

Others

Main Business Areas

Development, manufacturing, and sale of battery cells, modules, and packs



Next-Generation Lithium-Ion Batteries SCiB™ Nb Power Ultra-Fast Charging EV Buses in Japan and Brazil

Toshiba Corporation is advancing demonstration projects for ultra-fast charging EV buses utilizing its next-generation lithium-ion secondary batteries. In Brazil, Toshiba has begun real-world testing of a prototype EV bus equipped with the new SCiB™ Nb. This lithium-ion battery uses niobium titanium oxide (NTO) in the anode, enabling ultra-fast charge time of around 10 minutes. NTO offers twice the theoretical volume density of conventional graphite-based anodes, significantly enhancing charging performance and durability. The SCiB™ Nb battery is a product of joint technological development by Toshiba, Sojitz Corporation, and CBMM, with commercialization targeted for Spring 2025.

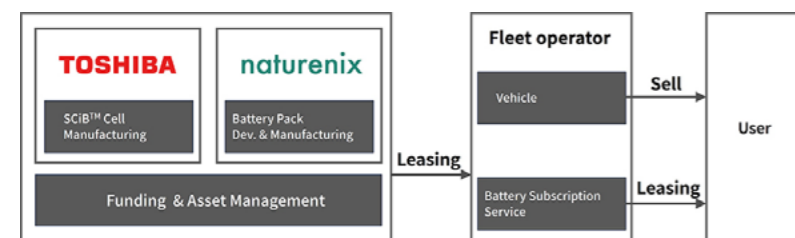


Images of EV buses with Toshiba's battery SCiB™ powered by a pantograph charging system

In Japan, Toshiba has partnered with Kawasaki Tsurumi Rinko Bus Co., Ltd. and Drive Electro Technology Co., Ltd., to jointly demonstrate the feasibility of commercial EV bus operations using a pantograph charging system. The project includes converting an existing diesel bus into an EV bus and testing its performance in urban areas where charging space and facilities are limited. Toshiba's rechargeable battery, SCiB™ is renowned for its minimal degradation even after repeated charge and discharge cycles, as well as its ultra-rapid charging capability. When paired with a high-capacity pantograph charger capable of delivering large amounts of power in a short time, the system aims to improve operational efficiency and reduce the burden of charging procedures for buses. Through these initiatives, Toshiba seeks to leverage its advanced technologies to contribute to decarbonization and the realization of sustainable mobility society.

Demonstration Test of Battery Subscription Service for Electric Motorcycle Taxis Begins in Bangkok

Toshiba Corporation, in collaboration with battery-tech startup Naturenix Inc., began a demonstration test of a battery subscription service for electric motorcycle taxi drivers in Bangkok, Thailand, on September 30, 2024. This test utilizes Toshiba's SCiB™, which is known for its long life and durability in high-temperature environments, to ensure stable operation and reduce operating costs.



Business scheme of the battery subscription model

Toshiba and Naturenix are exploring the launch of a subscription-based battery business model through local partners in Thailand. This subscription model aims to lower the initial cost of battery adoption while establishing a new business framework that ensures sustainable revenue. Through this initiative, the companies aim to reduce environmental impact and contribute to a sustainable mobility society in emerging markets.

Sustainability Management

Toshiba Group Sustainability Policy

Toshiba Group has long positioned “Committed to People, Committed to the Future.” as the main text of our Basic Commitment, the expression of our unwavering determination to contribute to society’s development through our business activities. Grounded in this commitment, as a member of a society that faces issues that include energy shortages, resource depletion, and climate change, we have taken initiatives to help solve issues by considering the impact of our corporate activities on society over the long-term, rather than simply pursuing short-term profits. To further advance the initiatives and strengthen our activities to contribute to social sustainability, the Board of Directors established the Toshiba Group Sustainability Policy. Toshiba Group promotes sustainability management to enhance its corporate value.

Toshiba Group Sustainability Policy

The Basic Commitment of Toshiba Group is “Committed to People, Committed to the Future.” This commitment is the foundation of Our Purpose: an unwavering drive to make and do things that lead to a better world. Toshiba Group aims to solve issues facing our society and to contribute to its development through our business.

Toshiba Group considers the long-term impact of its corporate activities on society and takes action to address the material issues we identify. In accordance with the Standards of Conduct for Toshiba Group, we place the highest priority on life, safety, and compliance (observance of laws, regulations, social norms, and ethics), and drive sustainability management in cooperation with our stakeholders in order to enhance our corporate value. We comply with international standards and seek opinions from the experts thus enabling us to make responsible decisions regarding our commitment to society.

1. Toshiba Group contributes to the sustainable development of society by developing and producing products and services which enrich lives. It does so by bringing together its history of creativity, technological strength and advanced quality that it has long cultivated.
2. Toshiba Group proactively works to reduce environmental impacts throughout its entire value chain with the goal of positively addressing various global environmental issues.
3. Toshiba Group supports internationally recognized principles on human rights, and respects the human rights of every stakeholder who contributes to its activities, including customers, shareholders and employees.
4. Toshiba Group works with suppliers to promote sustainable procurement activities which take into account such matters as human rights and the environment.
5. Toshiba Group’s sustainability management approach incorporates a long-term perspective to protect and maintain its sustainable growth.
6. Toshiba Group reports on its sustainability objectives, activities and results to promote a constructive dialogue and trusted relationships with stakeholders.

October 21, 2021

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

In order to develop sustainably as a company, Toshiba Group strives to strengthen environmental (E), social (S), and corporate governance (G) initiatives and implement sustainability management as steps to build ethical and transparent management foundations. At the same time, we will make efforts to create and provide rich value in collaboration with our various stakeholders, such as our customers, shareholders and investors, suppliers, employees, and local communities. We conduct all corporate activities fairly and honestly, guided by [the Standards of Conduct for Toshiba Group](#).

Sustainability Management Structure

In 2003 Toshiba established an in-house organization to promote CSR, and has put in place a promotion system that covers the Group. As companies are urged to make more effort to help solve global issues represented in the Sustainable Development Goals (SDGs) and help create a sustainable society, we established the Sustainability Management Division in April 2021. Incorporating a sustainability perspective into management, we promote ESG and SDGs activities through all of our corporate activities.

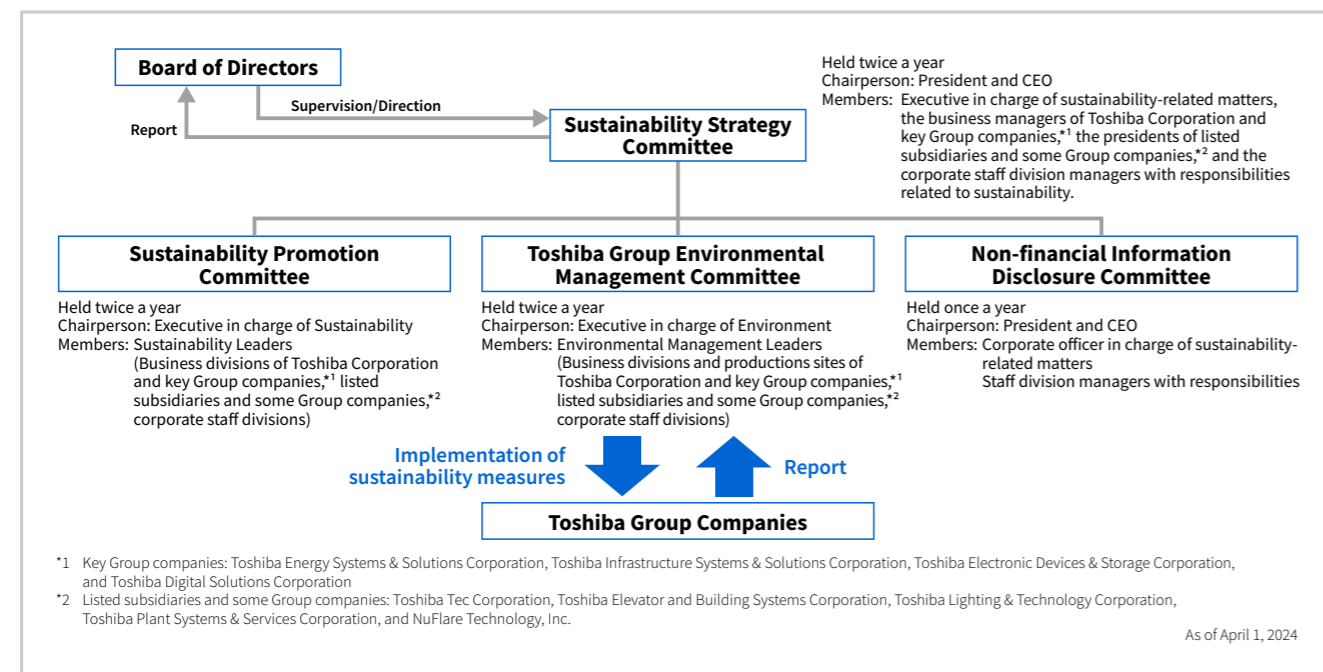
To take this initiative a step further and strengthen integrated management with the management policy and strategy, the functions of the Sustainability Management Division were transferred to the Strategic Planning Division in April 2024. We convene the Sustainability Strategy Committee twice a year to discuss and decide on policies and strategies related to the sustainability of Toshiba Group and to set the direction of key issues. The Committee is chaired by the President and CEO, and its members include the executives in charge of sustainability-related matters, the business managers of Toshiba Corporation and key Group companies,¹ the presidents of listed subsidiaries and some Group companies,² and the corporate staff division managers with responsibilities related to sustainability. Positioned under the Sustainability Strategy Committee is the Sustainability Promotion Committee. This committee considers specific measures and prepares action plans for the matters decided by the Sustainability Strategy Committee. Additionally, the Toshiba Group Environmental Management Committee (renamed from the Corporate Environmental Management Committee in April 2024) deliberates and decides on important environmental measures and policies, such as Toshiba Group's Basic Policy for the Environment. The Non-financial Information Disclosure Committee approves the disclosure of ESG information included in our Integrated Report and Sustainability Report. The Sustainability Promotion Committee is chaired by the executive in charge of sustainability, while the Toshiba Group Environmental Management Committee is chaired by the executive in charge of the environment. Both Committees meet twice a year in principle.

The executive in charge of sustainability and the environment regularly reports the status of measures being taken and receives supervision and advice at the Board of Directors meetings.

¹ Key Group companies: Toshiba Energy Systems & Solutions Corporation, Toshiba Infrastructure Systems & Solutions Corporation, Toshiba Electronic Devices & Storage Corporation, and Toshiba Digital Solutions Corporation

² Listed subsidiaries and some Group companies: Toshiba Tec Corporation, Toshiba Elevator and Building Systems Corporation, Toshiba Lighting & Technology Corporation, Toshiba Plant Systems & Services Corporation, and NuFlare Technology, Inc.

Sustainability Management Structure



The main details of the initiatives undertaken at each committee meeting in FY2023 are as follows:

Sustainability Strategy Committee

FY2022 summary, FY2023 key themes, KPIs linked to material issues, human rights due diligence, supplier human rights risk survey, environmental management, ESG evaluation agency evaluation results, response to the UK and Australian Modern Slavery Acts, Toshiba Group DEIB policy

Sustainability Promotion Committee

FY2022 summary, FY2023 plan and key themes, KPIs linked to material issues, ESG evaluation agency evaluation results, human rights due diligence, sustainability surveys from customers, key environmental measures

Corporate Environmental Management Committee (former name)

FY2022 activity results and FY2023 activity plans, formulation of the Eighth Environmental Action Plan promotion items and KPIs, reports related to environmental risk compliance

Non-financial Information Disclosure Committee

Confirmation and approval of information presented in the sustainability website and Integrated Report

Details of the Sustainability Strategy Committee meetings are reported to the Board of Directors to receive supervision and advice.

Monitoring

The Sustainability Promotion Committee monitors the progress of sustainability-related measures such as KPIs based on material issues.

For more information: [Material Issues and KPIs](#)

Increasing Employee Awareness of Sustainability

In order to raise sustainability awareness of employees in Toshiba Group, the President and CEO reaffirms the philosophy of Basic Commitment of the Toshiba Group at every opportunity, such as the start of each half-year term, at company ceremonies, and at start-of-year addresses. The importance of implementing sustainability management is also communicated. We also conduct sustainability management-related training for newly hired employees and newly appointed managers as well as annual e-learning for all employees in line with the Standards of Conduct for Toshiba Group in areas such as the environment, information security, respect for human rights, engineering ethics, compliance with antitrust laws and prohibition of bribery.

Toshiba Group's Sustainability Month

Since FY2006, Toshiba Group has designated December as Sustainability Month (renamed from CSR Month in FY2020). During this month, we hold seminars on topics such as human rights, and concentrate on social contribution activities at each of the Group companies and business sites.

In FY2023, the President and CEO stated, "For Toshiba Group, which is contributing to the realization of carbon neutrality and a circular economy through digitalization, the realization of a sustainable society is the most important management strategy. Each and every person working at Toshiba Group should think about what we can do with regard to "Committed to people, Committed to the Future." Speak freely, and take concrete action, which will lead to technological diversity and provide a path to solving global issues." During this period, we broadcast a lecture by Director Hashimoto on the corporate activities and individual actions that should be taken to achieve the ideal form of sustainability management. We also utilized our internal website to distribute the content aimed at deepening knowledge of ESG and the Toshiba Group's sustainability management as well as seminars on human rights, and also to share examples of social contribution activities and health and safety activities that were commended for their excellence.

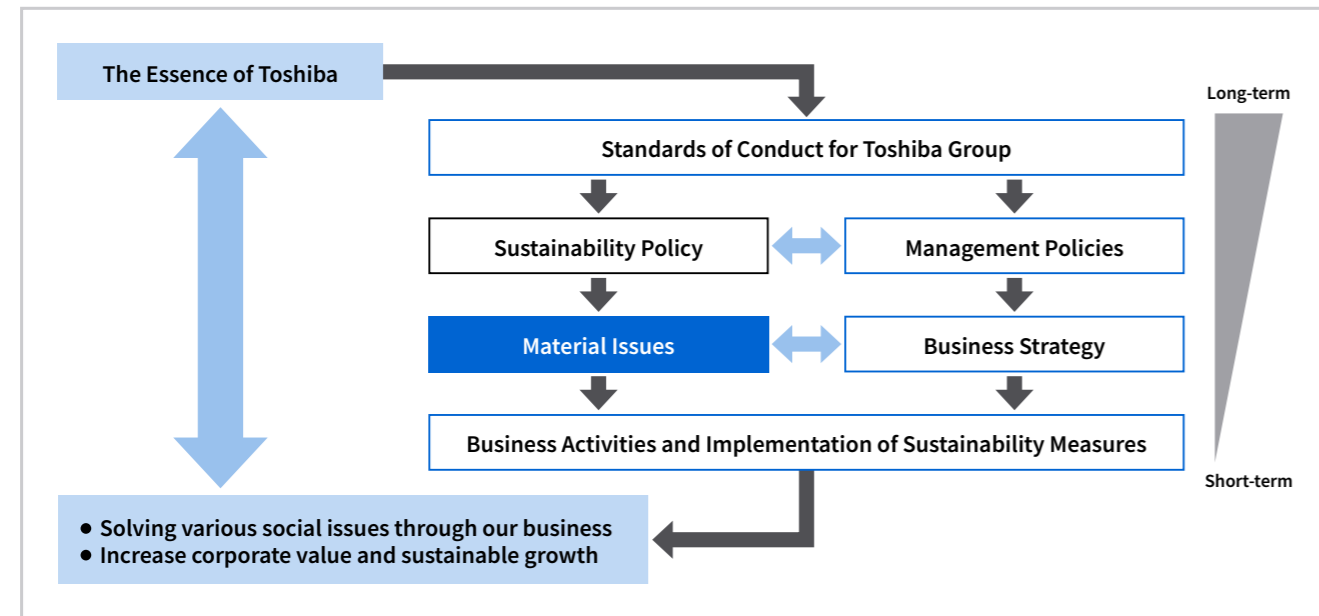
Additionally, in FY2023, an annually-held Toshiba Group Volunteer Days event took place at the beginning of December, which is around International Volunteer Day on December 5, to provide volunteering opportunities for all Toshiba Group employees. Moving forward, we will continue to work to raise each employee's awareness of sustainability.

For more information: [Social Contribution Activities \(Toshiba Group Volunteer Days\)](#)

Material Issues and KPIs

Guided by the Essence of Toshiba, Toshiba Group works on material issues that could impact business activities from a medium and long-term perspective in accordance with the Sustainability Policy and promotes sustainability management that contributes to the development of society.

We have tackled the material issues identified in 2013 by regularly confirming their status. However, response to climate change is now required on a global scale, and social issues are changing according to various perspectives as seen in the SDGs adopted by the United Nations. Toshiba Group also reviewed its businesses. Accordingly, we re-identified new material issues in FY2021. We position the material issues under the Essence of Toshiba and the Sustainability Policy, and will work on initiatives Group-wide.



Toshiba Group's Material Issues

We believe that in order for people and businesses to survive, it is vital that the earth, in which we live, is safe, stable, and a place that humans can thrive. Guided by the Essence of Toshiba, our business activities contribute to finding solutions to a range of social issues and supporting the sustainable growth of society, in consideration of not only the present global environment but also the planet in the future. We recognize the importance of maintaining a management foundations with integrity and transparency to support our business activities, and, to that end, have set out the following as material issues to be addressed by Toshiba Group so as to increase our corporate value.

	Vision for 2030	Material Issues
For the irreplaceable global environment in which we live	Promote corporate activities with full consideration for the global environment throughout our value chain, from design, procurement, manufacturing, logistics and sales, through to disposal.	<ul style="list-style-type: none"> Respond to climate change Respond to the circular economy Consider ecosystems
For respect of human rights, to nurture people and technology, and to give back to society	Encourage every Group employee to feel pride and fulfillment in their work, and to harness creativity and technology in collaborating with business partners to realize rich value.	<ul style="list-style-type: none"> Secure, retain and train human resources Ensure employee health and safety Promote respect for human rights Promote sustainable procurement Strengthen R&D to stimulate innovation
For further strengthening thorough governance	Practice transparent corporate governance and optimal internal controls and execute management with integrity, trusted by stakeholders.	<ul style="list-style-type: none"> Strengthen governance Strengthen cyber resilience

By addressing these material issues, we will push forward with the strengthening of ESG in order to achieve our vision for 2030. In the area of the environment (E), we are working to achieve carbon neutrality and a circular economy while promoting activities that give consideration to ecosystems, such as responding to water risks and conserving biodiversity. In the area of society (S), we are working to realize a culture of respect for human rights as a prerequisite for nurturing people and technologies that create abundant value and give back to society. In the area of governance (G), we are working to strengthen governance and improve cyber resilience in order to achieve honest management.

KPIs

The Sustainability Strategy Committee decides on KPIs in line with material issues and we work on them. For FY2024, we revised some of the KPIs and introduced qualitative targets.

The Sustainability Promotion Committee monitors efforts related to these items to strengthen future initiatives.

For the Irreplaceable Global Environment in Which We Live

► **Environment: For the irreplaceable global environment in which we live**

Response to Climate Change



KPIs	FY2022	FY2023		FY2024
	Achievements	Targets	Achievements	Targets
Total GHG emissions from business and production sites*1	0.77 million t-CO ₂	0.98 million t-CO ₂	0.54 million t-CO ₂	—
Reduction rate of GHG emissions (Scopes 1**2+2*3) (compared to FY2019)	—	—	—	32% reduction
Reduction rate of GHG emissions (Scope 3*4) (compared to FY2019)	—	—	—	59% reduction
Reduction rate of GHG emissions from products and services associated with power supply (compared to FY2019)*5	70.4% reduction	13.6% reduction	62.5% reduction	—
Avoided GHG emissions through the use of products and services associated with renewable energy supply (cumulative total from FY2021)*6	50.33 million t-CO ₂	43.00 million t-CO ₂	60.74 million t-CO ₂	—
Avoided GHG emissions through the use of products and services associated with energy consumption (cumulative total from FY2021)*7	37.79 million t-CO ₂	57.00 million t-CO ₂	49.47 million t-CO ₂	—
Avoided GHG emissions through the use of products and services associated with energy consumption (cumulative total from FY2019)	—	—	—	108.00 million t-CO ₂

*1 CO₂ emissions from electricity are calculated using emission coefficients provided by power companies.

*2 GHG emissions through fuel use and industrial process at Toshiba Group (direct emissions)

*3 GHG emissions through use of electricity, heat, etc., purchased by Toshiba Group (indirect emissions)

*4 GHG emissions generated by Toshiba Group's value chain (raw materials procurement, distribution/logistics, sales, disposal, etc.) outside Scope 1 and 2 (indirect emissions)

*5 The reduction rate of GHG emissions from products and services associated with power supply (such as thermal power generation; compared to FY2019). The calculation method is as follows: GHG emissions from power generation for FY2021 onward due to newly installed or upgraded facilities are calculated to derive the reduction rate versus FY2019 emissions. The arithmetic mean for the results during the period of the Seventh Environmental Action Plan is used.

*6 Avoided GHG emissions by products and services associated with power supply (such as water, geothermal, and solar power generation). The calculation method is as follows: Obtain the difference between average GHG emissions per unit of all thermal power generation (coal, gas, and oil) and GHG emissions per unit of renewable energy generation and multiply it by output, operation rate, facility utilization rate, expected service life, etc. Aggregate the cumulative total volume of avoided GHG emissions due to power generation in FY2021 onward attributable to newly installed or upgraded facilities.

*7 Avoided GHG emissions by products and services associated with power consumption (such as social infrastructure products). The calculation method is as follows: Obtain the difference (for one year) between the total GHG emissions of assumed substitute products and the total GHG emissions of shipped products and multiply it by the expected service life.

See below for details of achievements and initiatives.

► **Response to Climate Change**

Response to the Circular Economy



KPIs	FY2022	FY2023		FY2024
	Achievements	Targets	Achievements	Targets
Volume of waste from business and production sites* ¹	0.30 million t	0.25 million t	0.23 million t	—
Reduction of total waste volume from business and production sites (per unit improvement)* ²	—	—	—	2% reduction compared to FY2022
Amount of plastic resources recycled in products and services (cumulative total from FY2021)* ³	1,552 t	1,800 t	2,353 t	—
Amount of resources saved in products and services (cumulative total from FY2021)* ⁴	0.2 million t	0.4 million t	0.29 million t	—

*¹ Obtained by deducting the volume of objects with value from the total volume of waste generated (excluding sites engaged in waste treatment and power generation).
 *² Basic-unit goals: Activities are assessed using indicators such as nominal output, the number of products manufactured, the number of persons, and the total floor area.
 *³ Cumulative total volume of recycled plastics and bioplastics used over the three-year period.
 *⁴ Cumulative total volume of eight resources conserved due to lighter product weights and longer product service lives over the three-year period. The calculation method is as follows:
 [Total volume of input materials for assumed substitute products – Total volume of input materials for shipped products]

See below for details of achievements and initiatives.

▶ Response to the Circular Economy



Consider Ecosystems

KPIs	FY2022	FY2023		FY2024
	Achievements	Targets	Achievements	Targets
Reduction of the total amount of chemical substances emitted from business and production sites (per unit improvement)* ¹	Compared to FY2021 9% improvement	Compared to FY2022 1% improvement	Compared to FY2022 1.1% improvement	—
Reduction of the amount of water received at business and production sites (per unit improvement)* ¹	Compared to FY2021 Deterioration by 4%	Compared to FY2022 1% improvement	Compared to FY2022 Deterioration by 16%	Compared to FY2022 2% improvement
Expanded contributions to the “7 GBF Targets” of focus in biodiversity conservation activities* ²	—	—	—	Set by location

*¹ Basic-unit goals: Activities are assessed using indicators such as nominal output, the number of products manufactured, the number of persons, and the total floor area.
 *² GBF (Global Biodiversity Framework) refers to the “Kunming-Montreal Global Biodiversity Framework” formulated in the 15th Conference of the Parties to the Convention on Biological Diversity (COP15) held in December 2022.
 This is a set of global goals for biodiversity conservation that consists of a 2050 vision, a 2030 mission, 2050 goals, and 2030 targets (consisting of 23 activity targets and other elements).
 The seven targets are seven targets among the “2030 targets” for achieving “Nature Positive”—specifically, “Target 3: 30 by 30,” “Target 4: Species and gene conservation,” “Target 6: Invasive species control,” “Target 7: Pollution prevention/reduction,” “Target 8: Climate change measures,” “Target 11: Utilization of nature’s regulatory functions,” and “Target 12: Securing green and water-friendly spaces”—and Toshiba Group aims to contribute to achieving these at its approximately 60 sites in Japan and overseas.

See below for details of achievements and initiatives.

▶ Consideration of Ecosystems

Environmental Future Vision 2050

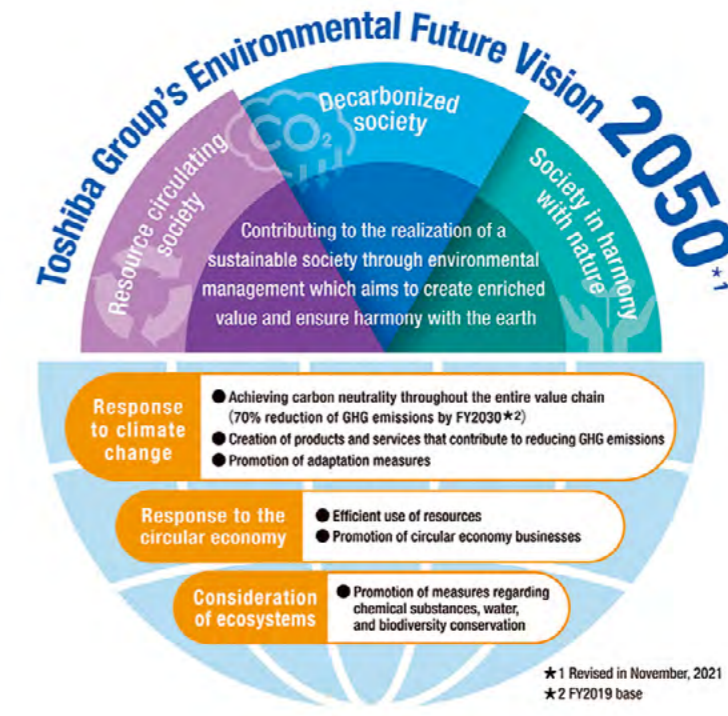
In recent years, climate change, the depletion of energy and resources, and various other environmental issues have intensified, to the point where they threaten the safe, secure lives of future generations. With regard to climate change in particular, given the impacts of floods, droughts, and enormous typhoons in many parts of the world, the 2015 adoption of the Paris Agreement*¹ has accelerated the movement toward carbon neutrality in each country. In the face of these circumstances, companies must recognize the importance of climate change from a long-term perspective and proactively respond in order to achieve carbon neutrality.

In addition, over the last several years, countries worldwide have been trying to address issues such as the transition to a circular economy, water resources, biodiversity conservation, and marine plastics and society’s interest in such issues are on the rise. Meanwhile, the dissemination of the SDGs, the expansion of ESG investment, and other movements involving corporate management aimed at sustainability overall are gaining momentum.

Amid these changing circumstances, we consider it important to continue providing enriched value to customers while responding to global trends from a long-term perspective in order to contribute to the realization of a sustainable society and to aim to grow sustainably as a company. As such, Toshiba Group formulated the Environmental Future Vision 2050*² as a new long-term vision in November 2020 to address carbon neutrality, the circular economy, and other issues from a global perspective. With the goal of “contributing to the realization of a sustainable society through environmental management which aims to create enriched value and to ensure harmony with the earth,” the Environmental Future Vision 2050 aims to realize a sustainable society—in other words, a decarbonized society, a resource circulating

society, and a society in harmony with nature. Under the same concept of backcasting*³ which has been incorporated at the formulation of the previous Vision from 2007, we will promote the implementation of initiatives in three areas, response to climate change, response to the circular economy and consideration of ecosystems, to realize the ideal situation in 2050.

*¹ The Paris Agreement is an international framework adopted at the 21st session of the Conference of the Parties (COP21) that seeks to reduce the volume of greenhouse gas (GHG) emissions. It aims to restrain the increase in the global average temperatures to less than 2°C from the pre-industrial level and to pursue efforts to limit the temperature increase even further to 1.5°C. To this end, the Agreement’s target is to lower the volume of GHG emissions to substantially zero by the latter half of this century.
 *² We partially revised our vision in November 2021 and set a target to reduce GHG emissions across the entire value chain by 70% compared to FY2019 by 2030.
 *³ Backcasting is a method that defines a desired goal and works back through the series of actions necessary for its achievement.



For Respect of Human Rights, to Nurture People and Technology, and Giving Back to Society

▶ Social: For respecting human rights, to nurture people and technology, and to give back to society

Secure, Retain and Train Human Resources



KPIs	FY2022	FY2023		FY2024
	Achievements	Targets	Achievements	Targets
Percentage of female employees in executive and in managerial positions (Percentage of female exempt employees)* ¹	5.8%	6.5%	6.2%	7.2%
Engagement score* ²	57 points	57 points	57 points	58 points
Number of AI experts* ³	2,100	2,200	2,300	—
Percentage of employees using AI* ⁴	—	—	—	30%

*¹ For full-time employees at Toshiba, Toshiba Energy Systems & Solutions Corporation, Toshiba Infrastructure Systems & Solutions Corporation, Toshiba Electronic Devices & Storage Corporation, and Toshiba Digital Solutions Corporation
 *² All Group companies participating in the survey are included. (Reference: In FY2022, 87 Toshiba Group companies in Japan and overseas, and in FY2023, 95 Toshiba Group companies in Japan and overseas participated.)
 *³ At Toshiba, Toshiba Energy Systems & Solutions Corporation, Toshiba Infrastructure Systems & Solutions Corporation, Toshiba Electronic Devices & Storage Corporation, Toshiba Digital Solutions Corporation, Toshiba Tec Corporation, Toshiba Elevator and Building Systems Corporation, Toshiba Lighting & Technology Corporation
 *⁴ Employees throughout the entire Toshiba Group in Japan who use PCs in their daily work.

See below for details of achievements and initiatives.

- ▶ [Fair Evaluation and Talent Development](#)
- ▶ [Promotion of DEIB \(Diversity, Equity, Inclusion, Belonging\)](#)

Ensure Employee Health and Safety



KPIs	FY2022	FY2023		FY2024
	Achievements	Targets	Achievements	Targets
Fatalities due to work-related accidents	1	Zero (no accidents)	3	Zero (no accidents)
Severity rate of work-related accidents* ¹	0.005	0.010* ² or less	0.103	0.010* ² or less
Ratio of employees with metabolic syndrome* ¹	34.6%	Same as the previous fiscal year or less	34.6%	Same as the previous fiscal year or less
		28.6% or less* ³ by the end of FY2025		

*¹ At Toshiba and Toshiba Group in Japan
 *² The target value is the average value (value published by Ministry of Health, Labour and Welfare) for the electrical appliance industry (companies of 1,000 employees or more) for 2020
 *³ The 2019 national average (value published by Ministry of Health, Labour and Welfare) was decided as the target value at the OHS Management Conference held in the first half of FY2020

See below for details of achievements and initiatives.

- ▶ [Ensure Employee Health and Safety](#)

Respect for Human Rights



KPIs	FY2022	FY2023		FY2024
	Achievements	Targets	Achievements	Targets
Rate of human rights-related seminars and workshops for sustainability leaders held	100%* ¹	100%* ¹⁺²	100%* ¹⁺²	—
Participation rate in human rights education programs (e-learning) under the Standards of Conduct for Toshiba Group	99%	100%	99.6%	100%
Human rights due diligence initiatives (a) Implementation rate of human rights impact assessments in our own company's businesses	100%* ¹	—	—	—
Human rights due diligence initiatives (b) Implementation rate of the survey on the actual conditions and the measures for correction, prevention, and mitigation	—	100%* ²	N/A* ³	—
Human rights due diligence initiatives Percentage of companies monitoring the actual status using the Risk Assessment Program (RAP) for Group companies* ⁴	—	—	—	100%

*¹ At Toshiba, Toshiba Energy Systems & Solutions Corporation, Toshiba Infrastructure Systems & Solutions Corporation, Toshiba Electronic Devices & Storage Corporation, Toshiba Digital Solutions Corporation, Toshiba Tec Corporation, Toshiba Elevator and Building Systems Corporation, Toshiba Lighting & Technology Corporation, and Toshiba Plant Systems & Services Corporation
 *² Group companies identified as high risk in human rights impact assessments
 *³ The implementation rate is difficult to quantify, so it is N/A (for the actual initiatives, see the "Respect for Human Rights" page).
 *⁴ Companies covered by RAP (80% of Toshiba Group companies)

See below for details of achievements and initiatives.

- ▶ [Respect for Human Rights](#)

Promote Sustainable Procurement



KPIs	FY2022	FY2023		FY2024
	Achievements	Targets	Achievements	Targets
Obtaining consent for the Toshiba Group Procurement Policy from new suppliers	100%	100%	100%	100%
Number of companies where we conducted our Sustainable Procurement Survey* ¹	12,622	13,000	13,014	13,000
Implementation rate of sustainable procurement training for Group procurement employees* ²	41%	100%	100%	100%

*¹ Sustainable Procurement Survey: a survey to evaluate suppliers' CSR initiatives. Conducted 100% at key suppliers.
 *² Excluding Toshiba Tec Corporation

See below for details of achievements and initiatives.

- ▶ [Promote Sustainable Procurement](#)
- ▶ [Fair Trading \(Risk Management and Compliance\)](#)
- ▶ [Procurement](#)

Strengthen R&D to Stimulate Innovation



See below for details of achievements and initiatives.

- ▶ [Strengthen R&D to Stimulate Innovation](#)
- ▶ [Technologies](#)

For Further Strengthening Thorough Governance

- ▶ [Governance: For further strengthening thorough governance](#)

Strengthen Governance



KPIs	FY2022	FY2023		FY2024
	Achievements	Targets	Achievements	Targets
Percentage of outside directors on Toshiba's Nomination Committee, Audit Committee, and Compensation Committee*	100%	100%	100%	—
Establishment and strengthening of governance systems under the new management structure	—	—	—	(Qualitative)
Compliance score in the employee engagement survey	(67 points)	(67 points)	—	68 points

*Toshiba Corporation. Until December 2023 (The committees were abolished due to a change in the system.)

Strengthen Cyber Resilience



KPIs	FY2022	FY2023		FY2024
	Achievements	Targets	Achievements	Targets
Self-assessment of cyber security management maturity*	3.4	Higher than previous fiscal year (upon reaching 4, remain at 4 or higher)	3.58	Higher than previous fiscal year (upon reaching 4, remain at 4 or higher)

*At key Group companies, Toshiba Elevator and Building Systems Corporation, Toshiba Lighting & Technology Corporation, Toshiba Plant Systems & Services Corporation, and Toshiba Development & Engineering Corporation

See below for details of achievements and initiatives.

[▶ Cyber Security Report](#)

[▶ Cyber Security](#)

Material Issues Identification Process

Before re-identifying material issues, Toshiba Group extracted and organized issues with reference to the SDGs, which are universal social issues, the Global Risks Report published by the World Economic Forum (WEF), and guidelines including the SASB Standards. We narrowed them down to those of priority, evaluating them by their closeness to the businesses specified in the Mid-term Business Plan that starts in FY2022 and their importance in terms of strengthening the foundations to drive businesses. External experts then reviewed the draft of the selected issues. In August 2021, the Sustainability Strategy Committee chaired by the President and CEO confirmed the selection.

The following month, the re-identified issues were reported to the Executive Session of the Board, as it was then known. Today, the Sustainability Strategy Committee continues to monitor progress on the issues, and regularly reports on them to the Board of Directors for oversight and guidance.

Material Issues Identification Process



[▶ Sustainability Management](#)

Response to Climate Change (Information Disclosure Based on the TCFD Recommendations)

Toshiba Group has identified “Response to climate change” as one of its materiality issues and has positioned achieving carbon neutrality as a key management issue. As part of our Environmental Future Vision 2050, we are working to achieve carbon neutrality throughout our value chain by FY2050 by promoting initiatives at our business and production sites as well as initiatives for our products and services.

To reduce Scope 1*¹ and 2*² emissions, we focus on reducing the energy used in production processes, promoting the introduction of energy-efficient processes and equipment, expanding the utilization of renewable energy, and so on.

For Scope 3*³ we focus on reducing emissions in categories 1*⁴ and 11*⁵ which have particularly high emissions, and we work to encourage suppliers to act by conducting surveys and evaluating their initiatives as well as to develop products and technologies that contribute to achieving carbon neutrality.

In addition to “mitigation measures” to reduce greenhouse gas (GHG) emissions, as “adaptation measures” to prepare for the impacts of climate change, we are also promoting the development of related products and services, such as business continuity plan (BCP) measures for production and business sites as well as disaster prevention solutions.

*1 GHG emissions through fuel use and industrial process at Toshiba Group (direct emissions)

*2 GHG emissions through use of electricity, heat, etc., purchased by Toshiba Group (indirect emissions)

*3 GHG emissions generated by Toshiba Group's value chain (raw materials procurement, distribution/logistics, sales, disposal, etc.) outside Scope 1 and 2 (indirect emissions)

*4 GHG emissions from purchased goods and services

*5 GHG emissions from the use of products and services sold

[▶ Response to Climate Change at Our Sites](#)

[▶ Response to Climate Change in Products and Services](#)

[▶ Material Issues and KPIs](#)

[▶ Environmental Future Vision 2050](#)

[▶ Greenhouse Gas Emissions Across the Value Chain](#)

[▶ Toshiba Group Green Procurement Guidelines](#)

Information Disclosure Based on the TCFD Recommendations

We have endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which was established by the Financial Stability Board, regarding the disclosure of climate change information. We are also a member of the TCFD Consortium, which was established to promote actions by organizations in Japan in support of the TCFD recommendations. In accordance with the TCFD recommendations, Toshiba Group will continue to disclose information on the risks and opportunities climate change poses for our business, and will promote initiatives to reduce such risks and maximize such opportunities.

Governance

Toshiba Group has established an environmental management structure and is promoting group-wide initiatives to respond to climate change. Items of the Environmental Action Plan and priority measures related to climate change are formulated and progress is checked at Toshiba Group Environmental Management Committee, and the content is reported to Sustainability Strategy Committee and the Board of Directors.

[▶ Environmental Management Structure](#)

Strategy

As global warming continues and temperatures rise, we are likely to experience more natural disasters including typhoons and floods, which seriously affect people's daily lives and society. Other concerns include sea level rise and droughts due to low precipitation. To respond to these impacts, the world is accelerating the movement toward achieving carbon neutrality by lowering GHG emissions to net zero.

Toshiba Group has been driving responses to climate change, aiming to achieve carbon neutrality throughout its value chain. In addition to reducing GHG emissions within the Group, we are actively implementing measures in each stage of the value chain, including creating more products and services that contribute to reducing GHG emissions in society and cooperating with suppliers to reduce upstream emissions.

To realize highly resilient corporate management as society changes in various ways due to the impact of climate change, it is important to respond appropriately by grasping the risks and opportunities related to climate change facing Toshiba Group.

Under Sustainability Strategy Committee chaired by the President and CEO, we conduct scenario analyses for each business domain to grasp and consider countermeasures for climate change-related risks and opportunities.

Setting scenarios

In scenario analyses, we set up the following two scenarios:

1.5°C scenario:

For mainly transition risks and opportunities, we use the Net Zero Emissions by 2050 (NZE) scenario created by the International Energy Agency (IEA), assuming a world where the temperature increases by 1.5°C compared to the level before the industrial revolution. This scenario predicts increase in costs due to carbon tax, energy saving related regulations, the introduction of renewable energy, etc., as well as increase in business opportunities due to growing demand for energy technologies to realize decarbonization and energy-saving products and services.

4°C scenario:

For mainly physical risks and opportunities, we use the RCP 8.5 scenario described in the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC), assuming a world where the temperature increases by more than 4°C compared to the level before the industrial revolution. Although this scenario does not predict an impact due to regulations and technology as the 1.5°C scenario does, the impact of physical damage such as greater risk of natural disasters like typhoons and floods caused by unusual weather may increase.

Analysis method

Scope:

To confirm the wider impact on all our main businesses, we expanded the targets of scenario analysis to the following seven business domains in FY2023. Since each domain has various businesses and the content and degree of impact of risks and opportunities vary according to the business, we conduct a detailed analysis for each business division to identify risks and opportunities that are specific to each business. Not stopping at the initiatives of our own company, the analysis covers the entire value chain including the upstream (suppliers) and downstream (customers, users).

- Energy Systems & Solutions Business
- Infrastructure Systems & Solutions Business
- Building Solutions Business
- Retail & Printing Solutions Business
- Electronic Devices & Storage Solutions Business
- Digital Solutions Business
- Other (Battery Business)

Time frames:

Three time frames are set (short, mid, and long-terms). We assumed the present to 3 years as the short-term in light of the period of the mid-term business plan, up to FY2030 as the mid-term in light of the setting periods of Toshiba Group's management policy and our GHG emissions reduction targets (mid-term), and up to FY2050 as the long-term in light of Toshiba Group's Environmental Future Vision 2050 and our GHG emissions reduction targets (long-term).

Analysis steps:

We conduct scenario analysis in line with the steps, "Risk importance assessment," "Definition of scenario groups," "Business impact assessment," and "Definition of countermeasures" based on the TCFD recommendations.

In the most recent scenario analysis, we used a common format in the business domains listed in the above scope. First, each business division identifies transition and physical risks and opportunities that climate change would pose to their respective business in line with

the two scenarios, "1.5°C" and "4°C," based on the risk and opportunity categories presented in the TCFD recommendations, in light of the relevant business circumstances. Then, each business division assesses the importance of each risk and opportunity in accordance with the company-wide assessment standards. We set (1) three levels of impact (assessed by impact on sales or expense amounts) and (2) three levels of likelihood (assessed by probability and frequency) as the assessment standards. By multiplying the two assessment results, we categorize the final importance into one of three levels: low, medium, and high. Note that in this report we have mainly disclosed risks and opportunities with medium and high importance based on the assessment results.

In addition, these analysis results were reviewed by related corporate staff divisions (Strategic Planning Division, IR Division, Sustainability Division, Environment Division) to reflect the viewpoint of each area of expertise. Moreover, of the risks and opportunities that have been identified and assessed, those with particularly high importance or those that are unique to each business are calculated for the amount of financial impact and countermeasure costs by setting parameters, and we will give priority to formulating countermeasures for such items.

Analysis results

The main results of the latest scenario analysis conducted in FY2023 are as follows.

Risks and Opportunities Common to Toshiba Group

Category	Main Risks	Importance	Main Countermeasures
Transition Risks	Policy and Legal	Medium	<ul style="list-style-type: none"> ▶ Introduction of the Internal Carbon Pricing system for suppressing increase in future energy costs and certificate and credit related costs ▶ Expanding the introduction of renewable energy ▶ Promotion of the development of environmentally conscious products with high energy saving performance <Response to Climate Change in Products and Services>
	Technology	Medium	<ul style="list-style-type: none"> ▶ Investment in the research and development of renewable energy related technologies and products and services with high energy saving performance <Strengthen R&D to stimulate innovation>
	Market	Medium	<ul style="list-style-type: none"> ▶ Appropriate and quick response to requests from markets and customers <Our philosophy and strategy> ▶ Formulation of a procurement plan for business continuity including securing multiple suppliers <Risk Management Using the Business Continuity Plan (BCP)>
	Reputation	Small	<ul style="list-style-type: none"> ▶ Promotion of initiatives and strengthening of information disclosure in light of requirements from outside the company <Evaluation by External Parties>
Physical Risks	<ul style="list-style-type: none"> • Suspended operations and increased response costs due to the impacts of natural disasters such as typhoons and floods (listed below) - Damage to production equipment - Impact on component procurement due to damage to suppliers - Impact on logistics and sales capabilities - Impact on employees 	Medium	<ul style="list-style-type: none"> ▶ Strengthening of business continuity plan (BCP) ▶ Securing multiple suppliers <Risk Management Using the Business Continuity Plan (BCP)>

Category	Main Opportunities	Importance	Main Countermeasures
Opportunities	<ul style="list-style-type: none"> • Increase in demand for technologies, products, and services that contribute to carbon neutrality 	Large	<ul style="list-style-type: none"> ▶ Provision of products and services that contribute to carbon neutrality - Provision of green transformation (GX) consulting service <Toshiba's GX Service (Japanese only)> - Development and provision of renewable energy related technologies, VPP, hydrogen solutions, CO₂ separation and capture technology <Initiatives for Carbon Neutral (Toshiba Energy Systems & Solutions Corporation)>

* "Transition Risks" and "Opportunities" in common risks/opportunities are mainly identified assuming the 1.5°C scenario. "Physical Risks" are identified assuming the 4°C scenario.

* "Importance" of common risks/opportunities is based on the assessment of "impact" and "likelihood" as described in the "Analysis steps" above, and is determined comprehensively considering other factors such as the status of our response to the risks/opportunities

Toshiba Group's Risks and Opportunities by Business

Risks and opportunities for each business domain also have been identified. Please refer to the following for details.

▶ [Toshiba Group's Risks and Opportunities by Business](#)

As a result of the scenario analysis for each business assuming the 1.5°C and the 4°C scenario, we identified different risk factors depending on the characteristics of each business. For example, technology and market risks of renewable energy-related products in the Energy Systems & Solutions business, policy and legal risks concerning GHG emissions in manufacturing processes in the Electronic Devices & Storage Solutions business, and risks related to human resources in the Digital Solutions business. As for opportunities, we also identified various business opportunities for each business, including renewable energy-related technologies, railway systems, disaster management solutions, high efficiency LED lighting, elevators with high energy-saving performance, POS systems and multifunction peripherals (MFPs), power semiconductors, ICT solutions that contribute to reducing GHG emissions, and automotive batteries.

■ Countermeasures

Some of the countermeasures for risks and opportunities that were identified and assessed in the above scenario analysis are incorporated into the mid-term business plan of each business domain, and measures are promoted. Risks and opportunities of high importance will continue to be reflected in mid-term business plans, and their progress will be managed regularly.

Toshiba Group has declared that it regards the social trend toward carbon neutrality as an opportunity and will contribute to achieving carbon neutrality by building infrastructure and a data society through business activities. To increase this policy's effectiveness, we first launched a Group-wide project in FY2022 to formulate a GHG emissions reduction roadmap that incorporates specific measures toward achieving carbon neutrality at our own business and production sites, and we are now promoting implementation. In addition, to contribute to carbon neutrality for society as a whole, we have established a structure to promote our business quickly and effectively by making organizational changes to strengthen our energy aggregation business in FY2022.

Going forward, we will continue to link scenario analysis results to Toshiba Group's business strategy and engage in resilient business management while appropriately responding to risks and opportunities.

▶ [Our philosophy and strategy](#)

▶ [Response to Climate Change at Our Sites](#)

▶ [Response to Climate Change in Products and Services](#)

▶ [Initiatives for Carbon Neutral](#) (Toshiba Energy Systems & Solutions Corporation)

Risk Management

Toshiba Group's risk management concerning climate change is incorporated into the company-wide risk management process. For business risks that have significant impact on management including climate-related risks, we clarify management decision criteria, permissible risk limits, and corporate policy on business withdrawal in making management decisions to achieve Toshiba Group's sustainable growth and increase corporate value. In addition, for each risk case, the Business Risk Review Committee conducts risk assessment, identifies the maximum risk, and establishes items for monitoring.

Matters of particular importance are discussed at the Management Meeting. The Business Risk Review Committee meeting is held several times monthly as matters arise. We have added climate-related risks (policy and legal risks, technology risks, market risks, reputation risks, and physical risks) based on the TCFD recommendations to the business risk criteria and will work to strengthen the assessment processes concerning climate change going forward.

With regard to risk management specialized for climate change, we identify risks and assess their importance as part of the scenario analysis for the main business domains, which are conducted under the Sustainability Strategy Committee. For the risks identified and assessed here, the Executive in charge of Sustainability and the Executive in charge of Environment bring them up to the Board of Directors meetings to be reflected in the Group's management strategy.

▶ [Structure of Risk Management and Compliance](#)

Metrics and Targets

Under our Environmental Future Vision 2050, we aim to achieve carbon neutrality throughout Toshiba Group's entire value chain by FY2050. As a milestone, we aim to reduce GHG emissions by 70% by FY2030 compared to the FY2019 level.



Toshiba Group's GHG reduction targets have been approved by the Science Based Targets*¹ initiative (SBTi) as "net zero targets" that are consistent with the goals of the Paris Agreement.*²

(For all items below, the base year is FY2019.)

Long-term target

- **Reduce GHG emissions throughout the value chain to net zero*³ by FY2050.**

Near-term targets

- **Reduce Scope 1 and Scope 2 GHG emissions by 70% by FY2030.**
- **Reduce Scope 3 GHG emissions by 70% by FY2030.**

*¹ SBTs are scientifically grounded GHG reduction targets set by companies on a medium- to long-term basis, in order to keep the global average temperature rise well below 2 °C above pre-industrial levels, and to pursue efforts to limit the temperature rise to 1.5 °C. Science-based targets are validated by SBTi.

*² An international framework adopted at the twenty-first session of the Conference of the Parties (COP21) that seeks to reduce GHG emissions.

*³ 90% reduction in gross emissions by 2050 at a rate consistent with a 1.5°C level reduction pathway, with the remaining carbon emissions removed from the atmosphere and permanently stored.

In addition, in order to monitor the progress made toward the above targets each year, we have set and are managing targets through to FY2026 in Toshiba Group's Environmental Action Plan. As of FY2023, reduction is progressing smoothly in all of Scope 1, 2, and 3 toward the achievement of the targets. We will continue to promote GHG reduction measures at each stage of the value chain.

▶ [Greenhouse Gas Emissions Across the Value Chain](#)

▶ [The Eighth Environmental Action Plan \(2024-2026\)](#)

For the results of Scope 1, 2, and Category 11 of Scope 3 (Emissions from the use of products and services sold), we undergo a third-party verification to ensure data reliability.

▶ [Third-party Verification](#)

Consideration of Ecosystems

Toshiba Group's business activities are deeply interrelated with the existence of natural capital, as we have sites located in areas with high water risks and sites which use and emit large volumes of water and chemical substances during production. Therefore, we have identified "Consideration of ecosystems" as one of our material issues and conduct activities that contribute to realizing a "nature positive world,"*1 helping create a society in which people live in harmony with nature and continue to enjoy the blessings of the ecosystems under Environmental Future Vision 2050.

*1 To halt and reverse biodiversity loss to put nature back on the path to recovery.

Assessment of Dependencies and Impacts on Natural Capital and Extraction of Priority Sites

To evaluate both the "impact of nature on our business activities" and "impact of our business activities on nature" from the perspective of "double materiality," Toshiba Group is assessing the dependencies and impacts of our business activities on nature based on the LEAP approach,*2 identifying nature-related risks and opportunities that may arise in the future, and considering countermeasures, by referring to the final recommendations issued by the Task Force on Nature-related Financial Disclosures (TNFD) in September 2023.

*2 A comprehensive approach to assessing nature-related issues such as points of contact with nature, dependencies on nature, impacts, risks, and opportunities consisting of four steps of Locate, Evaluate, Assess, and Prepare that are recommended by the TNFD.

(1) Assessing the dependencies and impacts on nature capital

Focusing primarily on approximately 60 production sites in Japan and overseas, we used the external tool ENCORE*3 to conduct scoring to clarify the dependencies and impacts within each site's business activities. Heat maps, as shown in Table 1 and Table 2, were created based on this analysis.

Heat map related to "dependencies" (Table 1)

Business domain		Energy Systems & Solutions										Infrastructure Systems & Solutions			Building Solutions		Electronic Devices & Storage Solutions		Retail & Printing Solutions		Other (Battery Business, etc.)	
Business operated		Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)	Infrastructure construction	Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)	Manufacturing (electronics)	Manufacturing (semiconductors)	Manufacturing (machinery, parts, etc.)	Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)	Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)	Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)	Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)	Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)	Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)	
Direct physical input	Animal-based energy																					
	Fibers and other materials																					
	Genetic substances																					
	Water supply																					
Product process	Maintaining habitats for juvenile fish, etc.																					
	Pollinating service																					
	Maintaining soil fertility																					
	Maintaining a healthy water flow (drought control, etc.)																					
	Water quality																					
Reduction of direct impact	Solid waste remediation																					
	Dilution by atmosphere and ecosystems																					
	Air filtration																					
	Attenuation of noise pollution																					
Attenuation of pollution other than noise																						

*3 A tool for assessing exposure to nature-related risks and understand dependencies and impacts on nature. Assessment is conducted using the latest database updated in July 2024. ENCORE (UN Environment Programme (UNEP))

High Medium Low

Business domain		Energy Systems & Solutions		Infrastructure Systems & Solutions			Building Solutions		Electronic Devices & Storage Solutions		Retail & Printing Solutions		Other (Battery Business, etc.)	
Business operated		Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)	Infrastructure construction	Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)	Recycling	Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)	Manufacturing (electronics)	Manufacturing (semiconductors)	Manufacturing (machinery, parts, etc.)	Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)
Protection from disruption	Soil erosion and sediment movement regulation													
	Global climate regulation													
	Local climate regulation													
	Biological control													
	Natural disaster mitigation (flood)													
	Natural disaster mitigation (storms)													
	Rainfall pattern regulation													
Culture aspect	Recreation-related services													
	Visual amenity services													
	Education, scientific, and research services													
	Spiritual, artistic, and symbolic services													

Heat map related to "impacts" (Table 2)

Business domain		Energy Systems & Solutions										Infrastructure Systems & Solutions			Building Solutions		Electronic Devices & Storage Solutions		Retail & Printing Solutions		Other (Battery Business, etc.)	
Business operated		Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)	Infrastructure construction	Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)	Recycling	Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)	Manufacturing (electronics)	Manufacturing (semiconductors)	Manufacturing (machinery, parts, etc.)	Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)	Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)	Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)	Manufacturing (electronics)	Manufacturing (machinery, parts, etc.)		
Change in land, water and sea use	Area of land use																					
	Area of freshwater use																					
	Area of seabed use																					
Use of resources	Use of water resources																					
	Other abiotic resource extraction																					
	Other biotic resource extraction (fish, timber, etc.)																					
Climate change	Emissions of GHG																					
	Emissions of non-GHG air pollutants																					
Pollution	Emissions of toxic pollutants to soil and water																					
	Emissions of nutrient pollutants to soil and water																					
	Generation and release of solid waste																					
	Disturbances (noise, light, etc.)																					
Other	Introduction of invasive species																					

Based on the results, we recognized again that our production sites are "dependent" on "provisioning services" such as water supply and "regulating and maintenance services" such as solid waste remediation, dilution by atmosphere and ecosystems, and rainfall pattern regulation, and that there are potential "impacts" on the state of nature, such as use of water resources at factories, emissions of GHG and non-GHG air pollutants, emissions of toxic pollutants to soil and water, generation and release of waste, and noise disturbances.

■ (2) Extracting priority sites

For items with a high degree of “dependencies” or “impacts” identified in the assessment in (1), we assessed the locations of activities (sites’ addresses) using relevant tools and indicators, and extracted priority sites based on the business scale and relevant environmental data.

The following are the items and number of sites within Toshiba Group that should receive priority consideration with regard to “dependencies” and “impacts” on nature, as extracted through the assessment. Based on these results, we will work to organize future risks and opportunities according to the LEAP approach, and strive to discover new insights and set new indicators and targets in the future.

Dependencies on Nature

Items	Number of sites that should receive priority consideration (priority sites)	Countries where the priority sites are located
Water supply	2 sites	Japan
Solid waste remediation*4	3 sites	Japan, Thailand
Dilution by atmosphere and ecosystems*5	1 site	Japan
Rainfall pattern regulation*6	1 site	Japan

Impacts on Nature

Items	Number of sites that should receive priority consideration (priority sites)	Countries where the priority sites are located
Use of water resources	4 sites	Japan, Thailand
Emissions of non-GHG air pollutants	3 sites	Japan, U.S., China
Emissions of toxic pollutants to soil and water	13 sites	Japan, U.S., China, India, Vietnam
Generation and release of solid waste	2 sites	Japan

The above results indicate sites that were extracted as those that should receive priority consideration for possible future risks, and do not represent locations where risks currently occur. Toshiba Group is thoroughly implementing activities for risk reduction at its sites around the world, including Japan, such as setting and managing voluntary control standards to prevent pollution.

*4 The natural process of environmental pollution remediation by degrading, reducing, or detoxifying pollutants by microorganisms, plants, algae, etc.

*5 The process of diluting gas, liquid and solid waste generated by business activities with water (fresh water and salt water) and atmosphere.

*6 The effect of vegetation, especially forests, on maintaining rainfall patterns through evapotranspiration on a subcontinental scale.

For details on the assessment methods related to dependencies on and impacts on natural capital, as well as priority sites, please refer to the following:

▶ [Towards the Realization of a Society in Harmony with Nature](#)

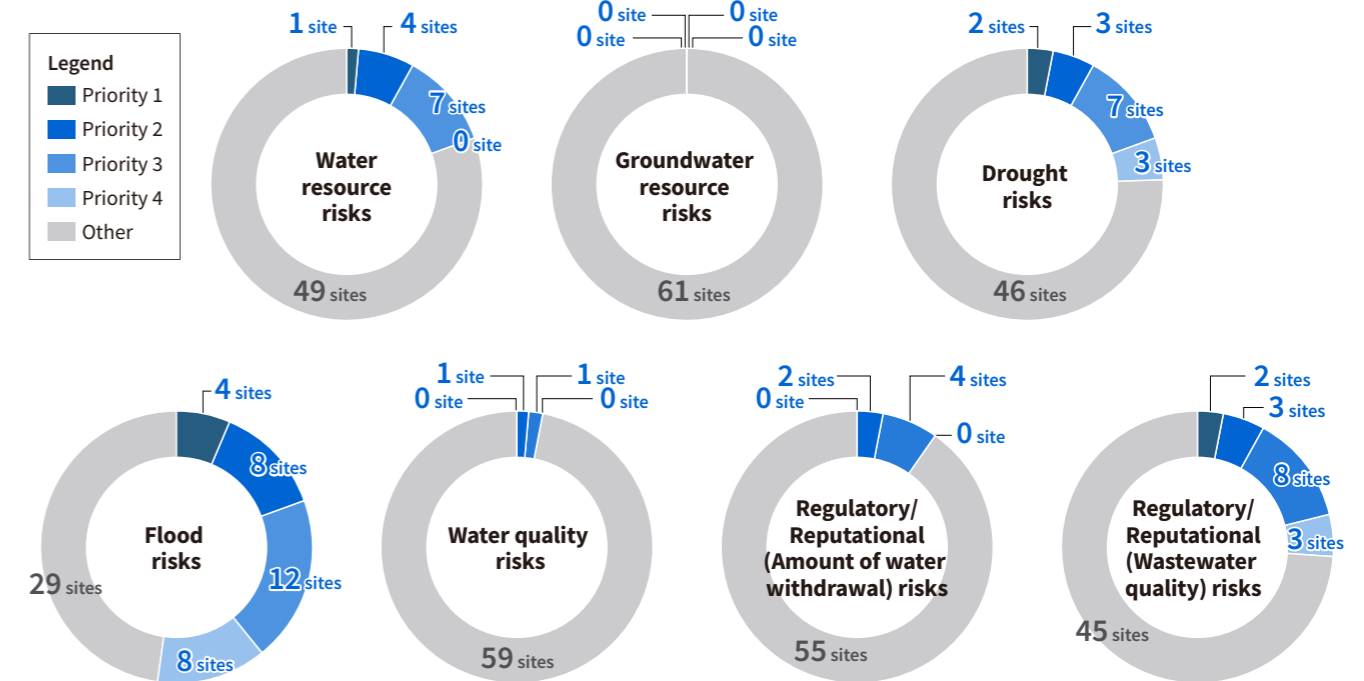
Water Risk Assessment

Toshiba Group, encompassing many businesses, has businesses with large impacts on water resources among natural capital.*7 In addition, since our sites are located in various regions around the world, response to “water risks” is an important issue in our environmental management. Therefore, we assess and analyze “water risks” that affect corporate activities and are working to strengthen water risk management.

In the assessment, we first conducted the primary assessment using “Aqueduct,” a water risk assessment tool run by the World Resources Institute (WRI), along with implementation of a questionnaire survey of the target sites and analysis of hazard maps to supplement the assessment results, in order to obtain and develop data for each site. Through this process, we assessed the water risks of river basins (external factor assessment) on a five-point scale (very High/High/Medium/Low/very Low).

Next, from the sites with a high risk level identified as “very High” or “High” in the external factor assessment results, we chose high priority sites (Priority 1 to 4) taking into consideration the business impact level (Category 1 to 5) based on major indicators, including the amount of water withdrawal, amount of water discharged, and production output, then finally extracted sites with high water risks.

*7 Using a tool (ENCORE) to assess companies’ impacts on nature and the extent of their dependencies on nature, the impacts on land, freshwater and ocean use change; resource use; climate change; pollution, etc. are assessed for each business area.



Toshiba Group focuses on minimizing water risks at sites identified as high-risk through this assessment. Additionally, we contribute to resolving water issues in each region by providing products and services designed to mitigate water risks.

For details on the assessment methods and results related to water risks, please refer to the following:

▶ [Response to Water Risk](#)

Contribution to the “30by30 target”

The Kunming-Montreal Global Biodiversity Framework includes a target that aims to effectively conserve at least 30% of land and sea areas as sound ecosystems by 2030, commonly known as the “30by30 target” (Target 3). Since Toshiba Group has sites around the world and recognizes the sustainable use of land to be an important issue, we participate in the “30by30 Alliance for Biodiversity” established by the Ministry of the Environment as a first step toward directly contributing to the achievement of the “30by30 target.” Against this backdrop, Toshiba Lighting & Technology Corporation’s Imabari Complex in Ehime Prefecture is working with the local community to preserve Odagahama Beach, and in October 2023, the beach was certified as one of Nationally Certified Sustainably Managed Natural Sites,*8 then registered in the World Database on OECMs in August 2024 as an internationally important area for biodiversity conservation. Going forward, we will aim to contribute to expanding the number of such sites through nature conservation activities inside the premises and in the neighborhood in Japan, as well as collect information and consider how we can contribute to the target through our sites abroad.



▶ [Conservation of Biodiversity](#)

▶ [Case studies “Community-based biodiversity conservation activities at beaches and rivers” \(Toshiba Lighting & Technology Corporation Imabari Complex\)](#)

▶ [Odagahama Beach, where Toshiba Lighting & Technology Corporation’s Imabari Operations is conducting conservation activities in cooperation with the local community, has been registered in the World Database on OECMs \(Other Effective area-based Conservation Measures\)](#)

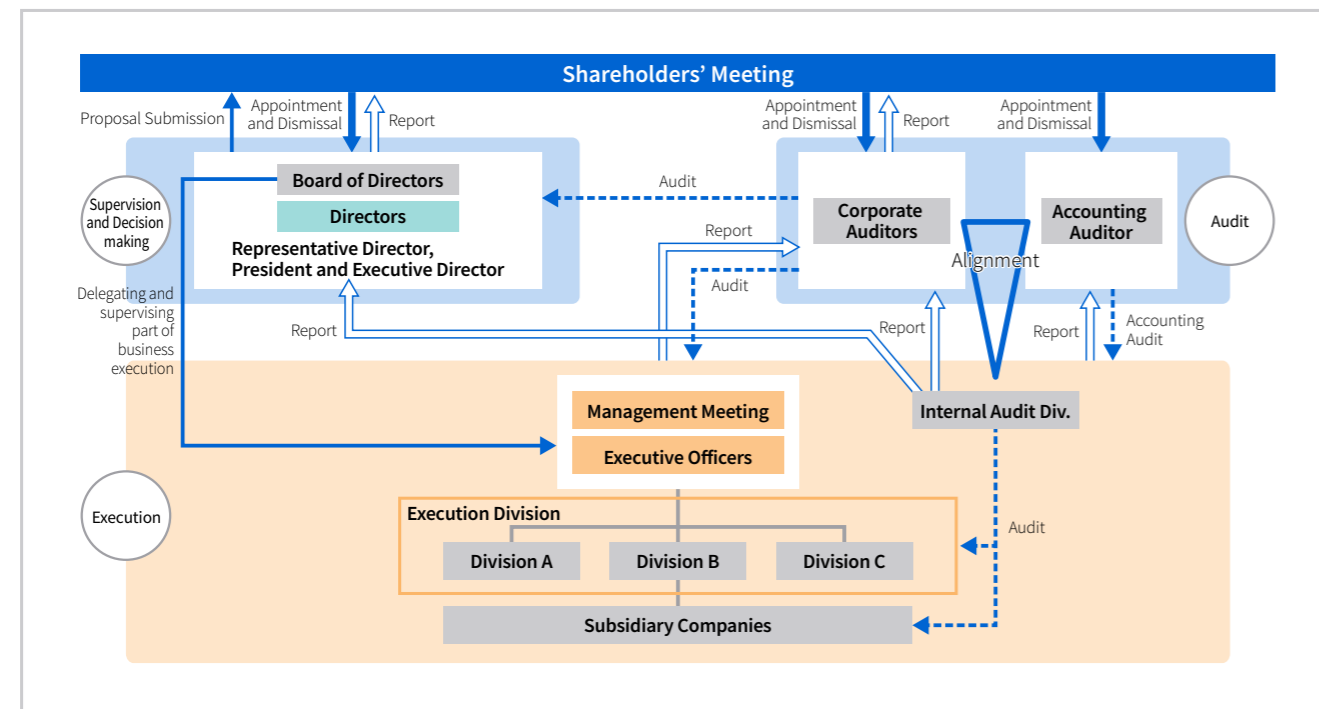
*8 Areas certified by the government as a place where biodiversity is conserved through private-sector initiatives. Certified areas, excluding those that overlap with protected areas, are registered in the World Database on OECMs (Other Effective area-based Conservation Measures; locations other than protected areas that contribute to biodiversity conservation).

Corporate Governance

Corporate Governance Structure

The basic policy and purpose of Toshiba's corporate governance are to realize sustainable growth and enhance enterprise value of the Group over the medium-to-long term, and to contribute to the interests of all stakeholders, including its shareholder, employees, customers, business partners, creditors, and local communities. Under this policy, the Company strengthens corporate governance.

The Company transitioned from a company with three statutory committees, including the nominating committee, to a company with a board of directors that has statutory auditors in December 2023. The Company's corporate governance structure is shown as follows:



Directors and Executives

Directors

As of January 1, 2025

Representative Director:	Taro SHIMADA Corporate Officer, President and Chief Executive Officer
Directors:	Hidemi MOUE Chairperson of the Board of Directors
	Shinichi INAGAKI
	Koji IKEYA Corporate Officer, Corporate Senior Executive Vice President
	Katsu HARASHIMA
	Satoru KATSUNO
	Akikazu IDA

Corporate Auditors

As of January 1, 2025

Corporate Auditors:	Yuko HIRAI
	Ayumi WADA
	Kazuya KOBAYASHI

Corporate Officers

As of January 1, 2025

Corporate Officer, President and Chief Executive Officer:	Taro SHIMADA President and CEO, Toshiba Corporation Representative Director, President and CEO of: Toshiba Energy Systems & Solutions Corporation; Toshiba Infrastructure Systems & Solutions Corporation; Toshiba Electronic Devices & Storage Corporation Director, President and CEO, Toshiba Digital Solutions Corporation
Corporate Officer, Corporate Senior Executive Vice President:	Koji IKEYA Senior Executive, Management Transformation Project Team, Strategic Planning Div., DX, Design & Communications Div., Finance & Accounting Control Div., Legal & Compliance Div., and Human Resources and Administration Div., Toshiba Corporation
Corporate Officer, Corporate Executive Vice President:	Fumiharu KOZUKA General Executive, Internal Audit Div., Toshiba Corporation
Corporate Officer, Corporate Senior Vice Presidents:	Shunsuke OKADA Senior Executive, Information Systems Div., General Executive, Next Business Development Div., DX, Design & Communications Div., and Digital Innovation Technology Center, Toshiba Corporation
	Takamasa MIHARA General Executive, Legal & Compliance Div., and Human Resources and Administration Div., Toshiba Corporation
	Yutaka SATA General Executive, Research & Development Center and Corporate Manufacturing Engineering Center, Assistant to Shunsuke OKADA, Corporate Officer, Corporate Senior Vice President (for Next Business Development Div. and Digital Innovation Technology Center), Assistant to Iwao TSUJI Corporate Officer, Corporate Vice President (for Corporate Technology Planning Div.), Toshiba Corporation
	Masaki HARUYAMA General Executive, Strategic Planning Div., Battery business, Building Solutions business, Energy System business (for Toshiba Plant Systems & Services Corporation), and Electronic Devices & Storage business (for NuFlare Technology, Inc.), Toshiba Corporation
Corporate Officer, Corporate Vice President and Chief Financial Officer:	Yasuhiro MATSUNAGA General Executive, Finance & Accounting Control Div., Toshiba Corporation
Corporate Officer, Corporate Vice Presidents:	Iwao TSUJI General Executive, Corporate Technology Planning Div., and Infrastructure Systems business, Assistant to Masaki HARUYAMA, Corporate Officer, Corporate Senior Vice President (oversees Toshiba Plant Systems & Services Corporation), Toshiba Corporation Director, Vice President, Toshiba Infrastructure Systems & Solutions Corporation Vice President, Security & Automation Systems Div., Toshiba Infrastructure Systems & Solutions Corporation
	Hiroshi TSUKINO General Executive, Digital Solutions business, Toshiba Corporation Director, Vice President, Toshiba Digital Solutions Corporation Vice President, ICT Solutions Div., Toshiba Digital Solutions Corporation
	Hiroshi KANETA General Executive, WEC Div., and Energy System business, Toshiba Corporation Director, Vice President, Toshiba Energy Systems & Solutions Corporation Vice President, Grid Solution Div., Toshiba Energy Systems & Solutions Corporation
	Noriyasu KURIHARA General Executive, Electronic Devices & Storage business, Toshiba Corporation Director, Vice President, Toshiba Electronic Devices & Storage Corporation Vice President, Semiconductor Div., Toshiba Electronic Devices & Storage Corporation

Corporate Officers

Corporate Officer, Corporate Vice Presidents:	Hirofumi YOSHINO Responsible for Railway Systems business, Toshiba Corporation Director, Vice President, Toshiba Infrastructure Systems & Solutions Corporation Vice President, Railway Systems Div., Toshiba Infrastructure Systems & Solutions Corporation
	Shinya FUJITSUKA General Executive, Management Transformation Project Team and Process Transformation Div., Assistant to Yutaka SATA, Corporate Officer, Corporate Senior Vice President (for Corporate Manufacturing Engineering Center), Toshiba Corporation
Corporate Officers:	Kazuya SAKAGUCHI Responsible for Social Systems business, Toshiba Corporation Director, Toshiba Infrastructure Systems & Solutions Corporation Vice President, Social Systems Div., Toshiba Infrastructure Systems & Solutions Corporation
	Koichi YANABE Responsible for Industrial Systems business, Toshiba Corporation Director, Toshiba Infrastructure Systems & Solutions Corporation Vice President, Industrial Systems Div., Toshiba Infrastructure Systems & Solutions Corporation
	Kenji KOBAYASHI Responsible for Defense & Electronic Systems business, Toshiba Corporation Director, Toshiba Infrastructure Systems & Solutions Corporation Vice President, Defense & Electronic Systems Div., Toshiba Infrastructure Systems & Solutions Corporation
	Shigehiro KAWAHARA Responsible for Energy Aggregation business, Toshiba Corporation Director, Toshiba Energy Systems & Solutions Corporation Vice President, Energy Aggregation Div., Toshiba Energy Systems & Solutions Corporation
	Takehiro KAI Responsible for Smart Manufacturing business, Toshiba Corporation Director, Toshiba Digital Solutions Corporation Vice President, Smart Manufacturing Div., Toshiba Digital Solutions Corporation Director, Toshiba Infrastructure Systems & Solutions Corporation Vice President, Smart Manufacturing Div., Toshiba Infrastructure Systems & Solutions Corporation
	Toshihiko TAKAOKA Responsible for Battery Div., Vice President, Battery Div., Toshiba Corporation
	Shin KUROSAWA Responsible for Storage Products business, Toshiba Corporation Director, Toshiba Electronic Devices & Storage Corporation Vice President, Storage Products Div., Toshiba Electronic Devices & Storage Corporation
	Kazuhiko NISHIKAWA General Executive, Information Systems Div., Toshiba Corporation
	Tsutomu TAKEUCHI Responsible for Power Systems business, Toshiba Corporation Director, Toshiba Energy Systems & Solutions Corporation Vice President, Power Systems Div., Toshiba Energy Systems & Solutions Corporation
	Takahide YOSHIDA General Executive, Marketing Div., and Branch Offices, Assistant to Shinya FUJITSUKA, Corporate Officer, Corporate Vice President (for Management Transformation Project Team), Toshiba Corporation
Minoru MUKAI Vice President, Corporate Research & Development Center, Toshiba Corporation	
Takao YAGI President, TOSHIBA CHINA CO., LTD.	

Policy on Risk Management and Compliance

Toshiba Group has set up three lines of internal control system, with the business divisions as the front line, the administrative divisions as the second, and the audit divisions as the third. This system effectively manages risks by assigning to each line a clearly defined role and requiring each line to adequately perform their duties through check and balances. Through this, Toshiba realizes effective risk management for coping with various risks in the changing business environment.

Toshiba was once designated as a “security on alert” due to the inappropriate accounting issues in 2015, but thereafter worked to improve its internal management system* and was reinstated to the first sections of Tokyo and Nagoya Stock exchanges in January 2021. While Toshiba became delisted from the stock exchanges on December 20, 2023, Toshiba will continue to maintain and reinforce our internal management system. Toshiba Group defines and works toward for thorough deployment of “Standards of Conduct for Toshiba Group (SOC)” as a concrete code of conduct and guidelines for fair, sincere and transparent business activities and for being an enterprise that contributes to realization of a sustainable society. Each Toshiba Group Company adopts their own SOC to be instilled within themselves.

Toshiba Group’s top management continually issues messages to communicate their commitment towards compliance and to foster a culture where compliance is top prioritized across the entire Group.

* For information on Toshiba’s efforts to improve its internal management system, please refer to the Report on Improvements of Internal Management System dated October 20, 2017 and the Progress Report on Improvements of Internal Management System dated July 25, 2018.

https://www.global.toshiba/content/dam/toshiba/migration/corp/irAssets/about/ir/jp/news/20171020_1.pdf

https://www.global.toshiba/content/dam/toshiba/migration/corp/irAssets/about/ir/jp/news/20180725_1.pdf

Response to Fraud

Toshiba Group maintains a policy of “zero tolerance” against fraud.

As a preventative action against fraud, every year we systematically organize scenarios of fraud risks in each particular business, including fraud risks in financial reporting and accounting. Then we conduct inspections on each Group company to ascertain the actual situation and strengthen guidance for improvement. In FY2023, we conducted inspections of fraud risks related to cash management, purchasing, and fixed asset management.

If fraud is uncovered, we conduct investigation for precisely finding the facts and identifying the root causes, seriously consider the facts, implement thorough recurrence prevention, and disclose information in a proper, timely manner as necessary. Employees involved in fraud will be subject to rigorous treatment, including disciplinary actions.

Structure of Risk Management and Compliance

Toshiba has risk management systems for compliance risks, as well as for business risks (uncertain factors in strategic decision-making and execution of business activities, that may prevent the achievement of business purpose and project objectives.)

To address compliance risks, we appoint a Chief Risk & Compliance Officer (CRO) who will oversee risk management and compliance for the entire Group. The executive officer in charge of Legal & Compliance Division serves as the CRO. Under the CRO, the Legal & Compliance Division responds to misconduct reports, works for global compliance and aims at strengthening Toshiba’s internal management system, promoting efficient risk management and compliance activities.

The CRO chairs the Risk Compliance Committee, which is attended by relevant executive officers, including the President & CEO. The Committee deliberates matters related to accounting compliance in response to the inappropriate accounting in 2015, and analyzes misconduct reports and incidents, both internal and external. At the Committee held in beginning of each fiscal year, the Committee evaluates impacts of risks and the status of risk control in accordance with the risk table that covers compliance risks based on the SOC, and then determines priority measures of that fiscal year. The Risk Compliance Committee is a second-line organization, but the Corporate Auditors and the head of the Internal Audit Division also attend at the Committee for sharing information and opinion with the third line. The matters discussed at the Committee are reported to the Board of Directors.

In response to the inappropriate accounting in 2015, Toshiba has worked to strengthen accounting compliance by establishing a special accounting compliance system. In order to further strengthen the overall compliance system, from FY2021, Toshiba evolved a system into one that encompasses accounting compliance and other compliance issues, and began promoting centralized management.

Toshiba operates a risk management system (RMS) incorporating a PDCA cycle* led by administrative divisions at the second line, for centralizing the status of compliance risk management at Toshiba Group Companies. In the RMS, we implement a Risk Assessment Program (RAP) to assess risks of Toshiba Group companies. Risks identified through the assessment are mitigated through the instructions of the administrative divisions, and are grasped and further mitigated by self-disciplined actions by the relevant business Divisions at the first line.

* Plan: Identification and assessment of risks; Do: creation and operation of rules; Check: review and fact-finding surveys; Action: formulation and implementation of improvement plans

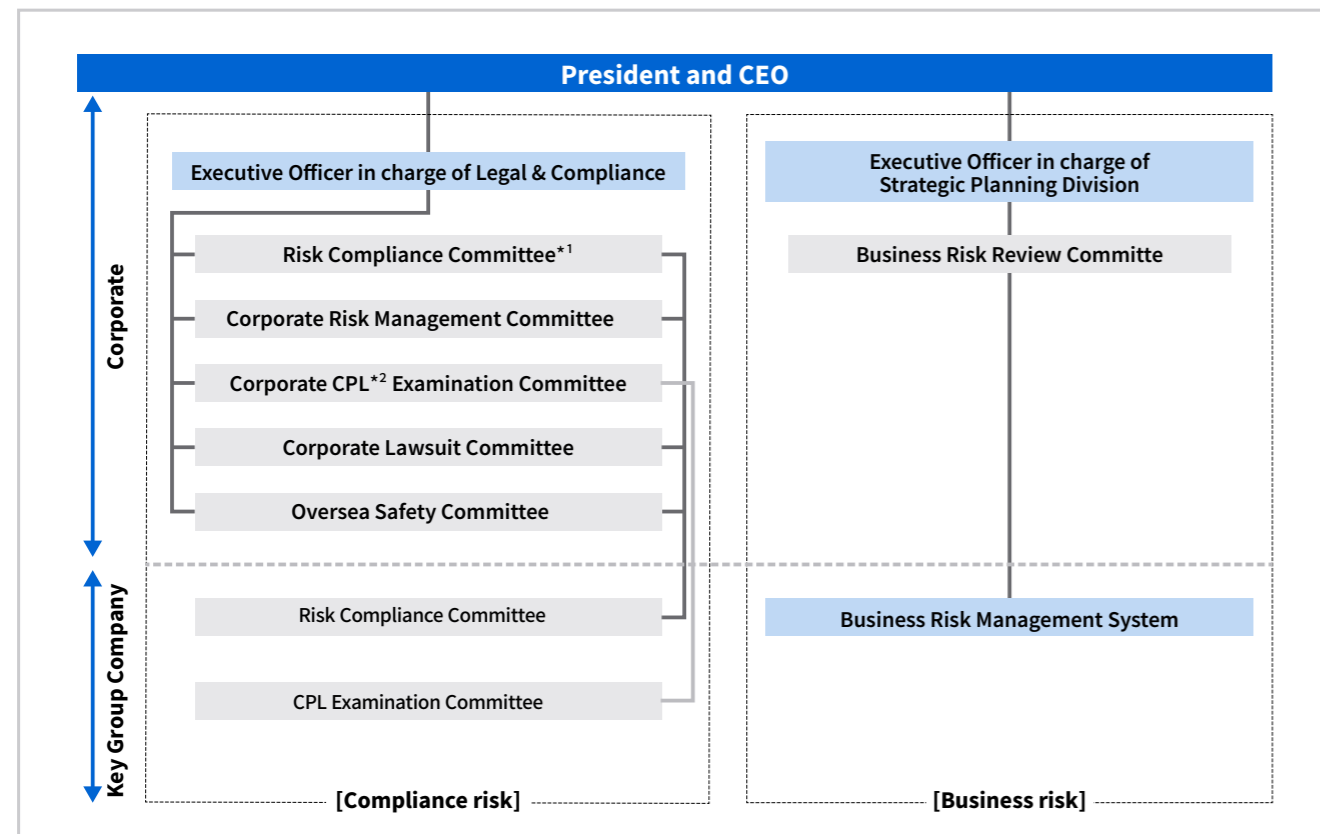
Furthermore, since FY2020, we have systematically organized fraud risk scenarios related to financial reporting and accounting, and conducted inspections at Group companies to understand the status of their fraud risk, while strengthening guidance to improve such status.

In the event of a serious compliance-related incident, there is a system in place by which such incident is reported immediately to the President and CEO, Corporate Senior Executive Vice President (SEV), CRO, Corporate Auditors among others, through the reporting system.

Under these systems, the relevant in-house committees, etc. promptly evaluate and implement countermeasures.

As for business risks, Toshiba makes management decisions for business execution by setting a clear management decision criteria aiming at Toshiba Group's sustainable growth and corporate value increase, permissible risk limits and corporate policy on business withdrawal. For each management decision case, the Business Risk Review Committee conducts risk checks, identifies the maximum risk, and establishes items for monitoring. In the future, we aim to build a system (ERM: Enterprise Risk Management) that integrates and centrally manages business risks and compliance risks.

Risk Management and Compliance Structure



*1 The Risk Compliance Committee manages matters related to the Standards of Conduct for Toshiba Group and matters related to risk management and compliance.

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

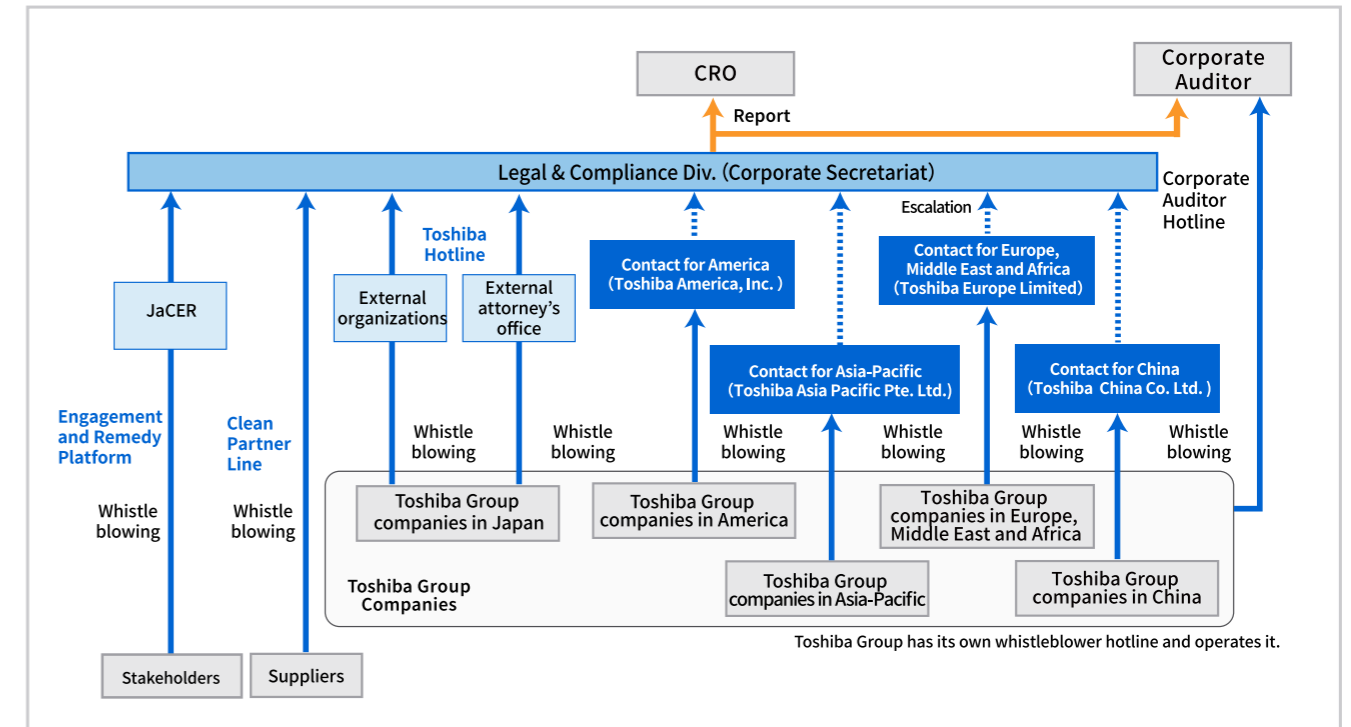
Points of Contact for Whistleblowing, Consultation and Remedy

Toshiba Group creates an open work environment by stimulating day-to-day communication in each workplace thereby preventing risks, and on the other hand, enhances its misconduct reporting (whistleblowing) system.

For reporting and consultation, we have established the Toshiba Hotline, the Toshiba Group Overseas Hotline, and the Corporate Auditor Hotline for our employees as well as the Clean Partner Line for business partners. In addition, we use the Engagement and Remedy Platform of the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) for receiving grievances/reports and consultation on human rights issues from all stakeholders.

The reporting system provides prompt, appropriate responses at all points of contact while giving due consideration to privacy. Specifically, each Group company has stipulated in its regulations a confidentiality obligation and a prohibition on unfavorable treatment of whistleblowers; has prepared manuals for persons in charge of misconduct reporting responses to ensure the same; and has continued to make improvements through periodic audits. We also provide training on the structure of the reporting system and make employees aware of its existence through e-learning and websites for employees. Toshiba Group in Japan maintains and operates a response system that complies with the amended Whistleblower Protection Act.

Toshiba's Whistleblower System



Export Control Policy

As indicated in Standards of Conduct for Toshiba Group, Toshiba Group's basic export policy is to refrain from any transaction that could potentially undermine international peace and security. We comply with all applicable export control laws and regulations of the countries and regions where we operate, for example Foreign Exchange and Foreign Trade Law in the case of Japan and U.S. export control laws and regulations with respect to transactions involving items of U.S. origin.

In accordance with the policy, Toshiba Group has established the Export Control Compliance Program (ECCP). Based on the program, we classify the goods and technology and screen transactions. In addition to periodic export control audits and education for all executives and employees, key Group companies and corporate staff divisions provide instructions and support to the Group companies they supervise.