

**TOSHIBA**

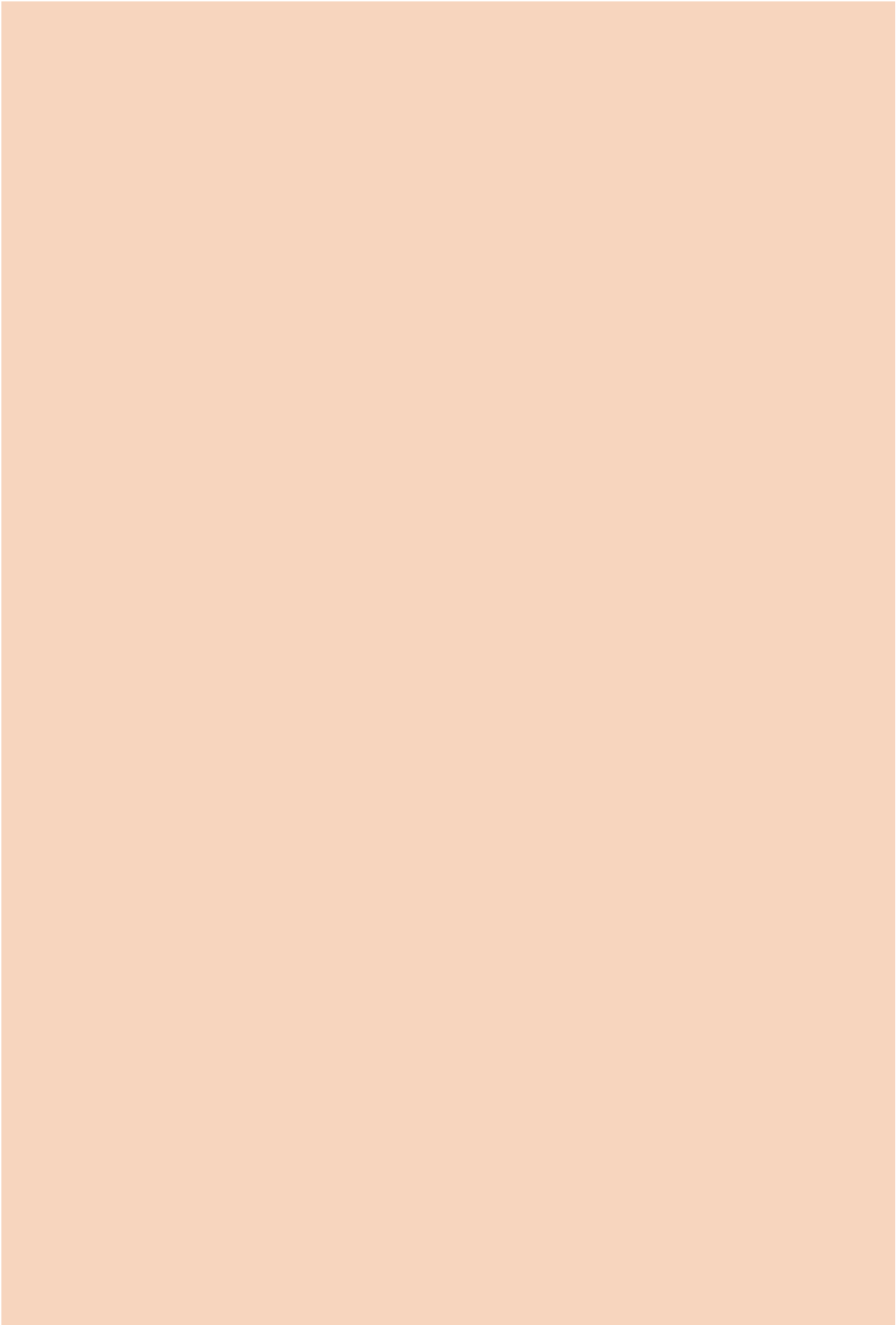
Leading Innovation >>>

2014

## CSR Report

Corporate Social Responsibility Report





# 2014

## CSR Report

Corporate Social Responsibility Report

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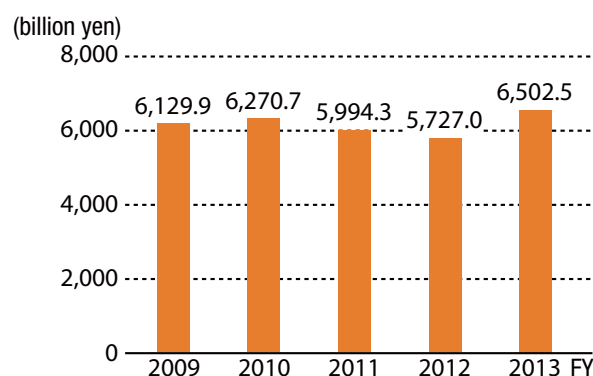
## Toshiba Group Business Overview

### Company Overview (as of March 31, 2014)

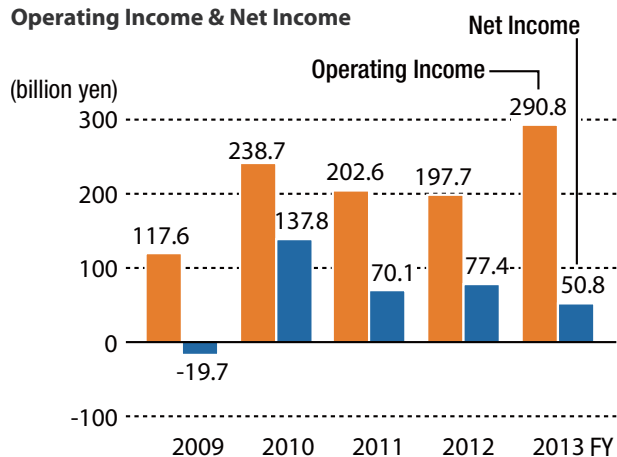
Company name	Toshiba Corporation
Headquarters address	1-1, Shibaura 1-chome, Minato-ku, Tokyo
Founded	July 1875
Paid-in capital	439.9 billion yen
Consolidated net sales	6,502.5 billion yen
Number of employees	200,260 (consolidated)
CSR-related international charters / guidelines Toshiba endorses	<ul style="list-style-type: none"> <li>• United Nations Global Compact</li> <li>• Global Reporting Initiative (GRI) "Sustainability Reporting Guidelines"</li> <li>• Electronic Industry Citizenship Coalition (EICC) Code of Conduct</li> </ul>
Number of shareholders	436,540
Number of shares issued	4,237,600,000 shares
Number of consolidated subsidiaries	598 (177 in Japan, 421 overseas)
Number of affiliates accounted for by the equity method	208
Stock exchange listings	Tokyo, Osaka, Nagoya
Membership in CSR-related organization	Electronic Industry Citizenship Coalition (EICC) Business for Social Responsibility (BSR) Council for Better Corporate Citizenship (CBCC) World Business Council for Sustainable Development (WBCSD)

### Financial Results (Consolidated)

#### Net Sales



#### Operating Income & Net Income



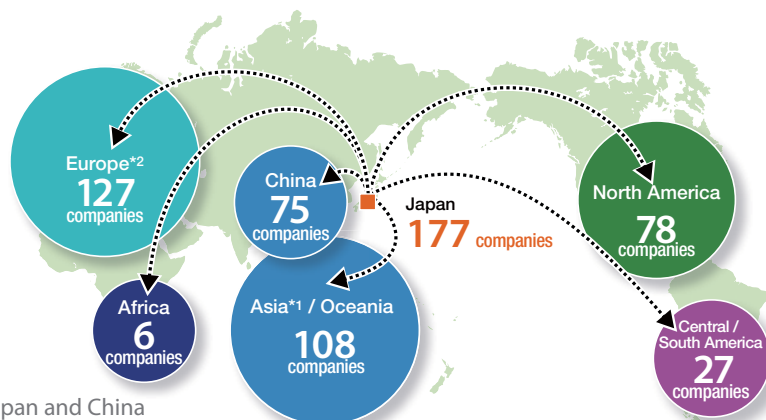
### Distribution of Economic Value to Stakeholders

Consolidated financial results for FY2013 indicate increases in net sales and operating income compared to the last fiscal year and an increase in distribution to suppliers, environment and the government/authorities.

Stakeholders	Amount distributed (billion yen) FY2013	Amount distributed (billion yen) FY2012	Calculation Method
Suppliers	6,211.7	5,529.3	Cost of sales (excluding personnel costs) and selling, general, and administrative costs (excluding personnel costs)
Employees	291.9	286.6	Data limited to Toshiba Corp. (figure derived by multiplying the total number of Toshiba Corp. employees by their average annual compensation, as mentioned in the Financial Reports)
Shareholders	39.0	42.5	"Dividends paid" on the cash flow statement
Creditors	33.7	32.7	"Interest" included in costs and expenses on the income statement
Government/ Authorities	96.3	59.3	Income taxes
Society	2.8	2.9	Expenditure for corporate citizenship activities* Details can be found in "Corporate Citizenship" page
Environment	56.6	43.1	Environment-related expenditure.* Equals environmental costs in environmental accounting.
Within company	16.9	43.5	Amount of net income minus dividends paid

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

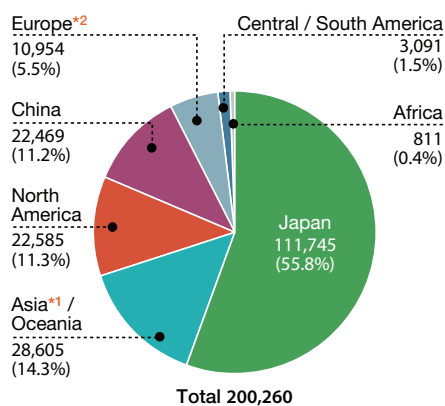
## Business Structure (Numbers in the Map Indicate Domestic & Overseas Consolidated Subsidiaries)



\*1 Excluding Japan and China

\*2 Including Russia

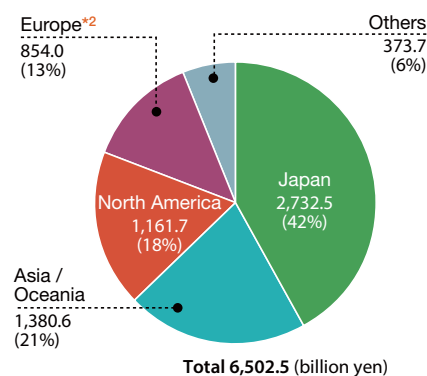
### Number of Employees by Region (as of March 31, 2014)



\*1 Excluding Japan and China

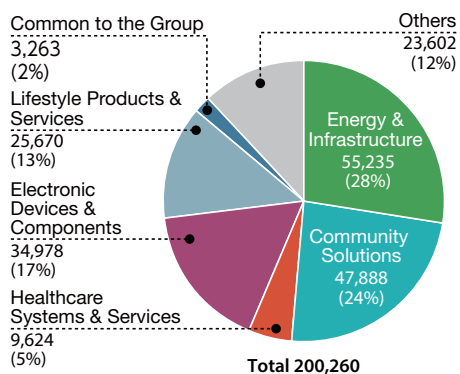
\*2 Including Russia

### Sales by Region (April 1, 2012 - March 31, 2014)

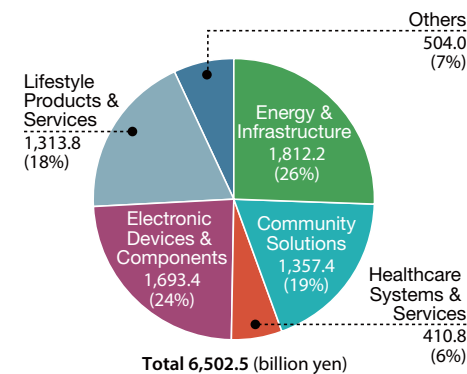


## Toshiba Group Business Domains

### Number of Employees by Business Domain (April 1, 2013 - March 31, 2014)



### Sales by Business Domain (April 1, 2013 - March 31, 2014)



Note: Eliminations of sales among segments were 589.1 billion yen

## CEO Commitment

We are channeling the powers of Toshiba's 200,000 employees into solutions to global issues.

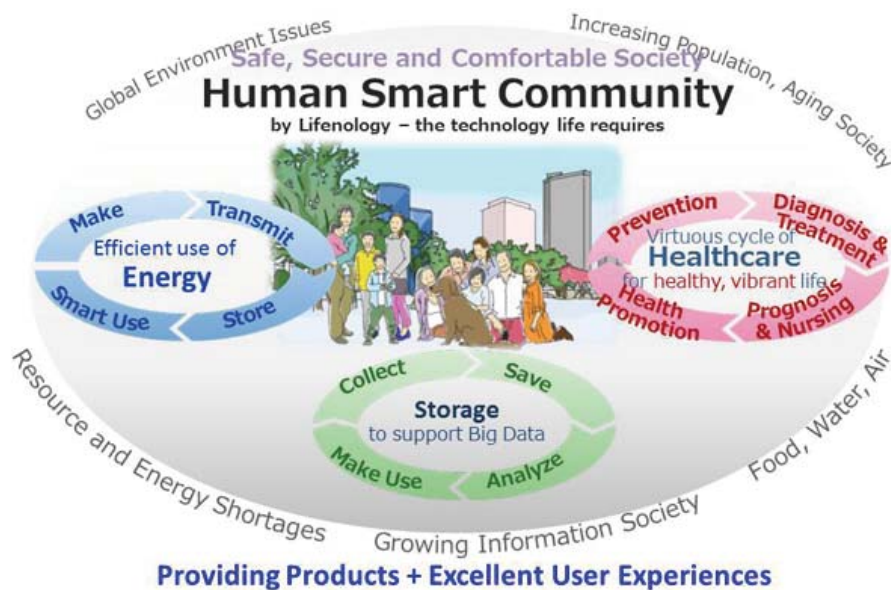
**Hisao Tanaka**  
Director, President and CEO



### Promoting CSR Management to Sustain a Safe, Secure and Comfortable Society

Our world today faces diverse social issues attendant with population growth, aging societies, fast growing demand for energy and shortages of natural resources, and global environmental problems. Toshiba Group is determined to actively contribute to solutions to these problems, and to support realization of the safe, secure and comfortable society of the Human Smart Community. Towards this end, Toshiba Group itself must achieve steady and sustainable growth.

In order to realize Toshiba Group's unique strategy for Growth through Creativity and Innovation, we will lay down solid foundations to promote CSR management, strong enough to support management policies that enhance business through value creation and productivity improvement. With this in mind, I will promote policies that develop diverse, talented, and creative global human resources.



Toshiba's Vision





## Meeting the Expectations of Our Many Stakeholders

To push forward with CSR management, my primary concerns as President and CEO are to bring together the concerted abilities of Toshiba Group's 200,000 employees, and to ensure that we place the highest priority on human life, safety and compliance. This will support us collaborating with all of our stakeholders and contributing to the achievement of a sustainable society through our business activities. Recently, we have worked with independent third parties to review issues and strategies to focus on in future, and we have identified human rights, supply chain CSR management and environmental issues as CSR-related issues crucial to our further globalization.

We believe that, as a global company, we are obliged to reinforce CSR initiatives in respect of human rights, labor, occupational health and safety, the environment and ethics. This concern covers not only group companies but extends to the suppliers in our worldwide supply chain. Acting on this conviction, we joined the Electronic Industry Citizenship Coalition (EICC)\*1, an electronic industry CSR promotion organization, in June 2011, and are promoting CSR management in line with the objectives of EICC's code of conduct. We recognize the conflict minerals originating in the Democratic Republic of the Congo and adjoining countries as a serious human rights issue. We have responded with Group-wide policies to require the use of conflict free minerals, and are requesting our suppliers to cooperate and provide sourcing information.

In support of climate change mitigation and tackling other environmental problems, we are implementing measures based on the long-term goals defined in the Environmental Vision 2050, and on near-term targets defined in our Environmental Action Plan. In the high-priority areas for the four Green Initiatives\*2, we have set FY2015 goals at higher levels than our competitors. In FY2013, we released T-COMPASS\*3 a powerful concept for further developing and expanding our environmental management. This visibly represents important and urgent worldwide environmental issues—minimization of natural resource consumption (Natural resources); mitigation of climate change (Energy); reduction of chemical substance risk (Substance); and minimization of water consumption (Water)—as the four cardinal compass points, N, E, S and W. T-COMPASS is supporting our concerted Group-wide efforts to identify key problems and find solutions.

Through FY2013, we have continued to support the restoration of Northeast Japan from the devastating effects of the major earthquake and tsunami that struck the region on March 11, 2011. We will continue these efforts by focusing on three core themes: human resource development, recovery of local industries, and rebuilding communities. At the same time, we continue to cooperate in the stabilization and decommissioning of the Fukushima Daiichi Nuclear Power Plant.

\*1: Electronic Industry Citizenship Coalition: an electronic industry CSR promotion organization

\*2: Greening of Products, Greening by Technology, Greening of Process and Green Management

\*3: Toshiba Comprehensive environmental database and its Practical Application to Simplified and/or Streamlined LCA

## CSR Management Supported by 200,000 Employees

I believe it is important for each and every one of Toshiba Group's 200,000 employees to fully understand the need for compliance, to contribute to the local community, and to carry out their responsibilities with a keen sensitivity to the expectations of our stakeholders. In 2004, Toshiba Group signed the United Nations Global Compact, which defines basic principles regarding human rights, labor, the environment and anti-corruption. To bring the spirit of the Compact into our daily business activities, we established the Toshiba Group Standards of Conduct, which define the values and code of conduct that must be observed by all Toshiba Group executives and employees.

As part of our efforts to encourage and promote corporate citizenship activities at all group companies, we created a corporate citizenship awards program, the Toshiba "ASHITA" Awards, in 2005. In FY2013, we received 1,616 nominations for the awards. In FY2013, in addition to the existing corporate citizenship award, we created a new award for contributions to solving social problems through business.

We are also working to raise the environmental consciousness of individual employees. For example, on June 5, World Environment Day, we held Toshiba Group Global Environmental Action events, in which Toshiba Group employees in countries around the world conducted environmental activities in unison.

I will continue to take the lead in concentrating the energy of the 200,000-plus people working for Toshiba Group around the world, to make it a group of companies that provides new value to customers and contributes to society on an ongoing basis, and in which each company works vigorously to achieve significant results. As I do so, I would greatly appreciate your continued support and cooperation.

## Corporate Philosophy

### Basic Commitment of the Toshiba Group

Toshiba Group's Corporate Philosophy emphasizes respect for people, creation of new value, and contribution to society.

The Group slogan – “Committed to People, Committed to the Future. TOSHIBA.” – expresses the essence of our corporate philosophy. We recognize that it is our corporate social responsibility (CSR) to put our philosophy and slogan into practice in our day-to-day business activities. In doing so, we accord the highest priority to human life and safety and to compliance.

## Basic Commitment of the Toshiba Group

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

### 1. Commitment to People

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

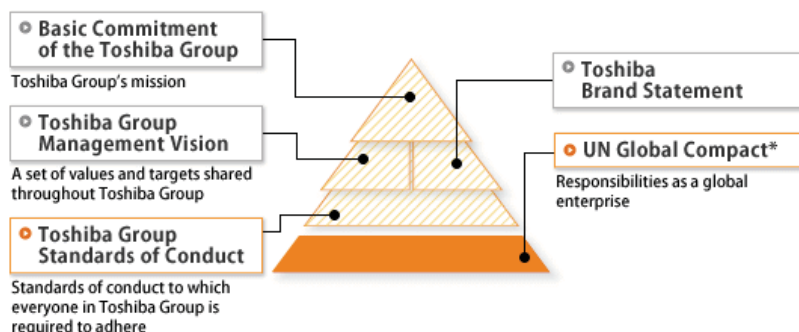
### 2. Commitment to the Future

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

Toshiba Group Slogan

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

### Framework of Toshiba Group's Management Philosophy



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



## Toshiba Group's CSR Management

CSR Management to support "Growth through Creativity"



CSR management means giving top priority to human life, safety, and legal compliance and contributing to the solution of problems in the global society through business.

In order to meet the expectations of stakeholders, it is our responsibility to communicate with various stakeholders in promoting CSR activities. Such activities must be supported by each and every one of Toshiba Group's 200,000 employees worldwide.

## Toshiba Group Standards of Conduct

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

### Introduction

#### Chapter 1

##### SOC for Business Activities

1. Customer Satisfaction
2. Production and Technology, Quality Assurance
3. Marketing and Sales
4. Procurement
5. Environment
6. Export Control
7. Competition Law
8. Government Transactions
9. Improper Payments
10. Engineering Ethics
11. Intellectual Property Rights
12. Accounting
13. Corporate Communications
14. Advertising

### Chapter 2

#### SOC for Corporate and Individual Relationship

15. Human Resources
16. Corporate Information and Company Assets

### Chapter 3

#### SOC for Community Relations

17. Community Relations
18. Political Contributions

#### Scope and Implementation

## Introduction

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

## Chapter 1 SOC for Business Activities

### 1. Customer Satisfaction

#### 1. Toshiba Group Corporate Policy

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

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

Directors and Employees shall:

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

## 2. Production and Technology, Quality Assurance

### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

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

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

Directors and Employees shall:

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

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

## 3. Marketing and Sales

### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

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

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

Directors and Employees shall:

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

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

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

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

#### 4. Procurement

##### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

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

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

Directors and Employees shall:

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

#### 5. Environment

##### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

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

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

Directors and Employees shall:

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

## 6. Export Control

### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

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

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

Directors and Employees shall:

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

## 7. Competition Law

### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

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

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

Directors and Employees shall:

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

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

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

## 8. Government Transactions

### 1. Toshiba Group Corporate Policy

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

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

Directors and Employees shall:

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

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

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

## 9. Improper Payments

### 1. Toshiba Group Corporate Policy

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

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

Directors and Employees shall:

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

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



## 10. Engineering Ethics

### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

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

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

Directors and Employees shall:

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

## 11. Intellectual Property Rights

### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

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

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

Directors and Employees shall:

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

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

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

## 12. Accounting

### 1. Toshiba Group Corporate Policy

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

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

Directors and Employees shall:

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

### 13. Corporate Communications

#### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

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

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

Directors and Employees shall:

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

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

### 14. Advertising

#### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

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

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

Directors and Employees shall:

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

### 15. Human Resources

#### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

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

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

Directors and Employees shall:

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

### 16. Corporate Information and Company Assets

#### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

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

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

Directors and Employees shall:

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

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

### 17. Community Relations

#### 1. Toshiba Group Corporate Policy

Toshiba Group Companies shall:

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

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

Directors and Employees shall:

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

### 18. Political Contributions

#### Toshiba Group Corporate Policy

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

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

Directors and Employees shall:

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

### 1. Scope of the SOC

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

### 2. Implementation of the SOC

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

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

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

### 4. Disciplinary Action

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

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

## Participation in External CSR Organizations

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

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

#### Membership in CSR-related organization

- UN Global Compact
- The Electronic Industry Citizenship Coalition (EICC)
- The World Business Council for Sustainable Development (WBCSD)
- The World Economic Forum (WEF)
- The Science and Technology in Society Forum (STS Forum)
- Busibess for Social Responsibility (BSR)
- Council for Better Corporate Citizenship (CBCC)

### UN Global Compact

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

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

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

- United Nations Global Compact "Communication on Progress (COP)"
- United Nations Global Compact



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



Certificate



## 10 Principles of the UN Global Compact

### Human Rights

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

### Labor Standards

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



### Environment

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

### Anti-Corruption

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

➤ The Ten Principles

## EICC Membership

The Electronic Industry Citizenship Coalition (EICC) is the electronics industry's CSR promotion organization in order to fulfill CSR for labor, occupational health and safety, the environment, and ethical standards throughout the supply chain. It is founded in October, 2004, and currently 95 companies all over the world were joined. (As of June 2014) Toshiba joined in June 2011 to promote supply chain CSR based on global standard.

➤ EICC



## World Business Council for Sustainable Development (WBCSD)

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



➤ WBCSD

## Participation in the World Economic Forum

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

➤ World Economic Forum

## Participation in the STS Forum

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

➤ STS Forum

## Participation in BSR

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Business for Social Responsibility (BSR) is an international nonprofitable association for CSR activities which is established in the U.S. in 1992. 250 or more global organizations and companies had participated as a member, and Toshiba joined in 2003.

We took place stakeholder dialog by the facilitate of BSR, or participated in Study Forum about human rights and supply chain CSR, etc.

➤ BSR



## Participated in CBCC

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Council for Better Corporate Citizenship (CBCC) is an association, established in 1989 by Keidanren (Federation of Economic Organizations), which supports Japanese company to be accepted by regional communities as "Good corporate citizen" as well as promotes CSR activities in practice. Toshiba joined CBCC from its establishment, and currently takes part in activity as a member of planning committee.

➤ CBCC



## History of CSR Activities

### 🌱 Concerned with environmental issues

2013	Organized "Business & Human Rights Workshop" for human resource managers from 9 Asian countries. Newly established "Social Contributions by Business" category to Social Contribution Award. Introducing T-Compass, a new concept of environmental management. 🌱
2012	Continued implementation of the PDCA cycle according to ISO 26000. Surveys of some 10,000 suppliers regarding their approaches to issues related to conflict minerals and CSR promotion. Achievement of 0.67 trillion yen in sales of excellent ECPs (Environmentally Conscious Products with the industry's highest level of environmental performance in terms of KPIs). 🌱 Donation of LED lighting to the Golden Hall of Chusonji Temple: this lighting improvement project with the temple won the Japan Lighting Award.
2011	Implementation of PDCA cycle of checking, identification of issues, planning, action, and evaluation based on ISO 26000. Established Toshiba Group Conflict Mineral Policy. Revised Toshiba Group Procurement Policy and requested that suppliers continue to promote CSR in the supply chain. Formulation of the Fifth Environmental Action Plan. 🌱 Reviewing the BCP based on the experience of the Great East Japan Earthquake and the floods in Thailand.
2010	Strengthened CSR management based on the principles of ISO 26000 Initiated workplace meetings focusing on integrity Introduction of a system for visualizing working hours UD advisor system expanded to include non-Japanese employees Announcement of the new concept for environmental management at a business policy briefing("Greening of Process, Greening of Products and Greening by Technology") 🌱
2009	Ending production of general-use incandescent bulbs Formulation of Toshiba Group Biodiversity Guidelines 🌱 Establishment of Sign Language Club Enforcement of the requirement to leave the office at the regular time for at least two days during the Family Week in Japan
2008	Collaboration with NPOs to promote experiential science education. (Supporting the activities of experiential science education research organizations) 1st Toshiba Cup Contest among students specializing in science and math education at teacher-training universities in China to present their creative teaching plans. Reorganization of home appliance call centers (change to product-wise call centers) Implementation of on-site CSR audit (related to human rights, occupational health and safety, the environment) of suppliers in Thailand. Issue of Environmental Report. 🌱 Announcement to allow the peak out of Toshiba Group's greenhouse gas emissions in 2012 and thereafter reduce the absolute emissions. 🌱
2007	Toshiba Group Environmental Vision 2050 is established. 🌱 Structures and systems for Quality Control at Toshiba Group is reinforced. Ethical education to Technical Employees in Japan and overseas is provided. Toshiba Group Fourth Voluntary Plan is extended from FY2010 to FY2012, with New Targets Added. 🌱 Statutory Ratio of Employment of People with Disabilities is fulfilled in all the subject Group Companies in Japan.
2006	Toshiba Group CSR Month is established. Toshiba Group Standards of Conduct is revised. The Clean Partner Line, a whistleblower system for suppliers and other business partners, is established. Toshiba Group 1.5 Million Tree-planting Project is launched. The New EASTER comprehensive audit system is put in place. 🌱

2005	<p>Toshiba With Co., Ltd., a special subsidiary for employment of the disabled, is established.</p> <p>Toshiba Group CSR Conference is held.</p> <p>Toshiba "ASHITA" Award is established.</p> <p>The philosophy, policies and criteria for universal design are established.</p> <p>Standards of Conduct concerning Sales to Government and Authorities are established and thoroughly implemented.</p> <p>Participates in the Eco-Products International Fair 🌱</p>
2004	<p>Toshiba Group Standards of Conduct is applied throughout the Group.</p> <p>CSR report is issued.</p> <p>An organization dedicated to promotion of equal opportunity is established.</p> <p>Toshiba Group Procurement Policy based on CSR is established.</p> <p>Toshiba Group Environmental Vision 2010 is announced. 🌱</p> <p>Fourth Voluntary Environmental Plan is introduced. 🌱</p>
2003	<p>Company with committees system is adopted.</p> <p>CSR Division is established.</p> <p>CSR Website is opened.</p> <p>Factor T, an eco-efficiency indicator, is introduced. Joins Business for Social Responsibility (BSR), an international CSR association based in the U.S.</p> <p>Health and safety management system is introduced.</p> <p>Toshiba Group Standards of Conduct is revised.</p> <p>Joins UN Global Compact</p>
2002	<p>Internal free agent system is introduced.</p> <p>Zero emissions of waste is achieved. 🌱</p>
2001	<p>Japanese version and international version of the Standards of Business Conduct are integrated.</p>
2000	<p>Corporate risk management system is established.</p> <p>Environmental accounting is introduced. 🌱</p> <p>Third Voluntary Environmental Plan is introduced. 🌱</p> <p>Green procurement is introduced. 🌱</p>
1999	<p>In-house company system is introduced.</p> <p>Environmental report is issued. Environmental Protection &amp; Recycling Planning Center is established. 🌱</p> <p>Toshiba Customer Information Center is established.</p>
1998	<p>Executive officer system is introduced.</p>
1996	<p>Second Voluntary Environmental Plan is introduced.</p>
1995	<p>ISO 14001 certification is obtained. 🌱</p>
1993	<p>First Voluntary Environmental Plan is introduced. 🌱</p>
1992	<p>ExploraVision Award is started in the U.S.</p> <p>Family-care leave, child-care leave and short-time working hours systems are introduced.</p>
1991	<p>Corporate Environmental Protection Council is established. 🌱</p> <p>Toshiba Group Environmental Exhibition is started. Toshiba Thai Foundation is established.</p>
1990	<p>Basic Commitment of the Toshiba Group and the slogan are established.</p> <p>Toshiba Standards of Business Conduct and Toshiba International Standards of Conduct are established.</p> <p>Toshiba America Foundation is established.</p>
1989	<p>Basic Policy for Environmental Protection is established. 🌱</p> <p>Environmental auditing is introduced. 🌱</p> <p>Toshiba International Foundation is established.</p>
1988	<p>Environmental Protection Center is established. 🌱</p>
1975	<p>Toshiba Group Health and Safety Convention is introduced.</p>
1973	<p>Toshiba Management Philosophy is established.</p>
1971	<p>Consumers Department is established.</p>

CSR Highlight  
2014

## Materialities for Toshiba Group

### Identifying Key Issues

In order to achieve creative growth based on the management policy and to realize the vision of Toshiba Group, we identify key issues (materialities) for Toshiba Group from the perspectives of businesses and CSR management.

#### Businesses and High-priority Themes

To confront global social issues and to achieve a safe, secure and comfortable society, we identify high-priority themes in each business area



Toshiba's Vision



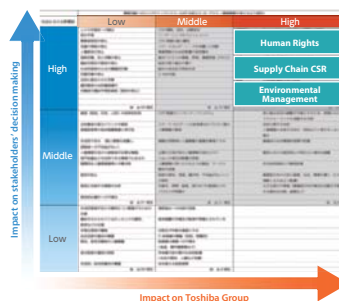
➤ Toshiba Group Businesses and Responsibilities

#### Materialities in the CSR Management of Toshiba Group

Identifying high-priority themes (materialities) common to all group companies in terms of risks and opportunities from a global perspective linked to management strategies



Toshiba Group Management Policy Vision



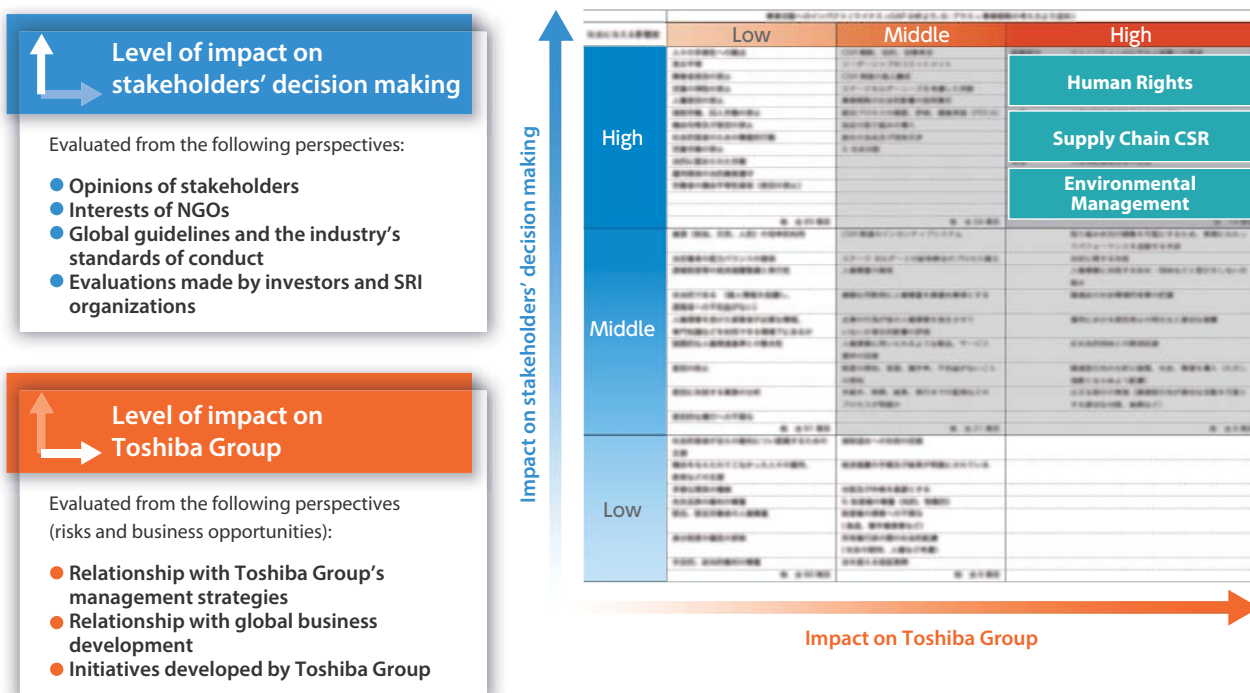
Materialities in the CSR Management of Toshiba Group



# Materialities in the CSR Management of Toshiba Group

The following themes were identified as materialities (high-priority themes) for FY2013: respect for human rights, promotion of CSR management in the supply chain and environmental management.

Based on a third-party activity review conducted with reference to ISO 26000 core subjects, we analyzed the impact of Toshiba Group's businesses on society and on Toshiba Group's business operations in order to identify high-priority themes.



## Highlight Information



# Process of Materiality Identification

## Conducting a third-party activity review with reference to ISO 26000 core subjects

In FY2013, in addition to a self-evaluation based on ISO 26000, we also took into consideration a third-party activity review to identify high-priority themes from an objective perspective and deepened the common understanding of ISO 26000 among Toshiba Group members.

> Management Based on ISO 26000

### Process

1

#### Self-evaluation based on the ISO 26000 core subjects

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

### Process

2

#### CSR activity review by a third-party organization

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



Review result report from a third-party organization

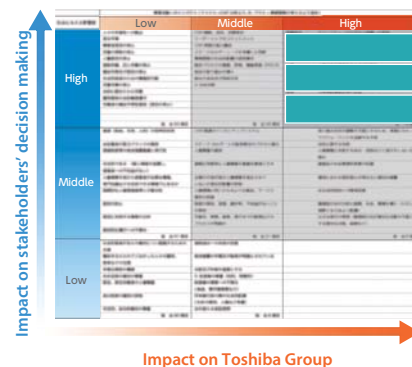
### Process

3

#### Identification of materialities (key issues)

By using the 345 items of ISO 26000 core subjects and by taking into consideration the activity review by the third-party organization in addition to stakeholders' opinions, we listed themes (figure on the right) in the general order of high, medium and low priority based on the levels of impact on stakeholders' decision making and on Toshiba Group's business activities.

As a result, we identified the following three themes as materialities (high-priority themes) for FY2013: respect for human rights, CSR management in the supply chain and environmental management.



### Process

4

#### Incorporating the themes into CSR management

The identified materialities were discussed at the CSR Roundtable held once every half year by CSR officers and corporate division managers and were incorporated into the CSR management cycle by setting KPIs after being approved by the roundtable members.

#### Toshiba Group's CSR Management Cycle



# Progress in Materiality Identification

## Validity of CSR activities and reports annually checked since FY2005

Since FY2004, Toshiba Group has published CSR Reports and identified high-priority themes for Toshiba Group through understanding the interests of our stakeholders in order to enhance CSR management and to ensure appropriate disclosure of information.



### Identification of report items based on AA1000AP\*

#### Review by a third party (third-party comments on CSR reports)

Conducting interviews in related divisions to review report items from the perspectives of importance, completeness and relevance

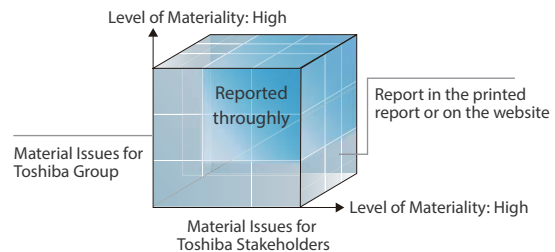
#### Studying the concerns and interests of stakeholders through questionnaire surveys

(customers, suppliers, SRIs, NGOs, students and employees)

#### Creating materiality check sheets (original to Toshiba Group)



#### The Three Principles of the AA1000AP

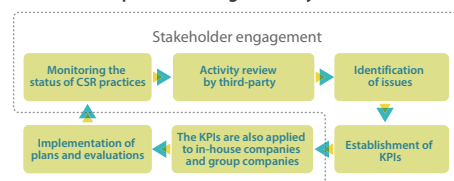


### Disclosing information based on ISO 26000 draft documents

Composing the CSR Report based on the seven core subjects of ISO 26000

### Information disclosure and enhancement of CSR management based on ISO 26000

#### Toshiba Group's CSR Management Cycle



The PDCA cycle was used to create a checklist based on ISO 26000, check the implementation of measures and set KPIs

#### > Management Based on ISO 26000

\* AA1000AP is a series of principles, criteria, and standards issued by AccountAbility, a British NPO, to help organizations build their accountability vis-à-vis stakeholders and improve their performance.



## Respect for Human Rights

We make it our management principles to respect human rights and we put an emphasis on human rights in promoting our business activities.

We signed the United Nations Global Compact in January 2004 to support universal principles regarding human rights and labor practices, including the Universal Declaration of Human Rights.

### Human Rights Policy

The "Toshiba Group Standards of Conduct" provide a basis for acting with respect for basic human rights and individual diversity. In addition, as part of our procurement policy, we request our suppliers to also consider human rights.

### Identifying human rights risks

We have assessed human rights risks related to our business activities based on ISO 26000. In FY2013, we performed an assessment of human rights risks based on the United Nations Guiding Principles on Business and Human Rights in cooperation with Business for Social Responsibility (BSR), a US-based CSR promotion organization.

### Employee training in respect for human rights

In addition to implementing the Standards of Conduct, we periodically hold training and lecture sessions on human rights for employees at the time of their employment or promotion. In FY2013, we organized a workshop for human resource manager in Asia.

### Grievance mechanism

We provide grievance mechanism for our employees and suppliers to remedy problems.

### Action on conflict minerals issues

In FY2011 we published the "Toshiba Group Conflict Mineral Policy" and established a conflict minerals-related internal framework. In addition, we participate in the "Public-Private Alliance for Responsible Minerals Trade," a multi-sector initiative advocated by the U.S. government to support supply chain solutions to conflict minerals challenges in the Democratic Republic of Congo (DRC) and surrounding countries. In FY2013 we surveyed approximately 2,800 companies to investigate smelters and use of conflict minerals by our suppliers.

Number of Companies Participating in  
the Briefing on Conflict Minerals Survey  
(Toshiba Group Suppliers)

**440**

(FY2013)

Number of Companies Targeted by  
the Conflict Minerals Survey  
(Toshiba Group Suppliers)

**Approximately  
2,800**

(FY2013)

## Annual Topics

### Human Rights Workshop for Human Resources Managers in Asia

#### ■ 45 managers from 9 countries participate in the workshop organized by a US CSR promotion organization

In February 2014, Toshiba Group hosted a human rights workshop for human resources managers in Asia to discuss business and human rights.

As many as 45 Toshiba Group managers from 9 countries (India, Indonesia, Japan, Malaysia, the Philippines, Singapore, South Korea, Thailand and Vietnam) participated in the workshop. We invited Jeremy Prepscius and Jaewon Kim from Business for Social Responsibility (BSR), a US CSR promotion organization, to hold two-hour workshop.



Lecture on human rights



Group discussion

#### ■ Sharing the understanding of human rights and the recognition of problems

At the workshop, the lecturers explained the history and background of the United Nations Guiding Principles on Business and Human Rights. Then, group discussions were held by country to select, from among the 30 subjects in the Universal Declaration of Human Rights, themes that involve high risks or are likely to occur in each country and company, and to make presentations on the selected themes in order to share the importance of human rights initiatives.

Many participants stated that they were able to recognize how their work is related to human rights and to deepen their understanding of human rights through the workshop.



Presentation





## Promoting Supply Chain CSR

We will continue to fulfill our responsibilities to the wider society by constructing healthy partnerships with our suppliers and requiring and supporting the promotion of CSR.

In order that our customers can enjoy our products with comfort, and to ensure observance of CSR in such areas as the environment, labor and human rights, Toshiba Group promotes CSR initiatives throughout its supply chain. Our efforts include optimization of the working environment for our suppliers' employees and reducing environmental impact.

### Toshiba Group Procurement Policy

Toshiba Group Procurement Policy

The "Toshiba Group Procurement Policy" summarizes our requirements relating to CSR and Toshiba Group procurement, and through this we require that our suppliers give consideration to human rights, labor, health and safety, and the environment, including green procurement. In FY2012, we added a request not to use conflict minerals to the policy and distributed it across approximately 10,000 suppliers.

### Membership in the EICC

In June 2011 we joined the Electronic Industry Citizenship Coalition (EICC), an organization that promotes CSR in the electronics industry. We promote CSR in our supply chain in line with the EICC Code of Conduct.

### Partnerships with suppliers

We are striving to build healthy partnerships with our suppliers through fair trade that complies with laws and regulations on procurement. In FY2013, we held a briefing on the Toshiba Group policy on conflict minerals in May and also a briefing to explain Toshiba Group's management and procurement policies to executives of our 90 major suppliers in July.

### Monitoring

In order to strengthen our suppliers' CSR management, we hold briefings and monitor the implementation of CSR initiatives. In FY2013, we conducted a survey targeting some 5,600 companies and requested them to perform self-checks. In cases where issues were found, we provided support and guidance on how to make improvements.

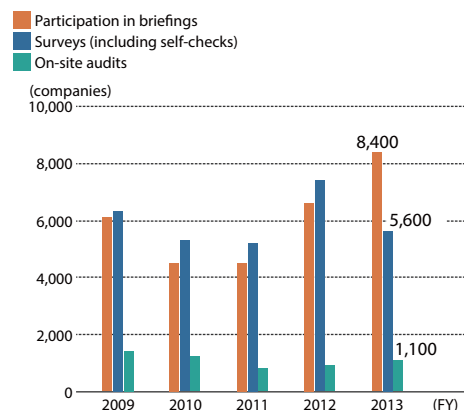
### Fair trading practices

Toshiba Group provides Clean Partner Line, a system that allows suppliers to report compliance violations. In the event of a report, we promptly conduct a survey to confirm facts and take appropriate measures.

### Supplier CSR Survey

Approximately  
**5,600** companies  
(FY2013)

### Rigorous implementation of "CSR Procurement Policy" (domestic and overseas Toshiba Group companies)





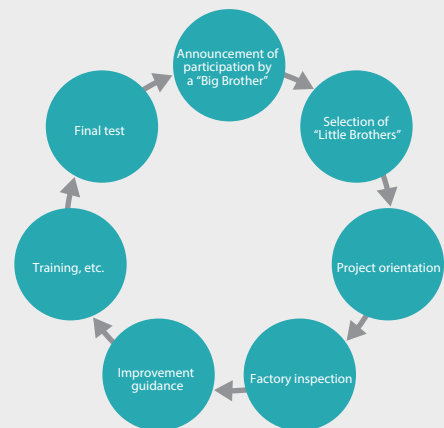
## Annual Topics

### Participating in the Supplier CSR Promotion Program of the Department of Labor and Employment in the Philippines

#### Supporting the enhancement of labor conditions at suppliers

Toshiba Information Equipment (Philippines), Inc. (TIP) is promoting the KAPATIRAN supplier partnership program, which was introduced in 2011 by the Philippine Department of Labor and Employment. This program aims to create a system in which large companies ( "Big Brothers" ) guide and help small and medium enterprises ( "Small Brothers" ) to be compliant with general labor standards including occupational safety and health standards. TIP was the country's first electronic company that participated in the program. Based on the program, TIP selects 10 companies from among its suppliers each year and educates and supports these companies for a period of one year. When the program is over, TIP submits a report to the Department of Labor and Employment. In addition to on-site training, TIP also invites external instructors for a variety of training programs. Through this program, TIP support its suppliers in promoting CSR management and also establishes strong partnerships with them.

#### Overview of the Program Process



Signing by participating companies



Orientation



Inspection



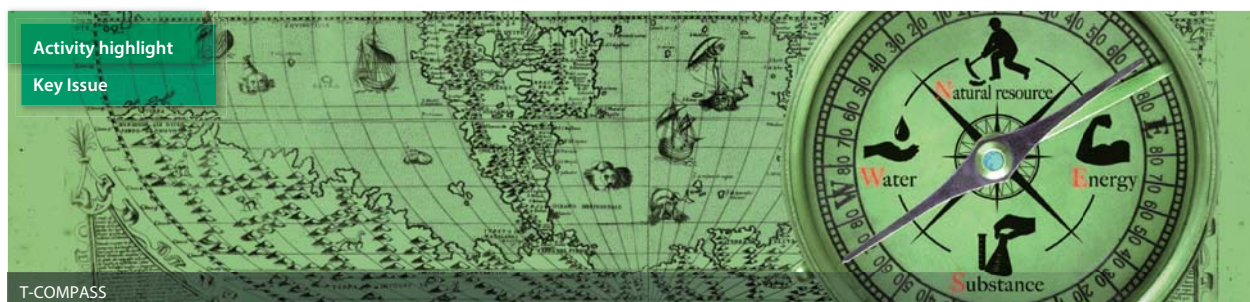
Artificial respiration training



Fire drill



Final inspection



# Environmental Management

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

In October 2011 the global population exceeded 7 billion people. Rapid population growth and urbanization are forecast for the emerging market of Asia and Africa. Alongside this, we need to deal with associated issues; issues on a global scale that are interconnected and impact on one another in a complex way, such as climate change, the depletion of minerals, metals, fossil fuels and other resources that support today's society, as well as energy, water and food shortages. Toshiba has been integrating business management and environmental management, and aims to establish ourselves as one of the world's foremost eco-companies.

**We are now implementing our Fifth Environmental Action Plan and promoting environmental management with the four "Greens" concepts.**

Toshiba Group has developed "Environmental Vision 2050" as the corporate vision under which we aim to realize a world in which people can enjoy affluent lifestyles in harmony with the Earth by the year 2050. The vision requires the Group to increase the degree of improvement in overall eco-efficiency by ten times (Factor 10) by 2050 against the 2000 level. Toward that goal, we are now following Fifth Environmental Action Plan, which we initiated in FY2012, under which we promote four "Green" concepts- "Greening of Process" (environmentally conscious manufacturing), "Green of Product" (creation of Environmental Management products with the highest level of environmental performance), "Green by Technology" (low-carbon energy technologies), and "Green Management" (continuous improvement of basic activities). In this Action Plan, we are further integrating business management and environmental management in all business areas, and have set specific goals to ensure continuous business growth and reduce environmental impacts.

## Implemental various measures based on the 4 "Green" concepts

### Green of Product

#### Creation of products with the highest level of environmental performance

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

Increase sales of Excellent ECPs to  
**¥1.8 trillion** in 2015

### Green by Technology

#### Deploying advanced low-carbon technologies on a global scale

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

Increase sales of energy-related products to  
**¥1.9 trillion** in 2015

### Green of Process

#### Pursuing the world's lowest level of environmental impacts

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

Increase eco-efficiency by  
**1.5 times** against the 2000 level by 2015 (FY2015)

### Green Management

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

Train **2,000**  
Toshiba eco-style leaders by 2015

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

## Annual Topics

### Green of Product

**Excellent ECPs\***  
(Products with the highest level of environmental performance)

**¥1.6 trillion in sales**

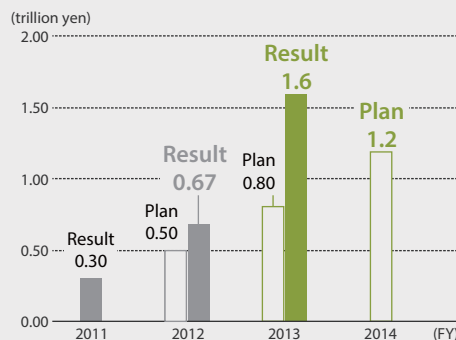
Results were significantly higher than the planned ¥0.8 trillion by expanding certified products such as system solution products.

\* Products that have been certified by Toshiba as having the best environmental performance in the industry at the time of product release.

ECPs = Environmentally Conscious Products

### Green by Technology

#### Sales of Excellent ECPs



#### Example of Excellent ECPs certified in FY2013



##### Learning Management System "Generalist/LM"

Using LMS will help to reduce administrative work associated with management of training, use of facilities and transfers of students, and in turn, contribute to energy and resource conservation.



##### Geothermal power generation Flash geothermal power generation systems

- No.1 share\*<sup>1</sup> in the global market in terms of total generating capacity
- Realizing high performance and high reliability with moisture removal technology, coating technology, axial exhaust turbines, etc.



##### MRI Equipment Vantage ELAN™

- No.1 in energy and resource conservation class\*<sup>2</sup> (power consumption & installation space)
- Realizing a small footprint and low energy consumption while maintaining high level performance.



##### Elevator for Chinese market New ELECOSMO-E

- Industry-leading\*<sup>2</sup> levels of energy saving in elevators for social housing
- Reduces stand-by energy by adopting a new control system and turning off fans and lightings automatically

\*1: As of June, 2013. Capacity based power generation total delivery record, based on Toshiba in-house research.

\*2: At the time of product release; not intended to guarantee the current position.

Green of Process

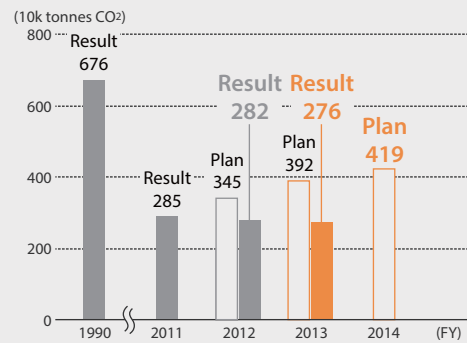
## Total greenhouse gas emissions

**2.76\*** million tonnes CO<sub>2</sub>

By actively promoting energy-saving diagnostics and investment, the level of emissions was lower than the planned level of 3.92 million tonnes CO<sub>2</sub>, and has been reduced to less than half the FY1990 level.

\* The CO<sub>2</sub> emission factor used in FY2013 is the FY2012 value (4.87 tonnes CO<sub>2</sub> per 10,000 kWh)

### Overall Emission



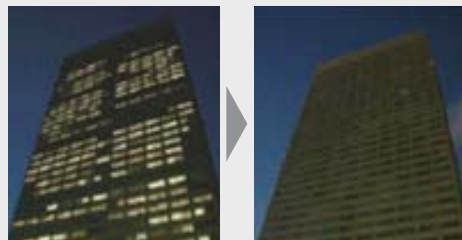
Green Management

## Toshiba Group Global Environmental Action

Participation from **363** sites

For the first time on June 5, 2013, 363 business and production sites promoted and participated in the energy conservation-themed, simultaneous lights-down activity, to reduce lighting at business sites and the homes of employees.

### Lights-down at the HQ building (before and after)

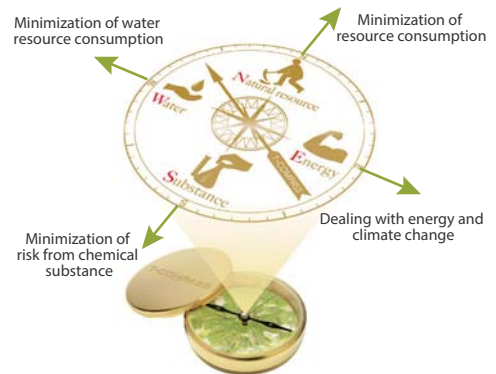


We are committed to continue to enhance environmental management and have introduced T-COMPASS, a new environmental management concept.

At Toshiba Group we develop and apply our own measures to achieve reductions in environmental impacts. For example, in FY1993 we introduced LCA, a method for lifecycle environmental impact assessment, and in FY2003 we introduced “factor,” as a measure of improvement in eco-efficiency. In FY2013 we introduced a new environmental management concept called T-Compass, in order to strategically capture new global trends, such as widening the scope and coverage of the environmental aspects of business.

As the environmental compass for Toshiba, T-Compass represents all environmental issues that need addressing with the North, South, East and West symbols of the compass. While there has been no change to our prior approach of reducing our overall environmental impacts, by specifically identifying environmental contributions in four main areas we believe that Toshiba Group will be able to better share the value we are providing with both internal and external shareholders. While taking on board leading-edge discussions, we aim to make the environmental information that we disclose easier to understand.

#### Toshiba Group's Environmental Compass: “T-COMPASS”



- Visualization of Toshiba Group's environmental contributions (uses north, south, east and west symbols)
- Expansion measures aligned with regional environmental issues



## Toshiba Group Businesses and Responsibilities

### Resources and energy

- Rapid increase in demand in developing countries
- Preservation and provision of resources required to maintain life in poverty-stricken regions

### Environmental considerations

- Mitigation of climate change
- Effective use of sustainable resources

### Prevention of natural disasters

- Business continuity plan for large-scale disasters
- Support for recovery from the Great East Japan Earthquake
- Stabilization of the operation of nuclear power plants

## Global issues addressed by Toshiba Group

### Population increase and aging

- Population increase in developing countries
- Fertility decline and population aging in developed countries
- Development of medical care and education
- Development of social welfare systems

### Consideration for human rights

- Improvement of human rights and working conditions in the supply chain
- Protection of human rights in conflict regions

### Information society

- Handling of large quantities of data
- Assurance of information security
- Support for acceleration of communication and expansion of network communities
- Elimination of digital divide

## Business areas

### Energy & Infrastructure Group

In addition to thermal and nuclear power generation systems and hydraulic, photovoltaic, geothermal and wind power generation systems that use natural energy, Toshiba Group offers smart grid systems, including power transmission, transformation and distribution systems and smart meters, to provide a stable supply of electricity. We also develop solutions that support social infrastructure, such as railway and automobile systems, motor drives, secondary batteries, security and automation devices, and electric wave systems.

Percentage of total employees



Percentage of total sales



### Community Solutions Group

By using ICT and cloud technology, we provide a wide variety of community solutions, including urban infrastructure solutions for energy and water management; building solutions, such as air conditioning and lighting systems that provide high energy-saving performance and are environmentally efficient and elevators that transport people safely and comfortably; and home solutions that support comfortable lifestyles.

Percentage of total employees



Percentage of total sales



### Healthcare Systems & Services Group

With a view to realizing a society in which all people can lead healthy and active lives, we make the most of Toshiba Group's technologies to provide products and services in a wide range of areas, from medical diagnosis and treatment products used to promptly discover diseases and to alleviate the burdens of patients to prevention products that reduce the risk of diseases and prevent progress of disease, as well as prognosis and care products for the after-treatment of disease and injury, and health promotion products that protect the safety of living environments, including food, water and air, and support physical and mental health.

Percentage of total employees



Percentage of total sales



### Electronic Devices & Components Group

Taking simultaneous advantage of developing NAND, HDD and SSD technologies, we cope with storage demand that becomes ever more diversified by providing storage systems that best meet the individual needs of customers. We also develop a variety of technologies, such as power devices that control electricity consumption and other discrete semiconductor products as well as system LSI products, to support the worldwide evolution of electronic equipment.

Percentage of total employees



Percentage of total sales



### Lifestyle Products & Services Group

By combining technologies for reducing the size and weight of products and high-definition and high sound-quality technologies, we develop high-quality TVs, Blu-ray disc recorders that do not require setting the timer for video recording, PCs, tablets and other advanced products, to provide customers with media content that brings joy and comfort. Also, in the area of home electric products such as refrigerators and washing machines, we provide environmentally conscious products that make our lifestyles more comfortable in accordance with local characteristics.

Percentage of total employees



Percentage of total sales



Note: The pie charts represent percentages of total consolidated sales and total employees by business area (FY2013).  
(Percentage of employees common to all group companies and other: 14%; percentage of other sales: 7%)

## Major products



Thailand's Bangkok Urban Railway car



Thermal power generation turbine

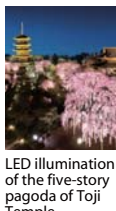


TEPCO Ukishima Photovoltaic Power Generation Plant



Lyon Smart Community Project

©Asylum-SPL Lyon Confluence



LED illumination of the five-story pagoda of Toji Temple



Energy-saving, environmentally conscious, earthquake-resistant elevator



MRI system designed to greatly reduce burdens during medical tests



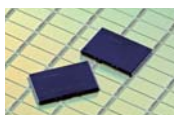
Sensing devices for disease prevention, prognosis and care monitoring



Heavy ion radiotherapy system that treats cancer without surgery



Large capacity, 5 TB, nearline HDD



NAND flash-memory devices that use 15 nm processes



Discrete semiconductor products



REGZA, an LCD TV that supports 4K resolution



Dynabook, equipped with a high-resolution WQHD LCD with a touch panel



ZABOON, a heat-pump drum washing machine

## Expected themes

- Stable energy supply
- Efficient utilization of energy
- CO<sub>2</sub> emission reduction
- Development of safe and secure communities

- Efficient utilization of energy
- CO<sub>2</sub> emission reduction
- Safe water and air
- Creation of a safe, convenient and economically prosperous society

- Human-friendly medical care
- Individualized disease prevention
- Support for home medical care and nursing care
- Safe, secure and comfortable lifestyles

- Contribution to the development of an advanced information society
- Reduction in environmental impact during manufacturing
- Consideration for human rights in the supply chain

- Safe, secure and comfortable lifestyles
- Improvement of customer satisfaction
- Environmentally conscious products
- Fair advertising and commercial messages

## Solutions

### Achievement of the best mix of energy sources

Development of technologies designed to achieve an optimal balance in the use of thermal, nuclear, hydraulic and photovoltaic power generation

### Enhancement of the Business Continuity Plan (BCP)

Development of organizations and systems for quickly responding to large-scale disasters and for quick recovery from failures

### Development of safe communities

Provision of safe and convenient transportation systems

### Realization of a smart community

Provision of a variety of community solutions, such as energy, water, building, home, commerce and retail solutions

### Development of safe communities

Contribution to the development of safe and secure communities using cutting-edge sensing technologies for predicting and mitigating disaster damage

### Reduction in the burdens of patients and medical care staff

Development and spread of radiation exposure reduction technologies  
Development of methods for breast cancer screening with less pain and for early detection and treatment  
Provision of heavy ion radiotherapy systems that treat cancer without surgery

### Enhancement of businesses for disease prevention, prognosis, care and health promotion

Development and utilization of sensing technologies and promotion of big data analysis  
Development of products and services that support home medical and nursing care  
Development of home services for seniors

### Increase in capacity, speed and energy-saving efficiency

Meeting data storage demand by developing NAND flash-memory devices and by increasing the speed, capacity, energy-saving efficiency and installation performance of SSDs

### Development of green factories

Saving energy consumption for clean rooms and manufacturing facilities and reducing chemicals, waste and water consumption

### Non-use of conflict minerals and promotion of CSR management in the supply chain

Conducting surveys on the use of conflict minerals and on the promotion of CSR management at suppliers and implementing due diligence measures

### Provision of safe, secure and user-friendly products and services

Improvement in product labeling and implementation of advertising standards to meet local needs based on the results of customer satisfaction surveys and the voices of customers

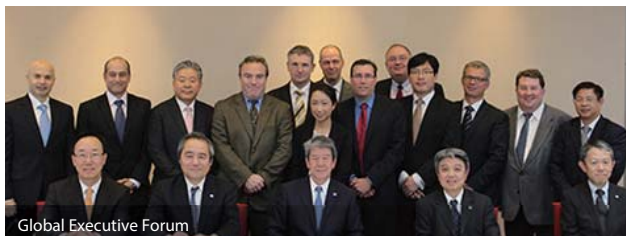
### Development of products with high environmental performance

Increasing energy and resource-saving efficiency, reducing chemicals contained in products and producing products designed to be easily recycled  
Creation of products with the highest environmental performance (Excellent ECPs)

### More comfortable lifestyles

Promotion of universal design

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



Global Executive Forum



Maintenance of public park by Toshiba Social Infrastructure Systems South America, Inc.

# 1

## Promoting Diversity

### Exhibiting diverse individuality and expertise

Getting the best out of our employees' strengths and their diverse individuality creates innovation and leads to the growth of the company. On the basis of this philosophy, Toshiba Group has long positioned diversity as a "management philosophy," and from top management down, we are committed to diversity, both internally and externally. In FY2013 we identified "training and utilization of diverse human resources" as a management policy, and in addition to initiatives in HR planning and HR development we are also accelerate activities to promote diversity. We have set targets for raising the ratio of female executive officers to above 5.0% in FY2015. In FY2012, 11 women held senior positions (nine at the general manager class, two chief technology auditor), and we propose to triple that number. in FY2015.

#### Trends in the Number and Ratio of Female Workers (Toshiba Corp., Manager and Above)

FY2004		FY2013
44	▶	289
(0.9%)		(3.8%)

# 2

## Development of Corporate Culture

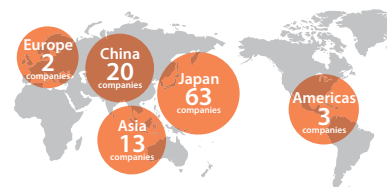
### Highest priority on human life, safety and compliance

Toshiba Group lists "Commitment to People" as one of its management philosophy and conducts business activities while placing the highest priority on human life, safety and compliance.

In order to ensure the safety of our employees we have acquired third-party certification to International Occupational Health and Safety Management System OHSAS 18001 standard since FY2007. Based on the system, we continue to reduce health and safety risks through risk assessments and maintain and manage compliance with laws and regulations.

In addition, in order to implement strict compliance, we have produced and distributed the "Toshiba Group Standards of Conduct" in 16 languages, and provide training. Various compliance programs, training including the "Toshiba Group Standards of Conduct," are incorporated into level-based training, occupation-based training and senior management seminars. On top of this, all employees undergo repeated training via e-learning. In FY2013 our e-learning themes included bribery, fraudulent transactions and improper expenses, and we continue to work to ensure Group compliance with laws and regulations.

#### Consolidated Companies that Have Attained OHSAS 18001, by Region



Note: As of the end of March 2014



Different country editions of the "Toshiba Standards of Conduct"



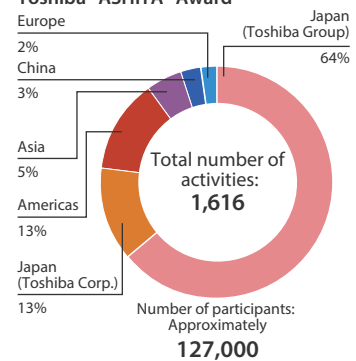
# 3 Social Contributions of Toshiba Group's 200,000 Employees

## The combined power of individuals and organizations

### "Toshiba 'ASHITA' Award"

Seeking to stimulate activities that contribute to society, we initiated the "Toshiba 'ASHITA' Award" in FY2005, to recognize social contribution activities. Every year, we invite individuals and companies throughout Toshiba Group to submit their social contribution activities. In FY2013, the 9th year of the event, we received 1,616 entries from a total of approximately 127,000 participants. To complement the current "Corporate Citizenship Award" category, we have established a new category "Social Contributions by Business" to promote contributions to social issues. Based on recommendations from business departments, we selected programs by reflecting the opinions of evaluators from NGOs and other external organizations. We are actively working to promote the involvement of all 200,000 employees in these activities.

Breakdown of Number of Entries for Toshiba "ASHITA" Award



#### FY2013 Toshiba "ASHITA" Award Winners Corporate Citizenship Activities by Employee

##### Supporting rural communities with donations of lighting and solar panels

Colleen Smith serves as a director of "Power 2 The People" (P2TP), an NGO that promotes the spread of solar power generation in developing countries. Since coming into contact with this NGO in 2009 she has participated in individual P2TP activities, and has travelled to Nicaragua on four occasions at her own expense to install solar power generating equipment, etc.



Colleen Smith  
Toshiba America  
Electronic Components, Inc.

#### FY2013 Toshiba "ASHITA" Award Winners Social Contributions by Business

##### Supporting intellectually disabled people in finding work and becoming self-reliant

Toshiba With was established in February 2005 as a special subsidiary company. Employees with intellectual disabilities are put to work throughout Toshiba Group on tasks such as printing, cleaning, mail duties and healthcare, and through this we hope that they can experience the responsibility, reward and joy of working, learn self-reliance and at the same time learn how to cope with society. We are working closely with support organizations and the families of people with disabilities to build an integral support system.



Toshiba With Corporation

### Continuing support activities for reconstruction after the Great East Japan Earthquake

With employee-organized fundraising and labor union activities taking the lead, we continue to dispatch volunteers to the affected areas. In addition, specialty goods from the affected areas are on sale at shops in Toshiba HQ and our factories, and local foods are used in the canteen menu. Since FY2012, as part of their initial training, new employees of Toshiba and other Group companies assist the shipping of seaweed from the affected region."



New employees providing reconstruction support activities (April, 2014)

#### Toshiba Group's mid- to long-term commitment to support recovery from the Great East Japan Earthquake

We continue to support the reconstruction of the Tohoku region from the perspectives of human development, manufacturing (industrial development), and community development, toward helping the affected region and the people affected by the disaster recover as soon as possible. In addition, we continue to cooperate and support the stable maintenance and decommissioning of the Fukushima Daiichi Nuclear Power Station.



##### Human development Developing human resources for the next generation

- Scholarships for college students in the Tohoku region
- Cooperation with NPO, ETIC (Entrepreneurial Training for Innovative Communities)
- New employee reconstruction support activities
- Employees' volunteer activities"



##### Industrial development Supporting the reconstruction of local industry

- Nippon Paper Industries Co., Ltd.: procurement of copier paper from Ishinomaki Mill
- Purchases of sports support goods
- Providing foods from the quake-hit region in staff canteens (including suppliers)"



##### Community development Providing safe, secure and comfortable lives

- Developing the smart community business (Iitate, Ishinomaki and Kuji, etc.)
- Fukushima Airport mega solar project
- Minamisoma Solar Agri-Park Project"

CSR Performance  
**Management Based on ISO 26000**

Since Toshiba Group started issuing CSR report from FY2004, we have worked to promote CSR management and proper disclosure of information with hearing stakeholder's various concerns, and also specifying material issues for Toshiba Group.

In FY2009 we aligned our reporting with the seven core subjects of the ISO/DIS 26000 Draft International Standard in CSR Report 2010.

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

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

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

In 2013, in addition to the self-evaluation based on ISO26000, we also took into consideration a third-party activity review to identify materiality (key issues) from an objective perspective and deepened the common understanding of ISO 26000 among Toshiba Group members.

> Materialities for Toshiba Group

## The Seven Core Subjects of ISO 26000



> **Organizational Governance**  
Organizational Governance



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



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



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



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



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

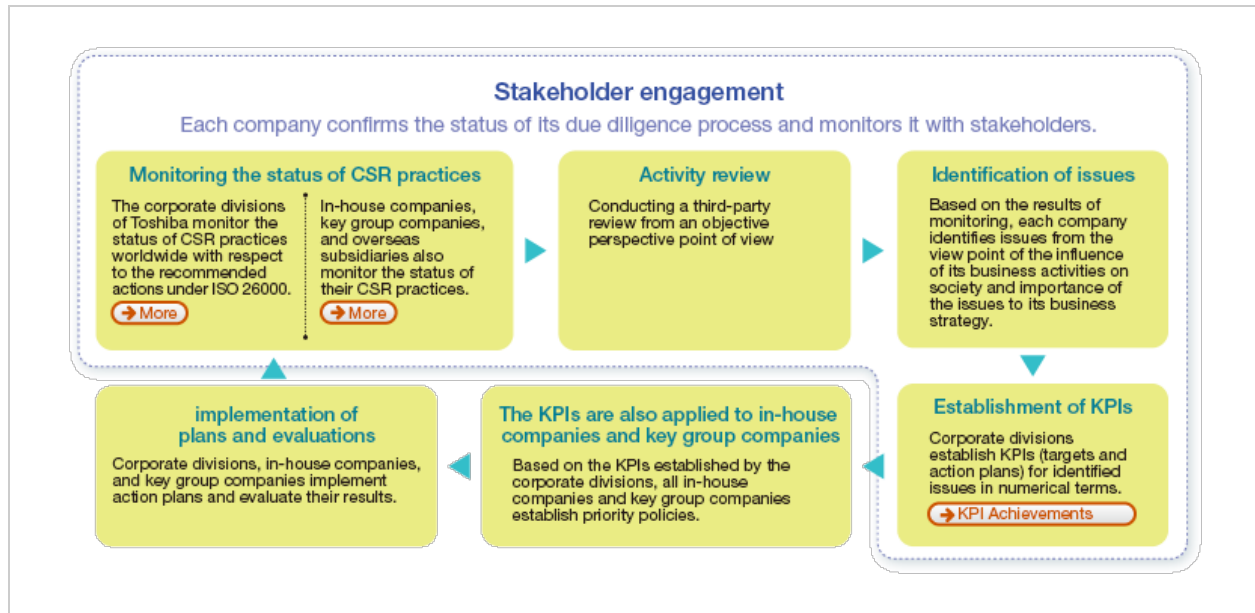


> **Community Involvement and Development**  
Community involvement, Education and culture, Employment creation and skills development, Technology development and access, Wealth and income creation, Health, Social investment

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

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

### Toshiba Group's CSR Management Cycle



CSR Performance

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

In our CSR activities, Toshiba Group establishes medium-term key performance indicators (KPIs) according to the ISO 26000 core subjects. In FY2013, we placed particular emphasis on select KPIs and set quantitative targets.

**Organizational Governance**

Organizational Governance	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Number of directors (GRI G4-34、G4-38)	14	—	16	—
Number of directors not concurrently serving as executive officers (GRI G4-38)	7(Half of all directors)	(Half of all directors)	8(Half of all directors)	(Half of all directors)
Number of female directors (ISO26000 6.2、GRI G4-38)	1	Over 1-	1	Over 1
Attendance of outsider directors at board meetings (GRI G4-38)	90-100% (Out of 10-12 meetings)	—	90-100% (Out of 12-13 meetings)	-
▶ Corporate Governance				
Penetration of the CSR Management to all employees	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Number of Workplace CSR meetings Number of meetings; Number of cumulative participants (ISO26000 6.2、GRI G4- LA9)	3 meetings/yr; 280,000	3 meetings/yr; 290,000	3 meetings/yr; 280,000	2 meetings/yr; 180,000
	In FY2013, total of 280,000 employees in Japan cumulatively participated in meetings (Toshiba Group has approx. 110,000 employees in Japan). Major topics taken up during such meetings were “Corporate Social Responsibility”, “Work-style Innovation”, and “Engineering Ethics”. Translating learning tools into English for non-Japanese employees working in our operations in Japan to get better understanding, InFY2014, number of meetings common to company-wide basis will be 2 meetings per year, conduct improvement in enhancing individual theme by in-house companies. In addition to considering holding workplace CSR meetings at our overseas subsidiaries.			
▶ CSR Management				

**Human Rights**

In the Supply Chain(Conflict minerals issue)	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Number of companies surveyed about conflict minerals (ISO26000 6.3.5、GRI G4-LA14、G4-HR9-11)	10,000suppliers in total were surveyed about their potential use of conflict minerals	Approx. 6,000 suppliers to be surveyed about their potential use of conflict minerals	Approx. 2,800suppliers to be surveyed using EICC/GeSI Conflict Minerals Reporting Template	Approx. 2,000suppliers to be surveyed using EICC/GeSI Conflict Minerals Reporting Template
	Toshiba Group conducted a survey on the use of conflict minerals and about smelters for some 2,800 Toshiba Group suppliers that could have been using 3TG* conflict minerals using the EICC/GeSI Conflict Minerals Reporting Template (CMRT). Toshiba Group participated in JEITA’s Responsible Minerals Trade Working Group. In FY2014, the Group will conduct a survey only for suppliers identified that they use 3TG* using the EICC/GeSI Conflict Minerals Reporting Template (CMRT). For high risk suppliers, the Group will carry out due diligence by conducting an additional survey. The Group also joined the Conflict Free Sourcing Working Group within the Responsible Minerals Trade Working Group of JEITA.			
➤ Support for the Use of Conflict-Free Minerals				
Abbreviation of four minerals, tin, tungsten, tantalum and gold, which are specified as “Conflict Minerals”.				

## Labor Practices

Promotion of Diversity	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Employment rate of people with disabilities (Toshiba Corp.) (ISO26000 6.3.7, GRI G4-LA12)	2.05%	2.00%	2.09%	2.00%
Employment rate of people with disabilities (Toshiba Group in Japan) (ISO26000 6.3.7, GRI G4-LA12)	2.24%	2.00%	2.37%	2.00%
	Continuing to operate "Toshiba With", a special subsidiary company. Aiming to achieve an employment rate of 2.0% for all Group companies mainly by cooperating with the national and local governments' employment support agencies as well as by using employment support firms effectively. Promoting diversity in workplace environments.			
Rate of top managers at major outside Japan subsidiaries (GRI G4-EC6)	61%	—	61%	—
	Aiming 66% in FY2016 as midterm management plan.			
Number / rate of female managers (Toshiba Corp.) (GRI G4-LA12)	270 (3.8%)	—	289 (3.8%)	—
	Aiming over 5.0% in FY2015 as midterm management plan.			
number of female recruits (Toshiba Corp.) (GRI G4-LA1)	Administratives:51% Technicals: 20%	Administratives: 50% Technicals:25%	Administratives:51% Technicals: 19%	Administratives:50% Technicals: 25%
	Since the percentage of female students in science and technology departments is only slightly above 10%, Toshiba Corp. has promoted efforts to recruit more female engineers by implementing various measures. These numbers consist of recruit activities of the year, joining company in next April.			
Employee male-female rate (Toshiba Corp.) (GRI G4-10)	Male :88.5% Female : 11.5%	—	Male :88.5% Female : 11.5%	—
➤ Promotion of Diversity				

Support for Diverse Work Styles	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Number of years with company (Toshiba Corp.)	Ave. 17.3yrs (Male :17.6yrs,Female : 15.6yrs)	—	Ave. 17.7yrs (Male : 17.9yrs,Female : 16.0yrs)	—
Rate of getting leave (Toshiba Corp.)	83%	—	as of 25 June 2014 Under counting	—
	This data is counted by Toshiba Union making questionnaire investigation to their members. Result comes out at the end of June.			
Number to use Childcare leave (Toshiba Corp.) (ISO26000 6.4.4、GRI G4-LA3)	Male : 12 Female : 296	—	Male : 8 Female : 336	—
	Until the end of the month when the child turns 3 years old, and Possible to apply up to three times per child. Handbook focusing on system and application procedure were distributed for promotion.			
Number to use Paternity leave (Toshiba Corp.) (ISO26000 6.4.4、GRI G4-LA3)	423	—	384	—
	Up to 5 paid holidays (100%) consecutively or separately, including the day of birth, within 6 weeks of the birth.			
Number to use Family care leave (Toshiba Corp.) (ISO26000 6.4.4)	Male : 6 Female : 6	—	Male : 6 Female : 10	—
	Up to 365 days in total per person requiring nursing care. Handbook focusing on system and application procedure were distributed for promotion. In FY2013, a system explanation meeting was held, and taken up as a theme of workplace CSR meeting.			
Number to use Short-time shift (Toshiba Corp.) (ISO26000 6.4.4)	Male : 9 Female : 409	—	Male : 9 Female : 417	—
	Employees who are raising children who have not yet completed elementary school.			
Satisfaction rate of employees (Toshiba Corp.)	81.75/100	—	82/100	—
	Converting the result of in-depth survey of employee, TEAM Survey, to the score out of 100 points.			
➤ Support for Diverse Work Styles				

Health and Safety Management in the Workplace	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Number of Group companies(manufacturing) that have acquired OHSAS18001 certification (ISO26000 6.4.6、GRI G4-LA5)	106	—	101	—
	Toshiba Group assessed risks related to OHSAS18001 and took measures to reduce such risks. 100% of domestic bases have acquired. Number of companies has been changed by elimination and consolidation.			
Number of work-related accidents (Toshiba Group in Japan) (Frequency of accidents per million work hours resulting in death or injury that require one or more days off work) (ISO26000 6.4.6、GRI G4-LA6)	0.23	—	0.20	—
	Result of our performance is less than average for all industry in Japan, manufacturing industry in Japan, electrical appliance manufacturing industry in Japan of industrial accident statistics issued by the Ministry of Health, Labor and Welfare.			
➤ Occupational Health and Safety				

## The Environment

**Toshiba Group Fifth Environmental Action Plan: Greening of Products (creation of products with the highest level of environmental performance) and Greening by Technology (low-carbon energy technologies)**

Increasing Overall Eco-efficiency	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Improvement of overall eco-efficiency (compared to FY2000 levels) (ISO26000 6.5, GRI G4-EN6-7)	2.59 times	2.7 times	2.72 times	2.9 times
	In order to improve overall eco-efficiency, Toshiba Group actively promoted Greening of Products, Greening by Technology, and Greening of Process initiatives. Toshiba Group will continue to systematically carry out Greening of Products, Greening by Technology, and Greening of Process initiatives.			
➤ Progress in the Fifth Environmental Action Plan				
Increasing Eco-efficiency for Products and Processes	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Improvement of product eco-efficiency (compared toFY2000 levels) (ISO26000 6.5, GRI G4-EN7)	2.89 times	3.0 times	3.04 times	3.2 times
	In order to improve product eco-efficiency, Toshiba Group actively carried out Greening of Products and Greening by Technology initiatives. Toshiba Group will continue to systematically carry out Greening of Products and Greening by Technology initiatives.			
Improvement of business process eco-efficiency (compared to FY2000 levels) (ISO26000 6.5, GRI G4-EN3-4, G4-EN6)	1.39 times	1.44 times	1.48 times	1.47 times
	In order to improve business process eco-efficiency, Toshiba Group actively carried out Greening of Process initiatives. Toshiba Group will continue to systematically carry out Greening of Process initiatives.			
➤ Creation of Excellent ECPs ➤ High-efficiency Manufacturing				
Overall Sales	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Increasing sales of excellent ECPs (Greening of Products) (ISO26000 6.5, GRI G4-EN7, G4-EN27)	0.67 trillion yen	0.8 trillion yen	1.6 trillion yen	1.5 trillion yen
	In order to increase sales of excellent ECPs, Toshiba Group inspected 100% of its eco-targets for all product lineups and confirmed the status of their implementations during audits of environmental technologies for products. Toshiba Group will strive to create more excellent ECPs for the mass market and accelerate the creation of excellent ECPs by making products tailored to specific customer needs, systems, and solutions.			
Increasing sales of excellent ECPs (Greening of Products) (ISO26000 6.5, GRI G4-EN7, G4-EN27)	1.32 trillion yen	1.49 trillion yen	1.47 trillion yen	1.66 trillion yen
	In order to increase sales of energy-related products, Toshiba Group continued to support the business in regards to environmental aspects. Also, Toshiba Group will continue to support energy-related businesses in regards to environmental aspects.			
➤ Creation of Excellent ECPs ➤ High-efficiency Manufacturing				

Mitigation of Climate Change	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Reduction of CO2emissions due to use of eco-products*1 (Greening of Products) (ISO26000 6.5.5, GRI G4-EN17、G4-EN19)	6.8 million tons	9 million tons	10.39 million tons	12 million tons
	In order to reduce CO2emissions through the use of eco-products, Toshiba Group continued to create excellent ECPs and increase the sales thereof. Toshiba Group will apply energy conservation technologies to mass market products as well as social infrastructure systems.			
Reduction of CO2 2emissions due to use of energy-related products*2 (Greening by Technology) (ISO26000 6.5.5、GRI G4-EN19)	450 million tons	460 million tons	440 million tons	480 million tons
	Toshiba Group continued to reduce CO2emissions resulting from the use of energy-related products by continuing to systematically operate overseas nuclear power generation systems. Toshiba Group will apply energy conservation technologies to mass market products as well as social infrastructure systems.			
▶ Mitigation of Climate Change ▶ Reducing energy-derived CO2 emissions				
Efficient Use of Resources	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Percentage of resource savings*3 (ISO26000 6.5.4、GRI G4-EN1、G4-EN30)	29%	35%	70%	43%
	In order to increase the percentage of resources saved for products, Toshiba Group continued to reduce the weight and size of ECPs and prolong their service lives. Toshiba Group will expand the range of recycled plastics used in products.			
Percentage of use of recycled plastics*4 (ISO26000 6.5.4、GRI G4-EN2)	4.7%	2.8%	6.2%	2.9%
	In order to increase the percentage of recycled plastics used, Toshiba Group improved the percentage of recycled plastics used in each model and used recycled plastics in a wider range of models (application to other product lines). Toshiba Group will improve the percentage of recycled plastics used for each product so that recycled products are uniformly used for all products.			
▶ Efficient Use of Resources				
Management of Chemicals	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Reduction of Specified Chemical Substances contained in products (Reduction of PVC*5/BFRs*5) (ISO26000 6.5.3)	17product groups ※6	30product groups ※6	32product groups ※6	50product groups ※6
	We achieved the goal by mainly reducing PVC/BFR for society's infrastructure system products.			
▶ Management of Chemicals in Products				
*1 [CO2 emissions of assumed substitute products] – [CO2emissions of shipped products] (Compares annual emissions during the usage stage and cumulates emissions for half the product life.) *2 Compared with CO2emissions (rate to net production output) for average thermal power of the same fuel type; for nuclear power and renewable energy, compared with CO2emissions (rate to net production output) for average thermal power of all types. *3 The rate of increase in the amount of resources saved (compared to 2010 levels) *4 [Amount of recyclable plastics] / [amount of plastics used for products] × 100 *5 Polyvinyl chloride (PVC) is one of the most common plastics and is used in a wide range of products. However, there is concern over the generation of hazardous substances due to inappropriate treatment at disposal, as well as the toxicity of certain plasticizers (e.g., phthalate esters) added to PVCs. Brominated flame retardants (BFRs) are used for plastics to make them noncombustible. Some BFRs are raising health concerns while others persist in the environment or are bioaccumulative. There is also concern over the generation of hazardous substances due to inappropriate treatment at disposal. *6 Special uses are excluded.				



**Greening of Process (Environmentally Conscious Manufacturing)\*7**

Mitigation of Climate Change	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Reduction of total greenhouse gas emissions*7 (compared to FY1990 levels) Improvement in total energy-derived CO2 emissions per unit production*7 (compared to 2010 levels) (ISO26000 6.5.5, GRI G4-EN19)	2.76 million tons <42%>	3.92 million tons <60%>	2.76 million tons <41%>	4.19 million tons <58%>
	Improve were made mainly in energy conservation investments, energy-saving diagnosis, etc.			
Improvement in total CO2 emissions resulting from product logistics per unit production (compared to 2010 levels) (ISO26000 6.5.5, GRI G4-EN18)	90%	94%	86%	92%
Reduction of total greenhouse gas emissions*7 (compared to FY1990 levels) (ISO26000 6.5.5, GRI G4-EN30)	90%	97%	88%	96%
	We achieved the goal mainly by improving load factors and restructuring logistic center.			
<div>&gt; Reducing total GHG emissions</div> <div>&gt; Reducing energy-derived CO2 emissions</div> <div>&gt; Reducing CO2 emissions associated with product logistics</div>				
Efficient Use of Resources	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Reduction of waste emissions*8 (compared to FY2000 levels) (ISO26000 6.5.3, 6.5.4, GRI G4-EN23)	92,000 tons <48%>	112,000 tons <59%>	84,000 tons <50%>	116,000 tons <65%>
	More waste was turn into valuables due to all-out efforts to sort it upon discharge.			
Improvement in the total volume of waste generated per unit production (compared to FY2010 levels) (ISO26000 6.5.3, 6.5.4, GRI G4-EN23)	96%	96%	96%	93%
Percentage of final waste disposal*9 (relative to Toshiba Group total emissions) (ISO26000 6.5.3, 6.5.4)	1.7%	1.5%	1.6%	1.0%
Improvement in the volume of water received per unit production (compared to FY2010 levels) (ISO26000 6.5.4, GRI G4-EN8)	87%	94%	86%	92%
	We made improvement at semiconductor plants where large volumes of water are used.			
<div>&gt; Reducing the total waste volume</div> <div>&gt; Efficient use of water resources</div>				
Management of Chemicals	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Reduction of the total volume of chemicals discharged (compared to FY2000 levels) (ISO26000 6.5.3, GRI G4-EN1)	1,393t <55%>	1,625t <65%>	1,390t <55%>	1,763t <70%>
	We achieved the goal mainly by installing equipment for removing volatile organic compound.			
Reduction of the total volume of chemicals discharged (compared to FY2000 levels)	94%	97%	92%	97%
<div>&gt; Reducing emissions of chemical substances</div> <div>&gt; Reduction in the amount handled</div>				
*7 3.50 t-CO2/10-thousand kWh is used for the power factor in Japan, and GHG Protocol data is used overseas. *8 The volume of waste emitted is obtained by subtracting the volume of valuables from the total volume of waste generated (excluding that of waste disposal and power generation sites). *9 Toshiba Group's definition of "zero emissions" of waste is that the amount of landfill waste after treatment is equivalent to less than 0.5% for manufacturing sites and 1.0% for nonmanufacturing sites of the total amount of by-products and other items generated (total amount of waste discharged) as a result of business activities (excluding the sites with restrictions under laws and administrative guidance).				



**Green Management(Upgrading Basic Activities Continuously)**

Conservation of Biodiversity Development of Ecosystem Networks with Production Sites Playing a Central Role in Collaboration with Local Communities	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Percentage of major production sites at which the biodiversity survey is conducted (ISO26000 6.5.6, GRI G4-EN11-14)	81%	100%	100%	100%
	64 sites surveyed achieved the goal by completing biodiversity surveys.			
▶ Conservation of Biodiversity				
Environmental Education/Human Resources Development	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Development of Toshiba eco-style leaders	230 leaders	400 leaders	443 leaders	800 leaders
	In Japan, 443 Toshiba Group employees registered as eco-style leaders. In addition, eco-style leaders offered guided tours at environmental exhibitions, and organized meeting of eco-style leaders.			
▶ Environmental Education/Human Resources Development				

**Fair Operating Practices**

Grasping the Status of Labor, Safety, and the Environment at Suppliers	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Number of suppliers at which the CSR survey is conducted (ISO26000 6.3.5, 6.4.3, 6.6.6, GRI G4-HR1, HR4-6, G4-SO9-10)	Approx. 6,600	Approx. 6,000	Approx. 5,600	Approx. 6,000
	Toshiba Group included the needs to consider labor, safety, and the environment as well as to prohibit child labor in our CSR promotion guidebook for suppliers and in our CSR procurement policy. Through the CSR survey, Toshiba Group will confirm how suppliers are complying with the CSR procurement policy. Our in-house company Semiconductor & Strage Company will strictly require its suppliers to comply with EICC Codes of Conduct.			
➤ CSR Management in the Supply Chain				
Ensuring Thorough Compliance(Provision of Audit etc.)	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Percentage of self-audits conducted at Group companies based on "anti-bribery guidelines" and "guidelines on contacts with competitors" (ISO26000 6.6.3, GRI G4-SO3, SO7-8)	100%	100%	100%	100%
	Visited major subsidiaries in Asia to ensure compliance. Posting a manager of legal affairs in each global region. Toshiba Group diagnosed the risk management systems of overseas subsidiaries using third parties. In FY2014, the Group will develop a monitoring function and a system to address violations for overseas subsidiaries.			
Self-audits on information security	100%	100%	100%	100%
	All divisions in charge perform self-audits of the status of compliance with the internal rules every year, and the Risk Management Division assesses the results and provides guidance.			
Self-audits on appropriate management of purchased package software licenses (ISO26000 6.6.7)	100%	100%	100%	100%
	Toshiba Group conducted self-audits on appropriate management of purchased package software licenses. In order to prevent delays in conducting self-audits of purchased package software licenses, Toshiba Group will take steps to confirm the progress of such audits midway.			
Number of cases informed through In-house Information Reporting System (GRI G4-49, G4-53, G4-57-58, G4-LA16, G4-HR12, G4-SO7, G4-SO11)	64 cases	—	61 cases	—
	Calls reporting inappropriate situations or concerns about inappropriate situations were reported to the relevant division so that instructions for improvement could be provided or alerts could be issued.			
➤ Risk Management and Compliance				

Ensuring Thorough Compliance(Provision of Education)	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Education for “Toshiba Group Standards of Conduct” (e-learning) (Toshiba group) (ISO26000 6.6.3、6.6.4、6.6.5、GRI G4- HR2)	—	100%	99% (Approx. 55,000 persons)	100%
	“Toshiba Group Standards of Conduct” is published in 16 different languages, and various education programs are provided such as education based on the needs of different organizational levels and job functions, as well as seminars on compliance topics for top executives.			
Education for export controls (e- learning) (Toshiba Corp.) (ISO26000 6.6.5、GRI G4-LA9)	86.7% (Approx. 30,000 persons)	100%	99.8% (Approx. 30,000 persons)	100%
	e-leanning is conducted to all Toshiba employees every year. Employees on temporary retirement or dispatched are not included.			
Education for information security and personal information protection (e- learning) (Toshiba group) (ISO26000 6.7.7、GRI G4-LA9)	91% (Approx. 180,000 persons)	100%	90% (Approx. 190,000 persons)	100%
	e-learning education was conducted at Toshiba and all Group companies. At some overseas Group companies, the percentage of employees who attended the education remained low because the education program did not match their education schedules. In FY2014, we will complete the education within the year.			
Education for protection of intellectual property (e-learning) (Toshiba Corp.) (ISO26000 6.6.7、GRI G4-LA9)	99.6% (Approx. 30,000 persons)	100%	99.6% (Approx. 30,000 persons)	100%
	e-leanning is conducted to all Toshiba employees every year.			
➤ Risk Management and Compliance				

## Consumers Issues (Customer)

False Statements and Exaggerated Expressions in Advertising and Information Communicated Externally	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Number of violations of the Act against Unjustifiable Premiums and Misleading Representations (ISO26000 6.7.4, GRI G4-SO8, G4-PR4, G4-PR6-7, G4-PR9)	0	0	0	0
	In March 2013, Toshiba Group held a meeting for 150 managers and in-house staff and major Group companies to study advertising and labeling, thus ensuring full compliance with advertising and labeling regulations. In 2014, we will aim prior checking functions at Advertising Division on advertising and labeling.			
➤ Quality Control				
Improvement of Quality Management/Level	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Results of JUSE Quality Management Level Research survey. (GRI Product Liability Management Approach) (GRI G4-PR1)	First place	Third place or higher	-	Third place or higher
	Toshiba Group conducted 21 kinds of study sessions on quality worldwide. Toshiba Group began to measure training effects. In 2013, JUSE Quality Management Level Research was not conducted. Toshiba Group will expand its training programs to foster keener quality awareness among its employees. Toshiba Group will maintain or improve the rankings of external quality assessments.			
➤ Quality Control				
Compliance with regulations and standards for product safety	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Number of violations of the Electrical Appliance and Material Safety Law E-learning attendance rate (ISO26000 6.7.4, GRI G4-LA9, G4-PR2, G4-PR9)	0、99.99% (Approx. 103,000 persons)	0、100%	0、99.96% (Approx. 105,000 persons)	0、100%
	Toshiba Group conducted simultaneous inspections to confirm whether our products conformed to the appropriate technical standards of the Electrical Appliance and Material Safety Law, and whether our businesses had been appropriately submitted in accordance with the Law. Toshiba Group will continue to maintain our number of violations of the Electrical Appliance and Material Safety Law at zero. Toshiba Group will make preparations to comply with a FY2014 revision to the Law and provide e-learning courses to familiarize its employees with the revised Law.			
➤ Ensuring Product Safety				

System for retrieving products, announcements, and product recalls	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Percentage of information on serious accidents disclosed in accordance with the Consumer Product Safety Act (ISO26000 6.7.4, GRI G4-PR2)	100%	100%	100%	100%
	Toshiba Group reported serious product accidents to the competent authorities (the Consumer Affairs Agency) within the period stipulated by the Act. Toshiba Group disclosed accident information. Challenges for FY2013 Toshiba Group will report serious product accidents within the period stipulated by the Consumer Product Safety Act and disclose accident information in accordance with the Act. Toshiba Group will increase the percentage of recalled products collected.			
➤ Ensuring Product Safety				

## Community Involvement and Development

Promotion of Social Contribution Activities	FY2012	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Expenditures for Corporate Citizenship Activities (ISO26000 6.8.3, GRI G4-SO1)	2.9 billion yen	—	2.82 billion yen	—
Number of participants in social contribution activities (ISO26000 6.8.3, GRI G4-SO1)	Approx. 110,000 persons	—	Approx. 130,000 persons	—
Number of social contribution programs (ISO26000 6.8.3, GRI G4-SO1)	1,449 programs	—	1,616 programs	—
	In FY2013, Toshiba newly established the Business Division Award as one social contribution award (Toshiba "ASHITA" Award) recognized as a President's Award. In North America, Toshiba has sponsored a K-12 student science contest for 21 years (as of June 2013). About 1,700 people participate in the Toshiba Group 1.5 Million Tree-Planting Project throughout the year. In FY2014, Toshiba will further expand its social contribution programs in emerging economies.			
Accumulated number of 1.5 million afforestation activities (ISO26000 6.8.3, GRI G4-SO1)	1.06 million	1.08 million	1.08 million	1.12 million
	In FY2013, Toshiba Group promoted forest maintenance by planting some 24,000 trees. In FY2014, the Group plans to plant some 45,000 trees (25,000 trees in Japan + 20,000 trees overseas).			
Number of collaboration with NPOs/NGOs (ISO26000 6.8.3, GRI G4-SO1)	16 associations	—	17 associations	Over 20 associations
	In FY2014, Toshiba Group will select partners to promote its social contribution programs in emerging countries.			
▶ Corporate Citizenship Activities				
Support for Recovery from the Great East Japan Earthquake	FY2013	FY2013	FY2013	FY2014
	Achievements	Targets	Achievements	Targets
Total amount of support (ISO26000 6.8.3, GRI G4-SO1)	500 million yen	—	250 million yen	—
	Toshiba Group terminated support in the form of provision of products and relief supplies and support for buildings in FY2012. The Group will focus on support for scholarships and economic activities in FY2013 and beyond.			
▶ Support for Disaster Recovery				

CSR Performance  
**FY2013 Topics**

## Organizational Governance

### > CSR Management

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

### > Corporate Governance

- > Appointment of 16 directors and reappointment of a female outside director for further expansion of the global business

## Human Rights

### > Respect for Human Rights

- > Workshop on Business and Human Rights for personnel managers from nine countries in Asia

## Labor Practices

### > Promotion of Diversity

- > Toshiba Group explicitly specified the active development and utilization of diverse human resources as one of its management policy.

### > Support for Diverse Work Styles

- > Toshiba Group held a nursing care seminar for its employees.

### > Occupational Health and Safety

- > Number of Toshiba Group companies that have acquired OHSAS 18001 certification: 101
- > Frequency of work-related accidents at Toshiba and its Group companies (frequency of accidents per million work hours resulting in death or injuries that require one or more days off work): 0.20

## The Environment

### > The Environment

- > 1.6 trillion yen of excellent ECPs (Environmentally Conscious Products) sold (target: 0.8 trillion yen).
- > Reduced total greenhouse gas emissions to 2.76 million tons (target: 3.92 million tons or less).
- > 363 sites participated in Toshiba Group Environmental Simultaneous Action
- > Introduced T-COMPASS, a new environmental management concept

## Fair Operating Practices

### > Risk Management and Compliance

- › Placed managers of legal affairs in major overseas regions as a measure to enhance global compliance

### > CSR Management in the Supply Chain

- › Conducted a survey on the use of conflict minerals for some 2,800 Toshiba Group suppliers that could have been using “3TG” conflict minerals.

## Customers

### > Quality Control

- › Promoted initiatives to prevent product defects in upstream design processes (enhancement of capabilities to ensure product quality)

### > Ensuring Product Safety

- › Launched a Group-wide Safety No. 1 Working Group to enhance product safety initiatives

### > Information on Product Safety

- › Continued to enhance efforts to accelerate the collection of products subject to recall

### > Customer Service and Support

- › Comprehensive manner training for call centers in order to improve customer satisfaction with after-sales services in emerging countries

### > Universal Design

- › Released a lightweight and user friendly cleaner
- › Universal design exhibition at the Toshiba Science Museum

## Community Involvement and Development

### > Support for Local Community Development

- › Development of a weather radar for forecasting the occurrence of heavy rainfall and tornadoes
- › Serving seafood produced in Miyagi Prefecture at company restaurants
- › Toshiba Science Museum opened
- › Science and Technology Competition for Children in the U.S. and Canada
- › Establishing Toshiba Carrier Air Conditioning (China)
- › Starting Collaborative Research with IIT Madras in India
- › Experimental program for the improvement of local life in India's Maharashtra Province
- › Sending doctors and dentists to areas around a factory in the Philippines
- › Training electric locomotive maintenance engineers in South Africa

### > Community Relations

- › We actively organized facility tours and other events at many business sites to hold dialogues with local community residents.

CSR Performane: Organizational Governance  
**CSR Management**

**Major Progress and Achievements in FY2013**

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

**The Concept of CSR Management**

CSR management means giving top priority to human life, safety, and legal compliance and contributing to the solution of problems in the global society through business.

In order to meet the expectations of stakeholders, it is our responsibility to communicate with various stakeholders (such as customers, shareholders and investors, suppliers, and employees) in promoting CSR activities. Such activities must be supported by each and every one of Toshiba Group's 200,000 employees worldwide.



- > Stakeholder Engagement
- > CSR Activities Supported by 200,000 Toshiba Group Employees

**Identifying materiality (key issues)**

Since FY2011, Toshiba Group has promoted CSR management in accordance with ISO 26000, the international standards and guidance criteria for social responsibility.

In FY2013, based on ISO26000, we started to implement reviews with third-party organization, and identified materiality (key issues) where we needed to strengthen our approach in order to promote further globalization of Toshiba's business. In FY2013, human rights, supply chain CSR, and environmental management were identified as material issues, and these are highlighted in the 2014 Annual Report and 2014 CSR Report.

- > Materiality for Toshiba Group

## CSR Management Structure

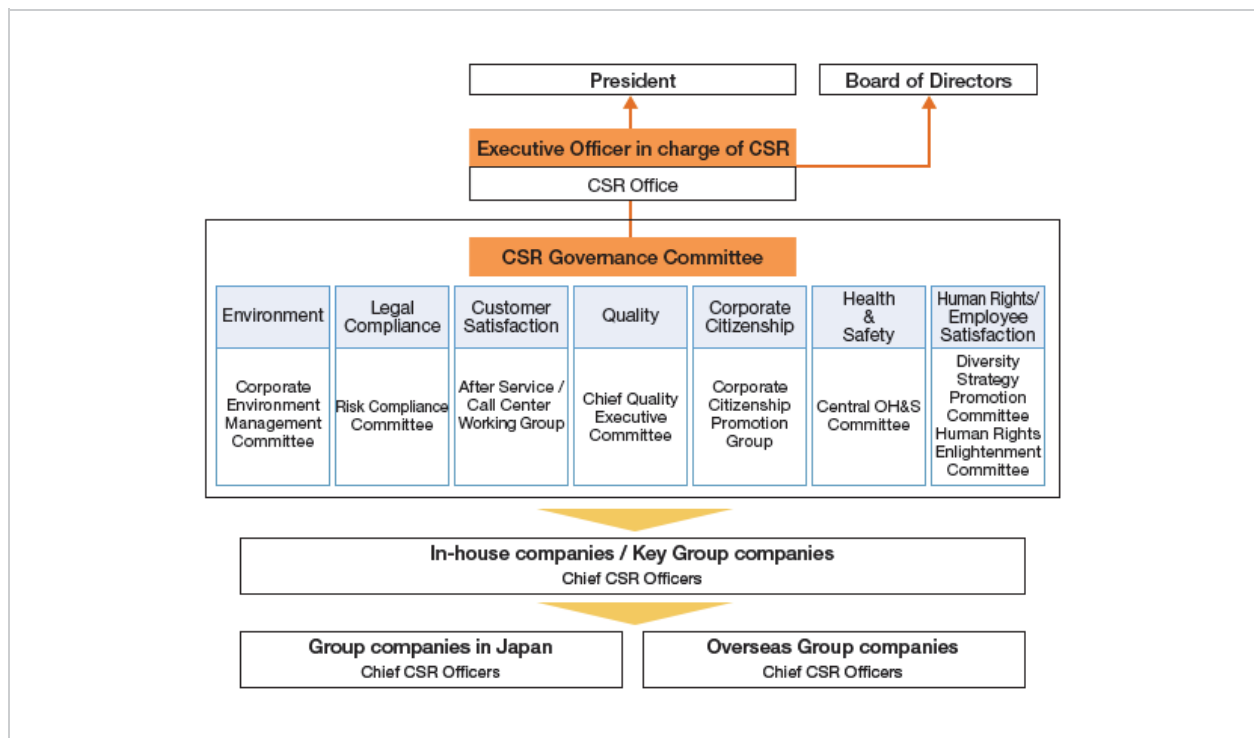
### CSR Division / Chief CSR Officers

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

As part of their business activities, in-house companies, business sites, and Group companies in Japan and overseas appoint their own Chief CSR Officers. Since FY2007, the members of CSR Office has visited the Chief CSR Officers of in-house companies and major Group companies every half year to ensure the implementation of Toshiba Group's CSR management policies and to check the progress regarding high-priority themes for the companies.

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

### Toshiba Group's CSR Management Structure



## CSR Assessment and Internal Audit

Focusing on the major subjects of ISO 26000, related corporate divisions perform self-assessment, along with a CSR activity review by a third-party organization. We take review results into consideration to identify materialities (key issues).

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

For our overseas Group companies, we conduct an annual CSR survey based on the 10 principles of the UN Global Compact as well as ISO 26000 and the EICC's code of conduct to assess the performance of issues regarding ethics, human rights, labor, occupational health and safety, and social contribution.

In addition, we monitor environmental issues through in-house environmental audits, and the Legal Affairs Division provides instructions directly to the management of overseas Group companies to ensure compliance with anti-bribery guidelines. Throughout the annual TEAM Survey, CSR performances such as compliance awareness is also self-assessed.




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

### ➤ Process of Materiality Identification



## Outside Ratings for Toshiba Group CSR

Toshiba Group proactively disseminates information on its CSR activities to external parties. The table below shows high ratings from several mass media as well as SRI (Socially Responsible Investment) institutions, obtained by Toshiba Group in FY2013.

Rating	Evaluation	Period
Member of Dow Jones Sustainability Index (DJSI) 	Selected for 14 consecutive years since 2000	September 2013
Euronext Vigeo World 120 index 	Selected global index (among 17 companies are Japanese)	June 2014
oekom research AG 	Toshiba ranked Prime among the world's 19 major IT manufacturers	June 2011
Corporate Integrity & Transparency Survey by IntegreX	5th place (1st by industry)	March 2014
JCGIndex by Japan Corporate Governance Research Institute, Inc.	7th place	March 2014
CSR survey conducted by Toyo Keizai, Inc. among approx. 1000 companies	10th place in FY2013 overall (1st place in terms of CSR field)	April 2014
2013 Golden Bee CSR Reports Honor Roll Award	Excellent CSR report in foreign capital category	December 2013

➤ Evaluation by External Parties

## Enhancement of Employees' Awareness

In order to enhance CSR awareness among all Toshiba Group employees, the President emphasizes the importance of CSR management at every available opportunity, such as at the beginning of half-year terms, the company's anniversary and New Year celebrations. These messages are communicated to business sites in Japan and overseas as well as to Group companies via in-house newsletters and other channels. In addition, we educate CSR to employees by different job hierarchies, including new employees and newly appointed managers, and provide e-learning throughout the year on various CSR topics, such as the environment, information security, human rights and engineering ethics.

### Toshiba Group's CSR Month

Toshiba Group has designated December as its CSR Month since FY2006. During this month, we assess our CSR initiatives and hold a variety of events, such as the Group-wide CSR Conference and other events at our companies and business sites focusing on social contribution and other CSR activities. In order to allow each and every employee to conduct self-assessments of their CSR awareness and practices, we provided e-learning from November 2013 to January 2013 on topics such as Copyright, Engineering ethics, and Electrical Appliances and Material Safety Act. In addition to holding "Workplace CSR meetings" focusing, we asked our in-house companies and key Group companies to conduct self-assessments of their CSR activities in accordance with ISO 26000.

On December 20, we held our annual CSR Conference, which was attended by some 680 employees, including executive officers and labor union representatives. At the Conference, a ceremony was held to commend the teams that demonstrated outstanding practices with regard to health and safety as well as social contribution. In addition, examples of outstanding CSR efforts were shared. Executive Officer in charge of CSR reflected upon our CSR activities in FY2013 and spoke about issues as "Human right" and "Supply chain CSR" to be addressed in FY2014.

Through these events, attendees were able to re-confirm that the significance of a company's existence is validated through its business and the activities of each and every one of its employees.



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



Mr. Shimomitsu, Executive Officer in charge of CSR, spoke about issues to be addressed in FY2014.

### **Workplace CSR Meetings**

In order to promote the concept of CSR throughout our entire organization, in FY2010 we initiated workplace CSR meetings for all our employees in Japan. In FY2013, we held these meetings three times at each workplace, with the participation of a cumulative total of 280,000 employees.

Three topics were offered for discussion at each meeting, and the participants discussed the one most relevant to their workplace for around 30 minutes. Unlike conventional one-way education, this kind of workplace meeting aims to improve the workplace climate by encouraging each and every employee to be aware of integrity issues and to freely express their opinions.

#### **Examples of topics taken up in FY2013:**

Work-style innovation

Engineering ethics

Proper use of Social Media

Corporate Social Responsibility, CSR

CSR Performance: Organizational Governance  
**Corporate Governance**

**Major Progress and Achievements in FY2013**

- ✓ Appointment of 16 directors and reappointment of a female outside director for further expansion of the global business

## Corporate Governance Policy

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

 [Corporate Governance Report \(Japanese\)](#)

## Toshiba's Governance System

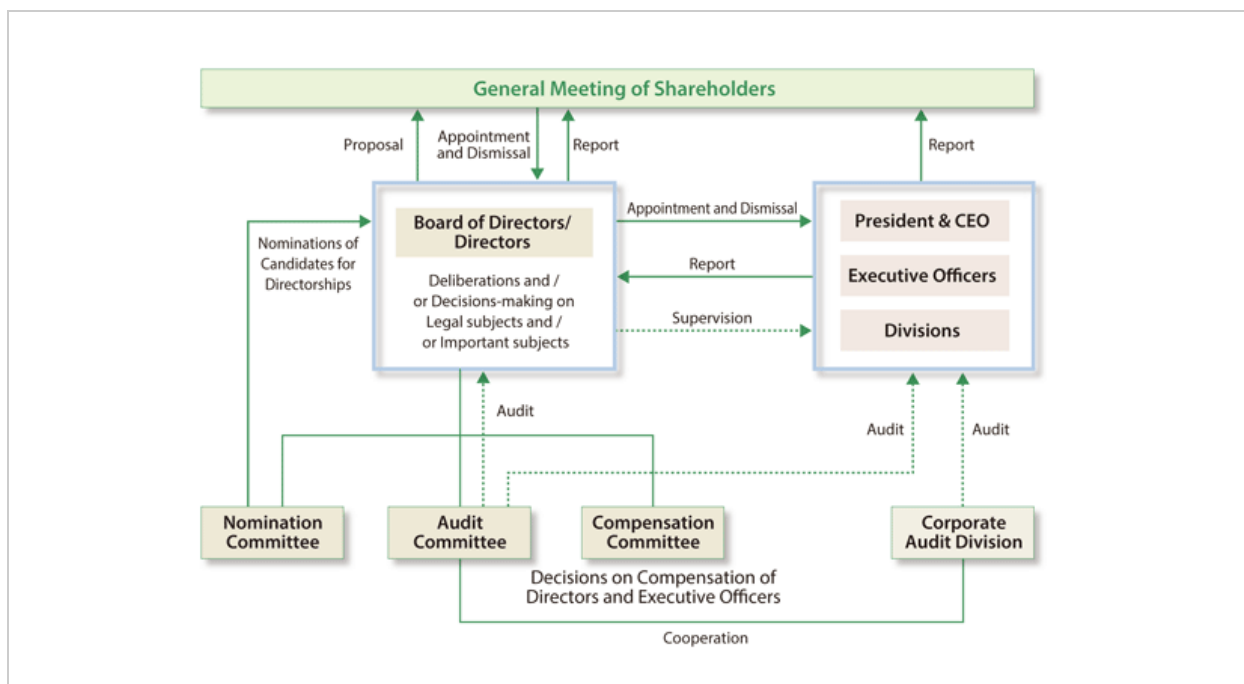
As a "company with committees," Toshiba aims to enhance its management mobility, supervisory functions, and increase transparency. The board of directors consists of 16 members, half of whom are directors who do not form part of the executive management team ("the Non-Executive Directors"). The Non-Executive Directors include four outside directors (including one woman), the chairman, the vice chairman, and two full-time Audit Committee members. The benefit of this composition is that it allows the board to formulate basic management policy efficiently based on the actual status of management through the inclusion of Toshiba executives who are familiar with its operations but who devote themselves to supervision, though half of the eight are independent outside directors. Each committee has a majority of outside directors and the Nomination and Compensation Committees are both chaired by outside directors. The Nomination Committee is composed of 1 inside director and 2 outside directors, the Audit Committee of 2 inside (full-time) directors and 3 outside directors, and the Compensation Committee of 2 inside directors and 3 outside directors. Each committee has a majority of outside directors, and the Nomination and Compensation Committees are both chaired by outside directors.

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

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

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

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



## Compensation for Directors and Executive Officers

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

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

### Total Amount of Compensation Paid to Directors and Executive Officers (FY2013, Toshiba Corp.)

Position	Total Amount (Million of yen)	Basic Fixed Compensation (Million of yen)	Performance Based Compensation	Number of Persons
Directors (excluding Outside Directors)	313	313	-	15
Outside Directors	62	62	-	4
Executive Officers	1,353	1,148	205	42

### Directors and Executive officers whose total compensation exceed 100 million yen for FY2013

Name	Position	Company	Basic Fixed Compensation (Million of yen)	Performance Based Compensation	Total Amount (Million of yen)
Atsutoshi Nishida	Director	Toshiba Corporation	127	-	127
Norio Sasaki	Director	Toshiba Corporation	74	-	104
	Executive Officers		25	5	
Hisao Tanaka	Director	Toshiba Corporation	6	-	111
	Executive Officers		88	17	

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

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

## Toshiba's Internal Control System

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

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

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

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

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

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

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

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

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

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

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

1. The President & CEO ensures, through continuous execution of employee education etc., that employees comply with the Toshiba

Group Standards of Conduct clarifying values and codes of conduct to be shared by all officers and employees.

2. The CRO formulates and promotes measures concerning compliance with laws and regulations in his/her capacity as the chairman of the Risk-Compliance Committee in accordance with the Basic Rules concerning Risk-Compliance Management.
3. The Executive Officer in charge endeavors to detect problems early and deal with them in an appropriate manner by making use of the whistle-blower system.

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

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

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

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

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

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

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

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

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

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

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

## **Internal Control System over Financial Reporting**

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

## **Takeover Defense Measures**

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With the goal of protecting and enhancing the Company's corporate value and the common interests of its shareholders, Toshiba has implemented countermeasures against large scale acquisitions of shares in the Company. These countermeasures are aimed at clarifying the procedures for handling large-scale acquisitions of the Company's shares in order to provide shareholders with sufficient information and time required to make appropriate decisions, as well as at securing opportunities for negotiations with the buyers of shares to protect and improve the Company's corporate value and common interests of its shareholders.

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

## **Evaluation of Corporate Governance**

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- Toshiba was ranked 7th in the JCGIndex Survey conducted by the Japan Corporate Governance Research Institute, Inc. (March, 2014)

➤ Evaluation by External Parties



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

## **Policy on Information Disclosure**

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

Toshiba Group discloses information in a timely and appropriate manner in accordance with pertinent laws and regulations. We also disclose important corporate information that is likely to influence investor decisions even when such disclosure is not required by law or regulation. Toshiba Group is striving to promote deeper understanding among investors showing high interest in its individual business chiefly by hosting meetings to provide explanations of such businesses while paying attention to the timing of disclosure and by participating in seminars organized by securities firms.

- Toshiba Group Standards of Conduct Chapter 1 13. Corporate Communications
- Information Disclosure Policy

## **Basic Policy on Profit Distribution**

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

- Basic Policy on Profit Distribution

## **Information Disclosure Framework**

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

- Internal system for information disclosure

## **Information Disclosure Checks and Audits**

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




## Evaluation of the IR Website by External Parties

Toshiba's constant upgrades of its IR website to ensure fair disclosure have earned recognition. Awards won by the website in FY2013 are indicated below, and the site also gained high evaluations from several agencies that survey Socially Responsible Investment (SRI).

### Evaluation of the IR Website by External Parties (FY2013)

Organization	Evaluation	Period
<p>Gomez IR Site Ranking by Morning Star Japan k. k. (surveyed: 3,583 Japanese companies)</p>  <p>(Japanese)</p>	Excellent Company: Gold Medal	June 2014
<p>2013 Internet IR Best Company Award by Daiwa Investor Relations Co., Ltd. (surveyed: 3,602 Japanese companies)</p>  <p>(Japanese)</p>	Grand Prix (Best Company Award 2013 for nine consecutive years) Special Award (English version of the website)	November 2013
<p>2013 Ranking Survey of Excellent Websites by Nikko Investor Relations Co., Ltd. (surveyed: 3,556 Japanese companies)</p>  <p>(Japanese)</p>	Second place overall	November 2013

### Evaluation by SRI (FY2013)

Organization	Evaluation	Period
<p>Member of Dow Jones Sustainability Index (DJSI)</p> 	Selected for 14 consecutive years since 2000	September 2013
<p>Euronext Vigeo World 120 index</p> 	Selected as a member of the 120 most advanced companies at the global level (17 Japanese companies among them)	June 2014
<p>oekom research AG</p> 	Toshiba ranked Prime among the world's 19 major IT manufacturers	June 2011
<p>13th Corporate Integrity &amp; Transparency Survey by IntegreX Reference: IntegreX's company website</p>	5th place in terms of overall evaluation (among 498 listed companies (1st by industry))	March 2014
<p>12th JCGIndex by Japan Corporate Governance Research Institute, Inc. (FY2013) Reference: <a href="#">Japan Corporate Governance Research Institute's website</a></p>	7th place	March 2014
<p>CSR survey conducted by Toyo Keizai, Inc. among approx. 1,000 companies</p>	10th place in FY2013 overall (1st place in terms of CSR field)	April 2014
<p>2013 Golden Bee CSR Reports Honor Roll Award</p>	Excellent CSR report in foreign capital category	April 2014

### > Evaluation by External Parties

### Communication with Individual Shareholders

#### Publication of Shareholder Newsletters

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



Shareholder Newsletter (Japanese)

#### Enhancement of IR Website

We posted a video message from the President on our corporate investor relations website. Also, among of our efforts to improve the English language website, we started an English e-mail distribution service to provide registered users with e-mail notification about financial reporting.

- IR website
- Questionnaire survey on the IR website

#### General Meeting of Shareholders

We held the General Meeting of Shareholders at Tokyo on June 25, 2013. The meeting was attended by 5,740 shareholders. We will continue to enhance our communication with our shareholders through such meetings.

At the site, there were exhibition corners set up to easily explain to the shareholders about various Toshiba products such as electronic devices, social infrastructure systems, digital products, home appliances and medical equipment. Also, booklets of Toshiba Group Annual Report 2013 were distributed at the meeting.

## Communication with Institutional Investors and Securities Analysts

Throughout the year, Toshiba works to promote communication with institutional investors and securities analysts by attending seminars hosted by securities firms, visiting investors in Japan and overseas and hosting interviews about Toshiba. In FY2013, in addition to annual financial and management policy briefings, we also held meetings to explain our healthcare business strategies and gave a tour of Toshiba's Yokkaichi Factory in response to investors' requests. Working in collaboration with securities firms, Toshiba's executive officers in charge explained our semiconductor and storage business strategies for investors in Japan and overseas, creating opportunities to promote their understanding of Toshiba Group's high-priority businesses.

Since 2013, we have also visited overseas institutional investors to explain our ESG (Environment, Society and Governance) factors used to measure investments in companies and businesses, and we have heard a variety of opinions from such investors, including their thoughts on challenges and expectations.

CSR Performane: Human Rights  
**Respect for Human Rights**

**Major Progress and Achievements in FY2013**

- ▼ Workshop on Business and Human Rights for human resources managers from nine countries in Asia

## Policy on Respect for Human Rights

Toshiba Group's Corporate Philosophy emphasizes respect for people and has declared that it will respect the rights of all people through healthy business activities. We also ensure compliance with laws, social norms and company rules regarding human rights worldwide and promote business activities through fair and honest competition.

For Toshiba Group's executives and employees, we have defined the "Toshiba Group Standards of Conduct" to stipulate adherence to all relevant laws and regulations, respect for fundamental human rights, and prohibition of discriminatory treatment, child labor and forced labor. These standards require that respect be accorded to diverse values, individuality, and privacy of individuals, prohibits discriminatory behavior based on race, religion, gender, nationality, disability, age, or sexual orientation, and prohibits physical abuse, sexual harassment, abuse of power, and any other actions that disregard the dignity and individuality of others.

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

UN Global Compact

The Universal Declaration of Human Rights

The OECD Guidelines for Multinational Enterprises

UN Guiding Principles on Business and Human Rights

ISO 26000

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

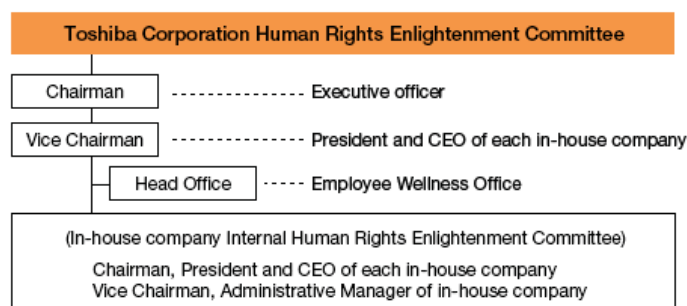
- Toshiba Group Standards of Conduct Chapter 2 15. Human Resources
- Toshiba Group Procurement Policy

## Framework for Respecting Human Rights

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

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

### Toshiba Corporation Human Rights Enlightenment Committee Structure



## Identification and Monitoring of Human Rights Risks

Toshiba Group continuously investigates potential human rights risks that could arise in connection with its business activities through reviews of activities based on ISO 26000, which provides international standards for social responsibility in organizations.

In FY2013, in order to deepen our understanding of the impact of our business activities on human rights and to recognize priority issues, we performed a human rights impact assessment in collaboration with Business for Social Responsibility (BSR), a U.S.-based CSR promotion organization.

[Major human rights issues identified by the human rights impact assessment]

- Respecting human rights regarding the procurement of raw materials (conflict mineral issues)
- Respecting human rights in the supply chain
- Respecting employees' human rights
- Respecting customers' human rights (protection of personal information, etc.)
- Respecting human rights when branching out into new regions

We will enhance our measures regarding human rights issues that vary depending on business area, country or region, through dialogue with relevant stakeholders. Also, to monitor the implementation of human rights initiatives, we will continue to perform audits by the Management Audit Department, gap analysis based on ISO 26000, and global CSR surveys targeting overseas Group companies as well as CSR surveys of our suppliers.

## Education on Respect for Human Rights

Toshiba Group strives to be a discrimination-free organization in which employees enjoy optimal job satisfaction, based on our policy of respecting fundamental human rights and the diverse values of individuals and prohibiting discriminatory treatment; and foster an awareness of human rights among our employees through the activities of the Human Rights Enlightenment Committee. In addition, we undertake trainings that place an emphasis on human rights and diversity. For example, "Toshiba Group Standards of Conduct" has been made in 16 languages so that the awareness takes root within all companies and business sites. Education on human rights is provided to new recruits and to employees at the time of promotion to managerial positions. In December every year during Human Rights Week, Toshiba holds a Human Rights Week Memorial Lecture at the Toshiba headquarters as a Toshiba Group CSR month event. In FY2013, the theme of the lecture was "Mental health and human rights," and 162 managers from the general affairs, human resources, and other administrative departments of Toshiba Group companies attended the lecture.

In February 2014, we invited a representative of BSR, a U.S.-based CSR promotion organization, to lecture at a workshop we held on the theme of "business and human rights" with the participation of 45 human resources managers from 9 countries in Asia. At the workshop, attendees were lectured on case studies of human rights violation and on an overview of international standards and discussed human rights risks that are likely to occur in their own countries / region to obtain a deeper understanding of how to handle labor and human rights issues.



Workshop in Asia on "Business and human rights"



Presentation by participants

## Grievance Mechanisms

For employees

Risk Hotline

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

Consulting Services for Employees

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

For suppliers

Clean Partner Line

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

### Participation in human rights initiatives

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

- Participation in the Japan Human Rights Study Forum hosted by Business for Social Responsibility (BSR), a U.S.-based CSR promotion organization (FY2012)
- Participation in the Human Rights Due Diligence Study Group organized by the Global Compact Japan Network (GC-JN) (FY2013)
- Participation in Research on Respect for Human Rights in Business Development in Developing Countries conducted by Business Policy Forum, Japan (BPF) as a committee member (FY2012)

### Support for human rights NGOs

Toshiba Group co-sponsored the Amnesty Film Festival (FY2013) hosted by Amnesty International Japan, a human rights NGO, to present films that focus on human rights, as well as the Gontiti Spring Charity Concert (FY2014) hosted by the same NGO.

### Support for education in developing countries

Toshiba Group respects the right to education and is working to construct Toshiba Hope Elementary Schools and provide scholarships for the development of next-generations in China.

CSR Performance: Human Rights

## Respecting Employees Human Rights

### Policy on Employees Human Rights

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

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

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

##### Equal treatment

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

##### Performance-based evaluation system

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

##### Diversity

Diverse people and ways of thinking invigorate the organization.

##### Right person in the right place

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

### Prohibition of Forced Labor and Child Labor

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

### Ensuring the Fundamental Labor Rights of Employees

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

### Labor-Union Relations

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

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

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

### Protection of Employees' Personal Data

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



## **Prevention of Sexual Harassment and Abuse of Power**

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

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

We also provide consulting services at each workplace, training for newly promoted and human rights training regularly.

## **Provision of Consulting Services for Employees**

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

CSR Performance: Labor Practices  
**Stable Employment**

## Basic Policy on Human Resources

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

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

#### Human Resources are the Most Valuable Assets

##### Equal treatment

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

##### Performance-based evaluation system

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

##### Diversity

Diverse people and ways of thinking invigorate the organization.

##### Right person in the right place

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

### Toshiba Group Employees (as of March 31, 2014)

Region	Number of employees	Business domain	Number of employees
Japan	111,745	Energy & Infrastructure	55,235
China	22,469	Community Solutions	47,888
Asia*1 & Oceania	28,605	Healthcare Systems & Services	9,624
North America	22,585	Electronic Devices & Components	34,978
Central & South America	3,091	Lifestyle Products & Services	25,670
Europe*2	10,954	Others	23,602
Africa	811	Common to the Group	3,263
Total	200,260	Total	200,260

\*1 Excluding Japan and China

\*2 Including Russia

## Promoting Labor-Management Dialogue

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

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

## Policy on Fair Personnel Evaluation and Treatment

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

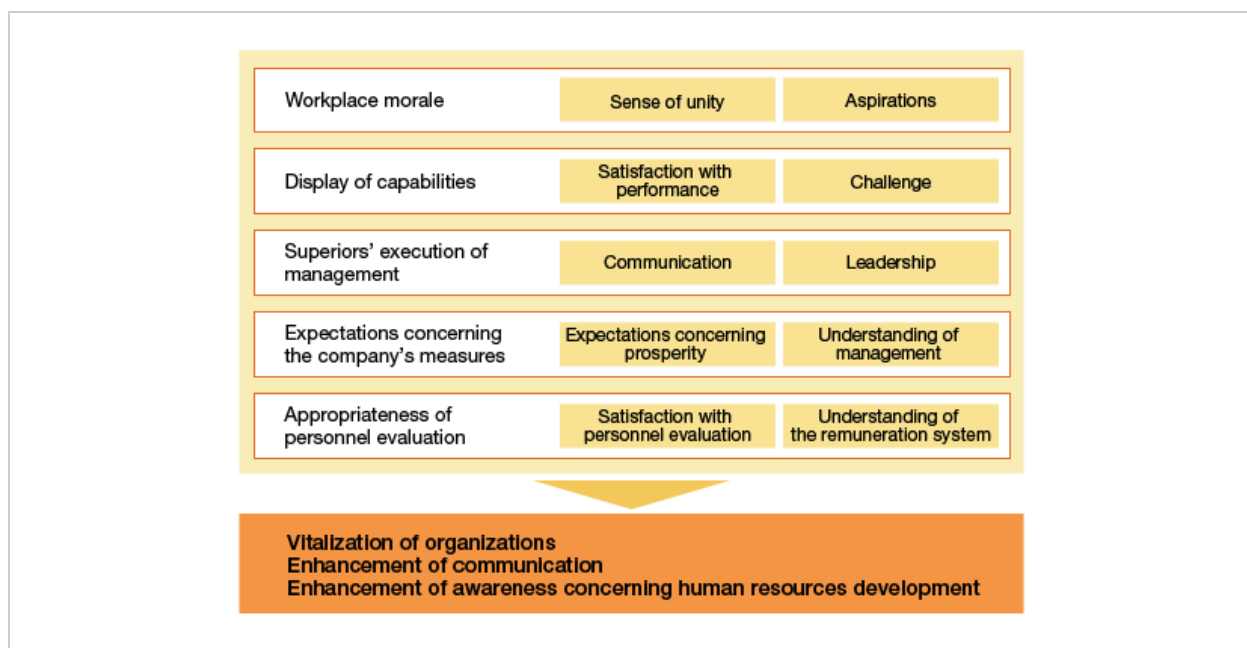
## System for Promoting Fair Personnel Evaluation and Treatment

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

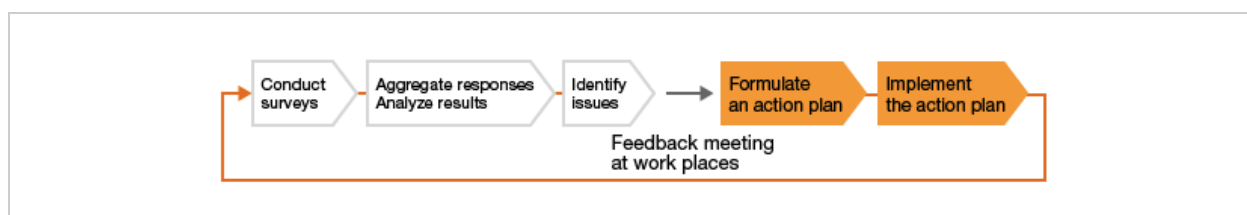
## Training for Fair Personnel Evaluation and Treatment (Employee Morale Survey)

Toshiba encourages Group companies to conduct the TEAM Survey for the purpose of soliciting the opinions of employees. In FY2013, 34 Toshiba Group companies in Japan conducted this in-depth survey of employee values and attitudes concerning company policies, attitudes toward and evaluation of workplaces and superiors, and attitudes toward employee evaluation and treatment. Participating companies hold meetings at each department and, in light of the findings of the survey, implement measures to enhance communication in the workplace and vitalize organizations.

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



### TEAM survey execution cycle (annual)



CSR Performance: Labor Practices  
**Talent Development**

## Principle of Talent Development

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

## Cultivating Global Talents

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

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

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



Global Executive Forum

## Using Full-fledged Career Development Systems

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

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

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

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

System	Eligibility	FY2012	FY2013
Open recruitment in Toshiba Group	Full-time employees of the eligible Toshiba Group companies who have been employed by the company for 3 years or more	39	72
In-house free agent	Full-time employees who have been employed by the company for 5 years or more.	19	42

## Training Programs at Toshiba Group

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

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

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

**Major Progress and Achievements in FY2013**

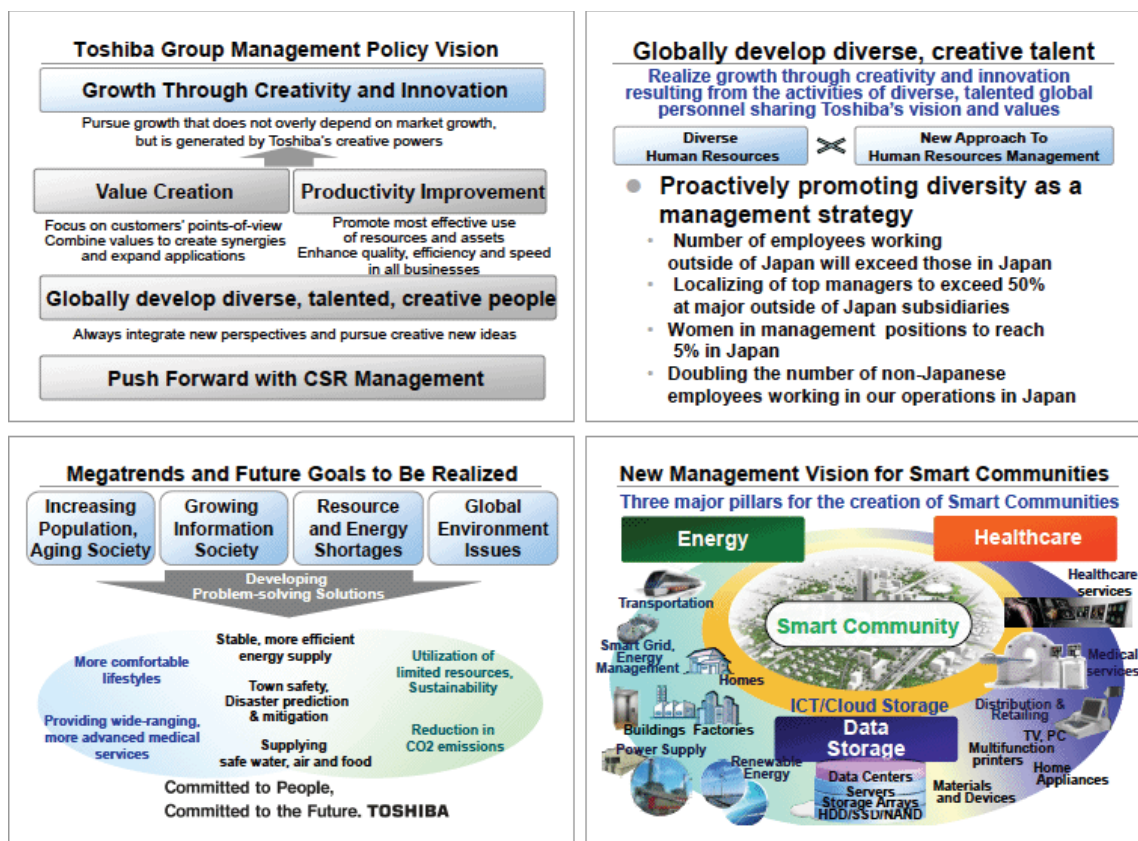
- ✓ Toshiba Group explicitly specified the active development and utilization of diverse human resources as one of its management policy.

**Top Commitment**

Toshiba Group will contribute to the development of a sustainable society by actively developing and utilizing various human resources as a driving force while aiming to achieve “growth through activity and innovation” through creating new values and cultivating new markets.

The maximization of the capabilities and strengths of diverse employees is critical for active innovation and corporate growth. Based on this belief, the Toshiba Group has positioned the promotion of diversity as one of its integral management policy visions, and under the strong top commitment, top management has issued a message on the importance of diversity for both employees and those outside the company.

In FY2011, Toshiba Group presented a new concept “Toshiba Diversity”. Furthermore, in FY2013, the Toshiba Group specified “globally develop diverse, talented, creative people” as one of its management policy visions, and has accelerated human resources planning, human resources development, and diversity promotion activities.



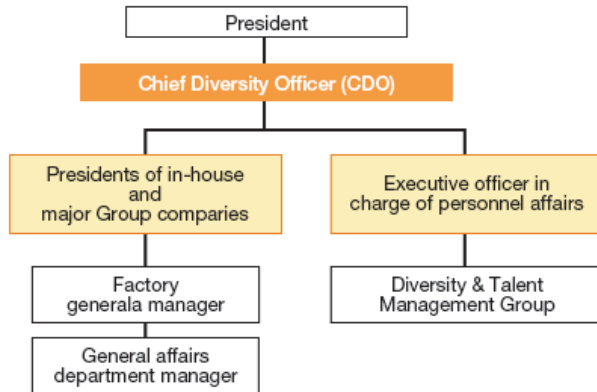
Medium-Term Strategies for Future Growth through Creativity and Innovation (August 7, 2013)

## Structure for Promoting Diversity

In FY2004, Toshiba Group set up the Diversity Promotion Advisory Committee as an advisory body to the personnel department with the aim of promoting diversity in the entire Toshiba Group. In FY2012, the Diversity Promotion Advisory Committee was upgraded to a promotional organization named the Diversity Strategy Committee, which meets every six months to encourage each in-house and Group companies to voluntarily and actively implement diversity measures.

The Diversity Strategy Committee is convened, consisting of the Corporate Senior Executive Vice President who acts the Chief Diversity Officer (CDO) as the chair, the executive officer in charge of personnel affairs, and the presidents of in-house and major Group companies as top management members. In this committee, discussions are held to determine the direction of diversity strategies for each company, such as measures to expand the domestic recruitment base to include more females, policies and measures to develop female employees in order to increase the percentage of female managers, and the development of global human resources and environmental improvement.

### Promotion Structure for Diversity Strategy Committee



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

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

In the mandatory training at the time of promotion to manager, diversity training is conducted for five hours, and training on compliance-including human rights-for one day. While incorporating work or case studies, they are learning about diversity management methods and human rights to take full advantage of the power of diverse human resources. Other training programs include “career training for early career female employees who have worked for the company for five to ten years;” training for employees with disabilities, which is designed to “develop skills that emphasize their strengths;” and communication training for departments that accept employees with hearing impairments. Through these efforts, we are enhancing our diversity training programs.

Also, Toshiba Corp. has set up an exclusive email address for counseling related to workplace grievances. Based on opinions and requests from employees, a special networking site has been set up to provide opportunities for exchanging information among employees. Thus, unified initiatives between the company and employees have been accelerated to enhance interactive communication.



Toshiba Group intranet site “Kirameki”



## Raising Awareness

Toshiba's president has, in explaining management policies to employees and at the forum for diversity, "Kirameki Forum" for employees (which also features experts from outside the company), spoken directly on the idea of diversity as the Group's management policy. We are also distributing the video and entire text of the message through the company's internal website to communicate the message to employees who are unable to attend the Kirameki Forum.

### Activity Example: Communicating the president's message

In September 2013, President Tanaka's message on diversity was distributed by the internal newsletter "Kirameki Times Vol.27" to all Toshiba Group employees, including those in offices outside Japan.



Internal newsletter "Kirameki Times" (issued quarterly from FY2007 onward)

## Evaluation by External Parties

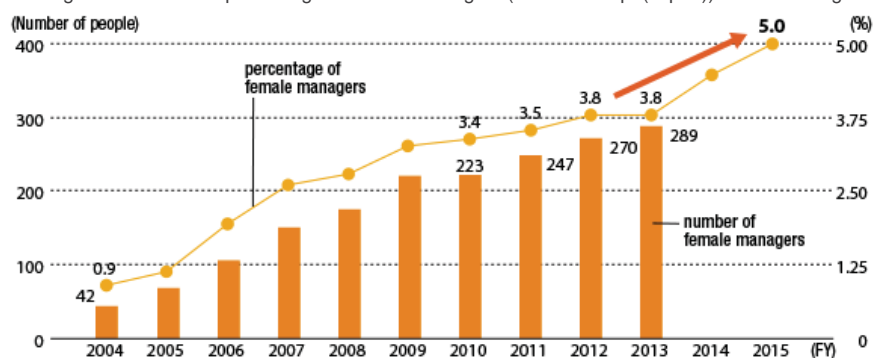
Name of Award	Year Awarded
Awarded the next generation support certification label named "Kurumin Mark," a certification provided by the Ministry of Health, Labor and Welfare in recognition of company efforts to support child rearing by employees.	2007
Received the Diversity Management Selection 100 Award from the Ministry of Economy, Trade and Industry	2013
Nikkei Woman's Female Workers' Workplace Opportunity Rankings (ranked 5th in the category of the Active use of women's abilities)	2013
Toyo Keizai's Top 200 Diversified Companies Ranking (ranked 1st place)	2013
Toyo Keizai CSR Ranking (1st place in the category of Workforce and HR Utilization)	2013
Nikkei survey of Companies that Effectively Utilize its Employees (ranked 8th in the category of workplace environment and communication)	2013

## Promoting the Utilization of Female Employees

### <Toshiba Corporation's Target>

In its medium-term management plan, the Toshiba Corp. has set a target of increasing the percentage of female managers to at least 5.0% by FY2015 by implementing measures to accelerate the utilization of female employees. Furthermore, it aims to increase the number of senior female managers to three times that of the 11 people (nine Vice Presidents and two Chief Fellow engineers) in FY2012.

∇Changes in the number/percentage of female managers (Toshiba Corp. (Japan))section manager class or higher)



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

	FY2012	FY2013
Percentage of female managers	3.8%	3.8%
Section manager class	4.6%	4.4%
Division manager class	2.4%	3.0%

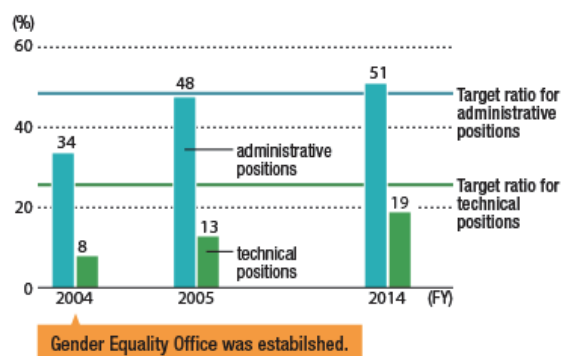
<Efforts to promote activities for female employees>

In order to promote activities for female employees, Toshiba Corp. has, since FY2004, taken measures seeking to achieve the following three objectives: increasing the number of female recruits; increasing (developing) female managers; and increasing the retention rate.

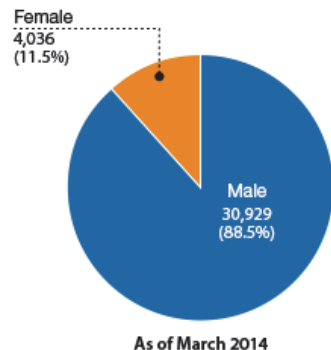
(1) Increasing the number of female recruits

Toshiba Corp. has carried out recruiting activities by setting the target ratios of female recruits for administrative and technical positions at 50% and 25%, respectively. As for technical staff, since the percentage of female students in science and technology departments is only slightly above 10%, Toshiba Corp. has promoted efforts to recruit more female engineers by implementing various measures such as holding recruiting seminars dedicated only to female students in science and technology departments and actively presenting female engineer role models in the recruitment media.

Ratio of female recruits (Toshiba Corp.(Japan))



Employee Breakdown (Toshiba Corp.(Japan))



**Activity Example: Participating in and sponsoring events to convey the appeal of choosing science and engineering courses of study in college to female junior high and high school students**

Toshiba Corp. also actively participates in and sponsors events to convey the appeal of choosing science and engineering courses of study in college to female junior high and high school students. In September 2013, Toshiba Corp. held a "TV disassembly workshop" at an all-girls school in Tokyo. With the support of employee volunteers acting the role of disassembling experts, students actually disassemble TVs using tools such as screwdrivers, and they deepened their understanding of the mechanism of how electrical products work. At the same time, we helped female junior high students create their visions for their future careers through their interacting with female engineers.



A scene from the TV disassembly workshop



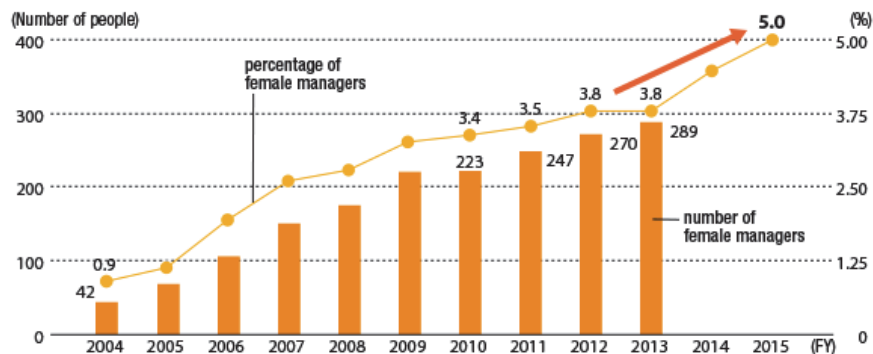
A female engineer of Toshiba Corp. communicating the joy of manufacturing at a career event

In August 2013, we also participated in the career event "MY FUTURE CAMPUS Girls 1day" that targeted female high school students and female freshman and sophomore college students and was sponsored by Mynavi Corporation. In the event, our female engineers explained the fun of manufacturing to students.

## (2) Increasing (developing) female managers

When Toshiba Corp. started our career support activities, the percentage of female managers in Toshiba Corp (Japan). was 0.9% in FY2004. However, through career shaping support trainings, such as “Kirameki Juku” for managerial candidates and “Kirameki Koza” for working-level employees, the ratio of female managers has been steadily increasing. For early career female employees, since FY2010, we have been regularly conducting the “career training for early career female employees who have worked for the company for five to ten years,” and as a result, the percentage of female managers in FY2012 increased to 3.8%.

▽Changes in the percentage of female managers (Toshiba Corp. (Japan))section manager class or higher)



### Activity Example: Career training for young female employees

Toshiba Corp. developed a career training program for early career female employees for the purpose of developing prospective female managers and has implemented this training program for approximately 140 employees every year since FY2010. In this training, they learn how to develop an idea about their career, and then a group activity of five to six employees is held for six hours in total and a career design expert gives advice to each employee. In FY2012, a lunch time gathering after the completion of the training program was newly implemented for employees who have finished the program, which has contributed to the expansion of networks of same-generation employees.



A scene from group work of training program

## (3) Increasing the retention rate

Toshiba Group has set up a system to support diverse work styles of employees.

### Recruiting More Non-Japanese Employees

As part of our diversity promotion program, we are increasing the recruitment of non-Japanese employees. Since 2006, in addition to employing people who have studied in Japan as foreign exchange students, we have been carrying out our “global recruitment” program in an effort to directly recruit students graduating from foreign universities. Approximately 60 graduates are employed every year and they play an active role in the fields of sales, development and design. To facilitate their adaptation to life and work in Japan, we provide a wide range of life-related assistance as well as work-related support such as providing each non-Japanese employee with a mentor who provides them with guidance based on a tailor-made job skill improvement plan.

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

Engaging in interactive communication between the company and employees on the intranet site set up exclusively to promote diversity.

## Employment of People with Disabilities

As of April 1, 2014, Toshiba Corp. had 523 employees with disabilities, accounting for 2.09% of the overall workforce. Of the 120 Group companies, 114 have already achieved the statutory employment ratio of people with disabilities. We are striving for Group-wide achievement of this statutory target in April 2015.

We have also been making efforts to improve work environments for employees with disabilities. In FY2010, we established a network connecting seven divisions engaged in supporting people with disabilities, including the Human Resources and Administration Division and the Design Center. This network has enabled us to devise and implement comprehensive measures to support such employees.

### Employment Ratio of People with Disabilities

		June 2012	April 2013	April 2014
Toshiba Corp.	Number of people	512	528	533
	Employment ratio	1.96%	2.04%	2.09%
Toshiba Group	Number of people	1,760.5	1,772	1,781.5
	Employment ratio	2.16%	2.24%	2.37%
	Number of companies meeting the ratio	134	119	114

#### Activity Example: Toshiba With to promote employment of people with disabilities

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

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

Toshiba With was awarded the Toshiba Corporate Citizenship Award in "Social Contribution by Business", category which was newly-established in 2013, for its contributions to society through business.



Clean-up activities by employees at Toshiba With

#### Activity Example: Sign language club members organizing a PC Disassembly Workshop at a school for the deaf

Toshiba Group has been providing employees with a monthly sign language lesson, "Toshiba sign language club," since FY2009. At the club, employees with impaired hearing serve as instructors, teaching sign language to facilitate smooth communication and providing information to promote understanding of hearing disabilities. By FY2013, a total of 1,658 people have participated in such lessons.

The sign language club members are engaged in activities outside the Company as well. In FY2013, five members participated in a PC Disassembly Workshop for elementary school children in grades three through six at the Koto Branch of the Otsuka School for the Deaf (Koto-ku, Tokyo) to explain the roles of different parts using sign language.



Employee with a hearing disability explaining how to disassemble a PC

## Active Utilization of Older Employees

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

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

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

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

**Major Progress and Achievements in FY2013**

- ▼ Toshiba Group held a nursing care seminar for its employees.

**Work-Style Innovation**

Toshiba Group is working on activities toward accelerating so-called work-life balance under the unique name of "work-style innovation." Work-style innovation (WSI) refers to a campaign aimed at creating a positive spiral, where employees work very hard and efficiently and also make the most of their private lives to rejuvenate and improve themselves so that they can add higher value to their work.

At Toshiba Group companies, each employee promotes activities to increase productivity by changing their working styles and methods. We also present WSI initiatives implemented at different workplaces on our company website to share lessons from model examples.

**Reduction in Long Working Hours**

In Toshiba Corp., the average total number of annual actual working hours per employee was 2,064 hours and the average number of annual non-scheduled working hours per employee was 350 hours in FY2013. Employees who work more than 60 hours of overtime per month are considered long-hour workers, and those who work more than 60 hours of overtime per month for three consecutive months are considered chronic long-hour workers. We are striving to reduce the number of chronic long-hours workers to zero.

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

**Annual Paid Vacation**

For the employees' rejuvenation, Toshiba Corp. has been facilitating the planned use of annual paid vacation. In FY2013, percentage of annual paid vacation taken by union members was 83%.

**Activity Example: Use of the system for visualizing working hours**

In order to promote WSI, it is necessary to accurately monitor the work hours of each employee. For this purpose, Toshiba introduced a system that allows employees to display and visually monitor hours worked on their computers (FY 2009). We also operate the systems for work record notification and work record display, in order to ensure that employees and their superiors pay constant attention to work hours (FY2010- ). The work record notification system automatically sends an e-mail to each employee and their superior to inform them of their work record.

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

## Supporting Employees' Work and Childcare

Toshiba Group strives to enhance the flexibility and scope of systems that allow employees to change their working styles according to their personal circumstances.

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

System		Toshiba system	As required by law
Childcare leave	Period	Until the end of the month when the child turns 3 years old	Up to 1 year old except when certain requirements are met
	Number of times	Possible to apply up to three times per child	Possible to apply up to once per child
Paternity leave		Up to 5 paid holidays (100%) consecutively or separately, including the day of birth, within 6 weeks of the birth*1	-
Familycare leave		Up to 365 days in total per person requiring nursing care	Up to 93 days in total per person requiring nursing care
Short-time shift	Target	Employees who are raising children who have not yet completed elementary school*2	Employees who are raising children under three years old
	Others	1) No limit to the number of times one can apply 2) Possible to combine with the flextime system	-
Subsidies for expenses	Allowance for raising the next generation	To be provided to each eligible child * The child being taken care of by the spouse of the applicant, who works for the other company, is also eligible for the allowance.	
	Welfare system "Teatime"	The points used for the childcare menu will be worth 1.2 to 1.5 times the usual points.	
Reemployment system (return to work system)		Establish a system to reemploy employees who have no choice but to resign for the following reasons: 1) Resignation in order to accompany a spouse who has been transferred (within 5 years) 2) Resignation in order to provide nursing care for those requiring nursing (within 3 years) 3) Resignation for childbirth, childcare, and raising children (within 3 years)	
Mutual understanding program		This program was introduced to allow an employee to have a discussion about treatment during their leave of absence or their future career with his/her superior and HR personnel before taking a leave of absence or after resuming work to reduce concerns held by the employee who takes or has taken a leave of absence from work.	

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

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

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

	FY2011	FY2012	FY2013
Childcare leave	Male:16 Female:258	Male:12 Female:296	Male:8 Female:336
Paternity leave	Male:399	Male:423	Male:384
Family-care leave	Male:2 Female:5	Male:6 Female:6	Male:6 Female:10
Short-time shift	Male:7 Female:398	Male:9 Female:409	Male:9 Female:417

### ∇Average length of service (Toshiba Corp.(Japan), FY2013)

Average length of service		17.7 years
	Male	17.9 years
	Female	16.0 years

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

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



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

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

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

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



Certification Label  
(May 2007)

### Our internal childcare center "Kirame-kids"

In an effort to support the work-life balance of employees, we opened an internal childcare center named "Kirame-kids Yokohama" on the premises of one of our business sites, Yokohama Complex, in April 2011. The center, which has a large garden and abundant greenery, provides full-time high-quality childcare in a relaxed atmosphere and hosts various age-appropriate events for children throughout the year. In FY2013, children graduated from the nursing program for the first time since the opening of the center.



Kirame-kids Yokohama



Handmade signboard

### Activity Example: Male employee participating in childcare

Masaomi Nakahata  
Mechanical Component Technology Research Center  
Corporate Manufacturing Engineering Center

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





## Consideration of Working Hours

As for systems related to work style, Toshiba Corp. has introduced flexible working systems such as the discretionary labor and flextime systems to allow employees to work more efficiently and flexibly by carrying out their duties independently and autonomously. Approximately 95% of the employees in the Sales, Development & Engineering Design, and Corporate Staff divisions are utilizing the flextime system. In addition, we aim to increase work efficiency by cultivating a corporate culture that emphasizes self-motivation and creativity through lending smart phones and PCs for home use.

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

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

## Long Leave System

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

## Benefits

### Toshiba Corporate Pension Plan

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

### Teatime, a selective welfare system

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

## Education and Training on Nurturing Diversity

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

### “Kirameki Forum” (from FY2005)

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

### “Kirameki” Booklet (from FY2004 to 2006)

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



“Kirameki” Booklet

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

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

#### **“Kirameki Times” Newsletter (from FY2007 onward)**

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



Kirameki Times

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

A brochure on systems designed to support the achievement of a healthy work-life balance and communication concerning maternity, childcare, etc. at workplace was distributed to all employees. (Approximately 80,000 copies distributed, including to employees at Group companies in Japan)

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

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

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

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

#### **Workplace Meetings on WSI (from FY2012)**

CSR workplace meetings held for all Toshiba Group employees throughout the organization took up WSI (Work-Style Innovation) as their subject with the aim of spreading the concept and educating employees about efficient ways of working.

#### **Nursing care seminar (from FY2013)**

Due to changes in family compositions and the increase in two-income households, we expect an increasing percentage of employees to provide nursing care to family members while working for the company. In FY2012, Toshiba conducted a fact-finding survey on nursing care, which revealed a strong need for information on nursing care among employees. Therefore, in FY2013, we held a nursing care seminar at the head office in Tokyo and also distributed a video of the nursing seminar on our in-house website for employees who were unable to attend the seminar.

CSR Performance: Labor Practices  
**Occupational Health and Safety**

**Major Progress and Achievements in FY2013**

- ✓ Number of Toshiba Group companies that have acquired OHSAS 18001 certification: 101
- ✓ Frequency of work-related accidents at Toshiba and its Group companies (frequency of accidents per million work hours resulting in death or injuries that require one or more days off work): 0.20

## Policy




In line with the "Commitment to People" Basic Commitment of the Toshiba Group, we promote CSR management through business activities that place the top priority to human life, safety and legal compliance. Toshiba Group is making concerted efforts to create a safe and comfortable working environment and promote mental and physical health so that all Toshiba Group employees will be able to develop their potential to the fullest extent.

The Toshiba Group Occupational Health and Safety Management Policy has established in April 2004 based on the declaration of commitment to occupational health and safety made by top executives to enable all employees to share the commitment.

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

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

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

-  The Toshiba Group Occupational Health and Safety Management Policy (Japanese)(PDF:450KB)
-  The Toshiba Group Occupational Health and Safety Management Policy (English)(PDF:393KB)
-  The Toshiba Group Occupational Health and Safety Management Policy (Chinese)(PDF:509KB)

## Promotion Framework

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

We also hold Central OH&S Committee meetings to discuss issues and exchange views with the labor union and to improve the level of occupational health and safety management from the perspective of employees.

### Toshiba Group OH&S Management Structure (as of April 2014)



## Occurrence of Work-related Accidents

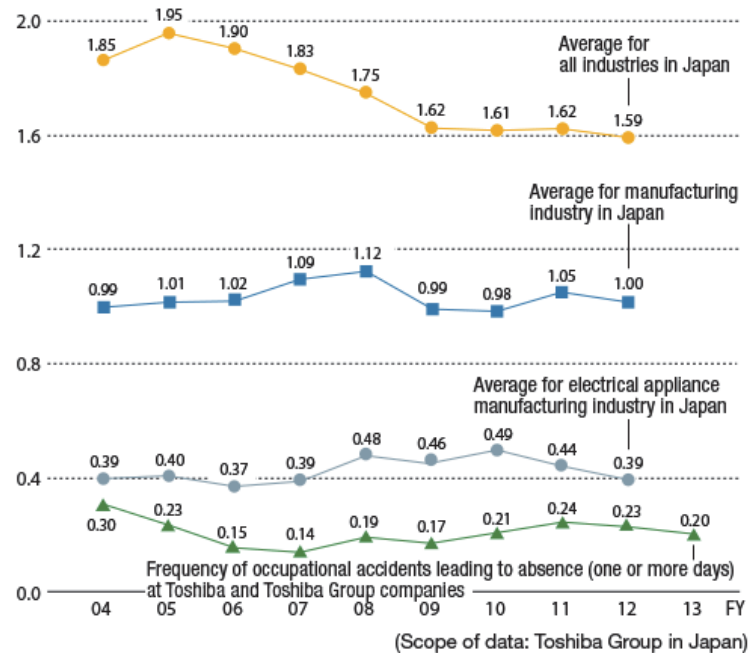
Based on our “Commitment to People,” the basic commitment of the Toshiba Group, we have been striving to ensure the health and safety of our employees.

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

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

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

(Number of accidents per million work hours resulting in at least 1 days off work)



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

## Group-Wide Efforts to Obtain Occupational Health and Safety Management System Certification

In FY2007, the Toshiba Group introduced OHSAS 18001, an international certification standard for its occupational health and safety management system, to ensure global integration of the health and safety management activities of the Group. The implementation of this management system enables us to identify health and safety issues and make continuous improvements according to priority order based on the degree of risks involved.

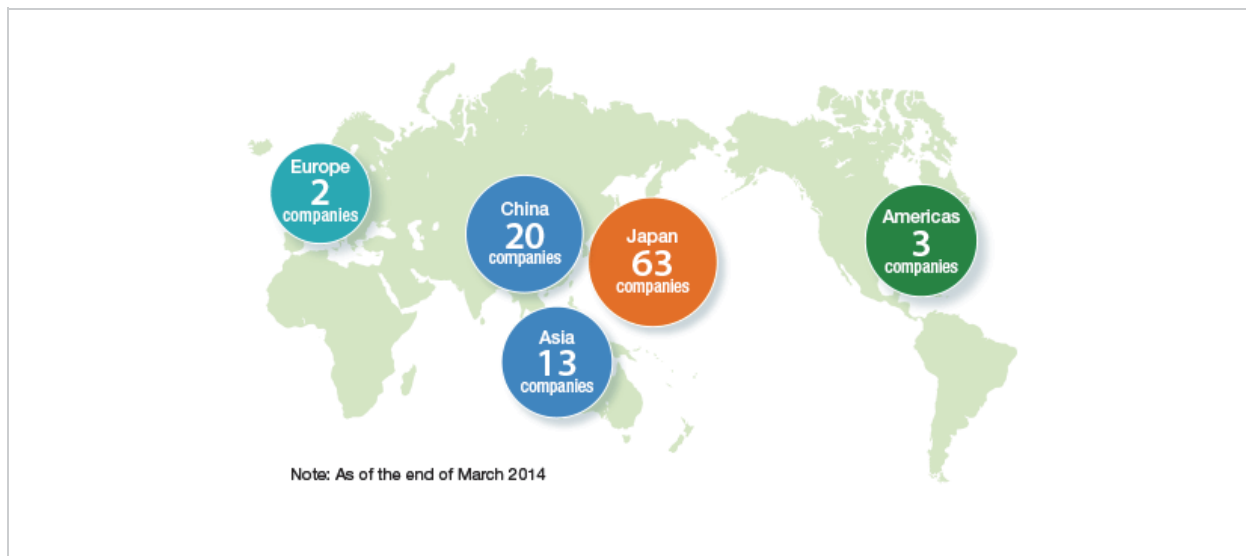
Since even before the introduction of this system, Toshiba Group has been striving to improve safety management through steady efforts of its organizations and individual employees in their daily activities. Among such efforts, small workplace groups undertake a variety of activities on an ongoing basis.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

Note:

OHSAS: Occupational Health and Safety Assessment Series



OHSAS18001 Certificate of Registration



## Ensuring Health Management

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

Also, to enhance health management for employees assigned to work overseas, we have established a special division for them and their families to implement a range of measures such as organizing hospitals and the local ambulance service in the event of an emergency and offer overseas medical service visits whereby an industrial health specialist periodically visits and consults with these employees.

### Periodic Medical Checkup System

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

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

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

### Interview Guidance for Employees Working Excessive Overtime

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

## Overseas Medical Service Visits

Employees assigned to work overseas have to cope with drastic lifestyle changes. In order to ensure sound health of these employees as well as their accompanying families, Toshiba assigns medical doctors to those parts of the world with inadequate medical care to provide healthcare services and consultations. These industrial health specialists have been assigned to countries and regions around the world, including Mexico, China, Taiwan, UAE, India, Indonesia and some parts of Europe. In addition, based on the results of medical checkups, we have initiated medical service visits to regions with many employees suffering from ailments in order to enhance support for health management.



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

## Mental Health

Toshiba was one of the first Japanese companies to address the issue of employees' mental health by developing an advanced, comprehensive system of care covering employees' work and daily life. In the future, we will enhance our programs based on the population approach (primary prevention). At the same time, we aim to improve the workplace environment so that employees will be able to acquire skills to effectively deal with their stress and think about how to find fulfillment in their lives and work.

### On-site Health-related Consultation System

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

### Helpline for Mental and Physical Health

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

### Self-care

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



### Employee Education

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

### Convalescence Support Program

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

### Promoting communication in the workplace

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

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

### Mental health survey

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



## Measures to Prevent Brain and Heart Diseases and to Improve Health

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

### Activity Example: Healthy Lifestyle Support Website "Karatto"

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

➤ "Karatto"(Japanese)

## Infectious Disease Countermeasures

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

### Countermeasures for Influenza

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

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

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

### Raising Awareness on Infectious Diseases

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

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

## **Environmental Policy**

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

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

#### **Promoting environmental management**

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

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

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

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

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

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

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

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

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

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

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

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

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

Revised June 1, 2010

We report "Environment" on Toshiba's webpage on Environment.

Environment Report is planned to be published in September 2014.

CSR Performance: Fair Operating Practices  
**Risk Management and Compliance**

**Major Progress and Achievements in FY2013**

- Placed managers of legal affairs in major overseas regions as a measure to enhance global compliance

**Policy**

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

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

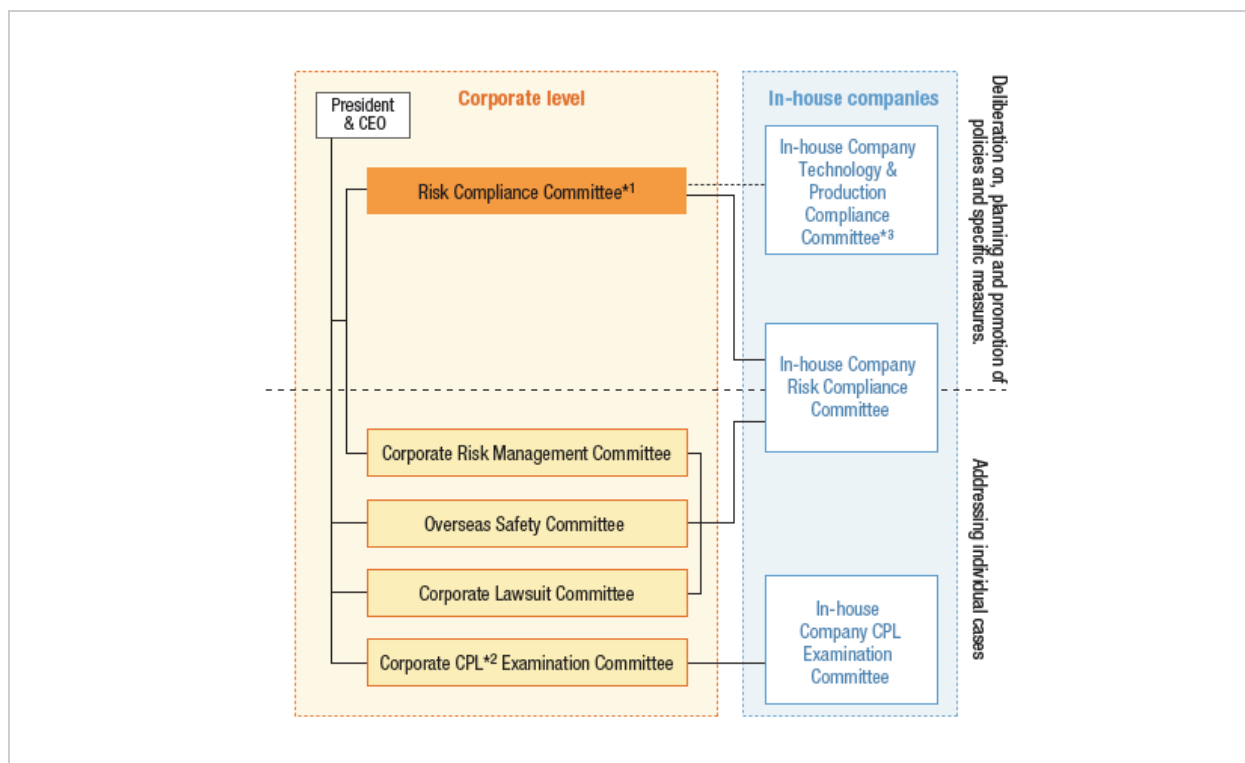
**Management Structure**

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

If a serious noncompliance incident occurs, we swiftly consider how to deal with it and take the necessary action in the risk compliance system. As part of reorganization of corporate staff divisions, we set up a Risk Management Division in October 2013. Accordingly, to enhance the effectiveness of risk management, the Technology & Production Compliance Committee, Sales Compliance Committee, and Information Security Committee that had been separately operated were consolidated into the Risk Compliance Committee.

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

**Management Structure**



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

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

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

## Education

Toshiba Group has drawn up the Toshiba Group Standards of Conduct (SOC) in 16 languages and distributed copies to overseas subsidiaries for compliance training.

With a view to ensuring compliance with the SOC, Toshiba Group provides various education programs such as education based on the needs of different organizational levels and job functions including new employees, as well as seminars on compliance topics for top executives. We also provide e-learning for all employees on a continual basis.

In FY2013, we provided e-learning programs on bribery, illegal transactions, improper payments, and other topics in order to ensure thorough group-wide compliance with laws and regulations. For overseas subsidiaries, we have 1) developed e-learning materials on competition laws and bribery for local subsidiaries in Europe, 2) provided education on anti-trust laws and bribery using other companies' examples and explained key points of risk management for local subsidiaries in China, and 3) provided compliance education for local subsidiaries in Asia.



Booklets on Toshiba Group Standards of Conduct in various languages

### Activity Example: Developing various measures to promote rigorous compliance

In light of global regulatory trends, Toshiba has been making rigorous efforts to prevent cartelization and bribery. In FY2013, the Company continued to step up its initiatives to ensure thorough compliance.

Specifically, the initiatives involve Toshiba Group companies worldwide performing self-audits based on two Toshiba-developed guidelines: one on antitrust and the other on anti-bribery.

Through these audits, Toshiba Group aims to identify compliance levels at the companies concerned and to provide thorough compliance education.

Furthermore, in addition to other activities currently underway, among our efforts to enhance our global compliance structure, we have placed managers of legal affairs in major global regions since October 2013 to enhance compliance and support subsidiaries in such regions. This has been done in order to appropriately control legal risks associated with relevant anti-trust laws, bribery, and the like and ensure thorough compliance in global business, which has been expanding mainly in emerging countries.

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

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



Trainer education for subsidiaries in Asian countries

## Response to Compliance Violations

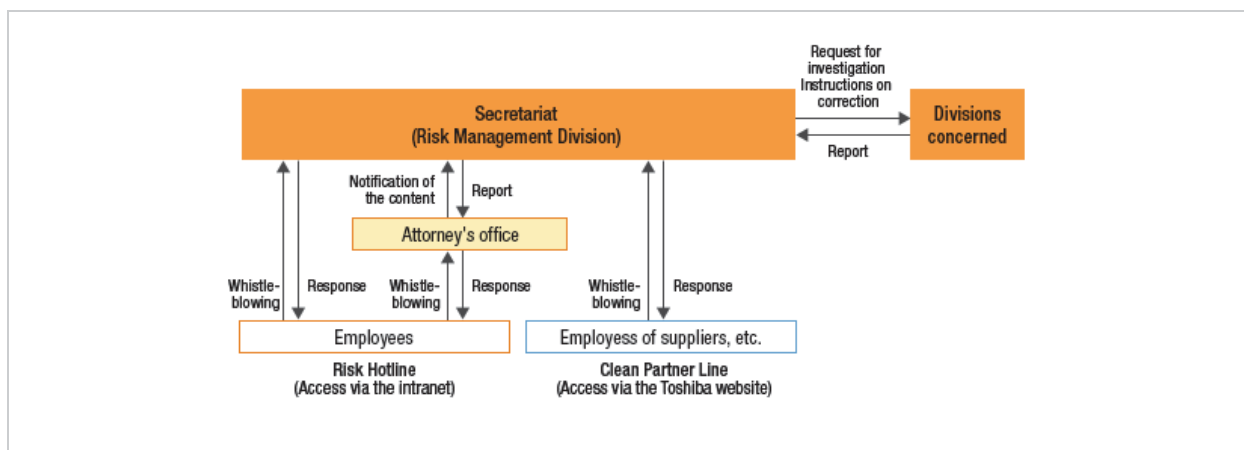
In the event of a major noncompliance incident, Toshiba investigates all facts to identify the cause of the violation, treats the facts seriously, and handles such violations rigorously by imposing appropriate disciplinary sanctions on the offenders or implementing other such measures. It makes every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

In FY2013, Toshiba Group designated "Corporate Social Responsibility, CSR" as a subject for its CSR workplace meetings. Thus, the Group continues to make efforts to promote its CSR management to contribute to the resolution of global social problems through its business activities by giving the top priority to human life, safety, and legal compliance on a Group-wide basis.

## Whistleblower System

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

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



### Operational Status of the "Risk Hotline" in FY2013

The numbers of reports received and consultations undertaken by the "Risk Hotline" in FY2013 are as follows.

#### Number of calls received by the "Risk Hotline" (FY2013)

	Number of reports received (within parentheses: anonymous reports)
Reports received by internal secretariat	57 reports (32 reports)
Reports received by attorney's office	4 reports (3 reports)
Total	61 reports (35 reports)

#### Response Status

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

In cases involving consultations and questions about duties of the informants themselves, we gave advice on how to deal with the situation. For reports other than the anonymous reports described above, we explained the status of our responses to the informants, in principle. Except in cases in which consent has been obtained from employee, confidential adviser (at the internal secretariat or attorney's office) never disclose the names or contact addresses of the informants.

### Compliance Situation Inspection and Audit

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

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

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

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

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

#### Activity Example: Fostering a compliance-oriented culture through workplace meetings

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

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

In FY2013, meetings were held on topics concerning compliance related to “Corporate Social Responsibility (CSR)” as well as other topics, such as “Proper use of Social Media”.

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



Meeting at which participants actively exchange opinions

## Political Contributions

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

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

➤ Toshiba Group Standards of Conduct Chapter 3 18. Political Contributions

## Business Continuity Plan (BCP)

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

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

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

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

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

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

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

## Support for Customers' Business Continuity

In July 2012, Toshiba Community Solutions Company and Toshiba Solutions Corp. built the Tokyo No.2 Data Center. It features the latest seismic base-isolating systems, and is located in the least earthquake-prone area of Tokyo. In January 2013, it opened the Sapporo Data Center, which will be used as a remote backup facility. In order to support customers' business continuity, the company will provide safe and secure cloud computing services via technologies allowing for no-fuel-supply datacenter operation and disaster recovery among others. In February 2014, Toshiba Personal & Client Solution Company commoditized technology for detecting hard disk drive failures in advance, started offering solution. Collecting and accumulating data obtained from notebook PCs on the number of HDD read errors and the length of operating time as well as data from failed HDDs and analysis of large amounts of data thus obtained has enabled the company to detect failure risk in advance, contact the administrator. This technology allows backups of HDD data before the HDD fails, preventing important data from being lost at the customers and thereby contributing to ensuring business continuity.

CSR Performance: Fair Operating Practices  
**Fair Competition and Trading Practices**

**Supply Chain**

**Fair Trading Policy**

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

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

In May 2008, we revised the Toshiba Group Procurement Policy, specified considerations regarding human rights and occupational health and safety in the Supplier Expectations, and requested suppliers to apply the Procurement Policy to their procurement activities.

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

- Toshiba Group Procurement Policy
- Toshiba Group Standards of Conduct Chapter 1 4. Procurement

**Framework for Fair Trading Practices**

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

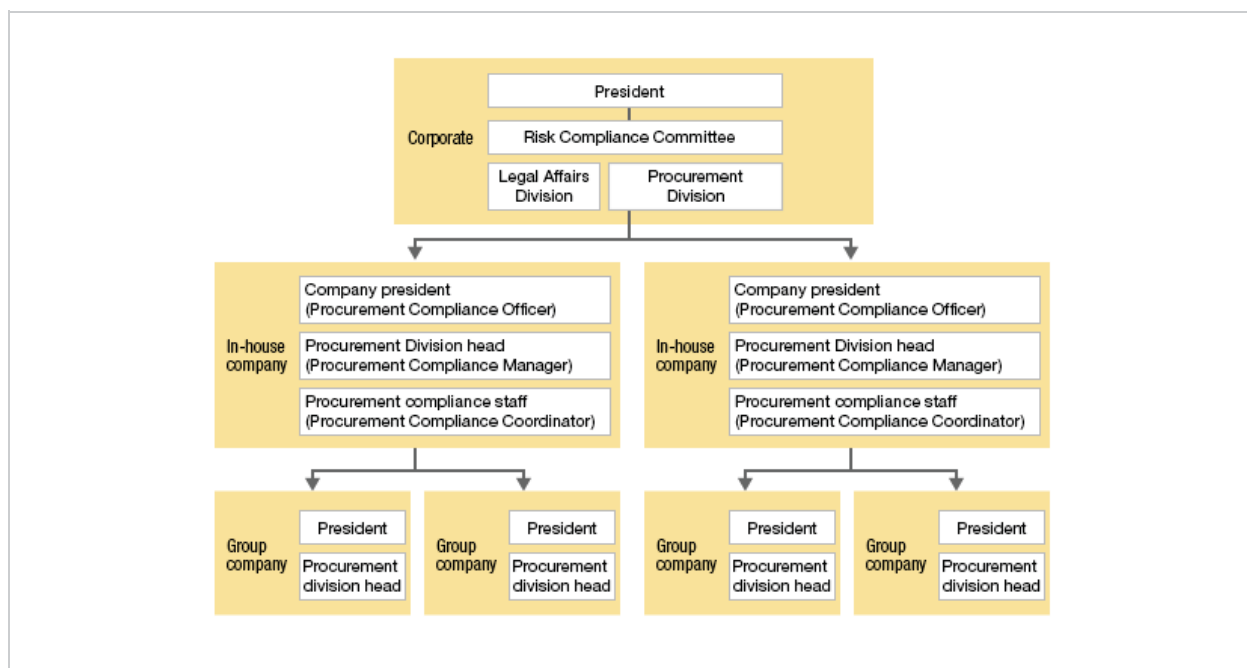
A dedicated CSR organization established in April 2007 within the Procurement Division is working to ensure fulfillment of CSR in Toshiba Group's procurement and on the part of suppliers.

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

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

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

**Toshiba Group CSR Procurement Promotion Structure**





### **“Clean Partner Line”, whistleblower system for suppliers and business partners**

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

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

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

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

### **Training to Ensure Fair Trading Practices**

At Toshiba Group, various training programs on compliance in procurement are provided to ensure fair trading practices. For example, in FY2007, we conducted e-learning for employees of Group companies in Japan on relevant acts, such as the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors.

In FY2013, a total of 58,783 employees participated in the e-learning program on the Subcontract Act (participation rate: 99.6%).

We also provide compliance education for employees engaged in procurement at various phases of their careers. Furthermore, we foster auditors specialized in the Act to ensure fair transactions with subcontractors. In addition, Group companies in Japan conducts periodic training on the Subcontractor Act for employees engaged in procurement.

### **Cooperation with Suppliers**

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

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

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

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

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

CSR Performance: Fair Operating Practices  
**CSR Management in the Supply Chain**

**Major Progress and Achievements in FY2013**

- ✔ Conducted a survey on the use of conflict minerals for some 2,800 Toshiba Group suppliers that could have been using “3TG” conflict minerals.

**Policy**

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

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

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

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



Supplier audit in the Philippines

**Thorough Implementation of Procurement Policy**

Toshiba Group Procurement Policy was established in February 2005, which outlines Toshiba Group's procurement policy and CSR-related requirements. Toshiba Group requests suppliers to consider human rights, labor, occupational health and safety in their operations as well as environmental issues such as green procurement. In 2012, we added two items: respect for human rights and support for the use of conflict-free minerals to the supplier requirements, and requested some 10,000 suppliers to comply with this policy.

We explain and request to comply with the Toshiba Group Procurement Policy from all new suppliers.

➤ Toshiba Group Procurement Policy

**CSR Guidebook Published**

To guide our suppliers to incorporate CSR into their operations, we developed the Toshiba Group Supply Chain CSR Deployment Guidebook\* to introduce the view point of management policies on health and safety and the environment in four languages - Japanese, English, Chinese and Thai.

\* The Guidebook complies with the Supply-Chain CSR Deployment Guidebook published by Japan Electronics and Information Technology Industries Association (JEITA)

TOSHIBA Group Supply-Chain CSR Deployment Guidebook (Japanese) (PDF:418KB)

TOSHIBA Group Supply-Chain CSR Deployment Guidebook (English) (PDF:149KB)

TOSHIBA Group Supply-Chain CSR Deployment Guidebook (Chinese) (PDF:260KB)

TOSHIBA Group Supply-Chain CSR Deployment Guidebook (Thai) (PDF:219KB)

**Procurement Policy: Checks and Audits on Compliance**

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

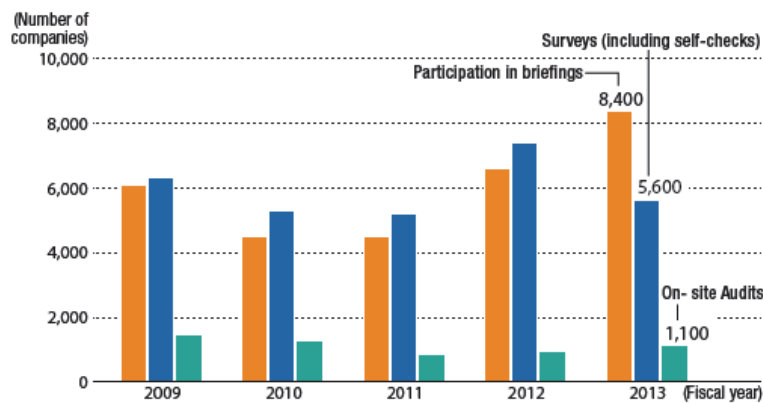
## Thorough Implementation of the CSR Procurement Policy

Toshiba Group holds seminars to explain to suppliers its policies on the environment, human rights, labor, and safety. It also conducts supplier surveys to monitor CSR performance in accordance with the Toshiba Group Procurement Policy (including self-assessment) at each business site.

### Suppliers participating in seminars and those covered by the survey (FY2013, Toshiba Group)

Topic	Briefings	Surveys (including self- assessment)	Field Audit
Human rights and safety	5,008	1,638	419
Environment	3,404	3,975	679
Total	8,412	5,613	1,098

### Thorough Implementation of the CSR Procurement Policy (Toshiba Group in Japan and overseas)



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

If a supplier violates the procurement policy, we request the supplier to implement remedial measures and provide guidance and support, as necessary. If the remedial measure is deemed to be unsatisfactory, we suspend transactions with the supplier.

### Suppliers subject to guidance & support and suspension of transactions (FY2013, Toshiba Group)

Topic	Guidance and Support	Suspension of transactions
Human rights and safety	432	43
Environment	348	1

### Examples of supplier guidance and instructions (FY2013)

Environmental Activities	<ul style="list-style-type: none"> <li>■ Guidance on reports on industrial waste to administrative authorities</li> <li>■ Support in establishing management systems at companies to which production is outsourced</li> <li>■ Guidance on improvement of rules and application methods</li> </ul>
Human Rights and Occupational Health & Safety	<ul style="list-style-type: none"> <li>■ Guidance on the corrective actions for dangerous working conditions</li> </ul>

**CSR Survey of suppliers (FY2006 - FY2012)**

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

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

Category	survey items
CSR management at the companies audited	Labor disputes Communication with employees Labor agreements and working hours Workplace safety Employee health conditions Environmental initiatives such as the acquisition of ISO14001 certification
CSR management with regard to the supply chain of the companies audited	Adoption of CSR policy that encompasses consideration for human rights, labor conditions, and the environment; Communication of the CSR policy to suppliers and their status of compliance with the policy; and compliance with laws Regulations concerning plant wastewater and air emissions

**Partnership with Suppliers**
**Fair Trading with Suppliers**

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

## &gt; Fair Trading with Suppliers

Toshiba Group requests suppliers to promote CSR and provide support for their efforts.

### Activity Example: Briefing Session on Procurement Policy

Toshiba Group holds a “Briefing Session on Management Policy and Procurement Policy” every year. In FY2013, we invited the management of 90 major suppliers of Toshiba and requested their cooperation with and understanding of Toshiba Group’s CSR procurement policy.

## With Suppliers

Toshiba Group, as part of its capacity building, strives to build better partnership with suppliers based on mutual trust through education for suppliers.

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

In 2002, Toshiba Information Equipment (Philippines), Inc. (TIP), a production base for hard disk drives (HDD), became the first Asian company to acquire SA8000\*1 certification. TIP not only objectively listens to its employees’ opinions in order to improve its work environment but has also spread this initiative to its suppliers. In order to enhance CSR management at its suppliers, TIP continues to implement monthly audits (12 suppliers per year). To date, a total of 137 audits have been conducted since 2005, when such audits began. TIP confirms the status of CSR initiatives at suppliers in accordance with the Toshiba Group Standards of Conduct, Toshiba Group Procurement Policy, SA8000 and OHSAS18001\*2 standards, EICC Code of Conduct\*3, and other guidelines. If suppliers fail to satisfy these standards, TIP demands corrective actions be taken and provides guidance and support for improvement. Major problems identified for improvement during audits include those related to labor conditions (e.g., working hours and holidays) as well as health and safety management in the workplace. Going forward, TIP will continue to support its suppliers in promoting CSR initiatives so as to establish long-term partnerships through auditing and guidance.

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

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

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



Auditing of suppliers

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

Toshiba Information Equipment (Philippines), Inc. (TIP) is promoting the KAPATIRAN supplier partnership program, which was introduced in 2011 by the Philippine Department of Labor and Employment. This program aims to create a system in which large companies (“Big Brothers”) guide and help small and medium enterprises (“Small Brothers”) to be compliant with general labor standards including occupational safety and health standards. TIP was the country’s first electronic company that participated in the program. Based on the program, TIP selects 10 companies from among its suppliers each year and educates and supports these companies for a period of one year. When the program is over, TIP submits a report to the Department of Labor and Employment. In addition to on-site training, TIP also invites external instructors for a variety of training programs.

Through this program TIP support its suppliers in promoting CSR management and also establishes strong partnerships with them.



➤ Highlights of CSR Activities Priority Issue 2. CSR management in the supply chain Annual topics

**Topics: Toshiba International Procurement Hong Kong Ltd. was chosen as a Gold award winner at the 2012 Hong Kong Awards for Environmental Excellence**

In May 2013, Toshiba International Procurement Hong Kong Ltd. became the first Japanese-affiliated company to win the Gold Award (first place) in the export and trade category at the 2012 Hong Kong Awards for Environmental Excellence\* sponsored by the Hong Kong administrative authorities. The company received special recognition for its continuing environmental and CSR education activities for suppliers carried out through regular survey and on-site audits. The awards ceremony received a great deal of attention in Hong Kong's mass media, which reported on the operations of the company winning the Gold Award in the export and trade category.



\* Hong Kong Awards for Environmental Excellence program

Initiated by the Hong Kong Productivity Council in 2008, this environmental protection program evaluates and recognizes corporate environmental protection activities in 11 categories such as manufacturing, trade, logistics, and construction through public institutions (e.g., universities and environmental organizations) and selects and officially commends the best company in each category.

## EICC Membership

In June 2011, Toshiba joined the Electronic Industry Citizenship Coalition (EICC), the electronics industry's CSR promotion organization. In order to fulfill CSR for labor, occupational health and safety, the environment, and ethical standards throughout the supply chain in accordance with the spirit of the EICC Code of Conduct, we provided education on the Code of Conduct for those working in semiconductor manufacturing plants in Japan and overseas.



## Addressing the Conflict Minerals Issue

Since Section 1502 on conflict minerals of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act) enacted in January 2013, requires company listed in the United States to investigate the use of conflict minerals mined in the Democratic Republic of the Congo and its adjoining countries, and report the results. Toshiba Group is not a listed company but as a company in the supply chain of listed companies will investigate and report it to our customers.

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

### Toshiba Group Conflict Mineral Policy

We are developing and implementing a policy prohibiting use of tin, tantalum, tungsten\*1, and gold, whose extraction or trade supports conflict in the Democratic Republic of Congo or adjoining countries, and/or contributes to inhumane treatment, including human trafficking, slavery, forced labor, child labor, torture and war crimes in the region.

- We will carry out supply chain due diligence in accordance with [the OECD \(Organization for Economic Co-operation and Development\) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#).
- We will use [the EICC-GeSI Conflict Minerals Reporting Template \(CMRT\)](#) developed by EICC and GeSI\*2 to communicate up and down our supply chain.
- Once a validated supply chain is established through initiatives such as full-fledged smelter verification under EICC-GeSI's [Conflict-Free Smelter \(CFS\) Program](#) or development of a mineral tracing program, we will procure minerals through such validated supply chain.
- Our efforts are not intended at altogether banning procurement of minerals from the DRC and adjoining countries but to assure sourcing from responsible sources in the region.

We require our suppliers to cooperate with us in our efforts to assure procurement of non-conflict minerals in accordance with the Toshiba Group Conflict Mineral Policy.

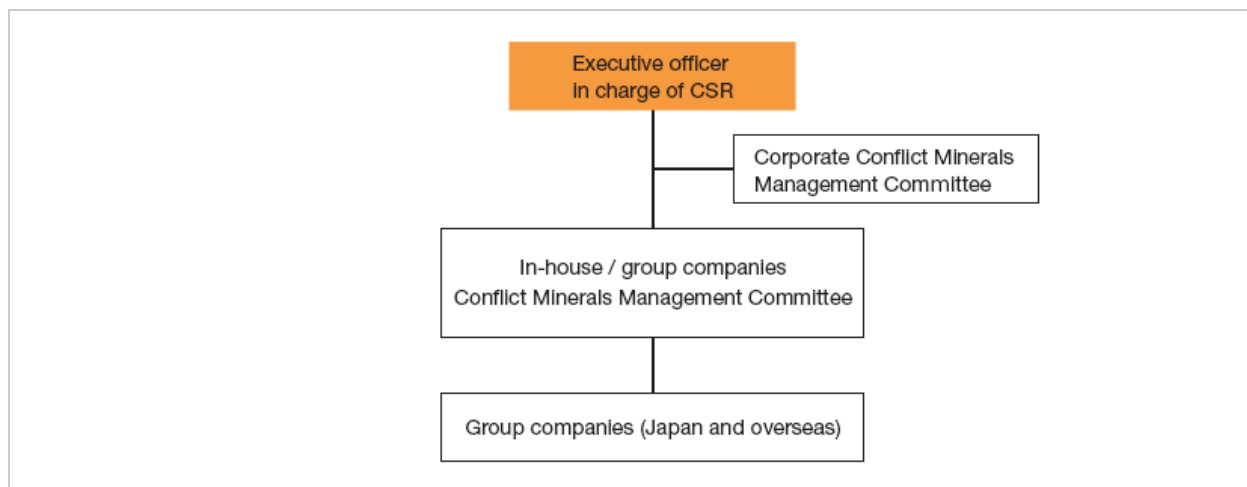
\*1 Derivatives of cassiterite, coltan and wolframite

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

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

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

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



### Conflict Minerals Survey

In FY2011, we conducted a pilot survey of some 300 Toshiba Group suppliers of our semiconductor department, etc. on the use of conflict minerals and about smelters.

In FY2012, we surveyed some 10,000 Toshiba Group suppliers to clarify to what extent they understood the issue of conflict minerals and what approaches they took toward this issue.

In June 2013, we started a full-scale survey of some 2,800 suppliers that may use 3TG\* on the use of conflict materials and to collect information on smelters, using EICC/GeSI Conflict Minerals Reporting Template. Prior to the survey, we held a briefing session for suppliers to explain the procedures of Toshiba Group conflict minerals survey. We explained about the current situation surrounding the conflict minerals issue, and requested them to cooperate in the survey to identify smelters. 440 companies in all participated both in Japan and overseas.

\* Tin, tantalum, tungsten, and gold (referred to as "3TG").

#### Toshiba Group's approach to conflict minerals issues

### Efforts in cooperation with industry organizations

In June 2011, Toshiba Group joined the Electronic Industry Citizenship Coalition (EICC), the electronics industry's CSR promotion organization. In November 2011, the Group participated in the Responsible Minerals Trade Working Group of JEITA\* to cooperate with industry organizations. In May 2014, the Group joined the Conflict Free Sourcing Working Group within the Responsible Minerals Trade Working Group, and has worked to promote and raise awareness of conflict-free minerals procurement in cooperation with the automobile and electrical industries of Japan.

\* Japan Electronics and Information Technology Industries Association

#### ➤ Responsible Minerals Trade Working Group

### Participation in public-private partnership project

In November 2011, we joined the Public-Private Alliance for Responsible Minerals Trade (PPA), a public-private project advocated by the U.S. government. Through the PPA, we contribute to efforts to cut off sources of funding for armed groups and provide economic support to the Democratic Republic of the Congo and its neighboring countries.

### Communication with NGOs

In February 2012, we exchanged opinions with NGOs such as the Enough Project in the U.S. and A SEED JAPAN, both of which are working on issues related to conflict minerals.

In February 2014, we joined a CSR mission to the U.S. organized by the Council for Better Corporate Citizenship (CBCC) and held dialogues with the Responsible Sourcing Network, an NGO in the U.S.



## Green Procurement

Adhering to its Basic Policy for the Environment, Toshiba Group is implementing environmentally conscious approaches in all business processes and products, focusing on creation of new value in harmony with the Earth.

It is necessary to perform comprehensive assessment of environmental impacts of our products throughout their life cycles from production and usage through to recycling and final disposal. Toshiba Group is promoting green procurement as a measure to minimize environmental impacts in the production phase.

In accordance with the Green Procurement Guidelines established in 2003, Toshiba Group prioritizes procurement of products, parts, and materials with minimal environmental impacts from suppliers who are proactively promoting environmental protection. Later, as stricter statutory restrictions have come to be placed on chemical substances contained in products in order to reduce environmental impacts and risks (e.g., hazardous chemicals), environmental protection efforts throughout the entire supply chain have become indispensable.

Under these circumstances, Toshiba Group thoroughly revised the Green Procurement Guidelines in 2006 and 2011 to address emerging needs.

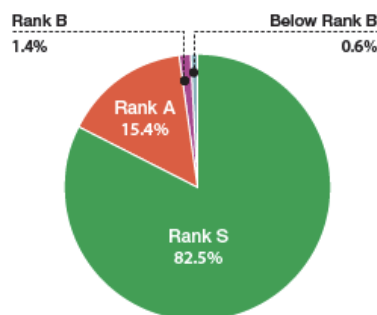
In our endeavor to contribute to the emergence of a sustainable society, we request our suppliers' cooperation in the promotion of green procurement. Also, we assess suppliers' environmental performance and survey and assess the presence of chemical substances in procured items.

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

### Selection/Evaluation of Suppliers based on the Level of Greenness

With regard to the environmental performance, we conduct a voluntary assessment of the level of greenness of suppliers (Toshiba standards) based on the environmental standard ISO 14001. In selecting suppliers, we accord priority based on the ranks of the suppliers and also urge them to improve their level of greenness.

**The level of greenness of suppliers during FY2013 was 97.9%**  
(includes Rank S and Rank A)



Rank S (excellent)

Rank A (good)

Rank B (requires guidance)

Below Rank B (requires guidance)

### For Stationery and Other Office Supplies

With regard to procurement of stationery and other office supplies, Group companies strive to select procurement items that have lower environmental impacts. For example, environmentally conscious products such as Eco Mark certified products, products made of recycled materials, recyclable products, and products that can be separated for collection are registered as environmentally recommended products for procurement by Toshiba Group.

We are implementing green procurement for personal computers, copiers, copier paper, stationery and other office supplies.

CSR Performance: Fair Operating Practices  
**Export Control**

## Export Control Policy

As indicated in Toshiba Group Standards of Conduct, Toshiba Group's basic export policy is to comply with all applicable export control laws and regulations of the countries and regions where we operate, including the Foreign Exchange and Foreign Trade Law in the case of Japan and US export control laws and regulations with respect to transactions involving items of US origin. The Group also maintains a basic policy of not engaging in any transaction that could potentially undermine international peace and security.

In accordance with this policy, Toshiba Group has established the Export Control Compliance Program (ECCP). Based on this program, the necessity of export licenses for goods and technology is determined and transactions are strictly screened. In addition to periodic export control audits and education for all executives and employees, in-house companies and corporate staff divisions provide instructions and support to the group companies they supervise.

### Toshiba Export Control Compliance Program

The program stipulates the following provisions to ensure compliance with Japan's Foreign Exchange and Foreign Trade Control Law and U.S. export control laws.

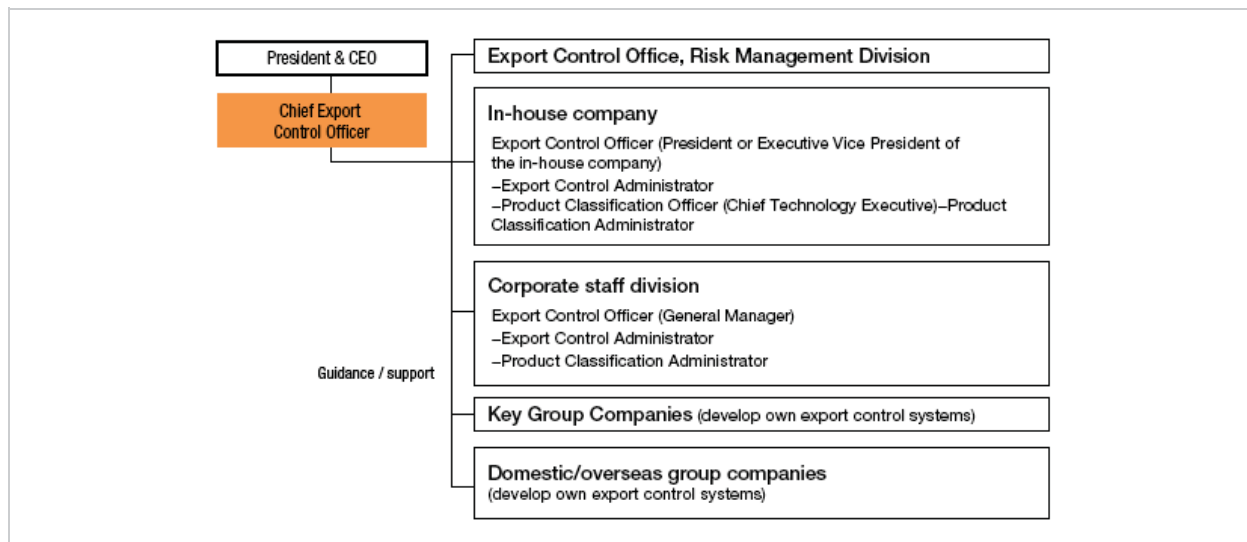
- Chapter 1 Statement of Corporate Policy
- Chapter 2 Definition of Terms
- Chapter 3 Export Control Organizations
- Chapter 4 Control Procedures
- Chapter 5 Education
- Chapter 6 Compliance Reviews
- Chapter 7 Notification of Violation and Corporate Sanctions
- Chapter 8 Group Companies

➤ Toshiba Group Standards of Conduct Chapter 1. 6. Export Control

## Export Control System

Toshiba's export control system is organized under the Chief Export Control Officer who has ultimate responsibility for the corporation's export control. The Chief Export Control Officer must be a representative director or an executive officer corresponding thereto. Under the Chief Export Control Officer, the Export Control Office, Risk Management Division is responsible for overseeing the export control implemented pursuant to the Toshiba Export Control Compliance Program (ECCP). Each Toshiba in-house company and corporate staff division has its own export control infrastructure led by the Export Control Officer who is in charge of the division. The Export Control Officer must be the president or executive vice president of the same in-house company or the general manager of the same corporate staff division. Toshiba Group companies have also established equivalent export control systems.

### Toshiba Group Export Control System



## Product Classification

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The purpose of product classification is to determine whether or not an export license from the Minister for Economy, Trade and Industry (METI) would be required for products to be exported. In Toshiba, product classification is conducted in individual divisions by qualified engineers who are familiar with technical background of products. Each classification result is reviewed and approved by a Product Classification Administrator. Furthermore, the Export Control Administrator in charge reviews classification results at each in-house company or corporate staff division. This ensures that all classification results are consistent with all applicable laws and regulations.

## Transaction Review

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The purpose of the transaction review is to ensure that our products are not destined for end-uses or end-users of concern, regardless of whether they are restricted or not restricted under the relevant laws and regulations. Sales sections at in-house companies and corporate staff division are required to carry out this transaction review for each transaction. Review results must be double-checked and approved by the Export Control Office. In addition, transactions requiring an export license from minister of economy, trade and industry or destined for a country or region of concern are subject to thorough review and approval by the Export Control Office.

The division conducts the transaction only after receiving export license from minister of economy, trade and industry or the US Government, where necessary.

## Export Control Audits

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To ensure that group companies are appropriately implementing their export controls in compliance with the relevant laws and regulations, the Export Control Office conducts periodic export control audits of in-house companies and group companies supervised by corporate staff divisions. In-house companies conduct similar periodic audits of group companies they supervise. Group companies that were determined to require corrective measures would be required to develop and submit their corrective action plans. Effectiveness of each corrective measure will be evaluated by the Export Control Office or the supervising in-house company.

## Export Control Trainings

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Training courses on export controls (regular and specialized courses) are offered by the Export Control Office for in-house companies, corporate divisions, and Group companies to educate employees on the importance of export control and to raise awareness and knowledge of the Toshiba Export Control Compliance Program (ECCP) and related internal regulations.

Furthermore, the Export Control Office provides compulsory export control education for all employees through an e-learning system every year.

## Guidance and Support for Group Companies

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Export controls at group companies including those located overseas are modeled after that of Toshiba, which is implemented under the Toshiba Export Control Compliance Program (ECCP). Export control audits are conducted periodically to evaluate their performances. The Export Control Office convenes a monthly meeting with the in-house companies and key group companies. Besides providing information on relevant international situations and regulatory trends, or advices on specific issues, this meeting also provides a forum for exchanging related information and opinions. In-house companies provide guidance on export controls and related support to group companies they supervise.

In addition, in order to reinforce our support to overseas Group companies, we have been holding workshop meetings for export control personnel in such companies, including meetings in the Middle East, Africa, and Singapore in FY2012 and in China (Shanghai) in FY2013. Furthermore, beginning in April 2014, Toshiba Asia Pacific Pte., Ltd. (Singapore) has started providing guidance and support for Group companies mainly in the Asian region by setting up an Export Control Regional Office.

CSR Performance: Fair Operating Practices  
**Information Security Management**

## Policy on Information Security

Toshiba regards all information, such as its customer information, management information, technical and production information, handled during the course of business activities, as its important assets and adopts a policy to manage all corporate information as confidential information and to ensure that the information is not inappropriately disclosed, leaked or used. In view of this, Toshiba has a fundamental policy "to manage and protect such information assets properly, with top priority on compliance." The policy is stipulated in the chapter "Corporate Information and Company Assets" of the Toshiba Group Standards of Conduct, and managerial and employee awareness on the same is encouraged.

In response to regulatory changes and changes in the social environment, Toshiba revises the related rules on an ongoing basis so as to rigorously manage its information security.

We are rolling out information security management programs to our subsidiaries in Japan and overseas. In formulating rules and guidelines in promoting information security at our overseas subsidiaries, we also take into account the local circumstances.

➤ Toshiba Group Standards of Conduct Chapter 2 16. Corporate Information and Company Assets

## Information Security Management Framework

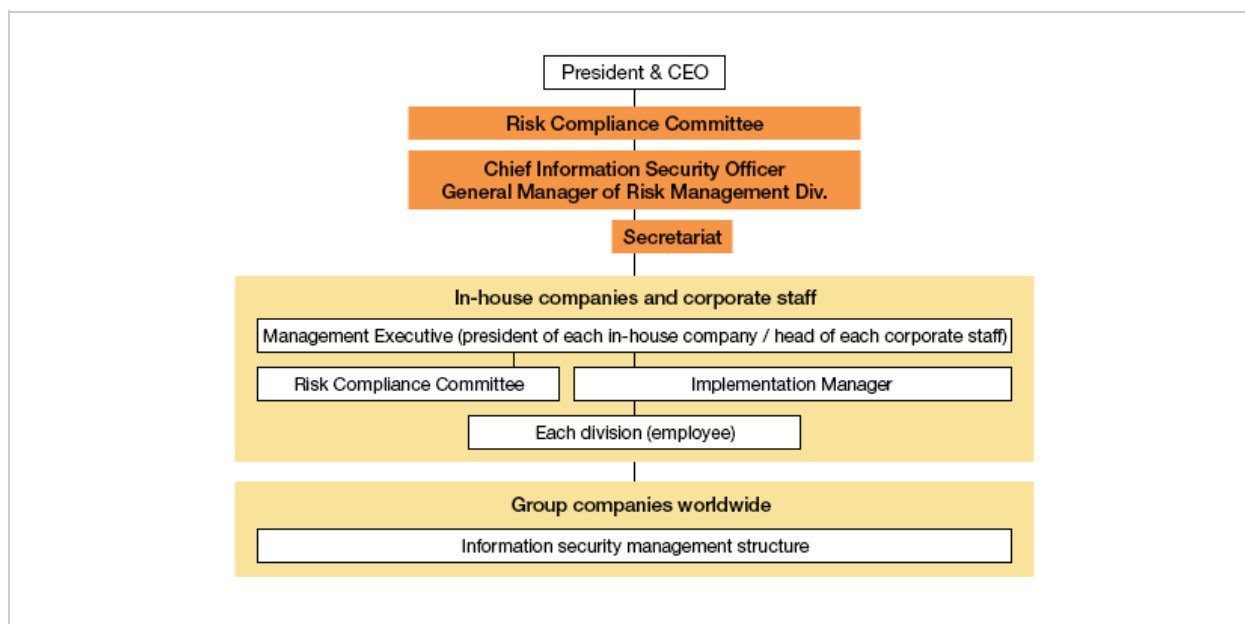
Addressing information security as a management priority, Toshiba Group has established, under the supervision of the Chief Information Security Officer, the General Manager of the Risk Management Division, an information security management structure in which the head of each organization, such as president of each in-house company, head of corporate staff division as well as president of each group company are responsible for information security.

The Chief Information Security Officer periodically convenes meetings of the Risk Compliance Committee to engage in deliberations necessary for reliable implementation of Company-wide information security. In addition, he or she formulates and implements policies and measures to ensure smooth, efficient, and reliable compliance with internal regulations related to information security.

At the in-house companies, the company presidents serve as Information Security Management Executive, bearing full responsibility for information security at their respective companies. The Information Security Management Executive appoints Information Security Implementation Managers who are responsible for operation of the information security management system.

The Information Security Management Executives provide guidance and assistance to the group companies under their control to ensure that they implement information security of a level equivalent to that of Toshiba.

### Toshiba Group Information Security Management Structure



## Information Security Checks and Audits

Toshiba, with its wide portfolio of businesses, considers the autonomous implementation of PDCA (Plan-Do-Check-Act) cycle by each business or division to be vital for ensuring information security of the company. With this in view, every divisions conduct an annual self-audits in terms of compliance with internal rules, for the purpose of formulating their own improvement plan. The Risk Management Division evaluates the results of these self-audits and the related improvement activities, provides guidance and assistance where necessary.

These self-audits are applied throughout Toshiba Group worldwide, in addition to Toshiba Corporation, all Group companies conduct self-audit to improve the level of information security every year.

Furthermore, particularly those business units which handle important and confidential information have acquired ISMS (Information Security Management System) Certification. As of April 2014, all 22 companies (25 divisions), including Toshiba Corp., for which acquisition of certification for the performance of their duties had been deemed necessary, had acquired such certification.

## Information Security Measures

Toshiba Group implements information security measures from four perspectives (see the table below). The Risk Management Division incorporates these measures into regulations and guidelines and makes them fully known to all Toshiba Group companies through notices and briefings.

### Implementation of Information Security Measures from Four Perspectives

Category	Description
(1) Organizational measures: Establish an organizational structure and rules	<ul style="list-style-type: none"><li>■ Periodic reviews of information security-related regulations</li><li>■ Development and maintenance of structure</li><li>■ Implementation of audits, etc.</li></ul>
(2) Personal and legal measures: Ensure adherence to rules	<ul style="list-style-type: none"><li>■ Regulation of information protection duties and disciplinary measures for breach of duties in rules of employment</li><li>■ Provision of periodic employee education and training</li><li>■ Contractor information security evaluation and conclusion of confidentiality agreements, etc.</li></ul>
(3) Physical measures: Support implementation of rules in terms of physical security	<ul style="list-style-type: none"><li>■ Carry-in/carry-out control of information devices</li><li>■ Facility access control, room / facility entry control</li><li>■ Locking of highly important information , etc.</li></ul>
(4) Technical measures: Support implementation of rules in terms of technology	<ul style="list-style-type: none"><li>■ Virus protection and hard disk encryption</li><li>■ Application of security patches</li><li>■ Appropriate management of network firewalls, etc.</li></ul>

Especially on the Technical measures, in order to prevent cyber attacks and other forms of unauthorized access from the outside, which become increasingly sophisticated each year, as well as to avoid exposure of information, Toshiba Group is implementing effective measures to protect server data released to the public. We are also working to strengthen the monitoring of internal systems and to implement protection systems to enable us to take quick action in the event of a virus infection.

## Providing Yearly Education on Information Security

Toshiba Group provides education on information security and the protection of personal data to all employees on an annual basis to ensure adherence with internal rules. In FY2013, nearly 190,000 Toshiba Group employees, including some 37,000 from Toshiba, received such education through e-learning and other educational programs.

In addition to the periodic education, Toshiba provides specialized courses to relevant security implementation staff members. A total of 35 staff members had received such education in FY2013. Also, introductory education on information security is provided to newly hired employees, and in FY2013, all new employees attended an orientation on information security.

## Confidential Information Protection Policy

Toshiba has established regulations concerning information security and appropriately ensures protection of confidential information. Toshiba has clearly defined its regulations on appropriate management of confidential customer information obtained from contracts and prohibition of the mixing of information of other companies with that of Toshiba.

In order to ensure adherence to these regulations, Toshiba obtained written confidentiality pledges from all employees.

### Confidential Information Protection Framework

Toshiba has developed an information security management framework, designated information security roles and responsibilities, and operates the framework in accordance with regulations.

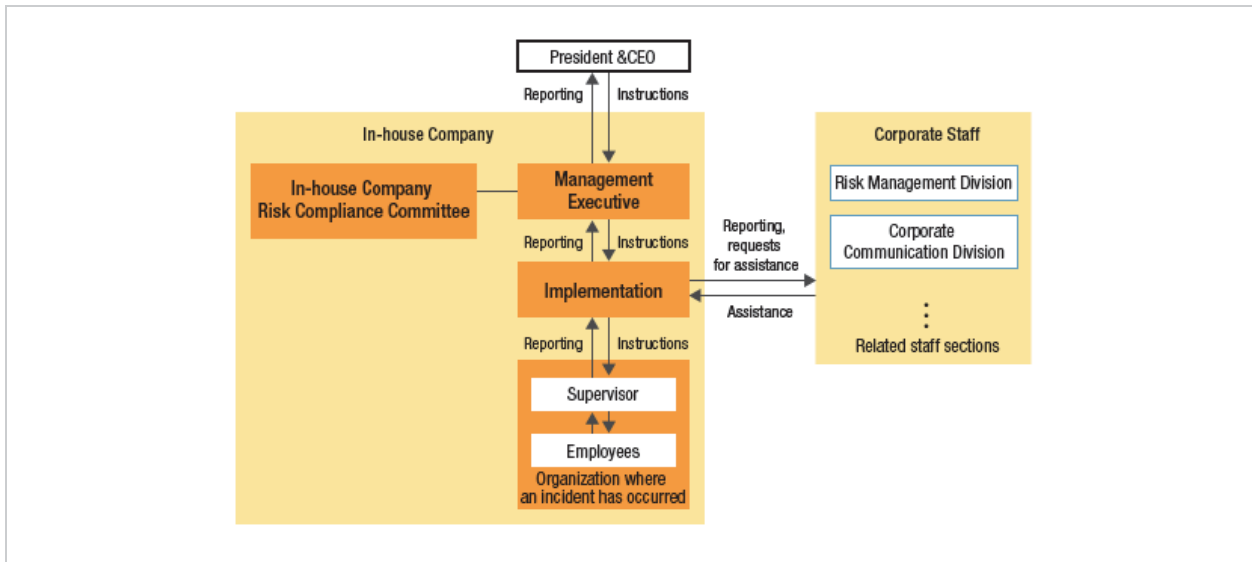
In the information security regulations, Toshiba has stipulated Information Owner Section, which develops information or obtains information from third parties under duty of confidentiality or duty of care. The Head of Information Owner Section plays an important role in the protection of confidential information by evaluating the importance of information in terms of confidentiality, integrity, and availability; decides methods of handling information; etc.

### Response to Incidents Such as Leakage of Confidential Information

In the event an information security incident such as the leakage of confidential information occurs, Toshiba responds promptly in accordance with the information security incident reporting structure.

When an employee becomes aware of the occurrence or potential occurrence of an incident involving the leakage of corporate information, the employee promptly reports to the Implementation Manager. The Implementation Manager, upon receipt of such report, devises necessary measures, such as an investigation into the cause and consideration of actions to prevent recurrence. In the case of the occurrence or potential occurrence of a serious leakage of confidential information that may entail a violation of laws or ordinances, Toshiba implements measures in accordance with the applicable laws or ordinances, such as disclosure, following discussion among the related corporate staff divisions.

#### Information Security Incident Reporting Structure



### Incidents Related to Confidential Information

In FY2013, it turned out that an employee of an affiliated company who had engaged in a joint development project at a Toshiba business site illegally removed confidential information from Toshiba and used it at a company he was employed with thereafter.

In order to secure advanced technologies that are sources of business competitiveness, Toshiba will develop the best possible information leakage prevention system and take decisive actions against anti-competitive behavior.

CSR Performance: Fair Operating Practices  
**Protection of Personal Data**

## Personal Data Protection Policy

Toshiba protects personal data obtained from its stakeholders in the course of business activities appropriately, recognizing that personal data is an important asset of each stakeholder and also an important asset for Toshiba, leading to creation of new value.

Toshiba was quick to recognize the importance of protection of personal data, and in 2000 established the Toshiba Personal Data Program based on JIS Q 15001, management system standard in Japan, and in 2001 obtained the Privacy Mark certification. Toshiba strives for continual improvement on management system and accordingly, renewed the Privacy Mark certification in April 2013 (seven times.)



Purpose of Personal Information Use

> Privacy Policy

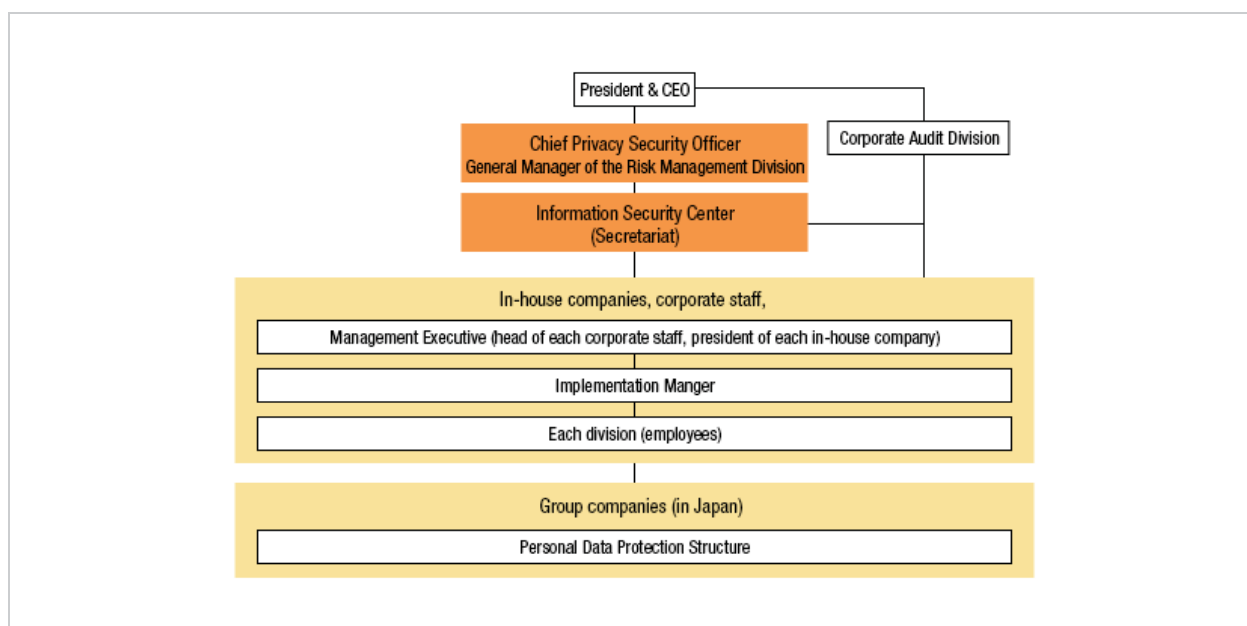
## Personal Data Protection Framework

In May 2000, Toshiba established internal regulations and developed a personal data protection framework with the aim of acquiring the Privacy Mark. The General Manager of the Risk Management Division serves as Toshiba's Chief Privacy Officer. The secretariat provides assistance to the Chief Privacy Security Officer with the implementation of personal data protection policies and measures.

With respect to internal organizations, president of each in-house company and the head of each corporate staff division, bears the responsibility for personal data protection at their respective divisions as personal data protection Management Executive. Each division establishes a framework in which the head of the general affairs section serves as the personal data protection Implementation Manager and the persons in charge of planning and information systems serve as Assistant Implementation Managers and implements personal data protection.

In accordance with the Act on the Protection of Personal Information, which went into full effect in April 2005, group companies in Japan have developed similar structure and implemented personal data protection. Toshiba group companies outside Japan implement personal data protection based on the legal system of the countries where these companies located in.

### The Toshiba Group Personal Data Protection Structure





## Response to Incidents such as Leakage of Personal Data

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As a countermeasure for any eventuality related to personal data, Toshiba Group has put in place a system for dealing swiftly and ensuring data disclosure.

In the event that an incident occurs, Toshiba responds in accordance with internal procedures. In the event a leakage of personal data or a situation that poses the risk of leakage occurs, the Implementation Manager of each division communicates and reports to the Risk Management Division.

Upon receiving the report, the Risk Management Division, in accordance with relevant laws, ordinances, and ministerial guidelines, consults with the related divisions to reach upon a conclusion after considering the possibility of infringement of the rights and interests of the affected parties.

## Personal Data Protection and Management Checks and Audits

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Toshiba Group considers the autonomous implementation of PDCA (Plan-Do-Check-Act) cycle to be a reliable means for appropriate management of personal data and confidential data. In view of this, each division conducts a self-audit regarding personal data protection. Based on the internal checklist for information security and personal data protection, each division performs a self-audit to identify discrepancies and implements necessary measures to rectify them.

Personal data protection is also a compliance item in the management audit conducted by the Corporate Audit Division at each division.

As Privacy Mark certification is an effective approach for guaranteeing the effectiveness of personal data protection, as of April 2014, all 23 companies for which acquisition of certification for the performance of their duties had been deemed necessary had acquired Privacy Mark certification. This count includes Toshiba and Group companies that handle large volumes of customer personal data in connection with outsourcing.

## Incidents Related to Personal Data

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In FY2013, no incident related to leakage of personal data, managed by Toshiba Group in Japan or objections, etc. from external parties or regulatory authorities occurred. We will further reinforce our efforts to prevent incidents related to personal data protection.

## Personal Data Protection and Management Education

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Toshiba provides yearly education concerning personal data protection along with information security education to executive officers and both regular and temporary employees. In FY2013, Toshiba further enhanced the awareness of employees by providing education on provision of personal data to third parties and protection of personal data.

## Protection of Customer Personal Data

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Toshiba clearly states the purpose while using customer personal data and, in principle, obtains direct personal data based on the consent of customers and other individuals.

Essentially, the personal information obtained includes basic personal data such as name, address, telephone number and email address. The main purposes for the use of personal data available with Toshiba are mentioned in the following website.

### ➤ Purposes of Use of Personal Data

Toshiba appropriately handles personal data in accordance with internal regulations and rigorously controls personal data cooperating with the information security management structure.

Furthermore, personal data of shareholders, entrusted to a trust bank dealing with shareholder affairs, is also strictly managed.

## Protection of Employee Personal Data

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Toshiba obtains and uses employee personal data after first obtaining consent for the purpose of use. The Human Resources and Administration Division plays a central role in rigorously managing employee personal data.

Personal data of job seekers is appropriately protected by using such data only within the scope of the purpose of use for which consent is secured.

## Personal Data Management at Contractors

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When Toshiba contracts the handling of personal data to an outside contractor, in accordance with Toshiba's Information Security Evaluation Criteria it selects an appropriate contractor such as a company that has acquired Privacy Mark certification. In addition to the regular contractor agreement entered into with selected contractors, Toshiba concludes a memorandum concerning personal data protection or obligates the contractor to submit a written pledge concerning personal data protection. Toshiba periodically confirms the state of personal data handling at contractors through on-site audits, etc.

CSR Performance: Fair Operating Practices  
**Protection of Intellectual Property**

## **Policy on Intellectual Property Protection**

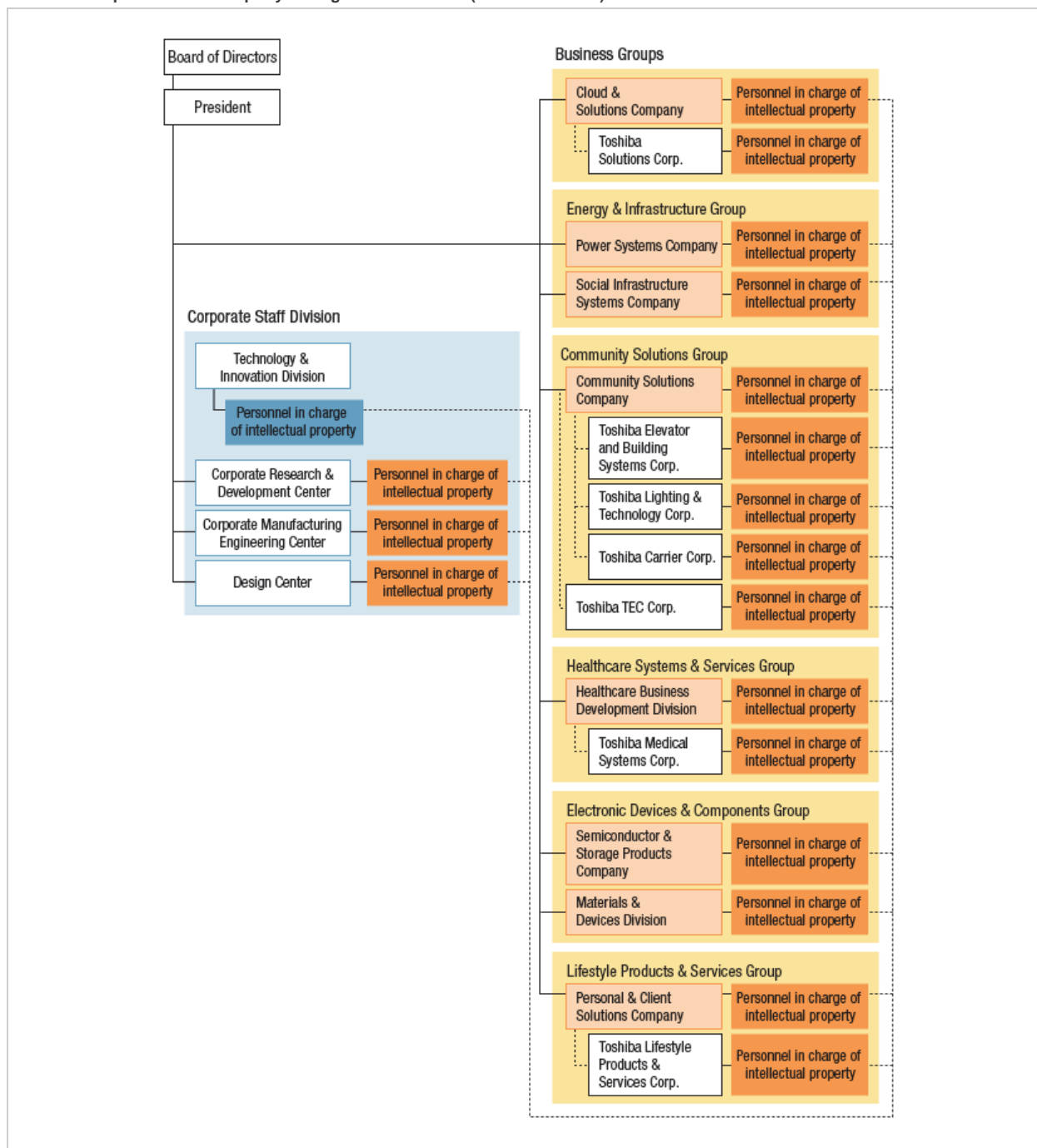
Toshiba Group's policy on intellectual property rights is to observe laws and regulations associated with them, to protect the results of intellectual activities with the rights and make extensive use of those rights, and to respect the legitimate intellectual property rights of third parties. This policy is stipulated in the Toshiba Group Standards of Conduct.

As part of this policy, for example, we are working with the regulatory authorities of each country to eliminate counterfeit products that damage the Toshiba brand.

➤ Toshiba Group Standards of Conduct Chapter 1 11. Intellectual Property Rights

## **Toshiba Group Intellectual Property Management Structure**

At Toshiba, the Intellectual Property Division, a corporate staff division, is responsible for the protection of intellectual property rights. In-house companies and key group companies also establish their own organizations responsible for intellectual property protection.



## Intellectual Property Protection Checks and Audits

In the course of business, we are likely to be at risk of infringing the intellectual property rights of third parties or facing lawsuits for violating their patents. To reduce or eliminate such risk, Toshiba investigates third party patents and other intellectual property rights related to its business in advance before developing new businesses and implements the necessary measures to avoid any infringement of third party rights.

Also, In order to prevent unauthorized use of copyrighted software, we conduct periodic surveys on appropriate software management in Toshiba and its Group companies worldwide. We conducted surveys worldwide in FY2013 as well, and confirmed that there were no problems.

## Intellectual Property Protection Education

With the widespread use of the Internet, opportunities to browse through third-party copyrighted works have been increasing, enabling anybody to easily copy others' works such as computer software. Under these circumstances, there is an increasing need to prevent the unauthorized use of copyrighted works. In view of this, we conduct education of top executives and employees at Toshiba and its Group companies worldwide.

In FY2013, we provided e-learning programs on intellectual property rights for Toshiba and its Group companies in Japan.

## **Measures against Counterfeit Products**

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Failure to take action against counterfeits of Toshiba products would pose not only the risk of damage to Toshiba's brand value and public confidence, but also the risk of purchasing counterfeit products that do not meet the quality expectations of customers who mistake them for genuine products.

Accordingly, to ensure that customers can purchase Toshiba products with confidence and peace of mind, we are striving to eliminate such counterfeit products that infringe Toshiba's intellectual property rights, in cooperation with public agencies. In the event that counterfeit products are discovered in the overseas market, we will take constructive and systematic countermeasures by directly visiting the local government official in order to exchange opinions about necessary measures. In China, the "TOSHIBA" and "Toshiba" (in Chinese characters) have been recognized as well-known trademarks. In recent years, various counterfeit products have been discovered and artful counterfeiting cases are increasing. By utilizing the "well-known trademark" recognition, we will continue reinforcing preventive measures to achieve a fundamental solution to the problem of counterfeits products, which is expected to become larger and more complex in the future.

## **Disputes, Litigation, and Judicial Decisions Related to Intellectual Property**

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As of June 30, 2014, there are no matters related to intellectual property rights that correspond to operational risks recorded in the annual securities report.

CSR Performane: Customers (Consumer Issues)  
**Quality Control**

**Major Progress and Achievements in FY2013**

- ✓ Promoted initiatives to prevent product defects in upstream design processes (enhancement of capabilities to ensure product quality)

**Quality Control Policy**

Based on Toshiba Group Quality Control Policy, we aim to provide our customers with safe and reliable products, services and systems, and we are working to ensure superior quality as perceived by our customers. By increasing our sensitivity to potential risks and dealing with them swiftly, we strive to eliminate product accidents and provide unrivaled customer satisfaction.

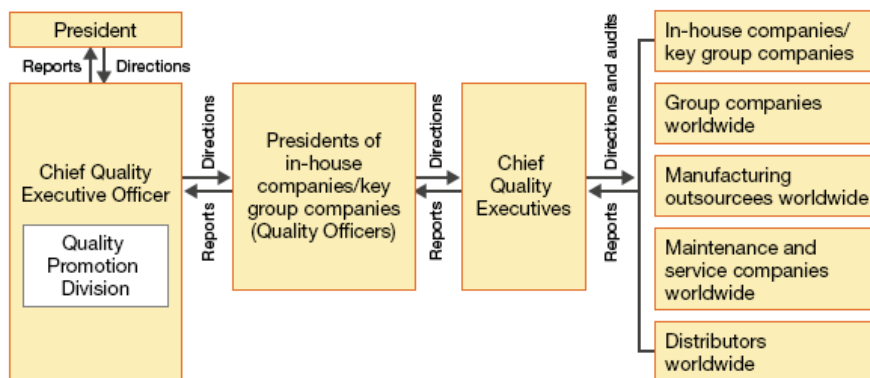
**Toshiba Group's Basic Policy on Product Assurance: Standards of Conduct**

1. We engage in quality assurance from the customers' point of view.
2. We observe relevant laws and contracts and respect the rights of customers and third parties.
3. We maintain quality systems aimed at achieving 100% quality.
4. We ensure that all of our departments and all of our employees act on this Quality Control Policy.
5. We aim for essential improvement by investigating the root causes of process failures.

**Quality Promotion Structure**

Under the global quality control structure, the Chief Quality Executive Officer is responsible for quality control throughout the Group, while Chief Quality Executives are in charge of quality control within in-house companies and key group companies. The Chief Quality Executive Officer convenes periodic meetings to develop policies and discuss quality control measures with the Chief Quality Executives who are responsible for providing guidance and conducting audits of factories, suppliers, maintenance and service companies and manufacturing outsources worldwide to enhance the quality level throughout product life cycles, from development and production through to final disposal.

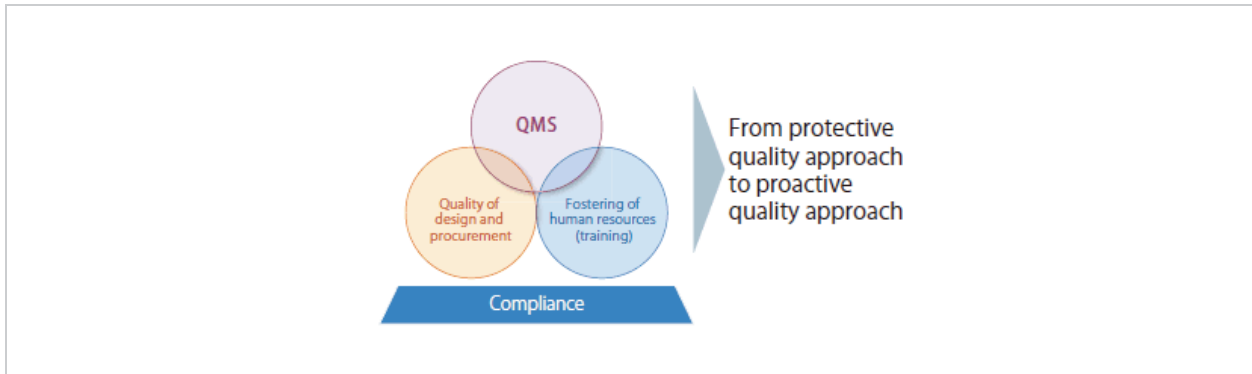
**Quality Promotion Structure**



## Promoting Initiatives Aimed at Enhancing Capabilities to Ensure Product Quality

Toshiba Group is working to enhance its capabilities to ensure quality by adopting a proactive approach to quality rather than the conventional protective one. Of the four main pillars of quality listed below for promoting initiatives, we focus on improving the Quality Management System (QMS), not simply obtaining ISO 9001 certification but also improving the system by means of raising the quality of design and procurement, the root cause of losses, as well as by enhancing the training of personnel who can support the development of the system. Compliance is the foundation for all these activities.

### Four pillars to enhance quality capabilities



In order to enhance our capabilities to ensure product quality, Toshiba Group is promoting failure mode and effects analysis (FMEA) mainly for design work as one of our Design for Quality (DFQ) initiatives for ensuring high quality design. To further reinforce FMEA activities, we formed a working group to exchange information obtained from these activities and trained instructors to make FMEA an integral part of all four of our business domains, thus preventing product defects starting from upstream processes. In FY2013 in particular, we trained and certified FMEA instructors intensively in the Digital Products (PCs and TVs) Division, the Home Appliances (cleaners, etc.) Division and the Social Infrastructure Division in order to raise the general level of activities.

## Training Personnel in Charge of Quality Assurance

We established the Toshiba Quality Training System to foster personnel who can contribute to quality improvement at all concerned divisions. We develop and promote education programs to improve awareness on quality management depending upon the requirements of each division, as well as to improve skills on reliability techniques and quality control methods. In order to foster personnel that are capable of taking charge of quality assurance, we develop and implement 21 quality training programs for employees in all divisions related to product life cycles on methods of analyzing the causes of product accidents and preventing them. In FY2013 a total of 1,095 employees participated in the training programs. We also provide compliance training and e-learning on the Electrical Appliance and Material Safety Law for approximately 105,000 Group employees and overseas subsidiary staff at a Group-wide level.

### Promoting local-based training programs in the key manufacturing base of China

The Toshiba China Academy, training institute of Toshiba China Co., Ltd., plays a central role in Toshiba Group in raising the skills of quality assurance personnel and improving the education system. In FY2011, in addition to existing training programs, "improvement of the quality of procurements," and "quality innovations," we implemented the following programs in which various cases were incorporated as training materials, "Quality awareness and quality risk management," and "How to audit suppliers." 257 employees participated in the training programs conducted in Dalian, Shenzhen, Guangzhou, and other areas in FY2013.

We will continue our efforts to contribute to the improvement of quality levels in China.



Quality improvement training program at the Toshiba China Academy

## Strengthening the System to Prevent Reoccurrence of Serious Product Accidents by Sharing Information within Toshiba Group

In 2011 we created the "Guidebook for Preventing Reoccurrence of Accidents," which is a compilation of accident cases that have occurred since 2004 in Toshiba Group. The Guidebook was distributed to division managers and meetings were held to explain the content to the persons in charge of quality issues in the Group in order to strengthen measures to prevent reoccurrence of accidents. In addition, the information was converted into an e-book for access by personnel in charge of quality and safety-related issues in the Company via the intranet. A serious accident not only signals an alarm for the quality and safety of products, but also can provide precious insight into product development and assessment. We will promote the system of sharing information within the Group and strive to prevent reoccurrence of product accidents.



Guidebook for Preventing Reoccurrence of Accidents (Japanese)

## Workplace Improvement and Quality Evaluation by Third Parties

In order to improve product quality, it is necessary to analyze factory processes and remove defective factors. In addition to the close examination, evaluation, and testing of each process, Toshiba is strengthening its awareness of hidden problems and reviews them proactively so that it can detect latent risks and take measures swiftly even after product shipment, in response to the opinions of customers. We also actively participate in the Quality Management Level Research conducted by the Union of Japanese Scientists and Engineers (JUSE). In this research, quality management levels are evaluated from six perspectives: managers' commitment, quality training and human resources development, strengthening the foundations of quality management, daily management and improvement, development of new products, and response to customers and quality assurance. The companies surveyed are ranked in consideration of all the aforementioned aspects.

### Toshiba placed first in the Seventh JUSE Quality Management Level Research and was officially commended as an excellent company.

Toshiba placed first in the overall category in the Seventh JUSE (Union of Japanese Scientists and Engineers) Quality Management Level Research in FY2012.

In terms of "strengthening of the foundations of quality management," we were evaluated highly for our established system in which, as one measure to prevent the recurrence of similar quality problems, quality control managers and engineers were able to view 19 examples of problems that had occurred at Group companies via booklets and the company intranet. In the area of "development of new products," we were rated highly for our efforts to develop unique power generation and energy conservation technologies. Two specific examples are the development of predictive control technologies, which reduce the time required to activate thermal power generation turbines based on an appropriate analysis of market needs, and the "ENE-FARM", which can be operated continuously even in the event of a power failure.

\* Toshiba placed fourth in the Sixth JUSE Quality Management Level Research in FY2010. (Because FY2013 research was a follow-up survey, there was no ranking announcement in FY2013.)

Reference website: [Union of Japanese Scientists and Engineers' website \(Quality Management Level Research\)](#)



Then Vice President Shozo Saito received a certificate of commendation from Dr. Hiroshi Osada, chairman of the screening committee.



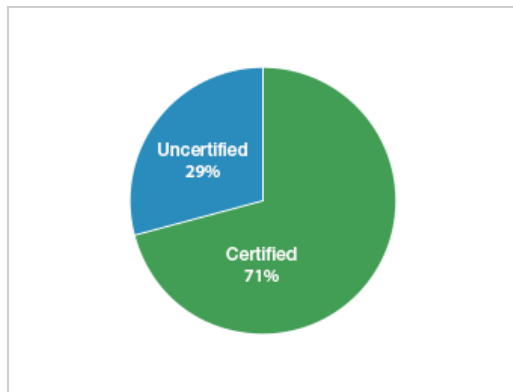
Excellent company award for quality management



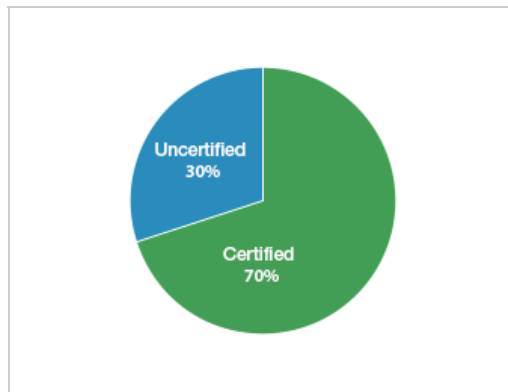
## Acquisition of ISO 9001:2008 Certification

Our product operation sites and Toshiba Group companies have put in place management systems for obtaining certification for the ISO 9000 family of standards for quality management systems.

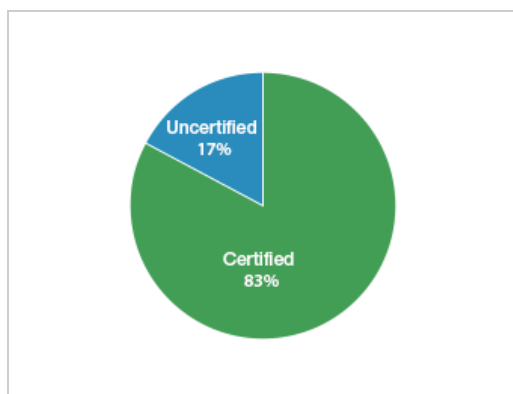
Toshiba Corporation



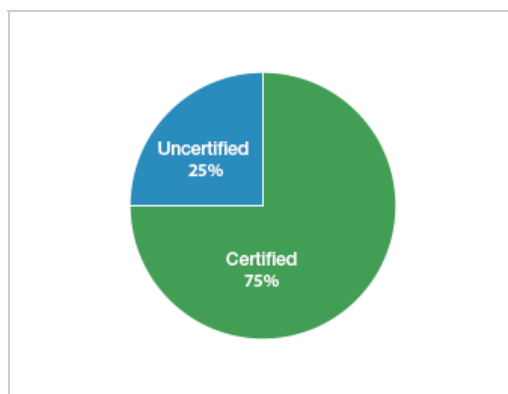
Toshiba Group (in Japan)



Toshiba Group (overseas subsidiaries)



Toshiba Group (in Japan and overseas subsidiaries)



Note1: Certification ratio = Number of employees of certified sites / Number of all employees

Note2: Data as of March, 2014

## Securing Cooperation from Suppliers to Ensure Quality

Suppliers are Toshiba Group's indispensable business partners and ensuring the quality of procurement items is being increasingly important. In order to ensure the quality of procurement items, we distribute TOSHIBA Quality Assurance Guidelines for Suppliers summarizing Toshiba Group's quality assurance policy and supplier expectations. Based on cooperation among procurement, quality assurance and engineering operations, Toshiba Group audits suppliers at appropriate intervals in view of the types and importance of the procurement items in order to ensure quality of procurement items.

➤ CSR Management in the Supply Chain



Toshiba Quality Assurance Guidelines for Suppliers (Japanese)

## Maintaining Product Quality for Emerging Countries and Outsourced Products

The development of new products for emerging markets continues to accelerate. In order to ensure stable product quality in each country and territory and thus prevent quality problems, Toshiba Group has prepared guidebooks on subjects such as product specifications, user environments, and country-specific problems while taking benchmarking against other companies' products into consideration. With the recent diversification in production methods, use of ODM (original design manufacturing) in which manufacturing, including development and design, is outsourced to third party organizations and EMS (electronics manufacturing service) in which only production is outsourced, is increasing. Against this backdrop, we have put together a guidebook on matters to consider ensuring production quality and safety, important control and audit points, and various case studies, and we request contractors to follow them.



Emerging Country Quality Guidebook (Japanese)



Global Guidebook for the use of ODM/EMS (Japanese)

## Disclosure of Information on Quality

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

➤ Important announcements for customers using Toshiba products (Japanese)

The Ministry of Economy, Trade and Industry (METI) has been announcing serious product accidents since the revised Consumer Product Safety Act came into force on May 14, 2007. On our website, Toshiba Group actively discloses all serious product accidents announced by METI, even those for which METI has not made public the name of the company because it has not yet been determined whether the accidents were caused by the use of products.

➤ Accident report based on the Consumer Product Safety Act (Japanese)

CSR Performane: Customers (Consumer Issues)

## Ensuring Product Safety

### Major Progress and Achievements in FY2013

- ▼ Launched a Group-wide Safety No. 1 Working Group to enhance product safety initiatives

## Basic Policy on Product Safety

Based on Toshiba Group Basic Policy on Product Safety, we are committed to eliminating product accidents. In order to ensure customer safety, we comply with the prevailing safety-related laws and regulations and proactively disclose full information to customers.

### Toshiba Group Basic Policy on Product Safety

1. We comply with the applicable laws and regulations on product safety in Japan and overseas.
2. We widely gather information on product safety incidents and disclose such information in a proactive manner.
3. We swiftly report product safety incidents to the competent authorities in accordance with laws and regulations.
4. In the event of a serious incident attributable to any of our products, we swiftly institute a product recall and notify customers without delay.
5. We issue alerts, as necessary, and employ warning labels to encourage safe use.
6. We thoroughly analyze the causes of any product safety incident and strive to prevent recurrence.

## Providing Information on Product Accidents

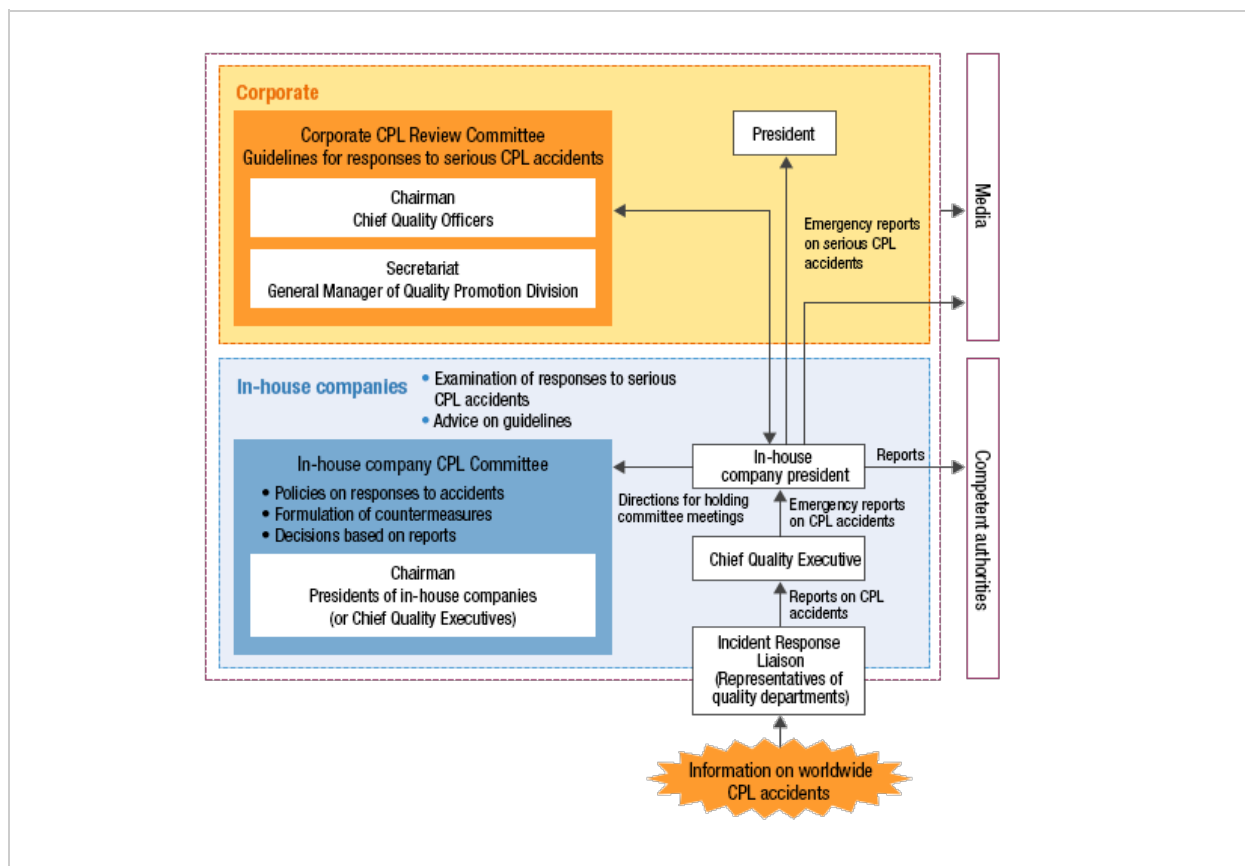
An employee who becomes aware of information concerning a Toshiba product accident must alert the division(s) in charge of dealing with safety issues concerning the product in question. The CPL Committee\*1, chaired by the President of the in-house company, then acts upon the matter. In the event of an accident attributable to a product that is likely to recur, we inform customers of the danger and request that they cease using such products, promptly report to the competent authorities, and establish countermeasures as soon as possible.

In FY2013, Toshiba disclosed a total of 40 accidents in the list of serious product accidents\*2 on our website: 20 cases that were suspected to have been caused by products, 19 cases the cause of which was unknown, and 1 case in which it was determined that the accident had not been caused by the product (as of April 11, 2014).

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

\*1 CPL Committee: CPL is an abbreviation combining CL (contractual liability) and PL (product liability). The CPL Committee, chaired by a senior executive, promptly determines measures to deal with product accidents and quality issues.

\*2 ["Important Notices to Customers of Toshiba Products" \(Japanese\)](#)



## Measures to Building Safety Product Culture

Since FY2008, we particularly worked on reinforcing our management system for ensuring compliance with the Electrical Appliances and Material Safety Law in Japan (hereinafter “the Law”), since the Law has an important bearing on the Group’s products. The Chief Quality Executives and the person in charge of the Law initiated a revision of the internal regulations and created common audit items related to the Law for the entire Group. We also verified the business notification status and compatibilities of the technical standards based on the Law. Furthermore, education through e-learning was provided to all concerned employees in Japan and working overseas (approx. 105,000 in total participated in 2013)

## Strengthening the System to Prevent Reoccurrence of Serious Product Accidents by Sharing Information within Toshiba Group

In 2011 we created the “Guidebook for Preventing Reoccurrence of Accidents,” which is a compilation of accident cases that have occurred since 2004 in Toshiba Group. The Guidebook was distributed to division managers and meetings were held to explain the content to the persons in charge of quality issues in the Group in order to strengthen measures to prevent reoccurrence of accidents. In addition, the information was converted into an e-book for access by personnel in charge of quality and safety-related issues in the Company via the intranet. A serious accident not only signals an alarm for the quality and safety of products, but also can provide precious insight into product development and assessment. We will promote the system of sharing information within the Group and strive to prevent reoccurrence of product accidents.



Guidebook for Preventing Reoccurrence of Accidents (Japanese)

#### Activity Example: Promoting Product Safety Information Sharing

In Toshiba Group, the plans and results of product safety-related activities of in-house companies and key group companies are investigated and the information is shared by the Group.

To boost activities, in FY2011, the persons in charge of product safety issues in in-house companies and Group companies began holding meetings to exchange opinions and information.

By learning about the aspects of safety that vary depending on the nature of products, they have contributed to improving product safety. Such product safety exchange meetings were rated highly by third parties and cited by the Ministry of Economy, Trade and Industry as a reason for officially commending Toshiba as a company that excelled in taking product safety measures.

In FY2013, we further developed these activities and launched a Group-wide Safety No. 1 Working Group. The Working Group systematically reviews and promotes initiatives including formulating safety design standards common to all Toshiba Group companies and creating a database/sharing information on examples of products that do not comply with safety standards.

## Response to Long-Term Used Product Accidents

To ensure safety we have asked our long-term users of CRT TVs to conduct safety checks. For refrigerators, to prevent electric fires or smoke caused by long-term use and deterioration, we distributed flyers requesting customers to stop using products that had been used for more than 25 years since the purchase.

We also provide information on inspection and labeling system for long-term use products and also provide consultations.

➤ Announcements to ensure that products are used safely and appropriately (Japanese)

## Safety Considerations Concerning Electromagnetic Waves

Toshiba Group is involved in standardization work of the International Electrotechnical Commission through the activities at the Japan Electrical Manufacturers' Association (JEMA) for home appliances and the activities at the Association of Radio Industries and Businesses (ARIB). These activities allow Toshiba Group to keep abreast of the latest information. We are adhering to the standards specified by these organizations to ensure safety concerning electromagnetic waves.

## Product Safety Evaluations by Third Parties

We ensure thorough compliance with the product safety-related rules and regulations throughout the Group and also conduct periodic audits. The Chief Quality Executive plays a central role in holding product safety-related events aimed at raising the safety awareness of employees and proactively discloses information on initiatives for product safety based on third-party evaluations.

**Example: Toshiba Group officially commended in FY2012 as an outstanding company that excelled in taking product safety measures. Toshiba received Director-General for Commerce, Distribution and Industrial Safety Policy Award in the METI Minister's Awards for Best Contributors to Product Safety**

In November 2012, Toshiba Group was officially commended by a Director-General for Commerce, Distribution and Industrial Safety Policy Award the Ministry of Economy, Trade and Industry as an outstanding company that excelled in taking product safety measures in the FY2012 6th METI Minister's Award for Best Contributions to Product Safety.



### Important Evaluation Points in the Screening Process

#### Initiative for ensuring sharing of product safety information among businesses

As different businesses are subject to different statutory limitations and product risks, Toshiba Group has set up a new series of meetings for exchanging product safety information in order to ensure that each business unit's effective methods for taking safety measures are shared with others. In this way, the Group works to better realize our safety initiatives.

#### Evaluation tests to prevent product defects

Toshiba Group strives to prevent product accidents by using both thermal fatigue simulations and multiple stress tests in our PC and TV development processes to predict product defects.

#### Establishing a product safety management system led by quality supervisors

By assigning to each business a quality supervisor responsible for overseeing quality and safety throughout product life cycles, Toshiba Group has built a product safety management system across our wide range of business sectors and simultaneously established closer cooperation among our business units.

- Reference website: Ministry of Economy, Trade and Industry's website concerning the official commendation of companies that excel in taking product safety measures

### Example: Toshiba TEC Corp. officially commended in FY2009 as an outstanding company that excelled in taking product safety measures with a Minister of Economy, Trade and Industry award

Group companies also develop their own programs for product safety. Toshiba TEC Corp. developed its product safety program with the aim of winning an award for its product safety measures from the Ministry of Economy, Trade and Industry and received a METI Minister's Award in the FY2009 in the METI Minister Awards for Best Contributors to Product Safety in the category of "large manufacturer and importers". We will continue to make challenges at Toshiba Group.



Toshiba TEC receiving the award from METI



CSR Performance: Customers (Consumer Issues)  
**Information on Product Safety**

**Major Progress and Achievements in FY2013**

- ✔ Continued to enhance efforts to accelerate the collection of products subject to recall

**Policy on Information and Labeling Related to Products**

Toshiba Group provides accurate product information and executes appropriate advertising in accordance with the Toshiba Group Standards of Conduct, the Code of Fair Competition for Home Appliances<sup>1</sup> and other policies.

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

- Toshiba Group Standards of Conduct Chapter 1 1. Customer Satisfaction
- Toshiba Group Standards of Conduct Chapter 1 14. Advertising

- 1 Code of Fair Competition for Home Appliances: Authorized by Japan Fair Trade Commission in 1978 in accordance with the Act against Unjustifiable Premiums and Misleading Representations, implementation of this code is governed by the Home Electric Appliances Fair Trade Conference. The code specifies prohibition of misleading representations, matters requiring representation, standards for representation of certain matters, etc. The objective is to contribute to consumers' 'well-informed selection of products, prevent inducement of customers by means of unjustifiable premiums and misleading representations, and ensure fair competition.
- 2 UL Standards: Safety standards issued by Underwriters Laboratories Inc., a U.S. not-for-profit product-safety testing and certification organization. UL has developed standards for materials, products and facilities.
- 3 CE Marking: This mark indicates that the product bearing it is in compliance with safety standards of the European Union (EU). CE Marking is mandatory for certain types of products sold in the EU.

**Education on Product Information and Labeling**

In March 2014, a study session jointly organized by Toshiba's Corporate Communication Division and Advertising Division was held among approximately 140 persons in charge of in-house companies and key group companies in order to reinforce compliance with the laws related to advertising and labeling.



Study session on advertising and labeling

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

In FY2013, there were no cases in which regulations and in-house standards regarding safety and health were violated in product or service life cycles. There were also no cases in which regulations and in-house standards regarding product/service information and labeling were violated.

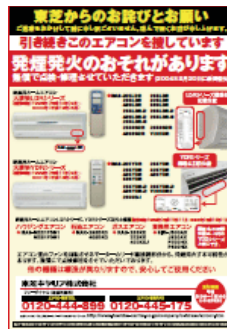


## Disclosure of Product Safety and Quality Information

In the event of a defect or accident resulting from a Toshiba product or service, we promptly report the details to the competent authorities in accordance with prevailing laws and regulations. Also, in order to notify customers of such accidents as quickly as possible, depending upon the severity of damage or frequency of occurrence, we disclose product accident information to our customers via newspapers, websites, etc. Through our corporate website, we disclose information on accidents involving our products as posted on the website of the Consumer Affairs Agency. We also proactively disclose information concerning serious accidents, even when it is unclear whether such accidents are attributable to Toshiba products or not.

In addition, we allow accessibility through the use of mobile phones to information on the safety and quality of our products listed in the section of "[Important Notices to Customers of Toshiba Products](#)" on our corporate website (Japanese).

Also, we prepare flyers on products subject to recall that have particularly high risks of causing a fire, such as air conditioners, CRT TVs, LCD TV / DVD combo, VCR, humidifier, halogen lamp equipment, and compact fluorescent lights. We are also developing activities to recall our products more quickly, such as checking whether customers have any defective products when visiting them for repairs or inspections, distributing product flyers at post offices and checking whether there are any products subject to recall in high-risk nursing care facilities. With respect to the vertical washer-dryer that was made subject to recall in FY2013, we are requesting all Toshiba Group employees, including not only their families but also their relatives, neighbors and friends, to provide product information and to cooperate in repairing defective products.



(PDF:554KB)

Flyer showing products subject to recall (Japanese)

## Disclosure to Ensure Safe Use of Products

Although products are equipped with various safety features, they may not be sufficient to ensure complete safety if products are in use for very long periods of time or the operating environment or conditions are extreme. To ensure safe use of products, Toshiba Group describes correct handling of products in users' manuals and, if necessary, through alerts placed in newspapers and on the website, or communicated by means of leaflets, etc.

### Disclosure of information to Toshiba product users

#### How to reduce the power consumption of Toshiba products

Audiovisual/digital equipment and home appliances

- How to efficiently reduce power consumption(Japanese)

#### How to have Toshiba products repaired after a disaster and what to do during a power outage

Audiovisual/digital equipment and home appliances

- Consulting services for home appliance repair in disaster-affected areas(Japanese)
- Special repair service for Toshiba PCs in disaster-affected areas(Japanese)
- What to do with major home appliances during a power failure(Japanese)

#### Housing equipment

- What to do with Toshiba Carrier products, such as industrial air conditioners, industrial water heaters, and Toshiba Nextair systems during a power failure (Toshiba Carrier Corporation)(Japanese)
- Operation of emergency lights and guide lights during a power failure (Toshiba Lighting & Technology Corporation)(Japanese)
- Precautions regarding the operation of lighting control equipment during a power failure (Toshiba Lighting & Technology Corporation)(Japanese)

#### Systems, energy, and social infrastructure

- Important notice for medical equipment users (Toshiba Medical Systems Corporation)(Japanese)
- How to operate a home photovoltaic power generation system in autonomous operation mode during a power failure(Japanese)

- How to prepare multi-function printers and fax machines for a planned power failure (Toshiba Tec Corporation)(Japanese)
- Toward the development of disaster-resistant elevators (Toshiba Elevator and Building Systems Corporation)(Japanese)

#### How to prevent Toshiba products from toppling over

Audiovisual/digital equipment and home appliances

- Measures to prevent equipment from toppling over(Japanese)

#### Activity Example: Raising awareness to prevent incidents due to long-term use of household electrical appliances

In order to prevent accidents attributable to the deterioration of home appliances over long-term use, in April 2008, the METI promoted consumer awareness on this issue by distributing nationwide cautionary circulars. To further raise awareness on this issue, Toshiba Group distributes cautionary flyers during repair visits, publicizes information on its website and has put in place a call center\* to respond to inquiries from customers. In April 2009, the Consumer Product Safety Act was revised, and inspection and labeling system for long term use of products was enforced. While complying with the requirements under this system, Toshiba Group is also providing necessary information to the customers through its website as well as consultations through the call center\*.



Cautionary circulars

\* An inquiry center for providing guidance on the long-term use of home appliances

#### Activity Example: Education on the proper way of using elevator and escalator

Toshiba Elevator and Building Systems Corp. organizes nationwide safety campaigns to provide instructions concerning the correct use of elevators and escalators, mainly to children in kindergartens and elementary schools. This event has been continuing for over the last 30 years, thanks to the cooperation of local communities, including the children and guardians who participated in such events.

Recently, the number of participants has been growing, owing to the growing concern in the safety of elevators and escalators. In FY2013, the campaigns were held nationwide with the total of 1,603 children and their guardians' participation. We also held a safety campaign to demonstrate how to respond in a situation in an elevator during an earthquake or power failure with 1,565 participants.

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



Elevator / Escalator safety campaign at a kindergarten

#### Activity Example: Remote maintenance of medical equipment

In order to ensure the safety and reliability of medical equipment, Toshiba Medical System Corp. is promoting the global use of a remote maintenance system called InnerVision™ Plus, which monitors customers' equipment around the clock and automatically detects system failures at an early stage. For example, this system places the highest priority on promptly reporting system failures regarding cardiovascular system equipment and mammography equipment and informs customer engineers of automatic failure analysis results using advanced alert features. When issuing a failure alert, the system informs users not only of detected failures but also of on-site repair procedures and parts that need to be replaced using accumulated data on troubleshooting. At present, we are working to provide procedural guidance for improving equipment performance by automatically analyzing information on equipment operation and by acquiring data on how the equipment is being used, as well as to predict the life of X-ray tubes based on data on equipment operation.

#### Activity Example: Notices to ensure safe use of products

To ensure safe use of household electrical appliances, Toshiba publishes notices on correct use with illustrations on its website.

Products: Refrigerator, Japanese-style electric heater, electric stove, electric blanket, rice cooker, etc.

**Activity Example: Seminars for consumers on electric appliances**

Toshiba assigns employees to serve as instructors at seminars for consumers held by consumer affairs bureaus to communicate accurate product information and advice on safe usage. Over 300 consumers participated in the seminars held 17 times in FY2013.

## **Compliance with Regulations on Advertising and Labeling**

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In FY2013, as a result of our strict implementation of the Manufacturing Labeling Standards, there were no violations of the Act Against Unjustifiable Premiums and Misleading Representations among Toshiba Group companies.

- \* Manufacturer Labeling Standards: These standards were authorized in 1978 by the Japan Fair Trade Commission in accordance with the provisions of the Act Against Unjustifiable Premiums and Misleading Representations. In the home appliance industry, these standards are implemented by the Home Electric Appliances Fair Trade Conference. The Manufacturer Labeling Standards stipulate rules regarding the prohibition of false labeling, items necessary for labeling, and standards for labeling specific items. The standards aim to ensure fair competition by helping general consumers appropriately choose products and by preventing unfair means from being used to attract consumers.

CSR Performane: Customers (Consumer Issues)  
**Enhancement of Customer Satisfaction**

## Toshiba Group Customer Satisfaction Policy

Adhering to the Toshiba Group Customer Satisfaction Policy established in 2003, we aim to enhance customer satisfaction (CS) through the provision of safe and innovative products, systems and services as well as through communication with customers.

### Toshiba Group Customer Satisfaction Policy

We make the voice of customers the starting point for all ideas and provide products, systems and services that deliver customer satisfaction.

1. We provide products, systems and services that are safe and reliable.
2. We respond to requests and inquiries from customers sincerely, rapidly and appropriately.
3. We value the voice of customers and endeavor to develop and improve products, systems and services to deliver customer satisfaction.
4. We provide appropriate information to customers.
5. We protect personal data provided by customers.

➤ Toshiba Group Standards of Conduct Chapter 1 1.Customer Satisfaction

## CS Promotion Structure

For cross-functional activities in accordance with the Toshiba Group Customer Satisfaction Policy, the following working groups (WGs) have been set up.

### After-sales Service Enhancement WG

Members: After-sales service sections of Group companies in Japan  
Activity: Implementation of measures to enhance the quality of after-sales services.

### Contact Center Enhancement WG

Members: Over 30 Contact centers of Group companies in Japan  
Activity: Implementation of measures to enhance the quality of Contact Center services.

### Customer Satisfaction (CS) Promotion Structure

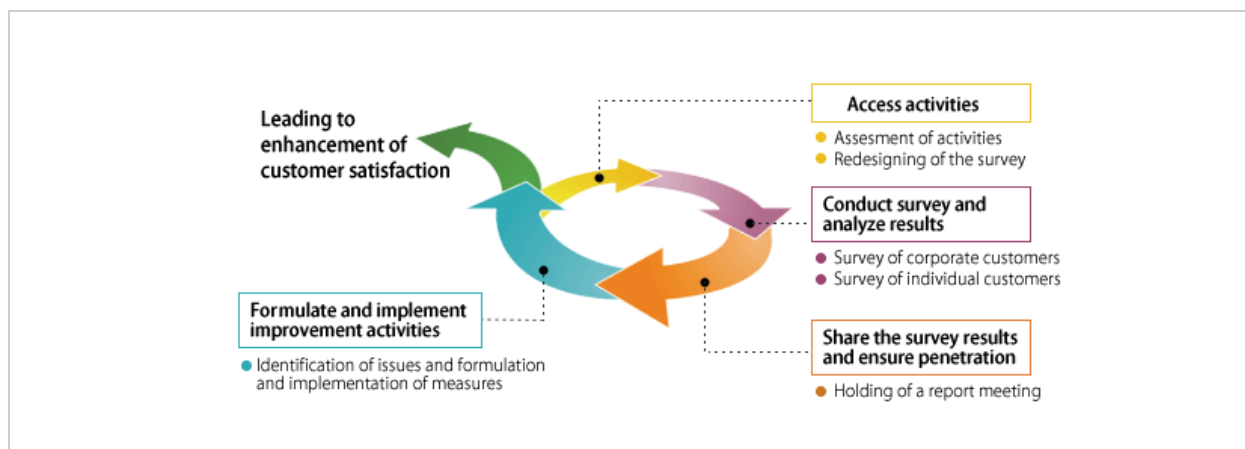


## Customer Satisfaction (CS) Survey

Toshiba Group conducts a CS survey (also called Voice of Customer survey) for implementation of a PDCA (Plan-Do-Check-Act) cycle for continuous improvement of customer satisfaction.

Since FY2005, the CS survey has been conducted Group-wide, covering individual and corporate customers to find out their views on Toshiba Group's products, prices, repair services, etc. The findings are shared among the personnel concerned, including senior executives, and executed in activities to enhance CS.

### Toshiba Group's CS Promotion Cycle



#### Conduct surveys and analyze the results

Based on the periodic survey conducted every year, the positioning of Toshiba against other competitors as well as changes in VOC are constantly examined, and strategies and measures for improvement are formulated. (Surveys have been conducted nine times as of June 2014.)

To develop strategies suited to the needs of emerging economies, we have enhanced our surveys of individual customers in developing countries since 2011 in order to develop products and sales strategies that meet local needs.

#### Share the survey results and ensure penetration

Chief Business, Marketing and Technology Executives gather to share the survey results in their department and to ensure that the voice of customers is widely and thoroughly penetrated.

For issues which are common to the entire Group, a cross-functional project is set up to implement the improvement activities.

#### Formulate and implement improvement activities

Survey of Corporate Customers: For customers providing continuous and strict feedback, improvement measures are formulated without fail. From onward, the structure will be further reinforced to achieve improvement activities.

Survey of Individual Customers: Based on the voice of the customers who also use competitors' products, the strengths and weaknesses of Toshiba products can be analyzed to better understand the needs of the customers and help in product development.

#### Assess activities

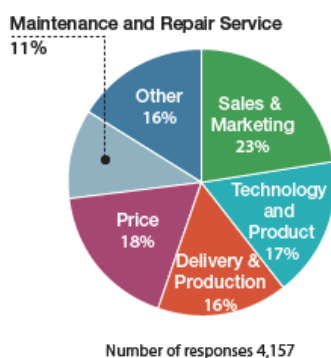
A self-assessment of the improvement measures of the past one year was conducted against the survey results. As a result, the issues appear highlighted so that more effective measures can be implemented.

### CS Survey of Corporate Customers

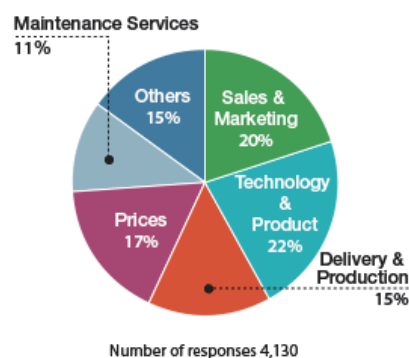
In FY2013, we received responses from approximately 2,300 people representing over 800 corporate customers, and executed the results of response analysis to improve sales and marketing, products and services, as well as in better provision of information to customers. In addition, we received a total of 4,130 opinions and requests. As a result, a total of Group-wide improvements plans are being promoted upon analysis of such opinions and requests.

Survey respondents	Corporate customers of Toshiba's products and services
Survey items	Evaluation of the degree of satisfaction with regard to Toshiba products, sales activities, and maintenance and repair services Other customer requests related to the above

FY2012 Survey Results



FY2013 Survey Results



## Opinions and Requests

### Sales & Marketing

- Request to provide ground-breaking proposals for the future
- Request to provide proposals that meet our needs on timely manner
- Request to take an active part in making proposals for combining Toshiba Group's various products and technologies
- Desirable to possess more technical skills
- Desirable to have speedy information on new products and technological trends
- Request better coordination with technical and maintenance divisions
- Regular visits are desirable
- Strengthen support overseas

### Technology & Product

- Request that product development be specifically based on consumer needs
- Request to enhance proposals based on advanced technologies
- Request to further enhance product quality and reliability
- Request to ensure that skills are passed onto members of younger generations

### Delivery & Production

- Desirable to speedily inform the delivery status of goods
- Request better coordination between the sales team and the production team

### Price

- Desirable to provide an easy explanation of the basis of calculation of quotations
- Request that the costs include the running costs as well as the initial cost

### Maintenance & Repair Service

- Request to further accelerate emergency and repair service procedures
- Request for improvements on service maintenance menu and other remediation in response to customer needs
- Desirable to eliminate the differences in technical levels
- Request for an easy explanation of the details of repair services

## Activities Based on the Survey Results

### Strengthen Providing Suggestions and Proposals

At Toshiba Semiconductor & Storage Products Company, in order to meet customers' requests for information on advanced technologies and for total solution proposals, organizations within the Sales Division that specialize in system proposals will enhance proposal services in collaboration with related divisions.

### Reinforcement of the Structure for Executing Improvement Measures

At our Railway & Automotive Systems Division, in order to strengthen CS activities, we share concrete survey feedbacks among corporate divisions, factories, Group companies in charge of maintenance and repair services, and distributors relevant to the business unit, having all of the concerned parties involved in the corrective action process.

In the air-conditioning and heat source equipment business, we are promoting measures to collect individual requests from customers in each of our sales channels to reflect them in our business activities. We are also working to respond to customers' needs regarding the Circulation Heating Pump Unit "CAONS," one of our flagship products, based on data on customers' needs and dissatisfactions.

## Overseas CS Surveys

In an effort to make improvements based on VOC, Toshiba Group continuously conducts nationwide CS surveys (VOC surveys). In FY2013, we conducted VOC surveys on the use of home appliances and living conditions in several emerging economies.

We received responses from approximately 70 households in metropolitan areas, from among which we chose 20 households to conduct personal interviews. Survey results are analyzed and shared among related divisions in Japan and overseas to develop product planning and sales promotion strategies.

## Policy for Customer Information Protection

Toshiba clearly states the purpose while using customer personal data and, in principle, obtains direct personal data based on the consent of customers and other individuals. The majority of personal data is basic personal data essential for contacting customers or providing services, such as name, address, telephone number, and email address. The principal purposes of use of personal data with Toshiba are published on the following website.

Toshiba appropriately handles personal data in accordance with internal regulations and rigorously controls personal data using a framework integrated with the data security management structure.

➤ Intended Use of Personal Data



Purpose of Personal  
Information Use



CSR Performance: Customers (Consumer Issues)  
**Customer Service and Support**

**Major Progress and Achievements in FY2013**

- ▼ Comprehensive manner training for call centers in order to improve customer satisfaction with after-sales services in emerging countries

**Policy on Customer Support**

In accordance with the Toshiba Group Standards of Conduct and Toshiba Group Customer Satisfaction Policy, Toshiba Group employees are committed to responding to requests and inquiries from customers sincerely, rapidly and appropriately. The basic approach, "Serve all customers with care," formed in 1999 underpins Toshiba Group's customer support.

- Toshiba Group Standards of Conduct Chapter 1 1.Customer Satisfaction
- Toshiba Group Customer Satisfaction Policy

**Revision of Rules and Manuals**

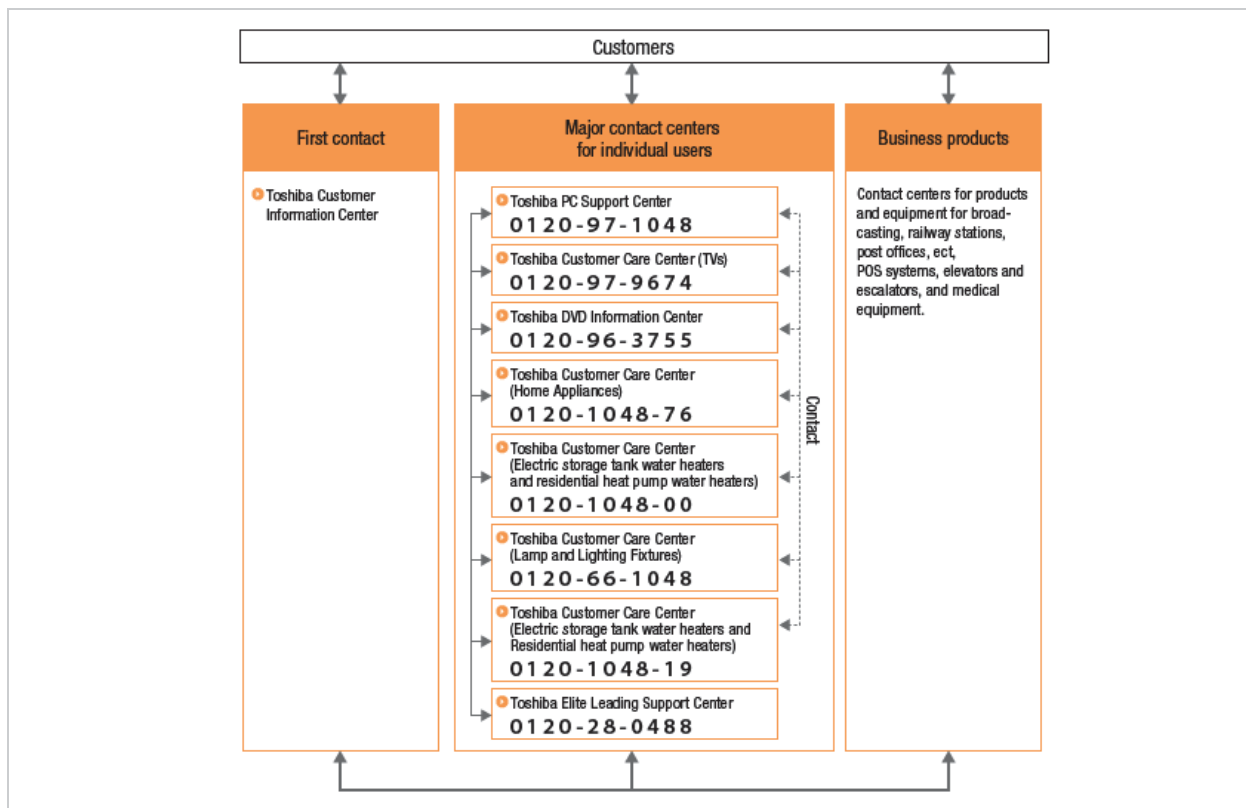
In line with the establishment of the JIS Q10002 management system for handling complaints, "Quality Management-Customer Satisfaction-Guidelines for Complaints Handling in Organizations," in June 2005, Toshiba revised its Customer Complaint Manual and the Basics of Dealing with Customers in April 2007, and has conducted business operations in accordance with the revised manual. We will continue to revise the manual, as needed, endeavoring to ensure inculcation of the revised manual by posting it on the intranet and conducting orientations.

**Structure for Customer Support**

**Customer Support**

We have set up product-wise call centers in various countries. Each call center formulates its own targets for improving the quality of customer support.

The managers in charge of the contact centers in Japan meet regularly since FY2005 to exchange information on developing and implementing plans, including telephone response skill training, CS awareness surveys for contact center staff, and self-checks on response quality.



### Structure for Repair and Service

Toshiba Group's structure for repair and service is organized according to products. We are working to enhance repair and service quality so that customers can use Toshiba products safely for a long time.

In Japan, Toshiba Group is working toward improving the quality of services. For the same, an "After service Enhancement Working Group" has been set up to share issues and develop improvement measures.

### Education and Training for Repair and Service Staff on Customer-oriented Service

Toshiba Group companies in charge of repairing home appliances, elevators, medical systems, POS systems, digital MFPs, and PCs have formed a working group to share information on problems and make improvements.

To facilitate the provision of services tailored to the needs of individual customers and companies, the working group established a sub-group called the Toshiba Group CS Service Committee, which has close ties with the local community.

In emerging countries, to improve customer satisfaction with after-sales services, we started providing education on customer-oriented service and etiquette training in FY2011. In FY2013, we conducted customer-oriented service training in China, and call center training in India, Indonesia, Vietnam and Singapore. In addition, with a view to improving the quality of operators' services at call centers, we formulated service quality standards for operation management.



Joint training for field engineers in Japan



Customer satisfaction awareness training for service technicians in Vietnam



Business call center in India (TVs and PCs)



Customer-oriented service training for service engineers in India



Service manner pamphlet (Chinese language edition)

### Initiatives for Handling Inquiries from Customers

Contact Center Enhancement working group develops and implement plans for Toshiba Group companies such as providing training on telephone response skills, conduct CS awareness surveys for contact center staff, and conduct self-checks on response quality. In addition, since FY2009, Toshiba Group Contact Center Awards is held every year.

In November 2013, we held the 5th Toshiba Group Contact Center Awards involving the participation of 21 operators in charge of customer services, selected from 16 contact centers. Through such events, we rewarded the efforts of skilled, customer-oriented operators and shared their skills and outstanding responses among the contact centers as a means to enhance overall quality.

### Initiatives for Providing Repair and Other Services

#### Activity Example: Prompt maintenance support and new services in Toshiba Elevator and Building Systems Corporation

On the day of the Great East Earthquake, the staff of Toshiba Elevator and Building Systems Corporation began visiting buildings in difficult circumstances due to major aftershocks and disruptions of public traffic and communication systems. The following day on March 12, the first group of employees and staff arrived in the Tohoku area. Staff from branches and offices, manufacturing sites, and business partners as well as technicians arrived from all over Japan by registered emergency vehicles via emergency access roads. The support staff have been working on the prompt recovery of affected elevators by utilizing an integrated system of design, manufacturing through maintenance service, and a nation-wide service network, and their efforts continue to this day. As part of the measures to prepare for post 3.11 aftershocks and scheduled blackouts due to exceeding demand for power, the Company also established an information service for “elevator operation information during earthquakes,” in which information on the operation of elevators can be checked via computer when earthquakes occur, and a “service to stop elevator operation by remote control” that is free of charge from September 1, 2011 (Disaster Prevention Day in Japan). In response to the experiences gained from the Earthquake, Toshiba Group companies that provide aftersales services are currently working on revisions of disaster response manuals to improve our system to offer better services without interruption in the case of a disaster.

#### Activity Example: Providing quick services after the Great East Japan Earthquake

As a result of the Great East Japan Earthquake, the Sendai service station of Toshiba Service & Engineering Co., Ltd., which is responsible for repairing home appliance products, had to suspend its operations mainly because its buildings were damaged. However, on March 22, eleven days after the disaster, the company resumed its operations on a full scale as the communication infrastructure returned to normal.

During this interval, its personnel continued to attend to repair requests at the contact center. In particular, there were many requests from affected people for repair of LCD TVs and water heaters, and at one time, the number of such requests rose to ten times as many as usual. In order to provide services quickly, a total of over 120 field engineers from the company nationwide were shifted to the Tohoku region for repair services. In addition, in cooperation with Toshiba Carrier Corporation, a temporary service station specializing in water heaters was set up in Sendai.

Despite the fact that some of the field engineers had also been affected by the earthquake, they promptly attended to repair requests, and this was greatly appreciated by many customers.

#### Activity Example: Toshiba Medical Systems Corp.

At Toshiba Medical Systems Corp. (TMSC), to support customers in making maximum use of delivered equipment, we provide a variety of training programs for service engineers, application specialists and overseas hospital engineers at the Customer Support and Training Center. For example, we have been providing a service training program for overseas customers since 2000. With a total of 183 customers from 29 countries having participated in the program so far, the demand for the training is still growing from year to year. In recent years, the program has been provided not only to hospital engineers, but also to instructors who teach how to use X-ray and other medical equipment at universities, technical colleges and technical/occupational training centers to which we have delivered our products. After a training session, we conduct a questionnaire survey on the training in order to reflect customers' needs in the program.



Customer Support and Training Center  
(Japan)

#### Activity Example: Toshiba Service & Engineering Co., Ltd.

Toshiba Service & Engineering Co., Ltd., a provider of repair and maintenance services for home appliances in Japan, has been continually providing training to enhance technical skills. In addition, since 2006, the company has held annual training for enhancing the quality of response to customers for all service engineers, including those of partner companies nationwide, and in FY2013, about 2,000 participants including field engineers of partner companies and managerial staff attended such training. Every semester, the company has been implementing trainings under different topics to improve the quality of skills for customer satisfaction.

## Education and Training of Employees on Dealing with Customers

Understanding the importance of customer satisfaction is emphasized in Toshiba Group employee training on the skills necessary for dealing with customers.

In addition, we also provide a variety of manuals, including the Customer Service Manual and Collection of Telephone Responses to Customers, as well as raise employees' customer service awareness through employee briefings and publication of information on the company website.

## System to Facilitate Handling of Customer Inquiries and Claims

We have a database system to compile major customer inquiries and claims which we report to the concerned division and the top management.

We not only deal with customer inquiries and claims but also make efforts to prevent the recurrence such claims.

## Checks and Audits concerning Customer Support

Since 2005, self-audits of major call centers have been continuously performed once a year since FY2005 using the Contact Center Quality Checklist unique to Toshiba.

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

## Case Studies on Efforts to Improve Customer Support

#### Activity Example: Toshiba Elevator and Building Systems Corp.

Toshiba Elevator and Building Systems Corp. constructed a new facility training building on the site of the Toshiba Fuchu Complex in 2013. This new building, which also functions as a showroom, is designed for providing maintenance services for elevators and building facilities as well as for conducting engineer training in order to improve facility construction skills. The building is equipped with a high-rise elevator shaft for skills training on the maintenance of high-speed elevators. Such elevators have been increasing in number in recent years as increasingly taller buildings are erected. This facility training aims to ensure safety and comfort during high-speed elevator operation. In addition, the East Japan Service Information Center, which provides round-the-clock support services, including remote monitoring of Toshiba elevators and building facilities, relocated to this building and expanded its office in order to provide a variety of technologies designed to ensure security for customers. A maintenance support system that makes use of mobile phones is also available to facilitate speedy recovery from damage suffered due to an accident or large-scale earthquake.



Toshiba Elevator and Building Systems Corp. facility training building

#### Activity Example: TOSHIBA TEC Solution Service Corp.

TEC Engineering Corp., in charge of POS system maintenance, monitors networks around the clock throughout the year for customers with service contracts and provides support, remote maintenance, and failure recovery services.

In order to enhance the level of customer satisfaction, the company solicits customer opinions to understand customer needs and mobilizes them to improve the level of services as well as daily operations.



TOSHIBA TEC Solution Service Corp. Contact Center

#### Activity Example: Toshiba Medical Systems Corp.

##### Sale of recycled equipment:

When customers introduce the latest equipment to provide advanced medical care, existing equipment that can still effectively perform its functions is sometimes discarded. In some cases, such equipment is sold as used products without proper maintenance or without the capability to fully perform its functions. Since 1992, Toshiba Medical Systems Corporation has been offering trade-in services for such equipment to maintain it at maintenance centers in Japan, the United States and Europe for resale in regions that are in short supply of medical equipment.

In November 2013, we established the Three R Center within the head office of Toshiba Medical Systems Corp. and started maintenance services for the Aquilion 64 CT system. We have shipped nine pieces of recycled equipment to facilities in Japan, South Korea, India, Pakistan and Venezuela. Under current circumstances in which many used products are recycled and distributed by third parties, maintenance and recycling services offered by manufacturers themselves provide customers with a sense of security in terms of product quality and safety. We aim to promptly establish maintenance and recycling services in order to further promote medical equipment trade-ins.



Newly constructed Three R Center

## Policy on Sharing and Utilization of Voice of Customer

The Toshiba Group Standards of Conduct and the Toshiba Group Customer Satisfaction Policy state that Toshiba values the voice of customer and strives to provide products, systems and services that deliver customer satisfaction.

- > Toshiba Group Standards of Conduct Chapter 1 1.Customer Satisfaction
- > Toshiba Group Customer Satisfaction Policy

## Framework for Sharing and Utilization of Voice of Customer (VOC)

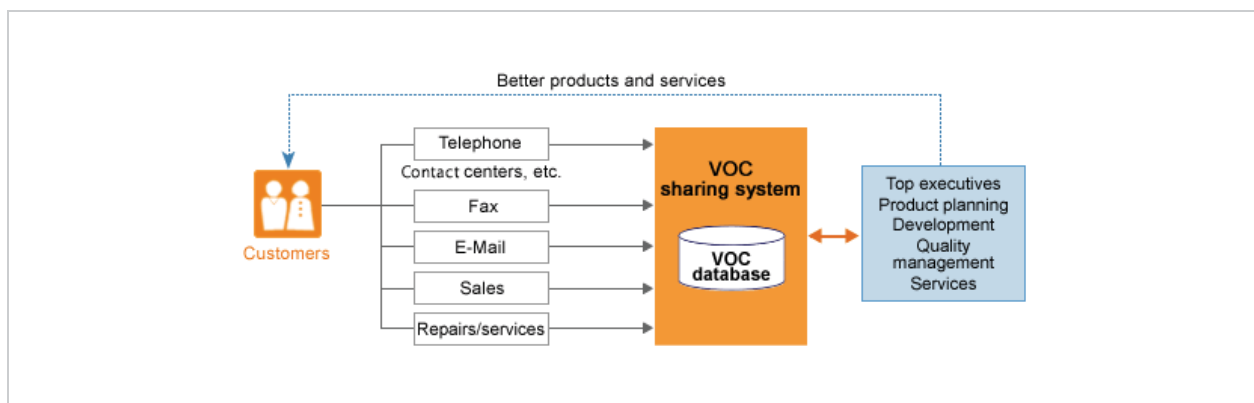
At Toshiba Group, all parties concerned, including top executives, share information on customers' complaints, opinions, and requests about our products and services received through our daily sales, repair, and service activities, and via telephone or the internet, in order to improve the quality of our products and repair services.

Based on frequent inquiries from customers about Toshiba Group's video and information devices and home appliances, we discuss how to make improvements for each product at periodic meetings held by divisions in charge of product design and development in order to have customer feedback reflected in our products.

## Improving Products and Services with VOC as the Starting Point of Concept Development

After the launch of new home electronic products, Toshiba Group collects VOC via its sales team, service personnel at contact centers, and the website. The VOC is analyzed and the results are shared with product planners, quality managers, and sales groups so as to use it effectively for product improvements. This mechanism has become an integral part of the Group's business operations. In overseas markets, Toshiba Group conducts VOC analysis and in-person visit surveys to identify the needs of customers in regions with various climates and customs. In FY2013, in addition to Hanoi and Ho Chi Minh City, where we interviewed customers in FY2012, we also visited customers' homes in Long Xuyen, a local city in the Mekong Delta, to conduct an interview survey in Vietnam. The survey provided valuable opportunities to have face-to-face conversations with customers and obtain information not only about the actual use of home appliances in Vietnam and customers' requests but also about their daily lifestyles and dreams for the future.

We will share the survey results with the product planning and design divisions to enhance development and improvement efforts so as to provide products and services that meet customers' needs and realize their dreams.



#### Activity Example: VOC-based knowledge disclosure on the Toshiba PC support website in Canada

Toshiba's Digital Products & Services Company, taking into account the fact that many inquiries at its contact centers in Japan and overseas were related to the use of PCs, has enhanced the information on its website.

For example, Toshiba of Canada, Ltd. (TCL) inserts links to its customer support site "Ask Toshiba" as desktop icons on PCs, on the tool bar of Web browsers, on "favorites" menu bars, and so on in advance, making it easy for customers to access the customer support site. "Ask Toshiba" enables customers to search its knowledge database for answers to their inquiries by PC model, thus increasing customer convenience. This improvement has helped to reduce the number of telephone inquiries related to the use of PCs.



TCL's "Ask Toshiba" website

➤ Ask Toshiba

#### Activity Example: Disclosing VOC of "REGZA" customers

Toshiba Digital Products & Services Company has been executing opinions of customers to enhance the "Omakase Donpisha Kougashitsu" (automatic adjustment of the highest image quality) function and hard drive recording function, and to improve the REGZA Program Guide of our REGZA LCD TVs.

In addition, part of the VOC is disclosed on our website as reference for the selection and use of the products.

#### Activity Example: Development of a mammography system minimizing discomfort and anxiety

One reason for the low rate of breast cancer screening using mammography is discomfort and anxiety at the time of screening. To reduce patient discomfort and anxiety, we developed a system that reflects the opinions of radiological technologists and patients.

At Toshiba Medical Systems Corporation, application specialists, who serve as the interface between medical fields and development teams, gather the opinions of medical specialists and patients for execution in product development.

The patient-friendly design based on ergonomic principles, which provides features, such as armrests to cushion the arms (patent pending), use of material conducive to comfort for those portions that come into contact with the body, and rounded contours to help create a relaxed atmosphere, has won numerous design awards in Japan and abroad, including the Good Design Gold Prize 2007, Germany's Universal Design Award 2008, iF Design Award 2008, and Red Dot Design Award 2008.

➤ Development of a mammography system minimizing discomfort and anxiety



CSR Performance: Customers (Consumer Issues)  
**Universal Design**

**Major Progress and Achievements in FY2013**

- ✔ Released a lightweight and user friendly cleaner
- ✔ Universal design exhibition at the Toshiba Science Museum

## Policy Related to Universal Design

Toshiba Group is promoting universal design (UD) to contribute to realization of a society where everyone can live at ease and in comfort regardless of age, gender and abilities.

In 2007, with a view to promoting universal design throughout Toshiba Group, particularly with the support of Universal Design Working Group (WG), we established Toshiba Group UD Philosophy, UD Vision and UD Guidelines.

### Toshiba Group Universal Design Philosophy

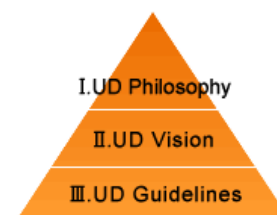
We create products attuned to people's aspirations. Toshiba Group contributes to realization of a society where everyone can live at ease and in comfort regardless of age, gender and abilities

### Toshiba Group Universal Design Vision

Transforming "can't use" to "able to use", "hard to use" to "easy to use", Toshiba's universal design aims to create products accessible and safe to use for everyone. With the perpetual drive for innovation, Toshiba continues to explore ways to create more convenient and easier to use products which, in our hope, will meet even greater number of peoples' standard for "want to use".

### Toshiba Group Universal Design Guidelines

- Intuitive use
- Simple use
- Low physical effort
- Equitable use
- Safety and minimal anxiety



(The Guidelines consists of the above five main principles and 15 sub principles.)

## Universal Design Promotion Structure

The Universal Design (UD) Promotion Working Group (WG) established in 2005 is striving to incorporate the universal design concept in development steps and is promoting dissemination of information on Toshiba's universal design internally and externally.

## UD Advisor System

In FY2007, Toshiba Group initiated a UD advisor system and invited employees with disabilities to register with the system with a view to obtaining their cooperation in the development and evaluation of UD products, irrespective of the divisions to which they belong.

In FY2010, the Group expanded the scope to include foreign national employees in order to step up UD promotion to meet the needs of overseas markets, including emerging economies.

In FY2013, we conducted a survey on the working environment, in which diverse employees are working together, as well as a survey on differences in handwriting style between nationalities. Also, in the development of the DaisyRings™ text-to-speech transliteration support system that utilize speech synthesis technology, we interviewed UD advisors with visual disabilities to study how intelligible and understandable text reading was. Since December 2013, we have been providing reading volunteers and library staffs with free access to an Internet system for a verification experiment. This system is designed to help library staffs, reading volunteers and teachers to create content for people with visual disabilities and dyslexia. The speech synthesis technology used in this system is also used for the voice guidance terminals at the Toshiba Science Museum.

> Detailed product information (Japanese)

## Development of Universal Design Products

In developing products related to a wide range of fields such as home appliances, housing facilities, information equipment, and public facilities, Toshiba adopts the human-centered design process emphasizing users' perspectives, incorporating the needs of many customers as possible.

### Toshiba's UNIVERSAL DESIGN

#### Activity Example: Releasing a lightweight and user friendly cleaner

Toshiba released compact, lightweight cyclone cleaners (main body weights: 2.3 kg/2.9 kg/3.3 kg) that are friendly to users who usually hold the cleaner body during cleaning. The main body is designed to be as smooth as possible to protect clothes from getting caught in the machine while the user is holding the cleaner. The cleaner is also designed to easily pass through narrow spaces and move around when cleaning is done with the main body placed on the floor. It also has a number of other features, such as being lightweight and capable of operation without extra force, and the use of the "Rakuwaza Easy Skill Grip" mechanism to reduce the burden on the wrist and to allow natural posture during cleaning.

- Website for information on the cyclone cleaner (Japanese)
- Website for information on Toshiba Universal Design and cleaners (Japanese)



Cyclone cleaner

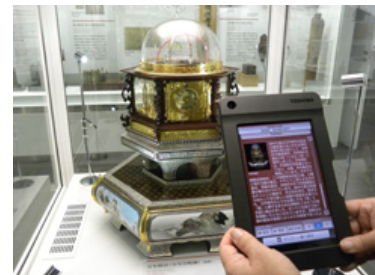
#### Activity Example: Universal design exhibition at the Toshiba Science Museum

In January 2014, the Toshiba Science Museum opened on the second floor of the Smart Community Center in front of Kawasaki Station.

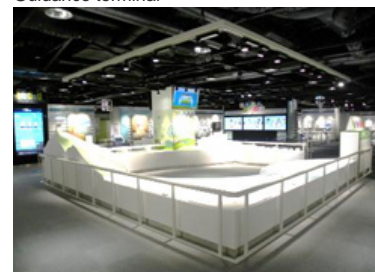
The museum presents exhibitions designed for visitors with baby carriages and visitors in wheelchairs, provides guided tour service by attendants in Japanese, English and Chinese, and makes guidance terminals available that introduce visitors to exhibits using speech, characters and images in Japanese, English, Chinese and Korean in the history section. There are also facilities such as a multi-purpose toilet room that includes diaper changing tables and ostomate\* friendly toilets, so that a wide range of visitors can enjoy the exhibitions.

- Website of the Toshiba Science Museum

\* Ostomate: a person with an artificial anus or bladder due to disease or disability



Guidance terminal



Exhibition at the museum

## Promotion of Universal Design

Toshiba's UD efforts have created a great impact on the quality of life for many people. Toshiba recognizes that such efforts should be communicated to as many people as possible, and participates in the International Association for Universal Design, Association for Electric Home Appliances, etc. to create social awareness on universal design.

- Reference site: International Association for Universal Design

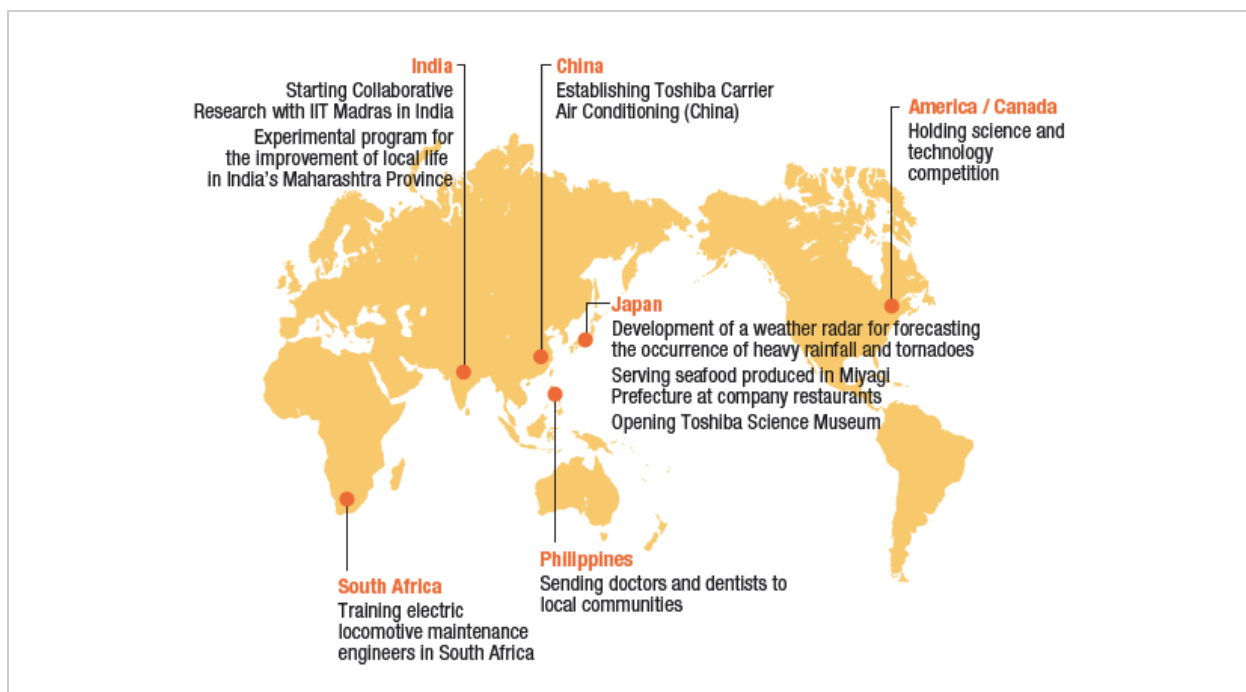
CSR Performance: Community Involvement and Development  
**Support for Local Community Development**

**Contributing to Economic, Educational, and Cultural Development in Host Countries around the World where We Do Business**

Toshiba Group contributes to the development of local communities and solution to issues imposed on them through not only our business activities, but also our worldwide corporate citizenship activities. At our manufacturing sites, we have been making efforts to localize management, foster management development, and promote local procurement. We have also contributed to the development of social infrastructure in developing and emerging countries in addition to the development of products that meet the needs of local communities. In an effort to provide continuous support to the areas affected by the Great East Japan Earthquake, we are making plans for the restoration and development of local communities in these areas based on local interviews and the analysis of local needs.

> Tohoku Earthquake and Tsunami

**Major Progress and Achievements in FY2013**



**Contributing to Solving Regional Social Issues through Business**

**Social Infrastructure Business such as Smart Community**

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

> Smart community by Toshiba Group

**Created new category "Social Contributions by Business" to Corporate Citizenship Award to Promote Contribution to Solving Global Social Issues through Business**

In FY2013, in addition to the conventional Corporate Citizenship Award, Toshiba Group created a Business Division Award to promote contributions to solving global social issues through business. Based on recommendations from business divisions, we assessed and selected projects for the awards from the perspectives of problem-solving potential and citizenship through extensive discussions with five outside evaluation committee members from NPOs and NGOs.

## FY2013 Corporate Citizenship Award in “Social Contributions by Business” Category

### Support for the employment and independence of intellectually disabled people

#### Toshiba With Corporation

Toshiba With Corporation is a Toshiba Group subsidiary established in 2005. At Toshiba With, employees with intellectual disabilities are engaged in business operations for cleaning, printing, mail delivery, and health care within Toshiba Group. Through these operations, employees learn about work responsibilities, sense of purpose, and enjoyment in work, along with social rules and manners in order to achieve independent living.

The independence of the people with intellectual disabilities requires not only employment opportunities, but also support in living, including lifestyle and health management. To this end, the company works in close collaboration with disabled people’s families and support organizations to create a unified support system.

We will continue to support promoting awareness and understanding of disabilities, fostering employee self-reliance, so everyone may play a more active role in society.



Cleanup work by Toshiba With employee

#### Comments by an outside evaluation committee member (chairperson):

Focused on the appropriate mission of supporting the independence of the people with intellectual disabilities, this program provides such people with employment, by making the most of the advantage of the company in a very appropriate way. Employment of disabled people requires not only the provision of workplaces, but also consideration of their living conditions. I was especially impressed that the company is working in close collaboration with local government organizations. This project still has room for improvement in terms of profitability. However, if the company can work out measures to improve its profitability, it may succeed in creating innovations in solving social issues regarding the employment of the people with disabilities.



Yayoi Tanaka  
(President of Japan NPO  
Research Association)

## FY2013 Corporate Citizenship Award in the Business Division Category

### Reducing CO<sub>2</sub> emissions and living in harmony with local communities using a compact geothermal power generation system

#### Toshiba Power Systems Company Thermal and Hydraulic Power Division

Geothermal power generation is attracting public attention as a natural energy source that emits relatively small amounts of CO<sub>2</sub>. Toshiba started a business that makes effective use of geothermal power generation at Nakao Hot Springs in the Okuhida region (in Gifu Prefecture). The company developed an environmentally harmonious, compact power generation system; at the same time, it proposed a new business model for living in harmony with the local community. In addition to using steam to generate electricity and sharing hot water with spa service providers, the company’s proposals also included providing an emergency power source to be used during disasters and creating employment at the geothermal power station. Toshiba explained its business model through close dialogue with the local community and achieved consensus among all interested parties.

The relationship with the local community becomes stronger as more and more local community residents gain a deeper understanding of the project. Consequently, a foundation is being formed to work together with local residents to solve social issues regarding the economic development of the local community.



Geothermal power generation

#### Comments by an outside evaluation committee member:

The company correctly understands the obstacles to geothermal power generation and is making efforts to overcome the obstacles. In particular, I was impressed with the fact that the company is well aware of the need to collaborate with stakeholders—and above all, local community residents—and is striving to achieve multiple objectives so as to maintain the balance between environmental protection and economic interests. Local residents’ expectations and satisfaction provide an effective driving force for the project. We hope that the company will be able to establish similar relationships with local community residents in other areas as well.



Emiko Nagasawa  
(Keidanren Business Service  
Planning Office Director)

### Development of a weather radar for forecasting the occurrence of heavy rainfall and tornadoes

In August 2013, in collaboration with the National Institute of Information and Communications Technology (NICT) and Osaka University, Toshiba developed a phased array weather radar to observe heavy rainfall (local downpours) and tornadoes and started experimental weather observation on Osaka University's Suita Campus.

With conventional weather radars lacking the speed and accuracy required to forecast the occurrence of heavy rainfall and tornadoes, it has been difficult to provide accurate information for evacuation. Therefore, there are high expectations for the development of technologies that enable more detailed observation in a shorter period of time.

We will continue the observation, which is also a performance assessment test, to study the mechanism of unexpected local weather phenomena. At the same time, we aim to improve the accuracy of evacuation information and to prevent accidents by detecting early signs of the phenomena.



Weather radar being constructed

### Development of home appliances for Southeast Asia and other developing countries

Toshiba Lifestyle Products & Services Corporation periodically visits homes in different regions in Southeastern countries, such as Thailand, Vietnam, and Indonesia as well as in India to conduct consumer surveys through daily life observation and interviews. Based on survey results, the company develops products that meet local needs.

In the development of refrigerators, for example, the company conducted research not only on refrigerators but also on people's lives in general to study their current lifestyles, signs of lifestyle changes, and variance in the use of refrigerators in accordance with cultural background. Based on the survey data, the company released a medium-sized refrigerator in countries in Asia in April 2014. Having a simple and sophisticated design, the refrigerator provides convenient and user-friendly features that fit the changing dietary habits and lifestyles in Asia, such as large room for vegetables bought in the market every day and a chilled compartment that keeps plastic-bottled beverages for guests cool.



Medium-sized refrigerator released in countries in Asia



Home-visiting consumer survey

## Job Creation and Human Resource Development

### Establishing Toshiba Carrier Air Conditioning (China)

In January 2014, Toshiba Carrier Air Conditioning (China) began its operations in the Hangzhou Economic and Technological Development Zone (Xiasha) in China. This company was established for the purpose of manufacturing and selling highly efficient and reliable products, expanding job opportunities for local people. It also aims to reduce burdens on the environment throughout the product lifecycle with consistent operation of manufacturing, sales, and after-sales service. Prior to the first production, Japanese engineers were dispatched for technical assistance in purchasing precision parts for highly efficient motors from local vendors. We continue promoting local procurement under the policy of localization.



Established company in China



## Training electric locomotive maintenance engineers in South Africa

From 2006 to 2010, Toshiba Social Infrastructure Systems Company participated in bids held by Transnet Limited, a South African public transportation corporation. In a project organized with Mitsui & Co., Ltd. as the main contractor, Toshiba received, jointly with the South African train carriage manufacture Union Carriage and Wagon (UCW), an order for 110 electric locomotive carriages for coal transport and 76 carriages for iron ore transport. Toshiba completed the delivery of all carriages by the end of 2013. In order to support the safe operation of the railroad as well as to generate employment and to train engineers, Toshiba also employs and trains local residents as engineers for the maintenance and inspection of locomotive carriages.



Electric locomotive (15E) for iron ore transport for which Toshiba delivered electric products

## Support for the employment and independence of people with intellectual disabilities

Toshiba supports the employment and independence of people with intellectual disabilities through Toshiba With. This support program was awarded the Toshiba Group Corporate Citizenship Award in the business division category, which was newly created in FY2013.

➤ FY2013 Corporate Citizenship Award in the Business Division Category

## Supporting the training of industrial product designers in Thailand in cooperation with JEITA

In July 2013, with great interest in Thailand, Toshiba offered an advanced course of industrial design with the theme of ecological design in cooperation with the Federation of Thai Industries (FTI) and the Japan Electronics and Information Technology Industries Association (JEITA). The FY2013 training session, the fourth in its series, was held for 16 employees of local companies, most of whom were engineers. Based on their understanding of and experience in design thinking, designers from the Toshiba head office guided trainees through a series of design processes, from identification of issues in fieldwork to proposal and verification of solutions using prototypes, thus supporting the development of industrial designers.



Designer education session

## Serving seafood produced in Miyagi Prefecture at company restaurants

Since September 2012, to support the recovery of the areas affected by the Great East Japan Earthquake, Toshiba Group has been serving seafood produced in Miyagi Prefecture at 41 Toshiba Group restaurants in Japan, including the Toshiba head office restaurant.

In FY2013, we took this initiative one step further and appealed for cooperation at a briefing meeting where Toshiba's major suppliers gathered together from Japan and overseas. As a result, 11 companies agreed with our proposal and served food using seafood from Miyagi Prefecture as ingredients at their respective company restaurants.



Seafood from Miyagi Prefecture served at company restaurants

## Experimental program for the improvement of local life in India's Maharashtra Province

In India, power supply remains less than 90% of power demand. In particular, due to power shortages during the nighttime, rural regions are having difficulty in education for children. In Chikhalgao, Maharashtra Province, Toshiba is working in collaboration with Lokmanya Public Charitable Trust, a regional NGO, to undertake an experimental program that aims to support the improvement of the local living standard by LED lighting operated using solar battery systems to make up for power shortages.



Solar battery system installed on the rooftop of a building



Toshiba LED street lamp

## Cooperation with Local Universities and Research Institutes

### Starting Collaborative Research with IIT Madras in India

In order to raise international competitiveness, Toshiba group enhance its capabilities to respond swiftly to market changes even in R&D field. In Asian countries, the Group promotes joint R&D with local universities and business firms by establishing not only production bases but also engineering and development bases in each major area in which it operates.

As part of these efforts, we set up an R&D division in India (Bangalore) in January 2013, and started collaborative research with IIT Madras from October 2013.

In the future, we aim to create products for global markets, including those in developed countries, through research and development in emerging countries, including China and India.



Research and development at IIT Madras

### Presentation on social infrastructure and environment joint research results

The sixth Research Result Reporting Session of the Tsinghua-Toshiba Energy & Environment Research Center was held in China's Hangzhou in March 2014.

At the reporting session, research partners from Japan and China worked in pairs to make joint presentations on the results of each of the 12 latest research projects relating to energy, the environment, and language processing technologies.

We will make the most of these research results in the future development of products with a view to promoting business development in the Chinese market and to contributing to environmental conservation, including with regard to the effective use of energy resources.



Reporting session in China's Hangzhou

### Lecture on Leadership and Human Resource Development in the Era of Globalization at Tsinghua University

Toshiba Chairman Nishida (at the time) provided a lecture on Leadership and Human Resource Development in the Era of Globalization at the School of Public Policy and Management of Tsinghua University in Beijing, China, with 250 visitors, including students and other university-related parties, in attendance. The lecture covered the following five themes: creation of innovation; sustained productivity improvement; improvement of organizational immunity; corporate social responsibility; and development of global personnel. There were active discussions at the Q&A session held after the lecture.



Chairman (at the time) Nishida speaking on the platform

## Contributing to Health and Community Medicine

### Sending doctors and dentists to areas around a factory in the Philippines

Toshiba Information Equipment (Philippines), Inc. since 2006 has been providing medical and dental examination services to promote and improve the physical well-being of intended beneficiaries in the nearby community. In FY2013, the company continued to dispatch a team consisting of doctors, dentists, nurses, and many employee volunteers under the collaboration with local medical NPO, Maxicare Philippines. In addition, it offered education programs on occupational health and safety as well as environmental protection to residents while waiting for their examinations.



Medical examination of local residents by doctors sent by the company

### Pink Ribbon Campaign (for Breast Cancer Awareness)

The Toshiba Group supports the Pink Ribbon Campaign for early detection, diagnosis, and treatment of breast cancer by providing diagnostic X-ray mammography, ultrasound, and MRI systems. All efforts in this regard contribute to improvements in women's health around the world.

➤ Social Contribution Activities - Pink Ribbon Campaign

### Blood Drives

The Toshiba Group holds year round blood drives throughout the world. In fiscal 2012, 8,510 Toshiba Group employees gave a total of 3,063 liters of blood.

➤ Social Contribution Activities - Blood Drives



### Science and Technology Education

#### Toshiba Science Museum opened

On January 31, 2014, the Toshiba Science Museum opened on the second floor of the Smart Community Center in Kawasaki City. The mayor of Kawasaki City attended the opening ceremony as the representative of the local community. The former Toshiba Science Museum, which received a total of 9 million visitors at the Komukai Plant site during the 52 years from 1961, was closed and replaced by the new museum, which is designed to allow visitors to experience the latest technologies.

The museum is composed of a variety of areas, which include the history area, where the room of Toshiba's founder and the first Toshiba product are exhibited; the future area, where cutting-edge technologies from the present to the future are exhibited; and the science area, where parents and children can enjoy science experiments and workshops together. A variety of amusement exhibitions are displayed so that visitors can enjoy the experience of cutting-edge technologies. The museum is visited by many people every day, including children from the local community.

➤ Toshiba Science Museum



Toshiba Science Museum Future Area

#### Workshop with local elementary school children in a social experiment project on Miyakojima Island

In collaboration with Miyakojima City and Honda R&D Co., Ltd., Toshiba is undertaking a Social Experiment Project for the Utilization of the Miyakojima City Compact Electric Mobility System. This social experiment aims to reduce CO2 emissions and realize a secure and sustainable society using renewable energy to operate super-compact electric vehicles (EV) with high environmental performance. Having installed photovoltaic power generation systems, storage batteries, and electric charging facilities, Toshiba is currently studying how to achieve an optimal balance between the amount of photovoltaic power generation and storage battery capacity for super-compact EVs to be operated on the island using only renewable energy.

In January 2014, the Toshiba Design Center hosted a workshop for local elementary school children to learn about the environment while creating a wall painting for an EV station. In March, engineers of Toshiba Social Infrastructure Systems Company held a class on energy and future society.



In front of the wall painting created at the workshop

#### Toshiba invited students and teachers from schools that won an Energy Education Awards to visit its Turbine Works and the Toshiba Science Museum.

Toshiba is promoting a program to encourage students to take greater interest in the environment and science in general by inviting students and teachers from schools that have won a top prize at the Energy Education Awards sponsored by the Japan Electric Association to visit our business sites and other facilities.

In FY2013, we invited students and teachers of Fukui National College of Technology, the winning schools at the Eighth Energy Education Awards, to take a tour of the Keihin Product Operations' Turbine Works and the Toshiba Science Museum.



Students from Fukui National College of Technology visiting the Turbine Works

#### Science and Technology Competition for Children in the U.S. and Canada

Since 1992, Toshiba Group has worked with the National Science Teachers Association to host the ExploraVision Awards (EVA), a science and technology competition for k-12 in the United States and Canada.

EVA is a competition aiming to encourage dreams in which children make predictions about technologies that they believe will become feasible within 20 years based on today's science and technology. The program celebrated its twentieth anniversary in June 2012, commemorating its long history as a Japanese company's science education support program in North America. The number of participants up to 2013 totals more than 320,000, and more than 95,000 applications have been filed. Each year, we invite eight teams that have made excellent proposals to attend an awards ceremony held in Washington, D.C. We also provide opportunities for each winning team to present their award-winning work and visit their local Congressional representatives to report on their winning EVA. Toshiba employees cooperate in holding the event and guiding teams on their visits.



Awards ceremony in Washington, D.C.

➤ Social Contribution Activities - Science and Technology Competition (North America)

### Co-sponsoring the TOMODACHI Initiative

In FY2014, to support the TOMODACHI Initiative organized by the United States government and the U.S.-Japan Council (President: Irene Hirano Inouye), Toshiba started co-sponsoring the initiative as a strategic partner.

The TOMODACHI Initiative aims to promote communication among young people by inviting Japanese and American high school students to Japan every August to provide them with the opportunity to discuss how to solve various social issues facing the world. In FY2014, the first year of the initiative, we provide students with an opportunity to think about social issues through an experiential program with a view to realizing a smart community and creating a sustainable society. Through this initiative, Toshiba will support efforts to cultivate young leaders who aim to contribute to the mutual development of Japan and the United States.



Photo taken at a press event held on February 13 at the official residence of the U.S. Ambassador  
(From the left: U.S. Ambassador Kennedy, Irene Hirano Inouye, and Toshiba Chairman (at the time) Nishida)

### Teaching Competition (China)

Seeking to contribute to the future development of scientific and technical human resources in China, in 2008 we established the Contest of Math and Science Teaching Program for Normal University Students in China in cooperation with China's Ministry of Education. This is a contest for students of Chinese teacher training universities.

From fiscal 2010, we expanded the scope of the contest to comprise the entire country, and in fiscal 2013, approximately 12,000 students from 42 teacher training universities throughout China participated.

➤ Social Contribution Activities - Teaching Competition (China)



Photo (left): A representative of Toshiba China Co., Ltd. (at the time)

### Toshiba Youth Conference

In August 2013, the "TOSHIBA YOUTH CONFERENCE FOR A SUSTAINABLE FUTURE 2013" summer camp was held over an eight-day period. High school students and teachers who visited Tokyo from the United States, Thailand, Poland, and Japan participated in this sixth summer camp. Under the theme "Achieving Harmony with the Earth," participants gained a deep understanding of global environmental problems through lectures, field observation, and discussions.



Group photo taken at a ceremony



Heated group discussion

### Supporting the Construction of Hope Elementary Schools in China

Toshiba Group companies in China have supported the construction of Toshiba Hope Elementary Schools since 2001. Since 2005, we have constructed schools every year in collaboration with the China Youth Development Foundation. To date, a total of 23 schools have been built, and temporary buildings are being offered to four schools. After the schools open, we continue to support them through donations of personal computers, books and stationary.



Children at a Toshiba Hope Elementary School

### LED lighting illuminates cultural heritage

In an effort to reduce environmental impact and to achieve high artistic standards at the same time, Toshiba is replacing conventional lights with LED lighting systems in a variety of cultural buildings and museums around the world.

#### Toji Temple's Five-story Pagoda

In December 2013, we installed a Toshiba LED lighting system at Toji Temple (also known as the Kyoo Gokokuji Temple), the head temple of the Buddhist Shingon Sect, to illuminate the temple's five-story pagoda. When replacing conventional lights with the LED lighting system, we strived to reduce the electricity consumption required for the illumination without changing the traditional image of the gold-glowing five-story pagoda.

To this end, we conducted an on-site lighting experiment to verify that the LED lighting system to be installed would not only reduce electricity consumption but would also provide bright enough light to maintain the traditional image of the five-story pagoda. We were able to reduce electricity consumption (CO<sub>2</sub> emissions) required for lighting by approximately 51% compared with conventional HID lighting, without changing the image of the gold-glowing five-story pagoda of Toji Temple.



LED-illuminated five-story pagoda

#### New York Grand Central Station

In November 2013, Toshiba delivered an LED lighting system to New York Grand Central Station, which is a historic building that serves as a landmark in New York, and held an LED illumination event for the new lighting. Used by approximately 750,000 people per day, Grand Central Station is one of the symbols of New York; many movie scenes have been shot at the station. The year 2013 marked the centennial of the construction of the station building. In the illumination event, we attached lighting devices to the 354 windows on the western side of the main concourse and projected a variety of images created by the lighting designer, including Thanksgiving and Christmas motifs.



Illumination event

#### Boston Museum

Toshiba delivered an LED lighting system to the Boston Museum for the exhibition room used in the special art exhibition, Boston Loves Impressionism, held at the museum from February to May 2014. Designed to enable the adjustment of the color temperature, LED lighting can provide light that closely resembles natural light and also reduce ultraviolet and infrared rays to prevent the brown discoloration of paintings. Therefore, it can effectively reduce environmental impact and satisfy high artistic standards at the same time.



LED-illuminated exhibition room

CSR Performance: Community Involvement and Development  
**Corporate Citizenship Activities**

## Toshiba Group Basic Policy on Corporate Citizenship Activities

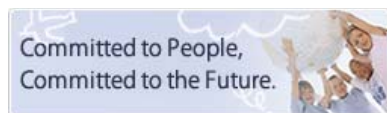
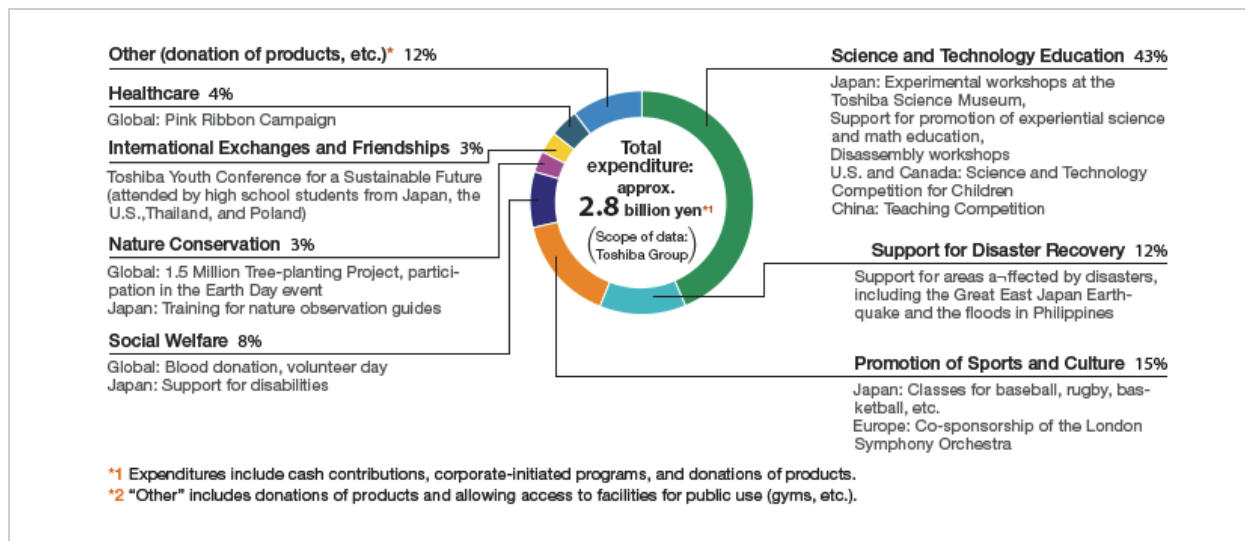
Guided by standards of conduct based Toshiba Group's slogan of "Committed to People, Committed to the future," we engage in our social contribution activities.

### Toshiba Group Basic Policy on Corporate Citizenship Activities

1. In accordance with the Basic Commitment of the Toshiba Group and Toshiba Group Standards of Conduct, we make vigorous efforts to contribute to society.
2. In contribution to society, we focus on the following fields: protection of the natural environment, science and technology education, promotion of support and culture, social welfare, and international exchange and friendship.
3. We support employees' voluntary activities.

## Expenditures for Corporate Citizenship Activities

### Expenditures for Corporate Citizenship Activities (FY2013)



"Social Contribution Activities"



CSR Performance: Community Involvement and Development  
**Community Relations**

**Major Progress and Achievements in FY2013**

- ▼ We actively organized facility tours and other events at many business sites to hold dialogues with local community residents.

## Community Involvement and Development

The following policies related to local communities are laid down in the Toshiba Group Standards of Conduct.

### Toshiba Group Corporate Policy

Toshiba Group Companies shall:

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

➤ Toshiba Group Standards of Conduct Chapter 3 17. Community Relations

## Structure for Community-related Corporate Citizenship Activities

The General Affairs division at each site or company is responsible for handling relations with local communities, including constant communications with community associations and other organizations.

## Examination and Evaluation of Community-related Corporate Citizenship Activities

### Evaluation of Local Impact in Establishing New Operational Sites

When establishing new business operations, companies at Toshiba Group adhere to laws and regulations, engage in dialogue with local authorities and residents and strive to maintain harmony with the community. Once operations are underway, the companies disclose information about their business activities and environmental protection initiatives and thus engage in fruitful communication with local residents.

Development of good relations with local communities is one of the points checked in internal management audits. For manufacturing sites, the Toshiba Environmental Audit also evaluates the extent to which operations have an impact on the local environment. All operational sites are working toward maintaining good relations with the local communities. Furthermore, Toshiba Corporation's 14 business sites in Japan all acquired ISO 14001 certification by 1997 and have maintained their certification to the present day. Also, all 175 business sites of Toshiba Group have acquired ISO 14001 certification.

- Toshiba Group Environmental Audit System
- Sites that have acquired ISO 14001 certification

## Prevention of and Response to Accidents due to Business Activities

To prevent fire and other accidents, each operational site performs periodic safety inspections of equipment and chemicals in accordance with fire and safety laws and regulations. Also, depending upon the requirement of each site, manuals and checklists are prepared for fire and disaster prevention and for safety management. As a precautionary measure for any disaster or accident, periodic emergency drill is conducted to prepare for taking prompt action, including providing information to the concerned and working to prevent damage to the neighboring areas.



Local residents in an emergency drill using earthquake simulation vehicle (Kitashiba Electric Co., Ltd.)

## Contribution to Local Communities through Job Creation and Tax Payment

Toshiba Group employs approximately 210,000 people around the world. The jobs created contribute to local communities, especially the production facilities which employ a considerable number of local people.

By paying taxes in accordance with national laws and regulations, group companies make an economic contribution to the regions where they operate. The local taxes paid by employees augment the contribution, particularly in areas where production facilities are located.

➤ Support for Local Community Development

## Communication with Local Communities

Toshiba Group engage in communication suitable to the characteristics of their business operations and the interests of local communities.

➤ Activities by Toshiba Group companies

### Examples of Communication Activities at Operations

- Plant tours (tours of manufacturing lines, environmental facilities, etc)
- Practical learning programs for school students
  - Factory Tours and Hands-on Experiences
- Opening of grounds and sports facilities to the public
- Festivals to promote amicable relations with local communities
- Blood donation by employees
  - Blood Drives
- Neighborhood clean-ups by employees

With regard to environmental matters of high concern to local residents, many Toshiba operational sites proactively hold meetings, inviting the local residents to their facilities and soliciting opinions.

Since its establishment in 1992, Yokkaichi Operations has held an annual environment meeting with the local municipality. At the meeting, we explain the results obtained from the measurement environment data on air and water quality emissions from our facilities and exchange opinions with municipality representatives.

In collaboration with the Yokkaichi City Board of Education, we offer classes at regional elementary and junior high schools and display exhibitions in science seminars for children in an attempt to raise children's interest in science and manufacturing and to prevent them from moving away from the natural sciences.



Explaining the world of nanometers in a science seminar for children

Iwate Toshiba Electronics Co., Ltd. invites residents, employees of companies in the vicinity, school teachers, and local government officials each year to undertake a communication program entitled "Environmental Reporting with the Local Community." Toshiba will continue this program in order to further promote the understanding of its business activities through dialogues with local community residents. Initiatives include environmental activities, factory tours, and discussion meetings.



Environmental Reporting with the Local Community

Toshiba's Fuchu Plant displays exhibits at the Environmental Festival held in June every year by Fuchu City in order to introduce visitors to Toshiba's environmental activities in a panel exhibition. Many people visit Fuchu Park every year during the festival, and we provide them with mulch made from fallen leaves in the park free of charge, attracting the attention of many visitors.



Toshiba's exhibition booth at the Fuchu Environmental Festival

Responding to rising interest in the environmental issues in Thailand, Thai Toshiba Electric Industries Co., Ltd. (TTEI) held a one-day event for local exchange.

The company invited 50 local residents to its premises for an explanation of the home appliance manufacturing process at the plant, focusing on the safety and environmental systems installed to protect the environment.

In the years ahead, Toshiba will continue to engage in face-to-face dialogue with local communities.



Dialogue at TTEI, Thailand

In August 2013, Toshiba Semiconductor (Thailand) Co., Ltd. completed the construction of a factory for the post-processing of discrete semiconductors. In the future, in addition to generating employment in the region, the company will contribute to the local community through various initiatives, including dialogues with local residents and factory tours for local elementary and junior high school students. The company also plans to use some of its proceeds from the recycling of paper and plastics for corporate citizenship activities.



Toshiba Semiconductor (Thailand) Co., Ltd.

In the years ahead, Toshiba will continue to engage in face-to-face dialogue with local communities.

## Consideration for Employees' Exercise of Civil Rights

### "Saiban-in" (Lay Judge) System Leave

Toshiba set up a new leave system called "Saiban-in" (Lay Judge) System Leave to coincide with the commencement of the Lay Judge System from May 2009 in Japan. This leave facilitates the employees to participate as citizen jurors in criminal court procedures.

Based on the law for implementation of the "Saiban-in" system in criminal court procedures, the salary per day for the employee selected to participate in such system amounts to the basic salary per day. Also, based on the above law, the number of leave days provided under this system equals to the maximum number of participation days under the Lay Judge System.



CSR Performance: Community Involvement and Development  
**Government and Authorities Relations**

## Policy on Relations with Government and Authorities

Throughout our worldwide operations, Toshiba Group seeks to collaborate with national and local governments as well as industry. We also offer appropriate opinions and proposals as well as make approaches as a responsible corporate citizen in order to help improve conditions and resolve issues confronting society.

➤ Toshiba Group Standards of Conduct Chapter 1 8. Government Transactions

## Recommendations on Public Policies

Toshiba executives participate in various government committees to make recommendations on public policies and provide assistance in order to realize an optimal society.

### Examples of Involvement of Toshiba Executives

- Information and Communications Council (supervised by the Ministry of Internal Affairs and Communications)  
Chairman: Atsutoshi Nishida, Chairman, Toshiba Corporation
- Council on Economic and Fiscal Policy  
Member from the private sector: Norio Sasaki, Vice Chairman, Toshiba Corporation
- Government Tax Commission  
Special Member: Norio Sasaki, Vice Chairman, Toshiba Corporation
- Strategic Headquarters for the Promotion of an Advanced Information and Telecommunications Network Society  
Members(Experts): Norio Sasaki, Vice Chairman, Toshiba Corporation

As of at the end of May 2014

## Participation in Industry Associations

Toshiba actively participates in the activities of Keidanren (Japan Business Federation), Japan Electrical Manufacturers' Association, the Japan Electronics and Information Technology Industries Association, the Home Electric Appliances Fair Trade Conference, the Association for Electric Home Appliances, the World Business Council for Sustainable Development (WBCSD), the World Economic Forum (WEF), and other industry organizations to help address various issues such as the realization of a sustainable society and protection of the global environment.

### Examples of Participation in Industry Organizations

- Japan Machinery Federation  
Chairman: Tadashi Okamura, Advisor, Toshiba Corporation
- WBCSD  
Vice Chairman: Atsutoshi Nishida, Chairman, Toshiba Corporation
- Japan Tax Association  
Chairman: Atsutoshi Nishida, Chairman, Toshiba Corporation
- Japan Institute of Logistics Systems  
Chairman: Atsutoshi Nishida, Chairman, Toshiba Corporation
- Keidanren  
Vice Chairman: Norio Sasaki, Vice Chairman, Toshiba Corporation
- Japan Electronics and Information Technology Industries Association  
Chairman: Norio Sasaki, Vice Chairman, Toshiba Corporation
- Home Electric Appliances Fair Trade Conference  
Chairman: Hisao Tanaka, President, Toshiba Corporation

As of at the end of May 2014

CSR Performance: Community Involvement and Development  
**Relations with NPOs and NGOs**

## Policy on Relations with NPOs and NGOs

We develop collaborative partnerships with NPOs and NGOs in a wide range of fields, including the environment, human rights, and corporate citizenship, and engage in proactive dialogues and exchange meetings with them.

Prior to provision of support to and collaboration with NPOs and NGOs, we screen them based on criteria, including the extent of their contribution to resolving social issues, their relevance to Toshiba's priority areas, creativity and pioneer spirit, and relationships with communities.

## Framework for Dealing with NPOs and NGOs and Checks and Audits

Depending upon the nature of the work (e.g. related to the environment, corporate citizenship, etc.) or geographical area, respective divisions serve as the contact points for the NPOs and NGOs.

Donations to NPOs and NGOs are made based on the judgment of legal compliance and appropriateness in accordance with the internal rules. The Corporate Donation Council checks the details of the support provided to NPOs and NGOs.

## Support for and Collaboration with NPOs and NGOs

Toshiba Group is promoting a wide range of CSR activities through ongoing dialogue and collaboration with NPOs and NGOs worldwide, including science education, support in response to disasters and other social contributions, and environmental activities, with the help of intermediary organizations such as the Japan NPO Center, the Japan NGO Center for International Cooperation, and the Network for the Promotion of Collaboration between NGOs and Companies.

### Support for Science Education

#### Activity Example: Support for Promotion of Experiential Science and Math Education

In collaboration with the Real Science Education Institute, an NPO, and by capitalizing on Toshiba's technological strengths, Toshiba is contributing to the resolution of a pressing issue in Japan, namely, the growing disinclination to study mathematics and science coupled with a perceived decline in educational aspirations among young people.



(Japanese)

#### > Experiential Science Education



Toshiba Experiential Science Education

#### Activity Example: "Home Appliance Disassembly Workshop"

In order to help children to experience the joy and mystery of science and to feel the pleasure of manufacturing, Toshiba Group has been holding Disassembly Workshops for elementary and junior high school students every year in cooperation with the "Seikatsu-Kobo (Lifestyle Design Center)" of the Setagaya Arts Center(Japanese) since 2005. Toshiba employees participate voluntarily in such workshops as Disassembly Doctors. The children learn about the application of the tools from Disassembly Doctors and disassemble home appliances familiar to them to understand the technology of the inner parts and their recycling.



Disassembly Workshops

#### > Disassembly Workshops

### Activity Example: Forest Maintenance at Tokyo Metropolitan Area

Based on the agreement signed with Tokyo Metropolitan Government in November 2008 regarding the preservation of forest in Tama area, Toshiba has been involved in the maintenance of the protection forest (24.5 ha) at Hachioji City.

The three parties, Toshiba, the metropolitan government and an NPO "[Mori to Hitono Network](#)"(Japanese) (network between forest and people) hold meetings to develop plans to promote forest maintenance as well as to provide Toshiba employees and local citizens opportunities to experience the importance of nature.

"Mori to Hito no Network" formed by Toshiba employees who are qualified as nature observation leaders takes initiatives to maintain the local forests and also acts as navigators during nature trails.



Explore the Forest Expedition

➤ Forest Development

### Activity Example: Forest Neighborhood Association "Morino chonai-kai"

Toshiba Group entered into a framework agreement to cooperate on forest maintenance activities with Aomori Prefecture (Japan) in May 2009. Based on this agreement, we aim to maintain the mountain forest and woodland of 10.5 hectares in Shichinohe Town and Misawa City in cooperation with Aomori Prefecture and use them as venues for environmental education of employees.

In addition, we will also use the mechanism of the Forest Neighborhood Association "Morino chonai-kai", as promoted by the environmental [NPO Office Neighborhood Association](#). We will use the paper in the form of printed materials or copier paper made by paper manufacturing companies using tree thinning in Misawa City



[Morino Chonai-Kai](#)

## Support for Disaster Recovery

### Activity Example: Support for Recovery from Disasters

#### Support in the Aftermath of Disasters

Toshiba Group has supported the swift recovery from the disasters collaborating with NPOs and NGOs. Some of our relief efforts: Typhoon in Philippines, US Tornado, Earthquake in Philippines and China Sichuan in FY2013, Torrential rain in Philippines in FY2012, US Tornado in FY2011, Floods and landslides in Pakistan, China and India in FY2010, Sumatra Earthquake (Padang) in FY2009, Myanmar Cyclone in FY2008.

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

Toshiba Group has provided in-kind donation of 1,230 air purifiers through [NPO Peacebuilders](#) and [NPO The Institute of Cultural Affairs Japan](#), and 90 laptop computers through [NPO Yume Net Ofunato](#)(Japanese). Furthermore, washing machines, rice cookers, vacuum cleaners, radio cassette players and batteries were also donated through other NPOs.

In addition, we have pledged 10 million yen to Government Certifies [NGO JEN](#) as their relief activity fund.

➤ Disaster Relief

### Activity Example: Supporting Leaders Working for the Earthquake Recovery in Tohoku

#### Disaster Recovery Leadership Development Project

The Disaster Recovery Leadership Development Project is supported by a corporate consortium organized for the purpose of supporting local leaders for the future of the Tohoku region and promoting the independent recovery of the region. NPO corporation ETIC, and seven companies including Toshiba Corporation (Ajinomoto, Kao, Isuzu Motors, Sampo Japan, Dentsu, Toshiba, and Benesse Holdings) participate in the project.

The consortium organized the following events in FY2013:

January 31 to February 1, 2014: Tohoku Region Development Camp

March 1, 2014: Disaster Recovery Supporters' Meeting

March 14, 2014: Disaster Recovery Leadership Development Symposium

➤ Disaster Recovery Leadership Development Project (Japanese)



Tohoku Region Development Camp

## Human Rights

### Activity Example: Support for and Collaboration with Human Rights NGO

#### Supporting Amnesty Charity Concert (April 2014)

Toshiba supported Amnesty International Japan's "GONTITI Charity Concert in Spring" which features human rights issues.

Date: April 10, 2014

Organizer: Amnesty International Japan

## Support for the Introduction of IT in NPOs and NGOs

### Activity Example: : Used Computer Donation

In order to support the "informatization" of financially challenged organizations, Toshiba has been donating pre-owned computers to welfare organizations and citizen groups through [eparts](#) (Japanese), a specified nonprofit organization. In FY2012, a total number of 596 computers were donated, which makes an accumulated total of 2,267.

➤ Donation of Used Computers in Japan

## Ensuing the Safety of Fukushima Daiichi Nuclear Power Station

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

Toshiba Group has been conducting relief activities, sincerely hoping for the earliest possible recovery and reconstruction of the areas and people affected. Toshiba Group is also continuing to provide cooperation and support in maintaining the stability of the power station and advancing its decommissioning.

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

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

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

In April 2011, the government and TEPCO developed a preliminary roadmap consisting of three steps for termination of the accident. In step 1, where we effectively reduced the high radiation dose rate, Toshiba Group worked to prevent the nuclear-contaminated cooling water injected into the damaged plants from flowing out into the ocean. Under harsh work conditions with blackouts and high levels of radiation, we built and began operating a circulation cooling system designed to purify and recycle contaminated water in order to cool the reactor core within the short period of two months. As a result, we were able to control the increase in contaminated water, preventing it from flowing outside the power plant premises.

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

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

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

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

### Decommissioning initiatives from FY2012

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



Quadruped robot



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



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

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

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

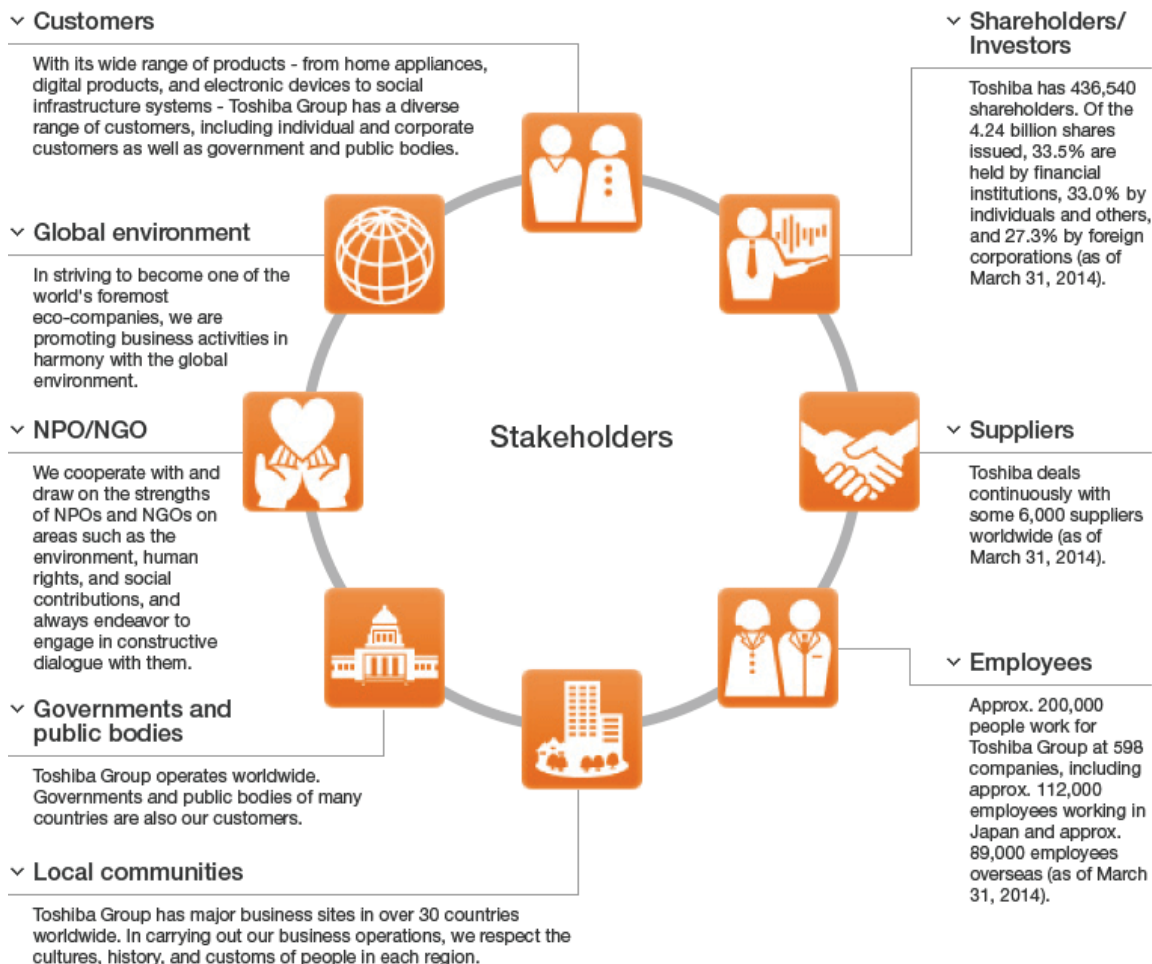


**Gammasight™**

## Stakeholders

Toshiba Group's business activities involve relationships with diverse stakeholders. Here we clarify definition of each stakeholder, points of communication, and responsibilities of Toshiba group.

### Major Stakeholders







### Customers

#### Key responsibilities

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

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

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

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

#### Utilization of customer voices

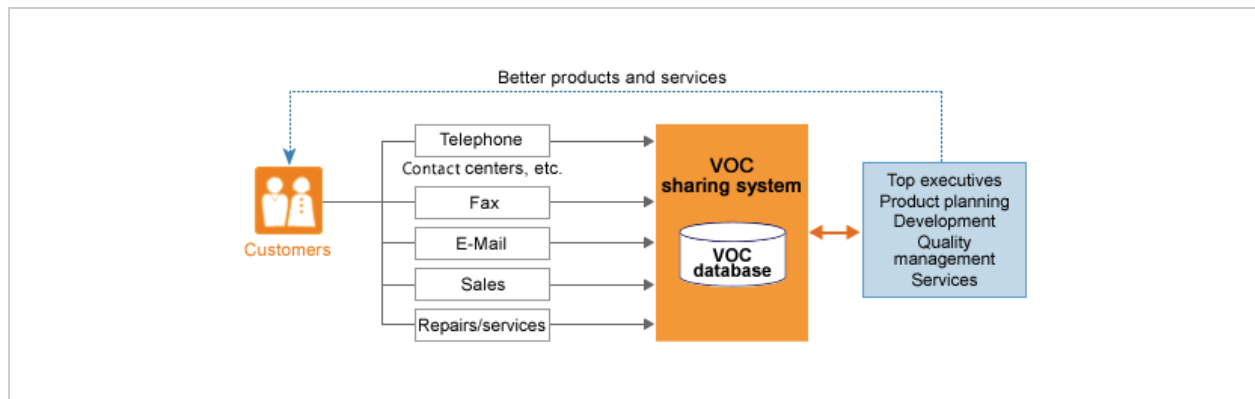
We receive comments and requests for products and services in our daily operations, which are shared among related personnel including top management, and use them to improve product quality and repair services.

#### ➤ Utilization of customer voices



Toshiba PC customer support

### Framework for Reflecting VOC in Business Activities



### Shareholders/Investors

#### Key responsibilities

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

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

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

### Communication with Shareholders [Point of contact: Legal Affairs Division and Corporate Communications Office]

## Publication of Shareholder Newsletters

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

➤ Shareholder Newsletter

## Enhancement of IR Website

We posted a video message from the President on our corporate investor relations website. Also, among of our efforts to improve the English language website, we started an English e-mail distribution service to provide registered users with e-mail notification about financial reporting.

➤ IR website  
➤ Questionnaire survey on the IR website

## General Meeting of Shareholders

We held the General Meeting of Shareholders at Tokyo on June 25, 2013. The meeting was attended by 5,740 shareholders. We will continue to enhance our communication with our shareholders through such meetings.

At the site, there were exhibition corners set up to easily explain to the shareholders about various Toshiba products such as electronic devices, social infrastructure systems, digital products, home appliances and medical equipment. Also, booklets of Toshiba Group Annual Report 2013 were distributed at the meeting.

## Communication with Investors [Point of contact: Corporate Communications Office]

### Communication with Institutional Investors and Securities Analysts

Throughout the year, Toshiba works to promote communication with institutional investors and securities analysts by attending seminars hosted by securities firms, visiting investors in Japan and overseas and hosting interviews about Toshiba. In FY2013, in addition to annual financial and management policy briefings, we also held meetings to explain our healthcare business strategies and gave a tour of Toshiba's Yokkaichi Factory in response to investors' requests. Working in collaboration with securities firms, Toshiba's executive officers in charge explained our semiconductor and storage business strategies for investors in Japan and overseas, creating opportunities to promote their understanding of Toshiba Group's high-priority businesses.

Since 2013, we have also visited overseas institutional investors to explain our ESG (Environment, Society and Governance) factors used to measure investments in companies and businesses, and we have heard a variety of opinions from such investors, including their thoughts on challenges and expectations.

➤ Communication with Shareholders and Investors



## Suppliers

### Key responsibilities

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

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

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

## Communication with Suppliers [Point of contact: Procurement Division]

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

➤ Explaining about the new procurement policy



## Employees

### Key responsibilities

- Conducting fair assessment and treatment
- Respecting human rights and diversity
- Optimizing human resources and promoting their growth
- Supporting diverse working styles
- Maintaining and enhancing skills and capabilities
- Ensuring occupational health and safety

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

- Employee morale survey (TEAM Survey)
- Dialogues, information exchange meetings

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

#### Visits by top to business sites

We actively provide opportunities for direct exchange of opinions between top management and employees. In FY2013 we organized 25 "Top Executive Innovation Visits," which involved top executives visiting manufacturing sites and other facilities to talk directly with employees in Japan and overseas.



Top Executive Innovation Visit

#### Kirameki Forum

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

> Kirameki Forum



## Local communities

### Key responsibilities

- Respecting different customs and cultures
- Engaging in corporate citizenship activities in local communities
- Preventing accidents and disasters at business sites
- Supporting neighboring communities in case of a disaster

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

- Dialogues, information exchange meetings
- Factory visits
- Employees' participation in community activities

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

#### Environmental communication

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

> Environment Website  
> Community Relations



## Governments and public bodies

### Key responsibilities

- Complying with laws and regulations, and paying taxes
- Supporting government policies toward solving social issues

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

- Dialogues and proposals via economic associations and industry associations

## Communication with Governments

[Point of contact: Each company, business site, and Corporate Communications Office]

### Collaboration with Government and Authorities

Throughout our worldwide operations, Toshiba Group seeks to collaborate with national and local governments as well as industry. We also offer appropriate opinions and proposals as well as make approaches as a responsible corporate citizen in order to help improve conditions and resolve issues confronting society.

> Government and Authorities Relations



## NPO • NGO

### Key responsibilities

- Providing support to solve diverse global issues
- Collaborating with and helping local communities solve their social problems
- Collaborating on our priority areas of corporate citizenship

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

- Dialogue through collaboration
- Exchange of views at stakeholder dialogues

## Communication with NPOs and NGOs [Point of contact: CSR Office and Corporate Environment Management Division]

### Support for and collaboration with NPOs and NGOs

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

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

> Support for and collaboration with NPOs and NGOs

### Dialogue with environmental NGO

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

> Environmental Stakeholder Dialogue



## Global environment

### Key responsibilities

- Mitigating climate change
- Reducing waste discharges
- Reducing release of chemicals
- Conserving biodiversity

> Environment

## Stakeholder Dialogue in 2013



Toshiba Information Equipment (Philippines), Inc. (TIP), Toshiba's hard disk drive (HDD) manufacturing base, has approximately 8,000 employees. It has been proactive in CSR activities as demonstrated by the fact that it became Asia's first electronics company to acquire SA8000 certification, in 2002.

A dialogue took place between Corazon Bunag, Vice President of TIP, and Jeremy Prepscius, Asia Director at Business for Social Responsibility (BSR) regarding CSR activities.

Date	February 18, 2014
Place	Toshiba Information Equipment (Philippines), Inc., Manila, the Philippines
Theme	CSR activities in general

### Main comments from the dialogue

**Corazon:** TIP's important stakeholders are its employees, its supply chain, its customers, its shareholders, local communities, and mediating and global stakeholders.

We identified the concerns and interests of the respective stakeholders covering three focus areas: Economic, Ecology, and Equity. As a strategy, our CSR Activities should improve the context of our competitiveness and address relevant social issues; that is to say, they must contribute to value chain activities and must seek the potential to create new business.

Our guiding principle as a company with integrity has lead us to acquire SA8000, ISO14001, OHSAS18001, and other global certifications. Social Accountability (SA) 8000 is a set of international standards for labor and human rights; and TIP became the Philippines' first electronics appliance manufacturer to acquire SA8000 certification. Maintaining this certification requires ongoing efforts and is time-consuming, but such efforts lead to having a competitive edge in business. Therefore, we are proactively working to do so.

**Jeremy:** I was impressed to hear that through their CSR activities in various regions of the Philippines, such as support for restoring devastated areas, donating products, and providing educational programs, TIP has many opportunities to share the same issues and concerns that local communities face, and their network of contacts is expanding. Engaging in such activities may provide many hints on opening new markets; and by working closely with the marketing and sales units, it is possible to build new business models that suit the circumstances of local communities.



**Corazon:** TIP sees that targeted economic engagement—particularly in the affected areas—as the means of achieving poverty reduction and longer term development through initiatives that provide these people with socially beneficial products and services that directly improve the quality of their lives or where they are directly involved as producer .

TIP aims to support the development of social enterprises that are driven by a strong social purpose to enable the marginalized population to integrate into the mainstream economy. TIP aims to participate in an environment for business interactions that create value.

We also believe that supplier audits should lead to clarifying the fundamental causes of problems and measures for improving. Ideally, the relationship between customers and suppliers should be one that encourages both parties to grow as partners through such activities as the top managers of both parties discussing how their mutual business ought to be carried out.

**Jeremy:** One way of coping with problems that individual companies cannot easily resolve alone is to resolve them through industry cooperation. There are several examples of successes among the projects BSR is advancing—including the HER Project, which educates female workers in emerging economies in health care and hygiene maintenance, and the Clean Cargo Project, which helps the transport industry to reduce its CO<sub>2</sub> emissions.

## Directors and Executives

### Perspectives of Outside Directors

This section contains outside directors' opinions about management at Toshiba Group, including CSR initiatives (Toshiba Group Annual Report 2014).

Toshiba is now at a crossroad. Last year we saw a new president and this year a new chairman will take office. Also in Toshiba's business portfolio, we see many signs of transformation. Capitalizing on its truly great potential, Toshiba has to continue to transform itself in a healthy way. Both inside and outside the board of directors, I would like to contribute to this process.

I serve on the nomination committee of the board. On top of the legal duty of the committee to nominate new board members for the general assembly, Toshiba has its own rule of the committee to nominate the president to the board every year. This is a very progressive and healthy form of corporate governance. Within this system, I participated in the nomination of the new president last year and had a chance to offer my opinion on the selection of the new chairman of the board this year. I would like to continue this kind of contribution in the future, too.

More concretely, I personally think that Toshiba's board will benefit by welcoming younger members more, especially those who can become a potential candidate for our future president. Top management quality and vitality will determine the company's growth potential and its realization.

Since my appointment as outside director of Toshiba two years ago, I have served as the chairman of the Compensation Committee and as a member of the Audit Committee, under the company's committee based set-up.

One of the things that have impressed me most about Toshiba is its firm commitment to making itself stronger and better by encouraging its outside directors to express their views freely. I am convinced that Toshiba made the right decision by placing committees, where outside directors hold the majority, at the core of its corporate governance system.

The domestic and international situation surrounding Toshiba has changed dramatically in the last two years. Although the Japanese electronics industry continues to face formidable challenges, our country as a whole is regaining its vitality at long last and people are beginning to take a more positive attitude toward the future. There is no doubt that the business sector will play a crucial role in making Japan regain its confidence and reinforce its leadership role in the international community. Toshiba holds a large number of "world's first" and "world's top" titles and it is incumbent on it to put to full use its technological excellence and creativity to help make that happen.

I am sure that Toshiba will continue to expand and upgrade its global business activities with a high-mindedness that has been its hallmark over the years. It is my hope that I will be able to contribute to these endeavors by making suggestions based on my overseas experiences.



**Hiroyuki Itami**  
Outside Director



**Ken Shimanouchi**  
Outside Director

"Do you go to the Toshiba's office once a month or so?" Oftentimes friends ask me.? No kidding! On average, I go to the office twice a week. Every day in a week is not unusual. There are board meetings, meetings with business unit leaders and a CPA firms in addition to various seminars/exhibitions.? Outside board members are busier than you would imagine.

I made myself busier by initiating "Girls-Only Luncheon".? Once in a while I invite mid-level female employees from various divisions and chat over lunch. This turned out to be a great opportunity.? Ms. A gets up at 4 in the morning to prepare lunch boxes for her children and do laundering before heading for an office. Ms. B found time to go to a graduate school and received a PhD degree while working as hard as ever.? Ms. C is also a hard worker but enjoys golfing in the weekends. All the women I met are energetic and excellent in time management. At the luncheon, they eat well, speak with animation and laugh a lot.? They point out management issues from their perspectives without reserve.? I would never have gotten the valuable information, if I have confined myself in my office on the executive floor.

One of the plants has started hiring young women recently. They soon found many components were too heavy for them to pick up and carry.? Some components weigh well over 15 Kg.? They investigated and researched various materials and created devices that were light but sturdy. Primary beneficiary for this development was men. Men could not complain the heavy weights in fear of seeing as wimps.? Now, not only women but men work effortlessly in a friendly working environment. Operation efficiency, needless to say, has improved significantly.? Diversity is not for women or handicapped. It is for everybody. I am convinced that "Women power" would lead Toshiba into further growth.



**Kiyomi Saito**  
Outside Director

I am happy to say that I have taken the opportunity to return to Toshiba.

Last time I was with the company from 2001 to 2007. Since then, there have been many and various changes in both Japan and the international environment in which Japan operates. Toshiba too, has changed itself and evolved to operate in today's world, through measures such as establishing healthcare as the third pillar of its business. On the other hand, given the state of Japanese-Chinese relations in recent years, I imagine that the Chinese business, which was a major part of the overseas business, is a lot of hard work these days.

Even after resigning as a director of Toshiba in 2007, from time to time I still had opportunity to speak candidly with Toshiba people. When we met I would take the opportunity to discuss the following kind of things.

The first is the so called horizontal and vertical relationships within an organization, which can be found in large Japanese companies and equally so in government offices. With this, there is a lack of horizontal cooperation between the vertical ranks, and each vertical section goes about its business in a complacent manner, with the result that knowledge, information and networking is not shared, and the strategy of the organization gets put to one side. However, when dealing with a foreign country, such as China with all its diversity, this method can not be described as intelligent.

It is not good enough, but often the case with Japan, that overall authority is not delegated sufficiently to local entities. Companies doing business overseas, when venturing to foreign destinations from head offices in Japan, need to share their strategies with the people there, and work together with local people with a sense of speed to capture the local market. Of course, the major premise in implementing this kind of strategy is that the people with whom you are sharing the workplace have the necessary competencies.

The fact of the matter is, the two things I have mentioned above are things I felt from time to time during my previous time at Toshiba. I am very much looking forward to taking a good look around and seeing how things have changed, or how people are trying to change things, and to discussing these issues.



**Sakutaro Tanino**  
Outside Director



## CSR Reporting Policy

### 2014

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

In editing the CSR Report, we examine and take into consideration the issues material for both our stakeholders as well as the Group, then verify the results using a Toshiba-specific index for determining materiality. Based on this, we have edited this CSR Report 2014 with the two new features described below.

- The 2014 edition reports on the process of identifying materiality (key issues) and incorporating them into CSR management.
  - Materiality for Toshiba Group
- The 2014 edition reports on materiality (key issues)—Respect for Human Rights, Promotion of CSR Management in the Supply Chain and Environmental Management—as highlights of the year.
  - Key Issue: Respect for Human Rights
  - Key Issue: Promoting Supply Chain CSR
  - Key Issue: Environmental Management

Starting in FY2013, we made our website the major medium for our CSR reports; we strive to provide easy-to-understand information and update the same in a timely manner, mainly by offering links to related information.

The CSR Report 2014 is available only from our website, which offers PDF files that can be downloaded by selecting the digest and sections to examine.

#### Organizations covered in this report

In principle, Toshiba Group (Toshiba Corporation and its 598 consolidated subsidiaries in Japan and overseas) are covered in this report, but individual entities are indicated in cases where information does not pertain to Toshiba Group.

Note: "Toshiba" in this report refers to Toshiba Corporation.

#### Reporting period

This report focuses on the results of activities in FY2013 (from April 1, 2013 to March 31, 2014), but also includes some activities continuing from the past as well as more recent ones.

The content of the CSR Report 2014 in PDF format is current as of the end of June 2014. Items added or updated on the CSR website after July 2014 will have notes to that effect.

#### Significant changes during the reporting period

- In May 2013, Toshiba Finance Corporation was removed as a consolidated subsidiary as a result of all shares of the corporation being sold to AEON Financial Service Co., Ltd.
- A new company (currently, Toshiba Transmission & Distribution Systems India Pvt. Ltd.) was founded to acquire the power distribution transformer and switch business of the Indian corporation, Vijai Electricals Ltd.; the business was acquired in December 2013.
- In January 2014, Toshiba Consumer Electronics Holdings Corporation was merged into Toshiba Corporation and dissolved.

#### Publication

Current issue: August 2014 (next issue scheduled for August 2015; previous issue: August 2013)

#### Reference Guidelines

- GRI (Global Reporting Initiative)  
Sustainability Reporting Guidelines ver. 4  
This report contains Standard Disclosures from the GRI Sustainability Reporting Guidelines.
- United Nations Global Compact [COP(Communication on Progress) Advanced level]
- Environmental Reporting Guidelines 2012, Ministry of the Environment of Japan
- Environmental Accounting Guidelines 2005, Ministry of the Environment of Japan
- ISO 26000

## Reporting Media and Disclosure Items on the Corporate Website

Toshiba Group provides our stakeholders with non-financial information in our CSR Report and financial information in our Annual Report. Recognizing our responsibility to provide detailed non-financial information, especially on environmental issues, we also publish the Environmental Report separately from the CSR Report. We also provide the latest information on related matters in a timely manner through our corporate website.

### Annual Report/Investor Relations (IR) Website

In the Annual Report, we primarily report on Toshiba Group's business performance as of the end of the fiscal year and on our three-year midterm management plan.

We have referred to the IIRC's International Integrated Reporting Framework, and in order to provide information essential as an integrated report, we have expanded nonfinancial information and the ESG section.

On the IR website, we aim to provide Toshiba's corporate information in a timely manner. An IR website optimized for mobile phone access is also available.



Annual Report  
(Issued in August 2014)



IR website

#### Key reporting items (IR website)

- IR News
- Management Policy
- Financial Data
- IR Library
- Stock and Bond Information
- For individual investors

### Environmental Report/Environment Website

On the environment website, we provide not only information on the Group's environmental activities in a timely manner, but also environmental reports on our production sites and Group companies.

In the Environmental Report, we provide a detailed description of the global environmental activities of Toshiba Group as a whole.



Environmental Report (PDF file)



eco style website



Environment website

#### Key reporting items (Environment website)

- Topics
- Green Management
- Green of Process
- Green of Product
- Green by Technology

## Reader Questionnaire Results

We received 23 responses to the questionnaire enclosed in the Toshiba Group CSR Report 2013. We used these valuable opinions when editing our CSR Report 2014. We would like to thank those who responded for their generous contributions.

### Results of the Questionnaire Survey

1. How do you rate Toshiba Group CSR Report 2013 ?

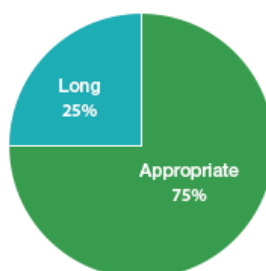


2. What is your evaluation of this report ?

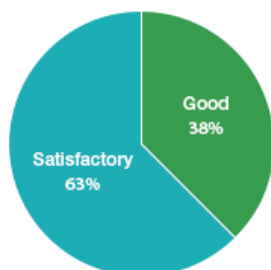
2-1 Content



2-2 Length



2-3 Design



2-4 Ease of understanding



#### Major opinions and comments

- Highlight reports are easy to understand and excellent.
- The report provides a wide range of quantitative information.
- The English-language edition of the CSR is currently available. When will the Chinese-language edition be available?
- When will Toshiba Group start to support the fourth edition of the GRI Guidelines (G4)?

#### Major items improved in CSR Report 2014

- We focused on respect for human rights, promotion of CSR management in the supply chain and environmental management as CSR highlights (priority themes) and reported on these themes in easy-to-understand language based on case studies.
- Since many users downloaded the entire PDF version of last year's report (186 pages for FY2013), we made the guidance for the digest version easier to understand.
- We referred to the fourth edition of the GRI Guidelines (G4) to disclose the materiality identification process.
- We improved the layout design of the PDF edition to raise assessments regarding content, design and understandability.
- We improved the organization of descriptions in the section on Major Achievements and Assessments for KPIs to increase readability.

## GRI Content Index

This report contains Standard Disclosures from the GRI G4 Sustainability Reporting Guidelines.

- C:CSR website
- E:Environmental website
- IR:IR website
- O:Other website

\*Core performance indicator

(as of June, 2014)

Section	Indicator	References
Strategy and Analysis		
G4-1*	a. Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	<a href="#">C: CEO Commitment</a> <a href="#">E: CEO Commitment</a> <a href="#">IR: From the CEO</a> <a href="#">IR: An Interview with the President (Japanese)</a>
G4-2	a. Provide a description of key impacts, risks, and opportunities.	<a href="#">C: CEO Commitment</a> <a href="#">C: Materialities for Toshiba Group</a> <a href="#">C: Toshiba Group Businesses and Responsibilities</a> <a href="#">C: Major Achievements and Targets &amp; Plans (KPI)</a> <a href="#">E: CEO Commitment</a> <a href="#">E: Environmental Vision 2050</a> <a href="#">E: Progress in the Fifth Environmental Action Plan</a> <a href="#">IR: From the CEO</a> <a href="#">IR: An Interview with the President (Japanese)</a>
Organizational Profile		
G4-3*	a. Report the name of the organization.	<a href="#">C: Toshiba Group Business Overview</a>
G4-4*	a. Report the primary brands, products, and services.	<a href="#">C: Toshiba Group Business Overview</a> <a href="#">C: Toshiba Group Businesses and Responsibilities</a>
G4-5*	a. Report the location of the organization's headquarters.	<a href="#">C: Toshiba Group Business Overview</a>
G4-6*	a. Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	<a href="#">C: Toshiba Group Business Overview</a>
G4-7*	a. Report the nature of ownership and legal form.	<a href="#">C: Toshiba Group Business Overview</a> <a href="#">C: Stakeholders</a>
G4-8*	a. Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	<a href="#">C: Toshiba Group Business Overview</a> <a href="#">C: Toshiba Group Business and Responsibility</a>
G4-9*	a. Report the scale of the organization, including: Total number of employees Total number of operations Net sales (for private sector organizations) or net revenues (for public sector organizations) Total capitalization broken down in terms of debt and equity (for private sector organizations) Quantity of products or services provided	<a href="#">C: Toshiba Group Business Overview</a> <a href="#">IR: Financial Data</a> <a href="#">IR: Financial Highlights</a>

G4-10*	<p>a. Report the total number of employees by employment contract and gender.</p> <p>b. Report the total number of permanent employees by employment type and gender.</p> <p>c. Report the total workforce by employees and supervised workers and by gender.</p> <p>d. Report the total workforce by region and gender.</p> <p>e. Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors.</p> <p>f. Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).</p>	<p><a href="#">C: Toshiba Group Employees (as of March 31, 2014)</a>  <a href="#">C: Number of Employees by Region (as of March 31, 2014)</a></p>
G4-11*	a. Report the percentage of total employees covered by collective bargaining agreements.	<a href="#">C: Respecting Employees Human Rights</a>
G4-12*	a. Describe the organization's supply chain.	<a href="#">C: Stakeholders</a>
G4-13*	<p>a. Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain, including:</p> <p>Changes in the location of, or changes in, operations, including facility openings, closings, and expansions</p> <p>Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations)</p> <p>Changes in the location of suppliers, the</p>	<p><a href="#">C: Significant Change during the Reporting Period</a>  <a href="#">IR: Corporate History</a></p>
Commitments to External Initiatives		
G4-14*	a. Report whether and how the precautionary approach or principle is addressed by the organization.	<p><a href="#">IR: Business Risk Factors</a>  <a href="#">C: Respect for Human Rights</a>  <a href="#">C: Risk Management and Compliance</a>  <a href="#">C: Quality Control</a>  <a href="#">C: Ensuring Product Safety</a>  <a href="#">E: Greening of Products (Environmentally Conscious Products)</a></p>
G4-15*	a. List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	<p><a href="#">C: Participation in External CSR Organizations</a>  <a href="#">C: Company Overview/CSR-related international charters Toshiba endorses</a>  <a href="#">C: CEO Commitment/UN Global Compact</a>  <a href="#">C: Management Based on ISO 26000</a></p>
G4-16*	<p>a. List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization:</p> <p>Holds a position on the governance body</p> <p>Participates in projects or committees</p> <p>Provides substantive funding beyond routine membership dues</p> <p>Views membership as strategic</p>	<p><a href="#">C: Toshiba Group Business Overview/Membership in CSR-related organization</a>  <a href="#">C: Government and Authorities Relations</a>  <a href="#">C: Participation in External CSR Organizations</a></p>
Identified Material Aspects and Boundaries		
G4-17*	<p>a. List all entities included in the organization's consolidated financial statements or equivalent documents.</p> <p>b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.</p>	<p><a href="#">C: Toshiba Group Business Overview (Business Structure)</a>  <a href="#">IR: Organization Chart</a>  <a href="#">IR: Consolidated Subsidiaries and Affiliated Companies Accounted for by the Equity Method</a>  <a href="#">O: Management Structure</a>  <a href="#">O: Business Overview (Business Domains)</a></p>
G4-18*	<p>a. Explain the process for defining the report content and the Aspect Boundaries.</p> <p>b. Explain how the organization has implemented the Reporting Principles for Defining Report Content.</p>	<p><a href="#">C: CSR Reporting Policy</a>  <a href="#">C: Materialities for Toshiba Group</a>  <a href="#">E: Editing Policy</a></p>
G4-19*	a. List all the material Aspects identified in the process for defining report content.	<a href="#">C: Materialities for Toshiba Group</a>

G4-20 *	<p>a. For each material Aspect, report the Aspect Boundary within the organization, as follows: Report whether the Aspect is material within the organization</p> <p>If the Aspect is not material for all entities within the organization (as described in G4-17), select one of the following two approaches and report either:</p> <p>—The list of entities or groups of entities included in G4-17 for which the Aspect is not material or</p> <p>—The list of entities or groups of entities included in G4-17 for which the Aspects is material</p> <p>Report any specific limitation regarding the Aspect Boundary within the organization</p>	<p><a href="#">C: CSR Reporting Policy</a></p> <p><a href="#">C: Materialities for Toshiba Group</a></p> <p><a href="#">E: Editing Policy</a></p>
G4-21 *	<p>a. For each material Aspect, report the Aspect Boundary outside the organization, as follows: Report whether the Aspect is material outside of the organization. If the Aspect is material outside of the organization, identify the entities, groups of entities or elements for which the Aspect is material. In addition, describe the geographical location where the Aspect is material for the entities identified</p> <p>Report any specific limitation regarding the Aspect Boundary outside the organization</p>	<p><a href="#">C: CSR Reporting Policy</a></p> <p><a href="#">E: Editing Policy</a></p>
G4-22 *	<p>a. Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.</p>	<p><a href="#">C: Financial Results</a></p> <p><a href="#">IR: Financial Highlights</a></p>
G4-23 *	<p>a. Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.</p>	<p><a href="#">C: Significant Change during the Reporting Period</a></p>
Stakeholder Engagement		
G4-24 *	<p>a. Provide a list of stakeholder groups engaged by the organization.</p>	<p><a href="#">C: Stakeholders</a></p>
G4-25 *	<p>a. Report the basis for identification and selection of stakeholders with whom to engage.</p>	<p><a href="#">C: Stakeholders</a></p>
G4-26 *	<p>a. Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.</p>	<p><a href="#">C: Stakeholders</a></p>
G4-27 *	<p>a. Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.</p>	<p><a href="#">C: Stakeholders</a></p>
Report Profile		
G4-28 *	<p>a. Reporting period (such as fiscal or calendar year) for information provided.</p>	<p><a href="#">C: CSR Reporting Policy</a></p> <p><a href="#">E: Editing Policy</a></p>
G4-29 *	<p>a. Date of most recent previous report (if any).</p>	
G4-30 *	<p>a. Reporting cycle (such as annual, biennial).</p>	
G4-31 *	<p>a. Provide the contact point for questions regarding the report or its contents.</p>	<p><a href="#">C: Inquiries about CSR and Environmental Activities</a></p>
GRI Content Index		
G4-32 *	<p>a. Report the 'in accordance' option the organization has chosen.</p> <p>b. Report the GRI Content Index for the chosen option (see tables below).</p> <p>c. Report the reference to the External Assurance Report, if the report has been externally assured. GRI recommends the use of external assurance but it is not a requirement to be 'in accordance' with the Guidelines.</p>	<p><a href="#">C: GRI Content Index</a></p>
Assurance		
G4-33 *	<p>a. Report the organization's policy and current practice with regard to seeking external assurance for the report.</p> <p>b. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided.</p> <p>c. Report the relationship between the organization and the assurance providers.</p> <p>d. Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report.</p>	<p><a href="#">C: Outside Directors' Opinions</a></p> <p><a href="#">E: Third-Party Evaluation</a></p>



Section	Indicator	References
Governance		
Governance Structure and Composition		
G4-34 *	a. Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	<a href="#">C: Corporate Governance</a> <a href="#">IR: Corporate Governance</a> <a href="#">IR: Corporate Governance</a>
G4-35	a. Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	<a href="#">C: CSR Management</a>
G4-36	a. Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	<a href="#">C: CSR Management</a> <a href="#">C: Corporate Governance</a> <a href="#">E: Environmental Management Structure</a>
G4-37	a. Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body.	<a href="#">C: Corporate Governance</a> <a href="#">IR: Corporate Governance</a> <a href="#">IR: Corporate Governance</a> <a href="#">E: Performance Evaluation</a>
G4-38	a. Report the composition of the highest governance body and its committees by: Executive or non-executive Independence Tenure on the governance body Number of each individual's other significant positions and commitments, and the nature of the commitments Gender Membership of under-represented social groups Competences relating to economic, environmental and social impacts Stakeholder representation	<a href="#">C: Corporate Governance</a> <a href="#">IR: Corporate Governance</a> <a href="#">IR: Corporate Governance</a>
G4-39	a. Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization's management and the reasons for this arrangement).	<a href="#">C: Corporate Governance</a> <a href="#">IR: Corporate Governance</a> <a href="#">IR: Corporate Governance</a> <a href="#">O: Directors and Executives</a>
G4-40	a. Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members, including: Whether and how diversity is considered Whether and how independence is considered Whether and how expertise and experience relating to economic, environmental and social topics are considered Whether and how stakeholders (including shareholders) are involved	<a href="#">C: Corporate Governance</a>
G4-41	a. Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders, including, as a minimum: Cross-board membership Cross-shareholding with suppliers and other stakeholders Existence of controlling shareholder Related party disclosures	<a href="#">C: Corporate Governance</a> <a href="#">C: Toshiba Group Standards of Conduct</a>
Highest Governance Body'S Role in Setting Purpose, Values, and Strategy		
G4-42	a. Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	<a href="#">C: CSR Management</a> <a href="#">C: Corporate Governance</a> <a href="#">E: Environmental Management Structure</a>

Highest Governance Body'S Competencies and Performance Evaluation		
G4-43	a. Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	<a href="#">C: CSR Management</a> <a href="#">E: Environmental Management Structure</a>
G4-44	a. Report the processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment. b. Report actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organizational practice.	<a href="#">C: Corporate Governance</a>
G4-45	a. Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes. b. Report whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities.	<a href="#">C: Materiality for Toshiba Group</a> <a href="#">C: Corporate Governance</a> <a href="#">C: CSR Management</a>
G4-46	a. Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.	<a href="#">C: Corporate Governance</a> <a href="#">C: CSR Management</a>
G4-47	a. Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	<a href="#">C: Corporate Governance</a> <a href="#">C: CSR Management</a>
G4-48	a. Report the highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.	<a href="#">C: Materialities for Toshiba Group</a>
Highest Governance Body'S Role in Evaluating Economic, Environmental and Social Performance		
G4-49	a. Report the process for communicating critical concerns to the highest governance body.	<a href="#">C: Information Disclosure and IR</a> <a href="#">C: Stakeholders</a> <a href="#">C: Risk Management and Compliance(Whistleblower System)</a> <a href="#">IR: Shareholders' Meeting</a>
G4-50	a. Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.	
Remuneration and Incentives		
G4-51	a. Report the remuneration policies for the highest governance body and senior executives for the below types of remuneration: Fixed pay and variable pay: —Performance-based pay —Equity-based pay —Bonuses —Deferred or vested shares Sign-on bonuses or recruitment incentive payments Termination payments Clawbacks Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees b. Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives.	<a href="#">C: Corporate Governance(Compensation for Directors and Executive Officers)</a> <a href="#">IR: Compensation</a> <a href="#">IR: Compensation Policy and the Amount of Compensation</a> <a href="#">E: Performance Evaluation</a>
G4-52	a. Report the process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organization.	<a href="#">C: Corporate Governance</a> <a href="#">IR: Compensation</a>
G4-53	a. Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	<a href="#">C: Information Disclosure and IR</a> <a href="#">C: Stakeholders</a> <a href="#">C: Risk Management and Compliance(Whistleblower System)</a> <a href="#">IR: Shareholders' Meeting</a>

G4-54	a. Report the ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.	
G4-55	a. Report the ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.	

Section	Indicator	References
Ethics and Integrity		
G4-56*	a. Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	<a href="#">C: Toshiba Group Standards of Conduct</a>
G4-57	a. Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.	<a href="#">C: Risk Management and Compliance(Whistleblower System)</a>
G4-58	a. Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	<a href="#">C: Risk Management and Compliance(Whistleblower System)</a>

## Indicators by Aspects

Section	Indicator	References
Economic		
Aspect: Economic Performance		
G4-EC1	Direct economic value generated and distributed	<a href="#">IR: Financial Indicators</a> <a href="#">IR: Financial Highlights</a> <a href="#">C: Distribution of Economic Value to Stakeholders</a>
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	<a href="#">IR: Mid-to Long-term Vision and Basic Strategic Policies</a> <a href="#">IR: Medium-term Business Plan</a> <a href="#">E: Environmental Vision 2050</a>
G4-EC3	Coverage of the organization's defined benefit plan obligations	<a href="#">C: Toshiba Corporate Pension Plan</a> <a href="#">IR: Long-Term Liabilities/Accrued pension and severance costs</a>
G4-EC4	Financial assistance received from government	-
Aspect: Market Presence		
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	-
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	<a href="#">C: Support for Local Community Development and Public Policies</a>
Aspect: Indirect Economic Impacts		
G4-EC7	Development and impact of infrastructure investments and services supported	<a href="#">C: Social Contribution Activities</a> <a href="#">C: Support for Disaster Recovery</a>
G4-EC8	Significant indirect economic impacts, including the extent of impacts	<a href="#">E: Environmental Accounting</a>
Aspect: Procurement Practices		
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	<a href="#">C: CSR Management in the Supply Chain</a> <a href="#">C: Contributing to Economic, Educational, and Cultural Development in Countries around the World where We Do Business</a>

Environmental		
Aspect: Materials		
G4-EN1	Materials used by weight or volume	<a href="#">E: Overview of Environmental Impacts</a>
G4-EN2	Percentage of materials used that are recycled input materials	<a href="#">E: Efficient Use of Resources</a>
Aspect: Energy		
G4-EN3	Energy consumption within the organization	<a href="#">E: Overview of Environmental Impacts</a>
G4-EN4	Energy consumption outside of the organization	<a href="#">E: Making GHG emissions in the supply chain visible for all categories</a>
G4-EN5	Energy intensity	<a href="#">E: Reducing energy-derived CO<sub>2</sub> emissions</a>
G4-EN6	Reduction of energy consumption	<a href="#">E: Progress in the Fifth Environmental Action Plan</a> <a href="#">E: Reducing total GHG emissions</a> <a href="#">E: Reducing energy-derived CO<sub>2</sub> emissions</a> <a href="#">E: Reducing CO<sub>2</sub> emissions associated with product logistics</a> <a href="#">E: Reductions in CO<sub>2</sub> emissions from employees' business travel</a> <a href="#">E: Use of renewable energy</a> <a href="#">E: Introducing electric vehicles</a> <a href="#">E: Making GHG emissions in the supply chain visible for all categories</a> <a href="#">E: Mitigation of Climate Change</a> <a href="#">E: Accelerating the implementation of energy conservation measures through energy-saving diagnosis</a>
G4-EN7	Reductions in energy requirements of products and services	<a href="#">E: Creation of Excellent ECPs</a> <a href="#">E: Mitigation of Climate Change</a> <a href="#">E: Product Eco-efficiency</a> <a href="#">E: Greening by Technology/Low-Carbon Energy Technologies</a>
Aspect: Water		
G4-EN8	Total water withdrawal by source	<a href="#">E: Overview of Environmental Impacts</a> <a href="#">E: Efficient use of water resources</a>
G4-EN9	Water sources significantly affected by withdrawal of water	
G4-EN10	Percentage and total volume of water recycled and reused	<a href="#">E: Overview of Environmental Impacts</a> <a href="#">E: Efficient use of water resources</a>
Aspect: Biodiversity		
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	<a href="#">E: Conservation of Biodiversity</a>
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	<a href="#">E: Conservation of Biodiversity</a>
G4-EN13	Habitats protected or restored	<a href="#">E: Conservation of Biodiversity</a>
G4-EN14	Total number of iucn red list species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	<a href="#">E: Conservation of Biodiversity</a>
Aspect: Emissions		
G4-EN15	Direct greenhouse gas (GHG) emissions (scope 1)	<a href="#">E: Overview of Environmental Impacts</a> <a href="#">E: Reducing total GHG emissions</a> <a href="#">E: Reducing energy-derived CO<sub>2</sub> emissions</a> <a href="#">E: Reducing CO<sub>2</sub> emissions associated with product logistics</a> <a href="#">E: Reductions in CO<sub>2</sub> emissions from employees' business travel</a> <a href="#">E: Use of renewable energy</a> <a href="#">E: Making GHG emissions in the supply chain visible for all categories</a>
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (scope 2)	<a href="#">E: Making GHG emissions in the supply chain visible for all categories</a>
G4-EN17	Other indirect greenhouse gas (GHG) emissions (scope 3)	<a href="#">E: Making GHG emissions in the supply chain visible for all categories</a>
G4-EN18	Greenhouse gas (GHG) emissions intensity	

G4-EN19	Reduction of greenhouse gas (GHG) emissions	<a href="#">E: Reducing energy-derived CO<sub>2</sub> emissions</a> <a href="#">E: Mitigation of Climate Change</a> <a href="#">E: Greening by Technology/Low-Carbon Energy Technologies</a>
G4-EN20	Emissions of ozone-depleting substances (ODS)	<a href="#">E: Management of ozone-depleting substances</a>
G4-EN21	NOx, SOx, and other significant air emissions	<a href="#">E: Overview of Environmental Impacts</a> <a href="#">E: Management of substances that have impacts on the atmosphere and hydrosphere</a>
Aspect: Effluents and Waste		
G4-EN22	Total water discharge by quality and destination	<a href="#">E: Overview of Environmental Impacts</a> <a href="#">E: Management of substances that have impacts on the atmosphere and hydrosphere</a>
G4-EN23	Total weight of waste by type and disposal method	<a href="#">E: Overview of Environmental Impacts</a> <a href="#">E: Reducing the total waste volume</a>
G4-EN24	Total number and volume of significant spills	<a href="#">E: Soil and groundwater purification</a>
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	
G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff	<a href="#">E: Conservation of Biodiversity</a>
Aspect: Products and Services		
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	<a href="#">E: Greening of Products/Creation of Products with the Highest Level of Environmental Performance</a>
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	<a href="#">E: Overview of Environmental Impacts</a> <a href="#">E: Recycling end-of-life products globally</a> <a href="#">E: Recycling of end-of-life products in Japan</a>
Aspect: Compliance		
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	<a href="#">E: Risks and compliance</a>
Aspect: Transport		
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	<a href="#">E: Overview of Environmental Impacts</a> <a href="#">E: Reducing CO<sub>2</sub> emissions associated with product logistics</a>
Aspect: Overall		
G4-EN31	Total environmental protection expenditures and investments by type	<a href="#">E: Environmental Accounting</a>
Aspect: Supplier Environmental Assessment		
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	<a href="#">E: Making GHG emissions in the supply chain visible for all categories</a>
Aspect: Environmental Grievance Mechanisms		
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	

Social		
Labor Practices and Decent Work		
Aspect: Employment		
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or parttime employees, by significant locations of operation	<a href="#">C: Support for Diverse Work Styles(Toshiba Corporate Pension Plan)</a>
G4-LA3	Return to work and retention rates after parental leave, by gender	<a href="#">C: Support for Diverse Work Styles</a>
Aspect: Labor/Management Relations		
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	<a href="#">C: Stable Employment(Promoting Labor-Management Dialogue)</a>
Aspect: Occupational Health and Safety		
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	<a href="#">C: Occupational Health and Safety(Promotion Framework)</a>
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	<a href="#">C: Frequency of Occupational Accidents Leading to Absence at Toshiba Group</a>
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	<a href="#">C: Ensuring Health Management</a>
G4-LA8	Health and safety topics covered in formal agreements with trade unions	<a href="#">C: Occupational Health and Safety(Promotion Framework)</a>
Aspect: Training and Education		
G4-LA9	Average hours of training per year per employee by gender, and by employee category	-
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	<a href="#">C: Human Resources Development</a>
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	<a href="#">C: Fair Evaluation and Treatment</a>
Aspect: Diversity and Equal Opportunity		
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	<a href="#">C: Promotion of Diversity</a>
Aspect: Equal Remuneration for Women and Men		
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	No discrimination with regard to male and female compensation within the same category
Aspect: Supplier Assessment for Labor Practices		
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	<a href="#">C: CSR Management in the Supply Chain</a>
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	<a href="#">C: CSR Management in the Supply Chain</a>
Aspect: Labor Practices Grievance Mechanisms		
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	<a href="#">C: Risk Management and Compliance</a>
Human Rights		
Aspect: Investment		
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	-
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	<a href="#">C: Key Issue: Respect for Human Rights</a> <a href="#">C: Risk Management and Compliance Education</a>
Aspect: Non-discrimination		
G4-HR3	Total number of incidents of discrimination and corrective actions taken	-

Aspect: Freedom of Association and Collective Bargaining		
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	<a href="#">C: Policy and Management System on Human Rights</a> <a href="#">C: Respecting Employees Human Rights</a> <a href="#">C: CSR Management in the Supply Chain/Items covered by the CSR Survey</a>
Aspect: Child Labor		
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	<a href="#">C: CSR Management in the Supply Chain/Items covered by the CSR Survey</a>
Aspect: Forced or Compulsory Labor		
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	<a href="#">C: CSR Management in the Supply Chain/Items covered by the CSR Survey</a>
Aspect: Security Practices		
G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	-
Aspect: Indigenous Rights		
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	-
Aspect: Assessment		
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	<a href="#">C: Policy and Management System on Human Rights</a>
Aspect: Supplier Human Rights Assessment		
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	<a href="#">C: CSR Management in the Supply Chain/Items covered by the CSR Survey</a>
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	<a href="#">C: CSR Management in the Supply Chain</a>
Aspect: Human Rights Grievance Mechanisms		
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	<a href="#">C: Risk Management and Compliance</a>
Society		
Aspect: Local Communities		
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	<a href="#">C: Community Relations</a> <a href="#">E: Conservation of Biodiversity/Initiatives at production sites</a> <a href="#">E: Management of Chemicals/Reducing emissions of chemical substances</a> <a href="#">E: Environmental Management at Production Sites/Soil and groundwater purification</a>
G4-SO2	Operations with significant actual and potential negative impacts on local communities	<a href="#">C: Community Relations (Structure for Community-related Corporate Citizenship Activities)</a>
Aspect: Anti-corruption		
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	<a href="#">C: Risk Management and Compliance</a>
G4-SO4	Communication and training on anti-corruption policies and procedures	<a href="#">C: Risk Management and Compliance Education</a>
Aspect: Public Policy		
G4-SO5	Confirmed incidents of corruption and actions taken	<a href="#">C: Risk Management and Compliance (Response to Compliance Violations)</a>
G4-SO6	Total value of political contributions by country and recipient/beneficiary	
Aspect: Anti-competitive Behavior		
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	<a href="#">C: Risk Management and Compliance (No incident in FY2013)</a>
Aspect: Compliance		
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	<a href="#">C: Risk Management and Compliance</a>



Aspect: Supplier Assessment for Impacts on Society		
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	<a href="#">C: CSR Management in the Supply Chain</a>
G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken	<a href="#">C: CSR Management in the Supply Chain</a>
Aspect: Grievance Mechanisms for Impacts on Society		
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	<a href="#">C: Risk Management and Compliance</a>
Product Responsibility		
Aspect: Customer Health and Safety		
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	<a href="#">C: Quality Control</a> <a href="#">C: Ensuring Product Safety</a> <a href="#">E: Greening of Products/Creation of Products with the Highest Level of Environmental Performance</a>
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	<a href="#">C: Ensuring Product Safety</a> <a href="#">C: Disclosure of Product Safety and Quality Information</a>
Aspect: Product and Service Labeling		
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	<a href="#">C: Policy on Information and Labeling Related to Products</a> <a href="#">E: Greening of Products/Creation of Products with the Highest Level of Environmental Performance</a>
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	<a href="#">C: Compliance with Regulations on Advertising and Labeling</a> <a href="#">(No incident in the fiscal year)</a>
G4-PR5	Results of surveys measuring customer satisfaction	<a href="#">C: Customer Satisfaction (CS) Survey</a>
Aspect: Marketing Communications		
G4-PR6	Sale of banned or disputed products	<a href="#">C: Accurate Product Information and Appropriate Advertising</a>
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	<a href="#">C: Compliance with Regulations on Advertising and Labeling</a> <a href="#">(No incident in FY2013)</a>
Aspect: Customer Privacy		
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	<a href="#">C: Incidents Related to Personal Data</a> <a href="#">(No incident in FY2013)</a>
Aspect: Compliance		
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	<a href="#">C: Information on Product Safety</a> <a href="#">(No fines or penalties paid)</a>

(as of June, 2014)

## Comparison with the UN Global Compact

As a signatory to the UN Global Compact, Toshiba submits Communication on Progress (COP) reports regarding the implementation progress of the ten principles of the Global Compact. The Global Compact sets forth universal principles on human rights, labor, and the environment advocated by the United Nations.

> Participation in CSR-related organizations

■C: CSR website

■E: Environment website

(Evaluations as of June 2014)

Global Compact Ten Principles		
Human Rights		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	<u>C: Respect for Human Rights</u> <u>C: Respecting Employees Human Rights</u> <u>C: Respecting Human Rights in the Supply Chain</u> <u>C: Promotion of Diversity</u> <u>C: Occupational Health and Safety</u> <u>C: Risk Management and Compliance</u> <u>C: Information Security Management</u> <u>C: CSR Management in the Supply Chain</u> <u>C: Quality Control</u> <u>C: Ensuring Product Safety</u> <u>C: Information on Product Safety</u> <u>C: Government and Authorities Relations</u> <u>E: Greening of Products (Environmentally Conscious Products)</u>
Principle 2	Make sure that they are not complicit in human rights abuses.	<u>C: Respect for Human Rights</u> <u>C: Respecting Employees Human Rights</u> <u>C: Respecting Human Rights in the Supply Chain</u> <u>C: Risk Management and Compliance</u> <u>C: CSR Management in the Supply Chain</u> <u>C: Government and Authorities Relations</u>
Labour		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	<u>C: Respecting Employees Human Rights</u> <u>C: Stable Employment</u> <u>C: Risk Management and Compliance</u> <u>C: CSR Management in the Supply Chain</u> <u>C: Government and Authorities Relations</u>
Principle 4	The elimination of all forms of forced and compulsory labour	<u>C: Respect for Human Rights</u> <u>C: Respecting Human Rights in the Supply Chain</u> <u>C: Risk Management and Compliance</u> <u>C: Respecting Employees Human Rights</u> <u>C: Government and Authorities Relations</u>
Principle 5	The effective abolition of child labour	<u>C: Respecting Human Rights in the Supply Chain</u> <u>C: Risk Management and Compliance</u> <u>C: CSR Management in the Supply Chain</u> <u>C: Government and Authorities Relations</u>
Principle 6	The elimination of discrimination in respect of employment and occupation.	<u>C: Promotion of Diversity</u> <u>C: Risk Management and Compliance</u> <u>C: CSR Management in the Supply Chain</u> <u>C: Government and Authorities Relations</u> <u>C: Support for Local Community Development</u>

Environment		
Principle 7	Businesses should support a precautionary approach to environmental challenges;	<u>C: Government and Authorities Relations</u> <u>E: Environment</u>
Principle 8	Undertake initiatives to promote greater environmental responsibility	<u>C: Information on Product Safety</u> <u>C: Government and Authorities Relations</u> <u>E: Environment</u>
Principle 9	Encourage the development and diffusion of environmentally friendly technologies.	<u>C: Government and Authorities Relations</u> <u>E: Environment</u>
Anti-Corruption		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	<u>C: Risk Management and Compliance</u> <u>C: Government and Authorities Relations</u>

## Comparison with ISO 26000

The Toshiba CSR Report adopts a reporting format based on the seven core subjects of ISO 26000, which uses the draft international standard ISO/DIS 26000 as a basic framework. We strive to evaluate our CSR initiatives according to the core subjects as well as to expand our CSR initiatives and CSR reporting.

> Effective use of ISO26000

- C: CSR website
- E: Environment website
- IR: IR website
- O: Other websites

(Evaluations as of June 2014)

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

6.5 The environment		
6.5.3	Prevention of pollution	<a href="#">E: Outline of Environmental Impacts</a>
		<a href="#">E: Impacts on Air and Water</a>
6.5.4	Sustainable resource use	<a href="#">E: Low-Carbon Energy Technology</a>
		<a href="#">E: Total Amount of Waste</a>
		<a href="#">E: Efficient Use of Water</a>
		<a href="#">E: Use of Renewable Energy</a>
6.5.5	Climate change mitigation and adaptation	<a href="#">E: Reducing total GHG emissions</a>
		<a href="#">E: Reducing energy-derived CO<sub>2</sub> emissions</a>
		<a href="#">E: Reducing CO<sub>2</sub> emissions associated with product logistics</a>
		<a href="#">E: Employees' Business Travel</a>
		<a href="#">E: Use of Renewable Energy</a>
		<a href="#">E: Introducing electric vehicles</a>
		<a href="#">E: Making CO<sub>2</sub> emissions in the supply chain visible</a>
6.5.6	Protection of the environment, biodiversity and restoration of natural habitats	<a href="#">E: Biodiversity</a>
6.6 Fair operating practices		
6.6.3	Anti-corruption	<a href="#">C: Risk Management and Compliance</a>
		<a href="#">C: Fair Competition and Trading Practices</a>
		<a href="#">C: CSR Management in the Supply Chain</a>
6.6.4	Responsible political involvement	<a href="#">C: Risk Management and Compliance</a>
		<a href="#">C: Government and Authorities Relations</a>
6.6.5	Fair competition	<a href="#">C: Risk Management and Compliance</a>
		<a href="#">C: Fair Competition and Trading Practices</a>
6.6.6	Promoting social responsibility in the value chain	<a href="#">C: CSR Management in the Supply Chain</a>
		<a href="#">C: Export Control</a>
6.6.7	Respect for property rights	<a href="#">C: Risk Management and Compliance</a>
		<a href="#">C: Fair Competition and Trading Practices</a>
		<a href="#">C: Protection of Intellectual Property</a>
6.7 Consumer issues		
6.7.3	Fair marketing, factual and unbiased information and fair contractual practices	<a href="#">C: Information on Product Safety</a>
6.7.4	Protecting consumers' health and safety	<a href="#">C: Quality Control</a>
		<a href="#">C: Ensuring Product Safety</a>
		<a href="#">C: Information on Product Safety</a>
6.7.5	Sustainable consumption	<a href="#">C: Quality Control</a>
		<a href="#">C: Information on Product Safety</a>
		<a href="#">C: CSR Management in the Supply Chain</a>
		<a href="#">E: Creation with Products with the Highest Level of Environmental Performance</a>
		<a href="#">E: Report, Website</a>
		<a href="#">E: Advertisements</a>
6.7.6	Consumer service, support, and complaint and dispute resolution	<a href="#">C: Enhancement of Customer Satisfaction</a>
		<a href="#">C: Customer Service and Support</a>
		<a href="#">C: Sharing and Utilization of Voice of Customer</a>
6.7.7	Consumer data protection and privacy	<a href="#">C: Information Security Management</a>
		<a href="#">C: Personal Data Protection Policy</a>
		<a href="#">C: Enhancement of Customer Satisfaction</a>
6.7.8	Access to essential services	<a href="#">C: Customer Service and Support</a>

6.7.9	Education and awareness	<a href="#">C: Quality Control</a>
		<a href="#">C: Ensuring Product Safety</a>
		<a href="#">C: Information on Product Safety</a>
6.8 Community involvement and development		
6.8.3	Community involvement	<a href="#">C: Support for Local Community Development</a>
		<a href="#">C: Community Relations</a>
		<a href="#">O: Social Contribution Activities</a>
		<a href="#">C: Government and Authorities Relations</a>
		<a href="#">C: Relations with NPOs and NGOs</a>
		<a href="#">C: Risk Management and Compliance</a>
		<a href="#">C: Fair Competition and Trading Practices</a>
6.8.4	Education and culture	<a href="#">C: Support for Local Community Development</a>
		<a href="#">C: Community Relations</a>
		<a href="#">C: Social Contribution Activities</a>
6.8.5	Employment creation and skills development	<a href="#">C: Support for Local Community Development</a>
		<a href="#">C: Community Relations</a>
6.8.6	Technology development and access	<a href="#">C: Support for Local Community Development</a>
		<a href="#">C: Community Relations</a>
6.8.7	Wealth and income creation	<a href="#">C: Support for Local Community Development</a>
		<a href="#">C: Community Relations</a>
6.8.8	Health	<a href="#">C: Support for Local Community Development</a>
		<a href="#">C: Community Relations</a>
6.8.9	Social investment	<a href="#">C: Support for Local Community Development</a>
		<a href="#">C: Community Relations</a>
		<a href="#">C: Government and Authorities Relations</a>
		<a href="#">C: Relations with NPOs and NGOs</a>

## Evaluation of CSR by External Parties

Awarding entity / Name of the award	Evaluation	Recipient	Period
General CSR Activities-Related (Including Socially Responsible Investing)			
CSR rating Dow Jones Sustainability Indices 	Selected as a member of the Dow Jones World Sustainability Index, which tracks approx. 300 sustainability leaders (selected for the 14th consecutive year since 2000).	Toshiba Corporation	September 2013
CSR rating Euronext Vigeo World 120 index 	Selected as a member of the 120 most advanced companies at the global level (17 Japanese companies among them)	Toshiba Corporation	June 2013
CSR rating oekom research AG (Germany) 	oekom, a German research institute, rated Toshiba as "Prime" among 19 IT/Computers, Peripherals & Office Electronics companies in its June 2011 social responsibility ratings.	Toshiba Corporation	June 2011
IntegreX Survey of Corporate Integrity and Transparency Reference website: <a href="http://integrex.com">IntegreX</a>	5th place overall (among 498 listed companies)	Toshiba Corporation	March 2013
Japan Corporate Governance Research Institute, Inc. Twelfth (FY2013) Corporate Governance Index (JCGIndex) Survey Reference: <a href="http://jcgri.com">Japan Corporate Governance Research Institute's website</a>	7th place	Toshiba Corporation	November 2013
CSR survey conducted by Toyo Keizai, Inc. among approx. 1000 companies <a href="http://toyokeizai.com">TOYO KEIZAI CSR ONLINE</a>	10th place in FY2013 overall (1st place in terms of CSR field)	Toshiba Corporation	March 2014
2013 Golden Bee CSR Reports Honor Roll Award	Excellent CSR report in foreign capital category	Toshiba China Co., Ltd.	December 2013
IR-Related			
Morning Star Japan k. k. Gomez IR Site Raking (surveyed: 3,583 Japanese companies) 	Excellent Company: Gold Award	Toshiba Corporation	June 2014
IR Site Ranking (Japanese)			



<p>Daiwa Investor Relations Co, Ltd. Internet IR Best Company Award 2013 (surveyed: 3,602 companies)</p>  <p>Internet IR Ranking(Japanese)</p>	Grand Prix (Best Company Award for nine consecutive years)	Toshiba Corporation	November 2013
<p>Nikko Investor Relations Co. Ltd. FY2013 Ranking of Listed Companies' Websites (surveyed: 3,556 companies)</p>  <p>Reference website: Ranking of Listed Companies' Websites (Japanese)</p>	2nd place in the overall ranking	Toshiba Corporation	November 2013
Quality-Related			
<p>Union of Japanese Scientists and Engineers (JUSE) (cosponsored by Nikkei inc.) JUSE Quality Management Level Research</p> <p>Reference website: <a href="#">JUSE</a></p>	1st place overall	Toshiba Group	October 2012
Customer Related			
<p>GOOD DESIGN AWARD 2013</p> 	<p>Good Design Gold Award Drum-type washer dryer [TOSHIBA TW-Z96X1] Refrigerator [TOSHIBA GR-G XV series] Toshiba Handwriting Apprication for Tablet PC [Toshiba Excite Write/TruNote] Good Design Award LCD TV [TOSHIBA REGZA J7 Series (50J7, 40J7, 32J7)] and other 20 cases</p>	Toshiba Corporation	October 2013
<p>iF DESIGN AWARD 2014</p> 	Drum-type washer dryer [TOSHIBA TW-Z96X1] and other 8 cases	Toshiba Corporation	February 2014
 <p>reddot award 2014 winner</p>	Red Dot Award : Product Design 2014 LCD TV [TOSHIBA REGZA Z8/J8 Series, L7400 Series] and other 4 cases	Toshiba Corporation	March 2014
Employee-Related			
<p>Diversity Management Selection 100 by METI (Ministry of Economy, Trade and Industry)</p>  <p>Reference website:<a href="#">METI Diversity Management Selection 100</a></p>	Toshiba chosen as one of the award winners	Toshiba Corporation	March 2013

Commendation by the Director of the Labour Standards Bureau of the Ministry of Health, Labour and Welfare	Toshiba TEC Corporation Shizuoka Business Center commended for achieving "Type-5 no accident record" (35.5 million hours)	Toshiba TEC Shizuoka Business Center	May 2012
Supply Chain			
2012 Hong Kong Awards for Environmental Excellence	Gold Award in the Sectoral Awards	Toshiba International Procurement Hong Kong Ltd.	2012
Environment Related			
17th Nikkei Environmental Management Survey Company Ranking	1st place (Manufacturing industry category)	Toshiba Corporation	2013
CDP Japan 500 Climate Change Report 2013	Disclosure score is 98/100, 3rd place among Japanese companies, and performance is classed to the 'A' band.	Toshiba Corporation	2013
10th Eco-Products Awards	Eco-Products Category Minister's Prize, the Ministry of Economy, Trade and Industry Green Concept Elevator 「SPACE-GR」 「ELCRUISE」	Toshiba Elevator and Building Systems Corporation	2013
10th Eco-Products Awards	Eco-Service Category Minister's Prize, the Ministry of Economy, Trade and Industry The next-generation lighting control system adapting smart eye sensor	Toshiba Lighting & Technology Corporation, and Toshiba Corporation	2013
Ministry of the Environment Climate Change Actions 2013	Development and productization of Green Concept Elevator	Toshiba Elevator and Building Systems Corporation	2013
Ministry of the Environment Climate Change Actions 2013	Development of Universal Smart X RUA-SP series, Air-cooled Heat-Pump Chilling System	Toshiba Carrier Corporation	2013
2013 Energy Conservation Grand Prize	Products and Business Models Category Chairman's Prize of Energy Conservation Center of Japan Drum-type washer-dryer ZABOON	Toshiba Home Appliances Corporation	2013
"CHO" MONODZUKURI Innovative Parts and Components Award 2013	Paper Reusing System "Loops" with Eracable Toner and Low Temperature Fuser Unit	Toshiba TEC Corporation	2013
10th LCA Society of Japan Awards	Honorable Award of 10th Anniversary	Toshiba Corporation	2013
Green IT Award 2013	Category of Social energy saving by IT Minister's Prize, the Ministry of Economy, Trade and Industry "Loops" paper reuse system	Toshiba TEC Corporation	2013
Green IT Award 2013	Category of Social energy saving of IT Chief of Bureau's Prize, Commerce and Information Policy Bureau, the Ministry of Economy, Trade and Industry Innovative SSD/HDD for enterprise corresponds to trend of big data	Toshiba Corporation	2013
10th Eco-Products Awards	Example of energy saving Chairman's prize, The Energy Conservation Center Fuel reduction by exhaust heat recovering	Iwate Toshiba Electronics Co., Ltd.	2013
FY2013 3Rs (Reduce, Reuse, and Recycle) Promotion Merit Awards	Chairman prize Resource recycling manufacturing of NAND flash memory	Toshiba Corporation Semiconductor & Storage Products Company Yokkaichi Operations	2013

FY2013 3Rs (Reduce, Reuse, and Recycle) Promotion Merit Awards	Chairman prize Effective utilization of effluent and 3R activity's promotion to all employees	Toshiba Corporation Semiconductor & Storage Products Company Oita Operations	2013
FY2013 3Rs (Reduce, Reuse, and Recycle) Promotion Merit Awards	Chairman prize Reduction of waste substance, improvement of zero emission by recycle, and implement of educational activity	Toshiba Corporation Semiconductor & Storage Products Company Himeji Operations	2013
ASEAN Best Practice for Energy Management	Category of Buildings and Industries Energy efficiency as a whole - it included technology and systems	Toshiba Information Equipment (Philippines), Inc.	2013
Asean Corporate Sustainability Summit Energy Management Award	Energy efficiency as a whole - it included technology and systems	Toshiba Information Equipment (Philippines), Inc.	2013
Singapore Packaging Agreement 3R Packaging Awards 2013	Excellent Award Approach to Reduce Packing Materials	Toshiba TEC Singapore Pte Ltd	2013
Don Emilio Abello Energy Efficiency Award	Energy efficiency as a whole - it included technology and systems	Toshiba Information Equipment (Philippines), Inc.	2013
Mother Nature Award	Environment Activities mainly Biodiversity Management and Waste Management Programs - included activities, technologies and communication	Toshiba Information Equipment (Philippines), Inc.	2013
Green Industry Certificate (Level 3, Green System)	Promotion of Environmental Management System	Toshiba Semiconductor (Thailand) Co., Ltd.	2013
Awarding of Excellent Energy Conservation Promotion Manager	Director-General of Energy Conservation Center, Japan Tokai Branch	Toshiba Corporation Semiconductor & Storage Products Company Yokkaichi Operations	2013
17th Environmental Communication Awards	Prize for Excellence in Environmental Reporting	Toshiba Corporation	2013
Advertising			
42nd Fuji Sankei Group Advertisement Awards	Category of Media Mix Excellent award LED lamps (Louvre Museum series)	Toshiba Corporation	April 2013
	Category of Media, TV Grand Prix LED lamp (Louvre Museum series)		
	Category of Media, Newspaper Gran Prix LED lamp (Night scene of Louvre Museum)		
	Category of Media, Newspaper Gran Prix LED lamp (Night scene of Louvre Museum)		

66th Dentsu Advertising Awards	Category of TV, home appliance GranPrix LED lamp (LED 10 years live)	Toshiba Corporation	July 2013
	Category of newspaper, livingware, home appliance Excellent award Refrigerator (Yukishitayasai)		
	Category of magazine, serialization Cleaner (Torneo)		
	Category of poster on train Solar power system (Teruterubozu)		
33rd Newspaper Advertising Awards	Newspaper Advertising Awards	Toshiba Corporation	October 2013
53rd ACC CM FESTIVAL	Category of marketing effectiveness Medalist LED lamp (Louvre Museum series)	Toshiba Corporation	November 2013
	Category of TV Bronze LED lamp (LED 10 years live)		
56th Japan Magazine Advertising Award	4th category, series ad Grand Prix LED lamp (Louvre Museum series)	Toshiba Corporation	November 2013
48th Japan Industrial Advertisement Award	Grand Prix Biometric identification system (ACBio series)	Toshiba Corporation	November 2013
	Category of newspaper Biometric identification system (ACBio series)		
	Category of newspaper Air-cooled Heat-Pump Chilling System (Universal Smart X series)		
52nd Business Advertising Awards	Business Advertising Award Wireless electric power transmission series	Toshiba Corporation	November 2013
53rd Contest for Advertisement Enlightening for Consumers	Category of magazine JAA prize LED lamp (Louvre museum series)	Toshiba Corporation	November 2013
	Category of newspaper Bronze prize of D block CT scanner (Series ad)		
The 62nd 2013 Nikkei Advertising Award	Category of corporate brand Excellent Award LED lamp (Louvre museum series)	Toshiba Corporation	December 2013
43rd Fuji Sankei Group Advertisement Awards, Media Mix Grand Prize,	Category of Media, Newspaper Gran Prix LED lamp (10 years with LED)	Toshiba Corporation	April 2014
	Category of Public, Newspaper Excellent award LED lamp (10 years with LED)		
81st Mainichi Advertising Design Award	LED lamp (Louvre museum series)	Toshiba Corporation	April 2014

Product and Technology Related			
2013 Ministry of Education Commendation in the field of Science and Technology Culture, Sports, Science and Technology	Science and Technology Award (Development Category) Development of mobile biological agent detection system	Toshiba Corporation and Nagasaki University	April 2014
2013 Ministry of Education Commendation in the field of Science and Technology Culture, Sports, Science and Technology	Science and Technology Award (Development Category) Development of a Phased Array weather radar	Toshiba Corporation, Osaka University and National Institute of Information and Communications Technology	April 2014
2013 Ministry of Education Commendation in the field of Science and Technology Culture, Sports, Science and Technology	Science and Technology Award (Science and Technology Promotion Category) Promotion of Human interface technology in document processing	Toshiba Corporation	April 2014
Japan Institute of Invention and Innovation FY2013 National Commendation for Invention	The Prize of Chairman of Japan Business Federation Invention of Chemical decontamination method using ozone	Toshiba Corporation	June 2013
The Promotion Foundation for Electrical Science and Engineering 61st Electrical Science and Engineering Promotion Award	Electrical Science and Engineering Promotion Award Development of Copt-SiO <sub>2</sub> granular perpendicular magnetic recording media	Toshiba Corporation	November 2013
The Japan Electrical Manufacturers' Association 63rd JEMA TECHNICAL AWARD	Heavy electric machinery category Excellent award Development of world 1st technology to check and measure reliability and economic efficiency of atomic power plant	Toshiba Corporation	April 2014
Japan Institute of Invention and Innovation 2013 Regional Commendation for Invention	Chairman prize of Kanagawa institute of invention and innovation Faster technology of NAND flash memory	Toshiba Corporation	November 2013

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

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