision Award is started in the U.S.</li> <li>▪ Family-care leave, child-care leave and short-time working hours systems are introduced.</li> </ul>
FY1991	<ul style="list-style-type: none"> <li>▪ Corporate Environmental Protection Council is established. 🌱</li> <li>▪ Toshiba Group Environmental Exhibition is started. 🌱</li> <li>▪ Toshiba Thai Foundation is established.</li> </ul>
FY1990	<ul style="list-style-type: none"> <li>▪ Basic Commitment of the Toshiba Group and the slogan are established.</li> <li>▪ Toshiba Standards of Business Conduct and Toshiba International Standards of Conduct are established.</li> <li>▪ Toshiba America Foundation is established.</li> </ul>
FY1989	<ul style="list-style-type: none"> <li>▪ Basic Policy for Environmental Protection is established. 🌱</li> <li>▪ Environmental auditing is introduced. 🌱</li> <li>▪ Toshiba International Foundation is established.</li> </ul>
FY1988	<ul style="list-style-type: none"> <li>▪ Environmental Protection Center is established. 🌱</li> </ul>
FY1975	<ul style="list-style-type: none"> <li>▪ Toshiba Group Health and Safety Convention is introduced.</li> </ul>
FY1973	<ul style="list-style-type: none"> <li>▪ Toshiba Management Philosophy is established.</li> </ul>
FY1971	<ul style="list-style-type: none"> <li>▪ Consumers Department is established.</li> </ul>

# Evaluation by External Parties

Awarding entity / Name of the award	Evaluation	Recipient	Period
Customer Related			
THE NIKKAN KOGYO SHIMBUN,LTD. (THE DAILY INDUSTRIAL NEWS) 46th Mechanical Industrial Design Awards Review Committee Special Award 	H2One™ Hydrogen Based Autonomous Energy Supply System	Toshiba Corporation	Jul 2016
GOOD DESIGN AWARD 2016 	<ul style="list-style-type: none"> <li>▪ H2One™ Hydrogen Based Autonomous Energy Supply System</li> <li>▪ 1KDK-5A , Home radio receiver for disaster prevention</li> <li>▪ SOHC memory Card with TransferJet™</li> <li>▪ Cloud Service for TV Etc.</li> </ul>	Toshiba Corporation / Toshiba Visual Solutions Corporation Etc.	Sep 2016
International Association for Universal Design IAUD Award Silver Award in the public space category 	Elevator for train station buildings	Toshiba Corporation / Toshiba Elevator and Building Systems Corporation	Dec 2016
iF DESIGN AWARD 2017 	TXLamino™, professional nondestructive X-ray instrument  Toshiba Home Gateway	Toshiba Corporation / Toshiba IT & Control Systems Corporation  Toshiba Corporation / Toshiba Visual Solutions Corporation	Feb 2017
Environment Related			
Evaluation of products and technologies			
The Japan Electrical Manufacturers' Association JEMA TECHNICAL AWARD Excellent Award	Excellent Award Practical operation of a power regeneration system for power generator load tests  Incentive Award Development of a shaft generator control system with an electric propulsion feature	Nishishiba Electric Co., Ltd.	Apr 2016

H&V News Awards 2016 Mechanical and Electrical Building Services Product of the Year	SMMS-e, multifunction air condition system for large buildings	Toshiba Carrier UK Ltd.	Apr 2016
RAC Cooling Industry Awards 2016	Air Conditioning Innovation of the Year - VRF Systems	Toshiba Carrier UK Ltd.	Sep 2016
Ministry of the Environment Climate Change Actions FY2016 Minister Award	Development and commercialization of a dimmable, compact LED bulb containing a Gallium Nitride (GaN) power device and replacement of all light bulbs (light sources) with LED bulbs	Toshiba Lighting & Technology Corporation	Nov 2016
The Energy Conservation Center, Japan (ECCJ) Energy Conservation Grand Prize for t FY2016	(Products and Business Models Category) Air conditioner for stores and offices Super Power Eco Gold P224 and P280	Toshiba Carrier Corporation	Feb 2017
	(Energy-saving Products Category) Construction and implementation of a next-generation energy-saving office model	Toshiba Corporation / Nomura Real Estate Development Co., Ltd. / Nikken Sekkei Ltd / Obayashi Corporation / NREG Toshiba Building Co.,Ltd.	
Evaluation of business activities			
Iwate Prefecture Environmental Conservation Liaison Association Environmental Conservation Excellent Employees Awards Chairman Award	Activity of waste reduction and recycling promotion	Japan Semiconductor Corporation	Jun 2016
3R Packaging Awards (Singapore)	Distinction Award Reduction in packing material disposal Gold Award Improvement efficiency of the packing and logistics	Toshiba TEC Singapore Pte Ltd.	Jul 2016
Kawasaki City, Kanagawa Prefecture Fifth Kawasaki City Smart Lifestyle Grand Prize Incentive Award	Education by participatory programs to raise the environmental awareness of employees working at the complex	Komukai Complex,Toshiba Corporation	Oct 2016
Ministry of the Environment Climate Change Actions FY2016 Minister Award	Environmental Conservation Activities at Yokohama Complex	Yokohama Complex,Toshiba Corporation	Nov 2016
Yokohama City, Kanagawa PrefectureYokohama Environmental Action Awards Yokohama 3R Dream Promoter Award Outstanding 3R Activity Business Sites	3R activities	Ofuna branch, Storage and Device Solution Company, Toshiba Corporation	Nov 2016
Ministry of Economy, Trade and Industry Awards for Outstanding Performance in Green Logistics Green Logistics Partnership Commission Special Award	Improvement in the efficiency of transportation of end-of-life products by the establishment of a retriever replacement system	JBMA Venous Logistics Committee * Toshiba Tec Corporation awarded as one of the member companies	Dec 2016
Japan Accreditation Board 3rd JAB Award	Construction and practical use of environmental management system	Toshiba Elevator and Building Systems Corporation	Jan 2017

METI Chugoku Bureau of Economy, Trade and Industry FY2016 Chugoku Bureau of Economy, Trade and Industry Director-General Award for Persons and Companies Contributing to Energy Management	The spread activity of energy saving technology	Toshiba Carrier Corporation	Jan 2017
Iwate Prefecture FY2016 Iwate Prefecture Environmental Conservation Activity Awards Iwate Prefectural Governor Award	The conspicuous activity and result of public interests	Iwate Office, Japan Semiconductor Corporation	Jan 2017
24th Yokohama city Environmental practice award Practical award in business category	The activity of waste prevention	Ofuna branch, Storage and Device Solution Company, Toshiba Corporation	Mar 2017
The Prime Minister Industry Award 2016 Energy sector	Energy-saving Activity	Toshiba Semiconductor (Thailand) Co. Ltd.	2016
CSR-DIW Continuous Awards	Effort toward environment regulation	Toshiba Semiconductor (Thailand) Co. Ltd.	2016
Department of Energy Excellent energy-saving award	Effort to reduce CO <sub>2</sub>	Toshiba Information Equipment (Philippines), Inc.	2016
CEMIG Suppliers Award, Edition 2016 Special award	Activity themed Environmental Responsibility	Toshiba América do Sul Ltda.	2016
Award from International Green organisation for Best Environment Practise for the year 2016 Green Apple Award Bronze award	Improvement in business processes, enhancement of the management of chemicals, promotion of biodiversity activities and communication activities	Toshiba JSW Power Systems Pvt. Ltd.	2016
9th sustainable development award Best award of large company category	Environmental activity at site	Toshiba TEC Europe Imaging Systems S.A.	2016
Evaluation of environmental communication			
Environmental Communication Awards Excellent award	Toshiba Group Environmental Report 2016	Toshiba Corporation	Feb 2017
	Komukai Complex, Toshiba Corporation Environmental Report 2016		
	Toshiba Carrier Social and Environmental Report 2016	Toshiba Carrier Corporation	

Product and Technology Related			
Japan Fine Ceramics Association FY2016 JFCA awards Engineering Promotion Award	Development and practical operation of ZnO elements for super-pressure resistant lightning arresters	Toshiba Corporation	May 2016
	Development of a double-sided cooling power control unit for hybrid vehicles	Toshiba Materials Co., Ltd. / DENSO Corporation	
Japan Institute of Invention and Innovation FY2016 National Commendation for Invention Chairman Award of Japan Patent Attorneys Association FY2016 (42nd) Resource Recycling Technology and System Awards Rare Metal Recycling Award	Invention of programming method for multi-bit NAND Memory	Toshiba Corporation	Jun 2016
Japan Environmental Management Association for Industry	High Performance Recycling Technologies for Rare-Earth Magnet Materials in Industrial Motors	Toshiba Corporation	Oct 2016
The Promotion Foundation for Electrical Science and Engineering 64th Electrical Science and Engineering Promotion Award	Development of PWM Converter for Air-Source Heat Pump Unit	Toshiba Carrier Corporation	Nov 2016
	Development and practical application of dimmable, small controlgear using GaN devices for LED lighting	Toshiba Lighting & Technology Corporation	
Top 100 Global Innovators 2016 (Clarivate Analytics)  	Selected as Top 100 Global Innovators 2016(Clarivate Analytics) Selected for the 6th consecutive year since 2011	Toshiba Corporation	Jan 2017
Japan Techno-Economics Society 5th Management of Technology and Innovation Award Minister of Economy, Trade and Industry Prize	Practical viability of NAND flash memory and technology development to realize increasing data capacity and cost reduction	Toshiba Corporation	Feb 2017
New Energy Foundation FY2016 New Energy Award Chairman Award in the Excellent Products category	H2One™ Hydrogen Based Autonomous Energy Supply System	Toshiba Corporation	Feb 2017
Patent Result Co., Ltd. Technology of oxide negative electrode for lithium-ion secondary battery Top of total patent ranking	Technology of oxide negative electrode for lithium-ion secondary battery	Toshiba Corporation	Feb 2017
63rd Okochi Memorial Grand Technology Prize	multi-bit/cell NAND Flash memory by reducing adjacent memory cell coupling effect	Toshiba Corporation	Mar 2017

One Step on Electro-Technology The Institute of Electrical Engineers of Japan	Current Differential Protection of Transmission Line by Use of Digital Technique	Toshiba Corporation / TEPCO Power Grid, Incorporated	Mar 2017
	Semiconductor Memory, 1Mbit CMOS DRAM	Toshiba Corporation	
Ministry of Education, Culture, Sports, Science and Technology (MEXT) FY2017 MEXT Minister Prizes for Science and Technology	Development of Superconducting Rotating Gantry Irradiation System for Heavy-Iron Radiotherapy	Toshiba Corporation / National Institute of Radiological Sciences	Apr 2017
49th Ichimura Prize in Industry for Distinguished Achievement	Development of and commercialization of a high power, heavy rare-earth-free, demagnetization resistant magnet for motors	Toshiba Corporation / Toshiba Materials Co., Ltd.	Apr 2017
The Japan Electrical Manufacturers' Association JEMA TECHNICAL AWARD Excellent Award	Technology development of equipment for atomic power plant maintenance and inspection	Toshiba Corporation	Apr 2017
	Development of next generation light-water nuclear reactor core design technique		
	Development of volume minimization technology for radioactive waste from nuclear power plant		



# 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

(Evaluation as of December 2017)

## 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.	<a href="#">O: Message from the President</a> <a href="#">E: Message from the Corporate Environmental Officer</a> <a href="#">C: Message from the Executive in Charge of CSR</a>
G4-2	a. Provide a description of key impacts, risks, and opportunities.	<a href="#">C: Message from the President</a> <a href="#">C: FY2016 Performance Indicators</a> <a href="#">E: Message from the Corporate Environmental Officer</a> <a href="#">E: Environmental Vision 2050</a> <a href="#">E: Achievements of the Fifth Environmental Action Plan</a> <a href="#">E: Business (Manufacturing)</a> <a href="#">E: Business (Products/Services)</a> <a href="#">E: Conservation of Biodiversity</a> <a href="#">IR: Annual Report (Financial Review)</a>
Organizational Profile		
G4-3*	a. Report the name of the organization.	<a href="#">O: Basic Corporate Data</a>
G4-4*	a. Report the primary brands, products, and services.	<a href="#">O: Business Domains</a>
G4-5*	a. Report the location of the organization's headquarters.	<a href="#">O: Basic Corporate Data</a>
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.	-
G4-7*	a. Report the nature of ownership and legal form.	<a href="#">O: Basic Corporate Data</a> <a href="#">C: Stakeholders</a>
G4-8*	a. Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	-

G4-9*	<p>a. Report the scale of the organization, including:</p> <ul style="list-style-type: none"> <li>▪ Total number of employees</li> <li>▪ Total number of operations</li> <li>▪ Net sales (for private sector organizations) or net revenues (for public sector organizations)</li> <li>▪ Total capitalization broken down in terms of debt and equity (for private sector organizations)</li> <li>▪ Quantity of products or services provided</li> </ul>	<a href="#">O: Basic Corporate Data</a>
G4-10*	<p>a. Report the total number of employees by employment contract and gender.</p> <p>b. Report the total number of permanent employees by employment type and gender.</p> <p>c. Report the total workforce by employees and supervised workers and by gender.</p> <p>d. Report the total workforce by region and gender.</p> <p>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.</p> <p>f. Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).</p>	<a href="#">C: Diversity Promotion</a>
G4-11*	a. Report the percentage of total employees covered by collective bargaining agreements.	-
G4-12*	a. Describe the organization's supply chain.	<a href="#">C: Stakeholders</a>
G4-13*	<p>a. Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain, including:</p> <ul style="list-style-type: none"> <li>▪ Changes in the location of, or changes in, operations, including facility openings, closings, and expansions</li> <li>▪ Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations)</li> <li>▪ Changes in the location of suppliers, the</li> </ul>	<a href="#">C: CSR Reporting Policy (Significant Change during the Reporting Period)</a>
Commitments to External Initiatives		
G4-14*	a. Report whether and how the precautionary approach or principle is addressed by the organization.	<a href="#">C: Respect for Human Rights</a> <a href="#">C: Risk Management and Compliance</a> <a href="#">C: Quality Control</a> <a href="#">C: Product Safety and Product Security</a> <a href="#">E: Business (Products/Services)</a>
G4-15*	a. List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	<a href="#">C: Participation in External CSR Organizations</a>
G4-16*	<p>a. List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization:</p> <ul style="list-style-type: none"> <li>▪ Holds a position on the governance body</li> <li>▪ Participates in projects or committees</li> <li>▪ Provides substantive funding beyond routine membership dues</li> <li>▪ Views membership as strategic</li> </ul>	<a href="#">C: Stakeholders</a> <a href="#">C: Participation in External CSR Organizations</a>

Identified Material Aspects and Boundaries		
G4-17*	<p>a. List all entities included in the organization's consolidated financial statements or equivalent documents.</p> <p>b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.</p>	<a href="#">O: Management Structure, Officers</a>
G4-18*	<p>a. Explain the process for defining the report content and the Aspect Boundaries.</p> <p>b. Explain how the organization has implemented the Reporting Principles for Defining Report Content.</p>	<a href="#">C: CSR Reporting Policy</a> <a href="#">E: Editing Policy</a>
G4-19*	<p>a. List all the material Aspects identified in the process for defining report content.</p>	<a href="#">C: Material Issues</a>
G4-20*	<p>a. For each material Aspect, report the Aspect Boundary within the organization, as follows:</p> <ul style="list-style-type: none"> <li>Report whether the Aspect is material within the organization</li> <li>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: <ul style="list-style-type: none"> <li>The list of entities or groups of entities included in G4-17 for which the Aspect is not material or</li> <li>The list of entities or groups of entities included in G4-17 for which the Aspects is material</li> </ul> </li> <li>Report any specific limitation regarding the Aspect Boundary within the organization</li> </ul>	<a href="#">C: CSR Reporting Policy</a> <a href="#">E: Editing Policy</a>
G4-21*	<p>a. For each material Aspect, report the Aspect Boundary outside the organization, as follows:</p> <ul style="list-style-type: none"> <li>Report whether the Aspect is material outside of the organization</li> <li>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</li> <li>Report any specific limitation regarding the Aspect Boundary outside the organization</li> </ul>	<a href="#">C: CSR Reporting Policy</a> <a href="#">E: Editing Policy</a>
G4-22*	<p>a. Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.</p>	<a href="#">E: Formulation of the Sixth Environmental Action Plan</a>
G4-23*	<p>a. Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.</p>	<a href="#">C: CSR Reporting Policy (Significant Change during the Reporting Period)</a>
Stakeholder Engagement		
G4-24*	<p>a. Provide a list of stakeholder groups engaged by the organization.</p>	<a href="#">C: Stakeholders</a>
G4-25*	<p>a. Report the basis for identification and selection of stakeholders with whom to engage.</p>	<a href="#">C: Stakeholders</a>
G4-26*	<p>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.</p>	<a href="#">C: Stakeholders</a>

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.	<a href="#">C: Stakeholders</a>
Report Profile		
G4-28*	a. Reporting period (such as fiscal or calendar year) for information provided.	<a href="#">C: CSR Reporting Policy</a>
G4-29*	a. Date of most recent previous report (if any).	<a href="#">E: Editing Policy</a>
G4-30*	a. Reporting cycle (such as annual, biennial).	
G4-31*	a. Provide the contact point for questions regarding the report or its contents.	<a href="#">C: Inquiries about CSR and Environmental Activities</a>
GRI Content Index		
G4-32*	<p>a. Report the 'in accordance' option the organization has chosen.</p> <p>b. Report the GRI Content Index for the chosen option (see tables below).</p> <p>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.</p>	<a href="#">C: CSR Reporting Policy</a>
Assurance		
G4-33*	<p>a. Report the organization's policy and current practice with regard to seeking external assurance for the report.</p> <p>b. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided.</p> <p>c. Report the relationship between the organization and the assurance providers.</p> <p>d. Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report.</p>	<a href="#">E: Third-party Assurance</a>
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.	<a href="#">C: Corporate Governance</a>
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.	<a href="#">C: CSR Management</a>
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.	<a href="#">C: CSR Management</a> <a href="#">E: Environmental Management Structure</a>

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.	<a href="#">C: Corporate Governance</a>
G4-38	a. Report the composition of the highest governance body and its committees by: <ul style="list-style-type: none"> <li>▪ Executive or non-executive</li> <li>▪ Independence</li> <li>▪ Tenure on the governance body</li> <li>▪ Number of each individual's other significant positions and commitments, and the nature of the commitments</li> <li>▪ Gender</li> <li>▪ Membership of under-represented social groups</li> <li>▪ Competences relating to economic, environmental and social impacts</li> <li>▪ Stakeholder representation</li> </ul>	<a href="#">C: Corporate Governance</a>
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).	<a href="#">O: Directors and Executives</a>
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: <ul style="list-style-type: none"> <li>▪ Whether and how diversity is considered</li> <li>▪ Whether and how independence is considered</li> <li>▪ Whether and how expertise and experience relating to economic, environmental and social topics are considered</li> <li>▪ Whether and how stakeholders (including shareholders) are involved</li> </ul>	<a href="#">C: Corporate Governance</a>
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: <ul style="list-style-type: none"> <li>▪ Cross-board membership</li> <li>▪ Cross-shareholding with suppliers and other stakeholders</li> <li>▪ Existence of controlling shareholder</li> <li>▪ Related party disclosures</li> </ul>	<a href="#">C: Corporate Governance</a> <a href="#">C: Toshiba Group Standards of Conduct</a>
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.	<a href="#">C: CSR Management</a> <a href="#">C: Corporate Governance</a> <a href="#">E: Environmental Management Structure</a>
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.	<a href="#">C: CSR Management</a>

G4-44	<p>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.</p> <p>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.</p>	<a href="#">C: Corporate Governance</a>
Highest Governance Body's Role in Risk Management		
G4-45	<p>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.</p> <p>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.</p>	<a href="#">C: Corporate Governance</a> <a href="#">C: Structure of Risk Management and Compliance</a>
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.	<a href="#">C: Structure of Risk Management and Compliance</a>
G4-47	a. Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	<a href="#">C: Structure of Risk Management and Compliance</a>
Highest Governance Body's Role in Sustainability Reporting		
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.	<a href="#">C: CSR Management</a>
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.	<a href="#">C: Stakeholders</a> <a href="#">C: Risk Management and Compliance (Whistleblower System)</a> <a href="#">IR: Shareholders' Meeting</a>
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	<p>a. Report the remuneration policies for the highest governance body and senior executives for the below types of remuneration:</p> <ul style="list-style-type: none"> <li>Fixed pay and variable pay: <ul style="list-style-type: none"> <li>Performance-based pay</li> <li>Equity-based pay</li> <li>Bonuses</li> <li>Deferred or vested shares</li> </ul> </li> <li>Sign-on bonuses or recruitment incentive payments</li> <li>Termination payments</li> <li>Clawbacks</li> <li>Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees</li> </ul> <p>b. Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives.</p>	<a href="#">C: Corporate Governance</a>
G4-52	<p>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.</p>	<a href="#">C: Corporate Governance</a>
G4-53	<p>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.</p>	<a href="#">C: Stakeholders</a> <a href="#">C: Risk Management and Compliance (Whistleblower System)</a> <a href="#">C: Fair Evaluation and Talent Development (The 360-degree survey)</a> <a href="#">IR: Shareholders' Meeting</a>
G4-54	<p>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.</p>	-
G4-55	<p>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.</p>	-
Section	Indicator	References
Ethics and Integrity		
G4-56*	<p>a. Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.</p>	<a href="#">C: Toshiba Group Standards of Conduct</a>
G4-57	<p>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.</p>	<a href="#">C: Risk Management and Compliance (Whistleblower System)</a>
G4-58	<p>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.</p>	<a href="#">C: Risk Management and Compliance (Whistleblower System)</a>

## Specific Standard Disclosures

Section	Indicator	References
Economic		
Aspect: Economic Performance		
G4-EC1	Direct economic value generated and distributed	<a href="#">IR: Financial Data</a>
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	<a href="#">IR: Business Risk Factors</a> <a href="#">E: Environmental Vision 2050</a> <a href="#">E: Business (Manufacturing)</a> <a href="#">E: Business (Products/Services)</a>
G4-EC3	Coverage of the organization's defined benefit plan obligations	<a href="#">C: Diversity Promotion (Benefits)</a>
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	-
Aspect: Indirect Economic Impacts		
G4-EC7	Development and impact of infrastructure investments and services supported	<a href="#">C: Social Contribution Activities</a> <a href="#">C: Social Contribution Activities (Disaster Relief)</a>
G4-EC8	Significant indirect economic impacts, including the extent of impacts	<a href="#">E: Overview of Environmental Impacts</a>
Aspect: Procurement Practices		
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	<a href="#">C: CSR Management in the Supply Chain</a> <a href="#">C: Support for Local Communities Developments</a>
Environmental		
Aspect: Materials		
G4-EN1	Materials used by weight or volume	<a href="#">E: Overview of Environmental Impacts</a>
G4-EN2	Percentage of materials used that are recycled input materials	<a href="#">E: Toshiba Group's 3R initiatives for products</a> <a href="#">E: Increase in the percentage of resource savings</a> <a href="#">E: Increased use of recycled plastics</a> <a href="#">E: Recycling of End-of-Life Products</a>
Aspect: Energy		
G4-EN3	Energy consumption within the organization	<a href="#">E: Overview of Environmental Impacts</a>
G4-EN4	Energy consumption outside of the organization	<a href="#">E: Making Supply Chain GHG Emissions Visible for All Categories</a>
G4-EN5	Energy intensity	<a href="#">E: Reducing energy-derived CO2 emissions</a>



G4-EN6	Reduction of energy consumption	<a href="#">E: Achievements of the Fifth Environmental Action Plan</a> <a href="#">E: Formulation of the Sixth Environmental Action Plan</a> <a href="#">E: Reducing total GHG emissions</a> <a href="#">E: Reducing energy-derived CO<sub>2</sub> emissions</a> <a href="#">E: Reducing CO<sub>2</sub> emissions associated with product logistics</a> <a href="#">E: Reductions in CO<sub>2</sub> emissions from employees' business travel</a> <a href="#">E: Use of renewable energy</a> <a href="#">E: Making Supply Chain GHG Emissions Visible for All Categories</a> <a href="#">E: Business (Products/Services)</a> <a href="#">E: Contributing to climate change mitigation by improving power supply and power consumption efficiency</a> <a href="#">E: Contributions by products and services associated with power consumption</a> <a href="#">E: Results of FY2016 and future initiatives (Business (Products/Services))</a>
G4-EN7	Reductions in energy requirements of products and services	<a href="#">E: Business (Products/Services)</a> <a href="#">E: Contributing to climate change mitigation by improving power supply and power consumption efficiency</a> <a href="#">E: Contributions by products and services associated with power supply</a> <a href="#">E: Contributions by products and services associated with power consumption</a> <a href="#">E: Results of FY2016 and future initiatives (Business (Products/Services))</a> <a href="#">E: Product Eco-efficiency (factor)</a>
Aspect: Water		
G4-EN8	Total water withdrawal by source	<a href="#">E: Overview of Environmental Impacts</a> <a href="#">E: Initiatives for water risk prevention</a>
G4-EN9	Water sources significantly affected by withdrawal of water	-
G4-EN10	Percentage and total volume of water recycled and reused	<a href="#">E: Overview of Environmental Impacts</a> <a href="#">E: Initiatives for water risk prevention</a>
Aspect: Biodiversity		
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	<a href="#">E: Conservation of Biodiversity</a>
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	<a href="#">E: Conservation of Biodiversity</a>
G4-EN13	Habitats protected or restored	<a href="#">E: Conservation of Biodiversity</a>
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	<a href="#">E: Conservation of Biodiversity</a>

Aspect: Emissions		
G4-EN15	Direct greenhouse gas (GHG) emissions (scope 1)	<a href="#">E: Overview of Environmental Impacts</a> <a href="#">E: Reducing total GHG emissions</a> <a href="#">E: Reducing energy-derived CO<sub>2</sub> emissions</a> <a href="#">E: Reducing CO<sub>2</sub> emissions associated with product logistics</a> <a href="#">E: Reductions in CO<sub>2</sub> emissions from employees' business travel</a> <a href="#">E: Use of renewable energy</a> <a href="#">E: Making Supply Chain GHG Emissions Visible for All Categories</a>
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (scope 2)	<a href="#">E: Making Supply Chain GHG Emissions Visible for All Categories</a>
G4-EN17	Other indirect greenhouse gas (GHG) emissions (scope 3)	<a href="#">E: Making Supply Chain GHG Emissions Visible for All Categories</a>
G4-EN18	Greenhouse gas (GHG) emissions intensity	<a href="#">E: Reducing energy-derived CO<sub>2</sub> emissions</a>
G4-EN19	Reduction of greenhouse gas (GHG) emissions	<a href="#">E: Business (Manufacturing)</a> <a href="#">E: Reducing energy-derived CO<sub>2</sub> emissions</a> <a href="#">E: Business (Products/Services)</a> <a href="#">E: Results of FY2016 and future initiatives (Business (Products/Services))</a>
G4-EN20	Emissions of ozone-depleting substances (ODS)	<a href="#">E: Management of ozone-depleting Substances</a>
G4-EN21	NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions	<a href="#">E: Overview of Environmental Impacts</a> <a href="#">E: Management of substances that impact the atmosphere and hydrosphere</a>
Aspect: Effluents and Waste		
G4-EN22	Total water discharge by quality and destination	<a href="#">E: Overview of Environmental Impacts</a> <a href="#">E: Management of substances that impact the atmosphere and hydrosphere</a>
G4-EN23	Total weight of waste by type and disposal method	<a href="#">E: Overview of Environmental Impacts</a> <a href="#">E: Reducing the total waste volume</a>
G4-EN24	Total number and volume of significant spills	<a href="#">E: Soil and groundwater purification</a>
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	<a href="#">E: Conservation of Biodiversity</a>
Aspect: Products and Services		
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	<a href="#">E: Contributions by products and services associated with power consumption</a>

G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	<a href="#">E: Overview of Environmental Impacts</a> <a href="#">E: Toshiba Group's 3R initiatives for products</a> <a href="#">E: Increase in the percentage of resource savings</a> <a href="#">E: Increased use of recycled plastics</a> <a href="#">E: Recycling of End-of-Life Products</a>
Aspect: Compliance		
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	<a href="#">E: Compliance with Environmental Laws and Regulations</a>
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	<a href="#">E: Overview of Environmental Impacts</a> <a href="#">E: Reducing CO<sub>2</sub> emissions associated with product logistics</a>
Aspect: Overall		
G4-EN31	Total environmental protection expenditures and investments by type	<a href="#">E: Overview of Environmental Impacts</a>
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	<a href="#">E: Making Supply Chain GHG Emissions Visible for All Categories</a>
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	<a href="#">C: Diversity Promotion (Toshiba Corporate Pension Plan)</a>
G4-LA3	Return to work and retention rates after parental leave, by gender	<a href="#">C: Diversity Promotion(Supporting employees in balancing work with childcare/nursing care)</a>
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	<a href="#">C: Occupational Health and Safety (Occurrence of Occupational Accidents)</a>
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	<a href="#">C: Occupational Health and Safety (Promotion of OHS)</a>
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	<a href="#">C: Fair Evaluation and Talent Development</a>
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	<a href="#">O: Directors and Executives</a> <a href="#">C: Diversity Promotion</a>
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	<a href="#">C: CSR Management in the Supply Chain</a>
Aspect: Labor Practices Grievance Mechanisms		
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	<a href="#">C: Risk Management and Compliance</a>
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	<a href="#">C: Risk Management and Compliance Education</a>
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	<a href="#">C: Respect for Human Rights</a> <a href="#">C: CSR Management in the Supply Chain (Thorough Implementation measures based on the Toshiba Group Procurement Policy and its monitoring)</a>
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	<a href="#">C: CSR Management in the Supply Chain (Thorough Implementation measures based on the Toshiba Group Procurement Policy and its monitoring)</a>
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	<a href="#">C: CSR Management in the Supply Chain (Thorough Implementation measures based on the Toshiba Group Procurement Policy and its monitoring)</a>
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	<a href="#">C: Respect for Human Rights</a>
Aspect: Supplier Human Rights Assessment		
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	<a href="#">C: CSR Management in the Supply Chain (Thorough Implementation measures based on the Toshiba Group Procurement Policy and its monitoring)</a>
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	<a href="#">C: CSR Management in the Supply Chain</a>
Aspect: Human Rights Grievance Mechanisms		
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	<a href="#">C: Risk Management and Compliance</a>
Society		
Aspect: Local Communities		
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	<a href="#">C: Support for Local Communities Developments</a> <a href="#">E: Conservation of Biodiversity</a> <a href="#">E: Reducing emissions of chemical substances</a> <a href="#">E: Soil and groundwater purification</a>
G4-SO2	Operations with significant actual and potential negative impacts on local communities	<a href="#">C: Support for Local Communities Developments (Check and Evaluation of Local Impacts of Establishing New Operational Sites)</a>

Aspect: Anti-corruption		
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	<a href="#">C: Risk Management and Compliance</a>
G4-SO4	Communication and training on anti-corruption policies and procedures	<a href="#">C: Risk Management and Compliance</a>
G4-SO5	Confirmed incidents of corruption and actions taken	<a href="#">C: Risk Management and Compliance (Response to Compliance Violations)</a>
Aspect: Public Policy		
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	<a href="#">C: Risk Management and Compliance</a>
Aspect: Compliance		
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	<a href="#">C: Risk Management and Compliance</a>
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	<a href="#">C: CSR Management in the Supply Chain</a>
Aspect: Grievance Mechanisms for Impacts on Society		
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	<a href="#">C: Risk Management and Compliance</a>
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	<a href="#">C: Quality Control</a> <a href="#">C: Product Safety and Product Security</a> <a href="#">E: Business (Products/Services)</a>
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	<a href="#">C: Product Safety and Product Security</a>
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	<a href="#">C: Risk Management and Compliance (Product Safety Information and Advertising)</a> <a href="#">E: Environmental Labels</a>
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	<a href="#">C: Risk Management and Compliance (Product Safety Information and Advertising)</a>
G4-PR5	Results of surveys measuring customer satisfaction	<a href="#">C: Enhancement of Customer Satisfaction (Customer Satisfaction(CS) Survey)</a>

Aspect: Marketing Communications		
G4-PR6	Sale of banned or disputed products	<a href="#">C: Risk Management and Compliance (Product Safety Information and Advertising)</a>
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	<a href="#">C: Risk Management and Compliance (Product Safety Information and Advertising)</a>
Aspect: Customer Privacy		
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	<a href="#">C: Risk Management and Compliance (Information Security Management)</a>
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	<a href="#">C: Product Safety and Product Security</a>

# 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 2017)

Global Compact Ten Principles		References
Human Rights		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	<a href="#">C: Respect for Human Rights</a> <a href="#">C: Employment and Labor Relations</a> <a href="#">C: Diversity Promotion</a> <a href="#">C: Occupational Health and Safety</a> <a href="#">C: Risk Management and Compliance</a> <a href="#">C: CSR Management in the Supply Chain</a> <a href="#">C: Quality Control</a> <a href="#">C: Product Safety and Product Security</a> <a href="#">C: Stakeholders (NPOs/NGOs)</a>
Principle 2	Make sure that they are not complicit in human rights abuses.	<a href="#">C: Respect for Human Rights</a> <a href="#">C: Employment and Labor Relations</a> <a href="#">C: Risk Management and Compliance</a> <a href="#">C: CSR Management in the Supply Chain</a>
Labor		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	<a href="#">C: Employment and Labor Relations</a> <a href="#">C: Risk Management and Compliance</a> <a href="#">C: CSR Management in the Supply Chain</a>
Principle 4	The elimination of all forms of forced and compulsory labor	<a href="#">C: Respect for Human Rights</a> <a href="#">C: Risk Management and Compliance</a> <a href="#">C: CSR Management in the Supply Chain</a>
Principle 5	The effective abolition of child labor	<a href="#">C: Risk Management and Compliance</a> <a href="#">C: CSR Management in the Supply Chain</a>
Principle 6	The elimination of discrimination in respect of employment and occupation.	<a href="#">C: Diversity Promotion</a> <a href="#">C: Risk Management and Compliance</a> <a href="#">C: CSR Management in the Supply Chain</a> <a href="#">C: Support for Local Communities Developments</a>



Environment		
Principle 7	Businesses should support a precautionary approach to environmental challenges;	<a href="#">C: Stakeholders (Governments and public bodies)</a> <a href="#">E: Environment</a>
Principle 8	Undertake initiatives to promote greater environmental responsibility	<a href="#">C: Product Safety and Product Security</a> <a href="#">C: Stakeholders (Governments and public bodies)</a> <a href="#">E: Environment</a>
Principle 9	Encourage the development and diffusion of environmentally friendly technologies.	<a href="#">C: Stakeholders (Governments and public bodies)</a> <a href="#">E: Environment</a>
Anti-Corruption		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	<a href="#">C: Risk Management and Compliance</a> <a href="#">C: Stakeholders (Governments and public bodies)</a>

# Comparison with ISO 26000

Toshiba 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 2016)

Core Subjects	Issues	References
6.2 Organizational governance		<a href="#">C: CSR Management</a>
		<a href="#">C: Stakeholders</a>
		<a href="#">C: Stakeholder Dialogue by Region</a>
		<a href="#">C: Corporate Governance</a>
6.3 Human rights		
6.3.3	Due diligence	<a href="#">C: Respect for Human Rights</a>
6.3.4	Human rights risk situations	<a href="#">C: Respect for Human Rights</a>
6.3.5	Avoidance of complicity	<a href="#">C: Respect for Human Rights</a>
6.3.6	Resolving grievances	<a href="#">C: Respect for Human Rights</a>
6.3.7	Discrimination and vulnerable groups	<a href="#">C: Respect for Human Rights</a>
6.3.8	Civil and political rights	<a href="#">C: Respect for Human Rights</a>
6.3.9	Economic, social and cultural rights	<a href="#">C: Respect for Human Rights</a>
6.3.10	Fundamental principles and rights at work	<a href="#">C: Respect for Human Rights</a>
		<a href="#">C: CSR Management in the Supply Chain</a>
6.4 Labor practices		
6.4.3	Employment and employment relationships	<a href="#">C: Employment and Labor Relations</a>
		<a href="#">C: Fair Evaluation and Talent Development</a>
		<a href="#">C: Diversity Promotion</a>
6.4.4	Conditions of work and social protection	<a href="#">C: Diversity Promotion</a>
		<a href="#">C: Occupational Health and Safety</a>
6.4.5	Social dialogue	<a href="#">C: Employment and Labor Relations</a>
		<a href="#">C: Fair Evaluation and Talent Development</a>
6.4.6	Health and safety at work	<a href="#">C: Occupational Health and Safety</a>
6.4.7	Human development and training in the workplace	<a href="#">C: Fair Evaluation and Talent Development</a>

6.5 The environment		
6.5.3	Prevention of pollution	<a href="#">E: Overview of Environmental Impacts</a>
		<a href="#">E: Managing chemical substances by ranking</a>
		<a href="#">E: Management of substances that impact the atmosphere and hydrosphere</a>
		<a href="#">E: Management of ozone-depleting substances</a>
		<a href="#">E: Preventing contamination and reducing contamination risks</a>
6.5.4	Sustainable resource use	<a href="#">E: Business (Manufacturing)</a>
		<a href="#">E: Reducing the total waste volume</a>
		<a href="#">E: Initiatives for water risk prevention</a>
		<a href="#">E: Use of renewable energy</a>
6.5.5	Climate change mitigation and adaptation	<a href="#">E: Reducing total GHG emissions</a>
		<a href="#">E: Reducing energy-derived CO2 emissions</a>
		<a href="#">E: Reducing CO2 emissions associated with product logistics</a>
		<a href="#">E: Reductions in CO2 emissions from employees' business travel</a>
		<a href="#">E: Use of renewable energy</a>
		<a href="#">E: Business (Products/Services)</a>
		<a href="#">E: Results of FY2016 and future initiatives (Business (Products/Services))</a>
		<a href="#">E: Contributions by products and services associated with power supply</a>
		<a href="#">E: Making Supply Chain GHG Emissions Visible for All Categories</a>
6.5.6	Protection of the environment, biodiversity and restoration of natural habitats	<a href="#">E: Conservation of Biodiversity</a>
6.6 Fair operating practices		
6.6.3	Anti-corruption	<a href="#">C: Risk Management and Compliance</a>
6.6.4	Responsible political involvement	<a href="#">C: Risk Management and Compliance</a>
		<a href="#">C: Stakeholders (Governments and public bodies)</a>
6.6.5	Fair competition	<a href="#">C: Risk Management and Compliance</a>
6.6.6	Promoting social responsibility in the value chain	<a href="#">C: CSR Management in the Supply Chain</a>
		<a href="#">C: Risk Management and Compliance (Export Control)</a>
6.6.7	Respect for property rights	<a href="#">C: Risk Management and Compliance</a>
		<a href="#">C: Research &amp; Development and Intellectual Property</a>

6.7 Consumer issues		
6.7.3	Fair marketing, factual and unbiased information and fair contractual practices	<a href="#">C: Product Safety and Product Security</a>
6.7.4	Protecting consumers' health and safety	<a href="#">C: Quality Control</a>
		<a href="#">C: Product Safety and Product Security</a>
6.7.5	Sustainable consumption	<a href="#">C: Quality Control</a>
		<a href="#">C: CSR Management in the Supply Chain</a>
		<a href="#">E: Business (Products/Services)</a>
		<a href="#">E: Contributions by products and services associated with power consumption</a>
		<a href="#">E: Environmental Communication</a>
6.7.6	Consumer service, support, and complaint and dispute resolution	<a href="#">C: Enhancement of Customer Satisfaction</a>
6.7.7	Consumer data protection and privacy	<a href="#">C: Risk Management and Compliance</a>
		<a href="#">C: Enhancement of Customer Satisfaction</a>
6.7.8	Access to essential services	<a href="#">C: Enhancement of Customer Satisfaction</a>
6.7.9	Education and awareness	<a href="#">C: Quality Control</a>
		<a href="#">C: Product Safety and Product Security</a>
6.8 Community involvement and development		
6.8.3	Community involvement	<a href="#">C: Support for Local Communities Developments</a>
		<a href="#">C: Social Contribution Activities</a>
		<a href="#">C: Stakeholders</a>
		<a href="#">C: Risk Management and Compliance</a>
6.8.4	Education and culture	<a href="#">C: Support for Local Communities Developments</a>
		<a href="#">C: Social Contribution Activities</a>
6.8.5	Employment creation and skills development	<a href="#">C: Support for Local Communities Developments</a>
6.8.6	Technology development and access	<a href="#">C: Support for Local Communities Developments</a>
6.8.7	Wealth and income creation	<a href="#">C: Support for Local Communities Developments</a>
6.8.8	Health	<a href="#">C: Support for Local Communities Developments</a>
6.8.9	Social investment	<a href="#">C: Support for Local Communities Developments</a>
		<a href="#">C: Stakeholders (Governments and public bodies)</a>
		<a href="#">C: Stakeholders (NPOs/NGOs)</a>



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

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The CSR Reprt is available on the Toshiba website

**URL <http://www.toshiba.co.jp/csr/en/>**

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