

**TOSHIBA**

# 2021 | Sustainability Report



# Reporting and Disclosure Items

Toshiba Group provides an overview of its financial and non-financial management in our Integrated Report. In addition, our Financial Report gives detailed financial information and our Sustainability Report gives detailed non-financial information including environmental activities. We also provide the latest information on related matters in a timely manner through our corporate website.

We recommend viewing each report (PDF) in the latest browser.

Note that content may not display or operate correctly depending on the device being used, and browser type, version and settings.

\* It has been confirmed that content displays and operates correctly on Google Chrome version 93.0.4577.63 and Microsoft Edge version 93.0.961.38.

## Reporting on an overview of financial and non-financial information

### Integrated Report / Financial Report / Investor Relations Website



[Integrated Report](#)



[Financial Report](#)



[Investor Relations Website](#)

## Non-financial information (ESG)

### Sustainability Report / Sustainability Website / Environment Website



[Sustainability Report](#)



[Sustainability Website](#)



[Environment Website](#)

# Sustainability Reporting Policy

## Our Effort to Report on the Priority Issues for Our Stakeholders and Those for Toshiba Group

In the Sustainability Report, we report truthfully the issues that are material for both our stakeholders as well as Toshiba Group. The content of the report obtains approval from the Non-financial Information Disclosure Committee chaired by the President and CEO and made up of executives and managers of sustainability related divisions.

### Organizations Covered in This Report

In principle, this report covers Toshiba Group (Toshiba Corporation and its consolidated subsidiaries in Japan and overseas), and information outside this scope is reported based on the definitions below.

“Toshiba” in this report refers to Toshiba Corporation.

“Corporate” refers to Executive Officer and Chairman, Executive Officer and President, executive officers in charge of the corporate staff divisions, and executive officers responsible for respective businesses, who have been delegated authority by the Board of Directors to make decisions.

“Corporate staff division” refers to the division that assists with corporate affairs and provides shared services.

“Toshiba Group in Japan” refers to Toshiba Corporation and its consolidated subsidiaries in Japan.

“Toshiba Group overseas” refers to consolidated subsidiaries overseas.

“Key Group companies” refer to Toshiba Energy Systems & Solutions Corporation, Toshiba Infrastructure Systems & Solutions Corporation, Toshiba Electronic Devices & Storage Corporation, Toshiba Digital Solutions Corporation, and Toshiba Tec Corporation.

### Reporting Period

This report focuses on the results of activities from April 1, 2020 to March 31, 2021 (FY2020). It also includes some activities continuing from the past as well as more recent ones.

### Publication

Current issue: February 2022 (previous issue: January 2021)

### Reference Guidelines

- Global Reporting Initiative (GRI) Sustainability Reporting Standard
- This report references the GRI Sustainability Reporting Standards.
- United Nations Global Compact [Communication on Progress (COP) Advanced level]
- Environmental Reporting Guidelines 2018, Ministry of the Environment of Japan
- Environmental Accounting Guidelines 2005, Ministry of the Environment of Japan
- ISO 26000
- Task Force on Climate-related Financial Disclosures (TCFD)
- SASB (Sustainability Accounting Standards Board) Guidelines

For more details on reporting and disclosure items, please see below.

### [➤ Reporting and Disclosure Items](#)

# 2021 | Sustainability Report

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# Corporate Data

(As of March 31, 2021)

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:	¥200,558 million
Net Sales: (Consolidated basis)	¥3,054.4 billion (FY2020)
Fiscal Year:	April 1 to March 31
Number of Employees: (Consolidated basis)	117,300
Number of Shares issued	455,280,690 shares
Total Number of Shareholders:	270,598
Stock Exchange Listings:	Japan : Tokyo and Nagoya

\* From April 14, 2021

# Business Domains

## Energy Systems & Solutions

The scope of our business embraces large-scale power generation systems for nuclear and thermal power, along with renewable energy generation systems for hydro, geothermal, solar, and wind power. Our related businesses include power transmission and distribution systems that deliver electricity directly to end users, Virtual Power Plant (VPP) for efficient utilization of distributed energy sources, and green hydrogen energy systems that harness renewable energy.

### Main Business Areas

Power Generation Systems for [Nuclear Power](#), [Thermal Power](#) and [Renewable Energy](#)

Power Generation Business for [Renewable Energy](#)

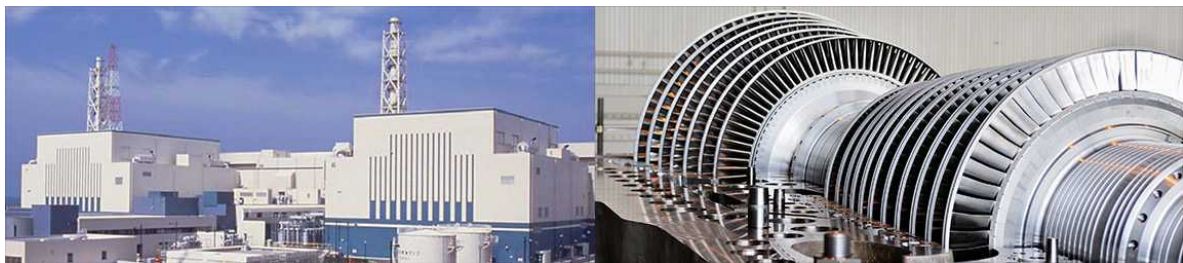
[Transmission and Distribution Systems](#)

[Hydrogen Energy Systems](#)

[Heavy-ion Therapy System](#)

[Virtual Power Plant](#)

[Energy Digital Service](#)



Nuclear Power/Thermal Power



Hydro Power



Geothermal Power



Wind Power



Photovoltaic



T&D



Fukushima Hydrogen Energy Research Field (FH2R)



Failure Prediction/Performance Monitoring Service for Power Plant and Power Grid System



Heavy-ion therapy system (National Institutes for Quantum and Radiological Science and Technology/QST Hospital)

### Main Consolidated Subsidiaries (As of April 2021)

[Toshiba Energy Systems & Solutions Corporation](#)

[Toshiba Plant Systems & Services Corporation](#)

# Infrastructure Systems Solutions

For many years, we have provided products, systems, and services to public-sector customers responsible for maintaining the infrastructure of essential utilities. In coming years, we will fully embrace IoT and artificial intelligence (AI) in order to establish safer, more secure, and more convenient social infrastructure systems.

## Main Business Areas

- [Water Supply & Wastewater Treatment Systems](#)
- [Traffic Control Systems](#)
- [Defense & Electronic Systems](#)
- [Railway Transportation Systems](#)

- [Substation Systems](#)
- [Broadcasting & Network Systems](#)
- [Security & Automation Systems](#)
- [Motor/Drive Systems](#)



Water Supply & Wastewater Treatment Systems



Substation Systems (UPS)



Broadcasting & Network Systems



Defense & Electronic Systems (Doppler VOR/DME)



Security & Automation Systems (Letter Sorting Machine)



Security & Automation Systems (De-Palletizer)



Railway Transportation Systems



Motor/Drive Systems

## Main Consolidated Subsidiaries (As of April 2021)

- [Toshiba Infrastructure Systems & Solutions Corporation](#)

# Building Solutions

Our portfolio covers elevators & escalators for buildings and facilities, ventilation, and lighting, all essential to the day-to-day comfort of people. Through these businesses, we also offer energy-saving, environmentally conscious products and services, as well as building solutions that improve building security and reliability.

## Main Business Areas

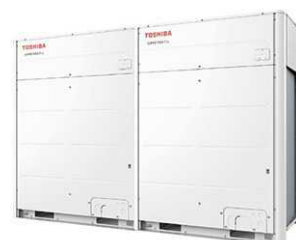
- > [Elevators](#)
- > [Materials for Electrical Construction](#)
- > [Automotive Light Sources, UV Module](#)
- > [Industrial Light Sources, UV Module](#)
- > [Air-to-water heat pump, Ventilating](#)
- > [Escalators](#)
- > [Lighting Equipment, > Airport Ground Lighting System, > Stage and Studio Lighting System](#)
- > [Residential, Light Commercial and Commercial AC](#)
- > [Refrigeration](#)



Elevators



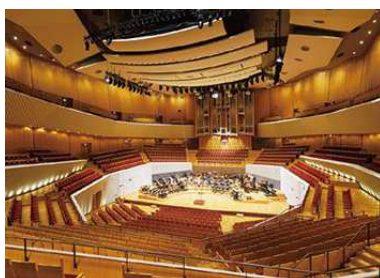
Office Lighting



Building Multi Air-Conditioning Systems



Escalators



Stage Lighting System



Heat Pump Module Chilling Unit

## Main Consolidated Subsidiaries (As of April 2021)

- > [Toshiba Elevator and Building Systems Corporation](#)
- > [Toshiba Lighting & Technology Corporation](#)
- > [Toshiba Carrier Corporation](#)

## Retail & Printing Solutions

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We are expanding our range of solutions by using products like in-store POS systems and office MFPs (Multifunction Peripherals) as platforms. We are a solutions partner that helps clients to solve on-site issues.

### Main Business Areas

➤ [POS Systems](#)

➤ [Automatic Identification Systems](#)

➤ [Multifunction Peripherals](#)

➤ [Inkjet Heads](#)



POS Systems



Multifunction Peripherals



Automatic Identification Systems



Inkjet Heads

### Main Consolidated Subsidiaries (As of April 2021)

➤ [Toshiba Tec Corporation](#)

# Electronic Devices & Storage Solutions

We are expanding our business by focusing on markets where we anticipate steady growth, such as automotive and industrial semiconductors, large capacity HDDs for data centers, semiconductor manufacturing equipment, and materials and devices. By providing high-added-value products, we are helping to advance the role of big data in society, and contributing to the realization of a carbon-neutral and safe, secure society.

## Main Business Areas

- > [Discrete semiconductors](#): Power Devices, Small Signal Devices, Photocouplers, etc.
- > [System LSI](#): Analog ICs, Microcontrollers, Automotive Digital ICs, etc.
- > [Storage Products](#): Nearline HDDs, Mobile HDDs, etc.
- > [Semiconductor Manufacturing Equipment](#): Electron Beam Mask Writer, etc.
- > [Devices](#): Thermal Printheads, etc.
- > [Materials](#): Fine Ceramics, etc.



HDD



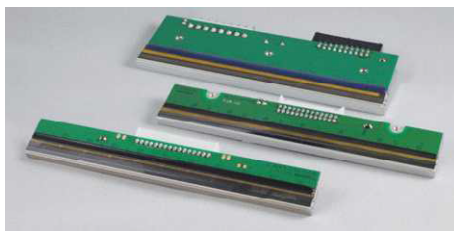
Power Devices



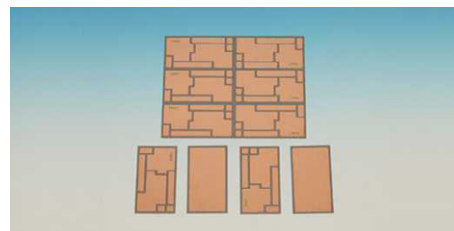
Image Recognition Processors Visconti™



Electron Beam Mask Writer



Thermal Printheads



Silicon Nitride Ceramics: Insulating Circuit Substrates

\* Visconti™ is a trademark of Toshiba Electronic Devices & Storage Corporation.

## Main Consolidated Subsidiaries (As of April 2021)

- > [Toshiba Electronic Devices & Storage Corporation](#)

# Digital Solutions

By utilizing the knowledge that Toshiba has amassed across numerous business domains, along with cutting-edge technologies like IoT, AI and quantum related technologies, we create digital solutions that provide our customers with new value and services, and that enrich the wider society.

## Main Business Areas

- Solutions for Businesses
- IoT Solutions
- Managed Services
- ICT Infrastructure
- Solutions for Industries
- AI/Analytics
- Security Solutions
- Quantum Related Technologies Business ( ➤ [Quantum Key Distribution](#), ➤ [Simulated Bifurcation Machine](#) )



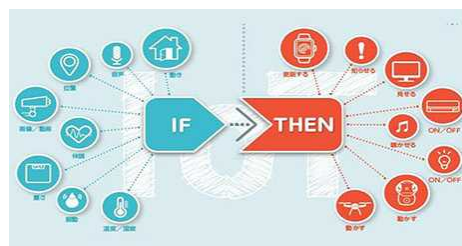
Solutions for the Manufacturing Industry



Solutions for National and Regional Government



Human Resource Management Solutions



IoT Platform



Analytics AI/Communication AI



Managed Services



Quantum Key Distribution



Simulated Bifurcation Machine

## Main Consolidated Subsidiaries (As of April 2021)

- [Toshiba Digital Solutions Corporation](#)

## Battery Business

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We develop, manufacture, and sell the “SCiB™,” a rechargeable lithium-ion battery that is highly safe, has a long lifetime, recharges fast, and operates in low temperatures. The SCiB™ is used in many fields—in automobiles, railways, industrial equipment like automated guided vehicles, and even in large-scale stationary power storage system, where it regulates the frequency of renewable energy generation. We are expanding our business by bringing the SCiB™ into markets where its unique characteristics make a difference, whether it be a reduced carbon footprint and lower operating cost from system electrification, or improved reliability from the establishment of an emergency battery system.

### Main Business Areas

➤ [Development, manufacturing, and sale of battery cells, modules, and packs](#)



SCiB™ Cells



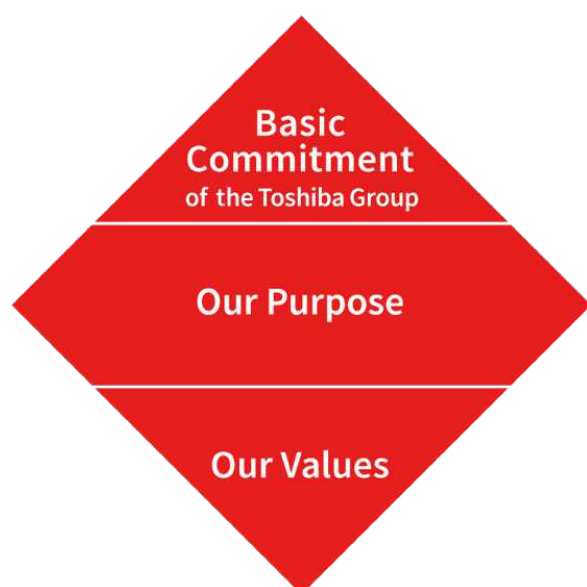
SCiB™ Module



SCiB™ Industrial Pack Series

# The Essence of Toshiba

The Essence of Toshiba is the basis for the sustainable growth of the Toshiba Group and the foundation of all corporate activities.



The Essence of Toshiba comprises three elements: Basic Commitment of the Toshiba Group, Our Purpose, and Our Values.

With Toshiba's Basic Commitment kept close to heart, we clarified our purpose – the difference that Toshiba Group makes in society – together with our values, the shared beliefs that guide our actions.

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## Basic Commitment of the Toshiba Group

### Committed to People, Committed to the Future.

At Toshiba, we commit to raising the quality of life for people around the world, ensuring progress that is in harmony with our planet.

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## Our Purpose

We are Toshiba. We have an unwavering drive to make and do things that lead to a better world.

A planet that's safer and cleaner.  
A society that's both sustainable and dynamic.  
A life as comfortable as it is exciting.

That's the future we believe in.  
We see its possibilities, and work every day to deliver answers that will bring on a brilliant new day.

By combining the power of invention with our expertise and desire for a better world, we imagine things that have never been – and make them a reality.

That is our potential. Working together, we inspire a belief in each other and our customers that no challenge is too great, and there's no promise we can't fulfill.

## We turn on the promise of a new day.

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## Our Values

### Do the right thing

We act with integrity, honesty and openness, doing what's right – not what's easy.

### Look for a better way

We continually strive to find new and better ways, embracing change as a means for progress.

### Always consider the impact

We think about how what we do will change the world for the better, both today and for generations to come.

### Create together

We collaborate with each other and our customers, so that we can grow together.

# CEO Message

## “Committed to People, Committed to the Future.”

Companies are members of a society that must contend with many issues, and as such they should understand and deal with those issues from a long-term perspective, and contribute to a sustainable society by providing value through their business. This approach is increasingly necessary if we are to recover from the stagnation resulting from the COVID-19 pandemic.

“Committed to People, Committed to the Future.” is the long standing Basic Commitment of the Toshiba Group, a statement that expresses our enduring credo to contribute to the development of society through our business. Since our founding, with the venture spirit that has inspired Toshiba for many generations, Our Purpose has been to combine the power of invention with our expertise and desire for a better world, to tackle increasingly complex and serious social issues, and, together with our customers and business partners, to “turn on the promise of a new day.”

We are about to engineer a strategic reorganization that will change Toshiba Group’s structure, and allow us to manage our businesses in ways that best fit the characteristics of each business and its business environment. More specifically, toward solving problems facing the world, such as responding to climate change and building sustainable infrastructure in response to disasters that are growing in scale and complexity, we will establish new companies: Infrastructure Service Co., which will take the lead in realizing carbon neutrality and resilient infrastructure; and Device Co., which will lead the way in the development of social and information infrastructure. By creating a thoroughly professional and agile management structure, we will strengthen our competitiveness and ability to create value. Through these measures, we will strive to meet the expectations of all of the stakeholders that support Toshiba Group, and to improve our corporate value.

In order to secure sustainable improvement of corporate value, we will continue to prioritize life, safety and compliance over all other management issues, and to act with a strong awareness that we will never allow actions that undermine the healthy relationship of trust with our stakeholders. As a signatory to the United Nations Global Compact, we are striving to strengthen our environmental, social and governance (ESG) performance, and collaborating with our various stakeholders to build ethical and transparent management foundations and to create rich value. We have set our focus on 10 SDGs\* in particular, and we will work to maximize positive impacts and minimize negative impacts for each of these goals, and to contribute to the achievement of the SDGs through our corporate activities.

\* SDGs: Sustainable Development Goals. Goals to be achieved by 2030, adopted by the United Nations in 2015.



**Satoshi TSUNAKAWA**

Chairperson, Board of Directors  
Representative Executive Officer  
President and Chief Executive Officer  
Toshiba Corporation



**The 10 goals that Toshiba Group focuses on**

# Message from the Executive in charge of Sustainability

## Advancing sustainability management for a dynamic, sustainable future

**Takamasa Mihara**  
Executive Officer  
Corporate Vice President



A multitude of social issues has become a threat to the sustainability of society as a whole. Such issues include not just climate change, resource depletion, and population growth, but poverty, economic inequality, and human rights—and, of course, the COVID-19 pandemic. In these circumstances, if the companies that play a central role in global economic activities do not join governments and individuals in working to find solutions to social issues, it will be impossible to avoid the impending crisis threatening our planet and all living things that inhabit it, including humankind.

Inspired by Toshiba Group's basic commitment, "Committed to People, Committed to the Future," we have a history of contributing to finding solutions to social issues.

The impacts of climate change are increasingly undeniable. Efforts to reduce greenhouse gas emissions have become an urgent necessity, as indicated in an August 2021 report by the United Nations IPCC, in which scientists from all over the world issued a dire warning that human activities are harming our planet at an astonishing rate.

Toshiba Group makes the most of its comprehensive strength in pursuing business activities, by drawing on technologies and experience gained from long involvement with energy and social infrastructure. And in recent years we have also focused on services that incorporate technologies from the digital domain. In the energy field, these activities include businesses engaged in generating, transmitting, storing, and smartly using energy; renewables; hydrogen energy and fuel cells; and CO<sub>2</sub> capture and utilization. In the social infrastructure field, our businesses encompass the provision of infrastructure-related industrial equipment and other energy-saving products and solutions.

By playing a leading role in achieving carbon neutrality and building resilient infrastructure, we will help to resolve social issues through business.

We are also reinforcing the business foundations that underpins our operations by addressing other social responsibilities, such as employees' health and safety and personnel training, respect for human rights, and sustainable procurement.

Human rights issues, in particular, now require urgent action on a global scale. In order to support principles of human rights principles advocated internationally, and to expedite sustainable procurement throughout Toshiba Group's value chain, we will further bolster not only environmental initiatives, but also efforts that consider human rights.

Furthermore, to create a work environment in which diverse people can feel comfortable enough to deliver their true potential and skills to create innovation, we are further advancing initiatives to promote diversity and inclusion, aiming to reinforce our corporate culture that recognizes all kinds of diversity. In addition, we modified and improved our evaluation system in FY2020. By treating our employees more appropriately, we are striving to ensure that each and every one of them can work with a positive attitude, and raise their productivity.

To remain a corporate group required by society, we must continually refine our CSR activities, and also fortify sustainability as an essential part of management, so as to cope with and survive these time of heightened unpredictability and uncertainty.

In FY2021, we launched the new Sustainability Management Division, establishing a structure that will ensure sustainability-related considerations are integrated into management initiatives. We have also formulated a basic policy to share with stakeholders, to show them where our sustainability initiatives are headed, and redefined important issues (material issues) associated with our management strategies, so as to incorporate actions to address social issues into all our business activities, and to expedite related initiatives spanning the whole Group.

At the Toshiba Group, Our Purpose is to aim to contribute to resolving global issues by leveraging the technical capabilities and partnerships with clients that we have forged over the years. It all begins with an unwavering drive to make and do things that lead to a better world. Bringing together the ingenuity and technical capabilities that we have cultivated thus far, we will carry out our medium-term business plan, and contribute even more to the solving of social issues.

# Message from the Executive in charge of Environment

**We will advance our proactive approach with the aim of creating enriched value and ensuring harmony with the earth**

Tsutomu Kamijo  
Executive Officer  
Corporate Senior Vice President  
Toshiba Corporation

*T. Kamijo*



Recent years have brought further deterioration of the earth's environment, typified by energy, resources and water shortages, and losses of biodiversity that threaten the safe, secure lives of future generations. Numerous movements to address these issues are springing up worldwide.

Regarding climate change in particular, impacts from floods, typhoons, and other natural disasters are already being felt in many parts of the world, and we understand the extreme urgency and importance of addressing this issue. According to the IPCC<sup>\*1</sup>, if the current situation persists, the global average temperature may increase by 1.5°C from the pre-industrial level<sup>\*2</sup> by as soon as 2030, so we as a company must make our best efforts to contribute to keeping the global temperature increase well below 2°C (ideally, 1.5°C), the goal set out in the Paris Agreement.

Against the backdrop of a rising global population and economic growth, the issues of resource shortage and waste generation are also intensifying. In response, countries, most notably in Europe, are transitioning to a circular economy, in which products and raw materials that would previously have been discarded are regarded as new resources and circulated without creating waste. Companies are asked to establish business models that aim to achieve both resource circulation and economic growth. Deterioration of the earth's environment is also causing the impairment of biodiversity. In parallel with moves to adopt the Post-2020 Global Biodiversity Framework, which provides new worldwide biodiversity targets following on from the Aichi Targets, we must strive to create a society where humans live in harmony with nature, so we can continue to enjoy the blessings of ecosystems.

In order to contribute to resolving these issues, as well as aim to achieve sustainable growth as a company, it is important for us to continue to create and provide rich value while responding to global trends from a long-term perspective. As early as 2007, Toshiba Group incorporated the concept of backcasting<sup>\*3</sup> into defining a long-term vision for 2050, and we have been working to resolve environmental issues and create value. After reviewing our vision by taking into account changes in social circumstances, we subsequently formulated Environmental Future Vision 2050.

Through Environmental Future Vision 2050, we are promoting activities in three areas: response to climate change; response to the circular economy; and consideration of ecosystems. In response to climate change, we aim to achieve targets in line with the direction of the Paris Agreement throughout our Group's value chain: reduction of greenhouse gas emissions by 70% by FY2030 compared to the FY2019 level, and carbon neutrality by FY2050. Not only will we invest in energy-saving equipment and expand the use of renewable energy within Toshiba Group, we will also create and provide cutting-edge energy technologies to realize decarbonization, as well as energy-saving products and services, so as to contribute to reducing greenhouse gas emissions throughout society as a whole. Toward the achievement of a circular economy, in addition to effectively making use of resources in our own business activities and in the products and services we provide, we will promote circular economy businesses that leverage digital technologies. With regard to consideration of ecosystems, we will promote appropriate management of chemical substances and water resources, as well as activities aimed at the conservation of biodiversity.

With the aim of creating enriched value and ensuring harmony with the earth, inspired by the our corporate philosophy, "Committed to People, Committed to the Future," we will further deepen our environmental management. Striving to remain dedicated to our efforts to address various environmental issues, we will continue to make our best efforts. As we do so, we would greatly appreciate your continued support.

<sup>\*1</sup> The Intergovernmental Panel on Climate Change

<sup>\*2</sup> Source: "Special Report on Global Warming of 1.5°C" by the IPCC

<sup>\*3</sup> Backcasting is a method that defines a desired goal and works back through the series of actions necessary for its achievement.