

# Sustainability Management of Toshiba Group

## Sustainability Management

Toshiba Group has long positioned “Committed to People, Committed to the Future.” as the main text of our Basic Commitment, the expression of our unwavering determination to contribute to society’s development through our business activities. Grounded in this commitment, as a member of a society that faces issues that include energy shortages, resource depletion, and climate change, we aim to help to solve issues by considering the impact of our corporate activities on society over the long-term, rather than simply pursuing short-term profits.

In order to build ethical and transparent management foundations for our sustainable development as a company, Toshiba Group strives to strengthen E (environment), S (social), and G (governance) and implement sustainability management, and to create and provide rich value in collaboration with our various stakeholders, such as our customers, shareholders and investors, procurement partners, employees, and local communities. We conduct all corporate activities fairly and honestly, guided by the “Standards of Conduct for Toshiba Group.”

 [Toshiba Group's Value Creation Cycle](#)(PDF:260KB)

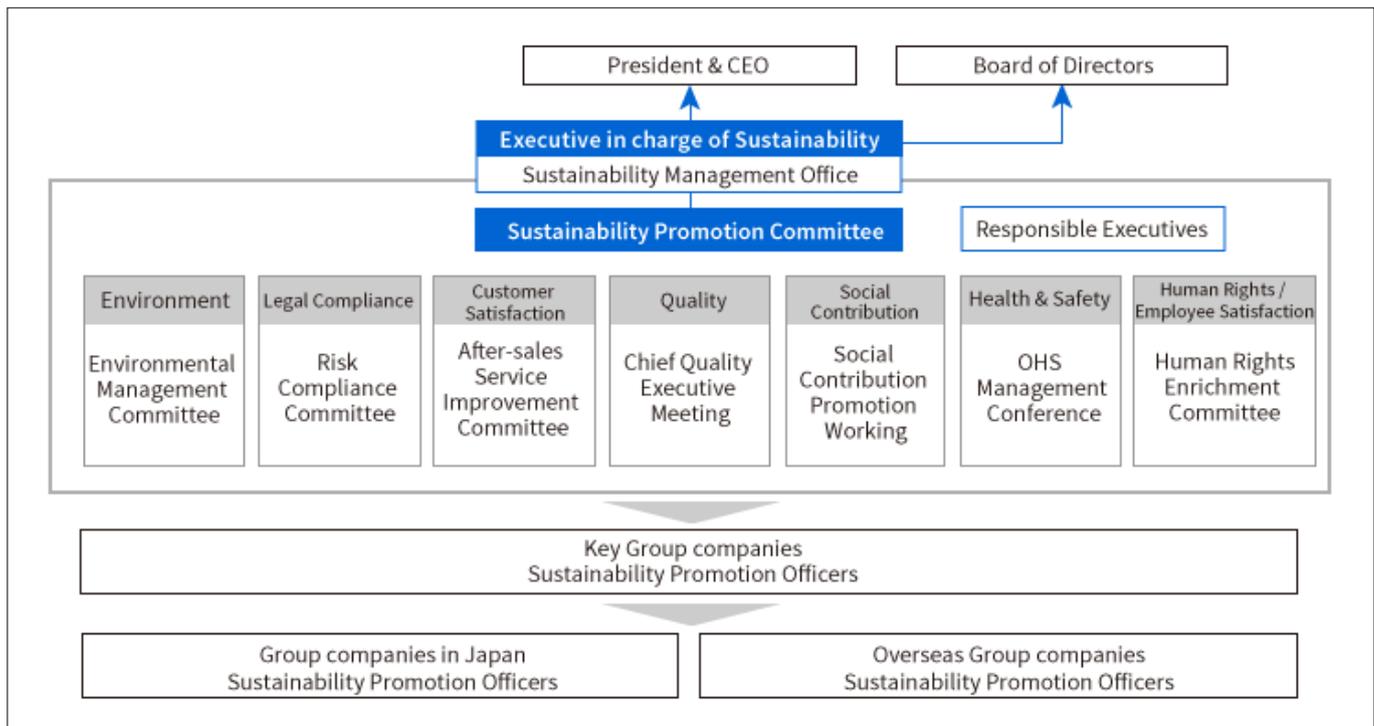
## Sustainability Management Structure

In 2003 Toshiba Group established an in-house organization to promote CSR, and put in place a group-wide promotion system.

The Sustainability Promotion Committee, headed by the executive in charge of sustainability and other responsible executives, meets as appropriate to discuss and decide upon the Toshiba Group's activity policy. Subsequently, the Corporate Environmental Management Committee, Risk Compliance Committee, and other Committees formulate and promote action plans and key performance indicators (KPIs) based on the policy decisions, for each area of their responsibility.

Sustainability Promotion Officers appointed at Group companies in Japan and overseas ensure thorough implementation of Toshiba Group's sustainability activity policies, and track the progress of priority issues at key Group companies.

### Sustainability Management Structure



The Corporate Sustainability Meeting is held four times a year and attended by representatives from sustainability-related divisions such as general affairs, human resources, environment, procurement, quality assurance and legal affairs to verify the progress of activities. The annual CSR Forum provides the opportunity for Sustainability Promotion Officers of key Group companies to deepen their understanding of global social issues and make the promotion of sustainability their own. In FY2019, we invited an outside instructor to give a lecture and workshop to Sustainability Promotion Officers and staff working in our harassment consulting staff as part of our efforts regarding diversity and inclusion. The lecture served to deepen understanding of LGBT+ and reaffirmed the necessary considerations for creating a framework that makes employees at each site feel at ease seeking consultation from human resources managers close to them.

## Monitoring

---

Toshiba Group has been conducting human rights surveys (human rights due diligence) since FY2005 as part of our risk management program. In FY2019, we surveyed 254 domestic and overseas Group companies.

The answers submitted by the Group companies are gathered, analyzed, and shared with the departments in charge and corrective actions are requested where improvements are necessary.

## Increasing Employee Awareness of CSR

---

In order to raise sustainability awareness throughout Toshiba Group, the President reaffirms the philosophy of Basic Commitment of the Toshiba Group at every opportunity, such as the start of each term, at company ceremonies, and at start-of-year addresses. The importance of implementing sustainability management is also communicated.

Their messages are circulated among domestic and overseas facilities and Group companies through in-house media and the management system. We also conduct training for newly hired employees and newly appointed officers every year as well as e-learning in line with the Standards of Conduct for Toshiba Group in areas such as the environment, information security, human rights, engineering ethics, compliance with antitrust laws and prohibition of bribery.

### Toshiba Group's CSR Month

The Toshiba Group has designated December as its CSR Month since FY2006. During this month, we assess our CSR initiatives and conduct Group-wide events comprehensively, such as the CSR Conference as well as social contributions activities at each Group companies and business sites.

In FY2019, a message from the President was sent to all Toshiba Group employees confirming the importance of responding to social demands and ESG issues, beginning with the SDGs and the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD). The message also conveys that we must ensure compliance throughout the Group and always put in place the promotion of sustainability. Additionally, Toshiba Group Volunteer Day was held around December 5, the International Volunteer Day, to provide volunteering opportunity for all Toshiba Group employees.

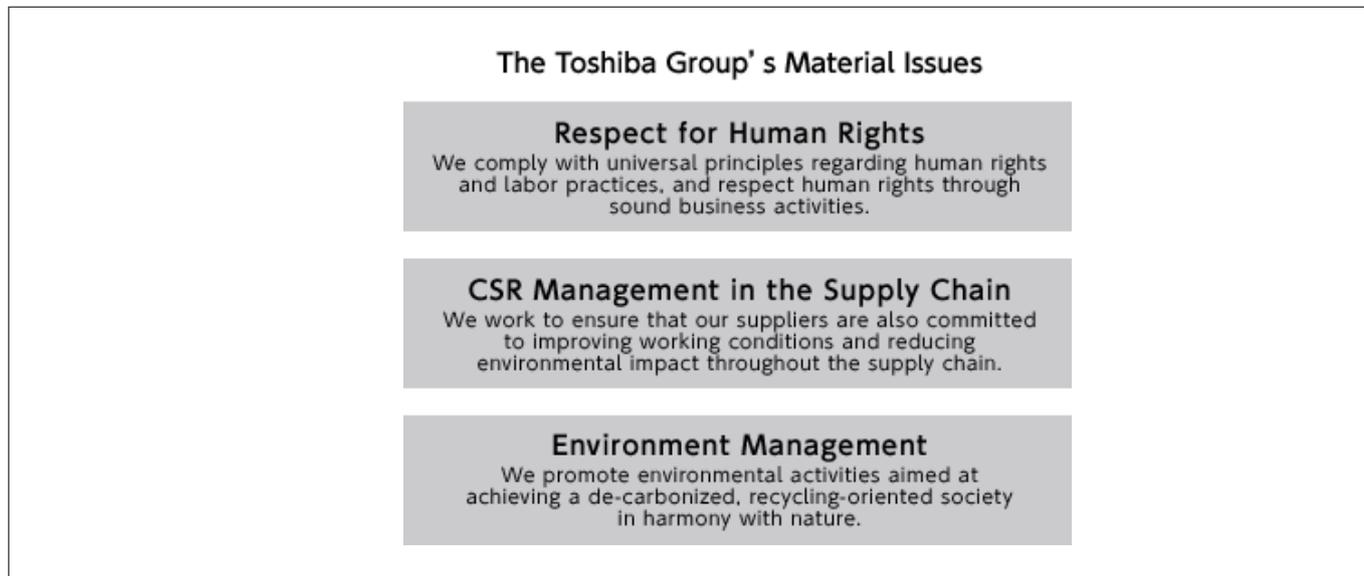
On December 17, 2019, we held our annual CSR Conference, which was attended by executive officers, employees, and labor union representatives. The event was recorded and was provided on intranet to Group employees who were not able to attend the conference. In the conference, the President emphasized the importance of promoting sustainability management and contributing to the SDGs throughout the Group. There also was an annual ceremony to present, the awards for outstanding efforts related to social contribution and promotion of health and safety activities. In addition, Megumi Sakuramoto, Chief ESG Analyst at Asset Management One Co., Ltd., was invited to give a lecture titled “Strong demand on ESG,” presenting on the necessity of ESG response and challenges for Toshiba Group.

# Sustainability Management of Toshiba Group

## Material Issues

Toshiba Group identified “Respect for Human Rights,” “CSR Management in the Supply Chain,” and “Environmental Management” as material issues (key themes) in 2013 following consideration of self-evaluations based on ISO 26000, opinions received via dialogue with stakeholders and evaluative reviews from third-party organizations, and respecified the issues in March 2015. Since then, we have continued our efforts to tackle these issues.

### The Toshiba Group's Material Issues



## Process of Material Issue Identification

### Process of Material Issue Identification

<b>Process 1</b>	<p><b>Self-evaluation based on the ISO 26000 core subjects</b></p> <p>Related corporate divisions perform self-evaluation based on the items of the seven ISO 26000 core subjects: organizational governance, human rights, labor practices, the environment, fair operating practices, consumer issues and community involvement and development.</p>
<b>Process 2</b>	<p><b>CSR activity review by a third-party organization</b></p> <p>Based on the results of self-evaluation, a third-party organization conducts a CSR activity review targeting CSR-related divisions through interviews and evidence checks. We then confirm the gap between Toshiba Group activities and society's demands.</p>
<b>Process 3</b>	<p><b>Extraction and identification of material issues</b></p> <p>Based on the core subjects (345 items) of ISO 26000, we analyze the importance to stakeholders and to Toshiba Group, map them in the general order of high, medium and low priority and identify material issues.</p> <p> <a href="#">Prioritizing to identify material issues (180KB)</a></p>

Toshiba has outlined initiatives related to material issues for FY2019 in its ESG activity report.

ESG Activity Report

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

Toshiba Group values regular dialogues with stakeholders, and assesses its own efforts based on the results of such dialogues, leveraging them when developing and executing measures.

- > [Stakeholders](#)

# Sustainability Management of Toshiba Group

## Toshiba Group and the SDGs

The main plank of the “Toshiba Group Basic Commitment” is “Committed to people, Committed to the Future.” This expresses Toshiba Group’s unwavering determination to contribute to the development of society through its business, and is consistent with the direction of the SDGs, which aim to realize a sustainable society. Acting in good faith in our daily activities, and with a passion to make the world a better place, looking to the future beyond the next generation, and to create that future with our stakeholders—inspired by these ideas, Toshiba Group has and will continue to bring together the creativity and technological capabilities it has cultivated to confront social issues that are becoming more complicated and serious, and to turn on the promise of a new day.

### The Essence of Toshiba



#### Basic Commitment of the Toshiba Group

Committed to People,  
Committed to the Future.

#### Our Purpose

We turn on the promise of a new day.

#### Our Values

Do the right thing

Look for a better way

Always consider the impact

Create together

### Sustainable Development Goals

#### SUSTAINABLE DEVELOPMENT GOALS



## Contributions to Achieving the SDGs through Corporate Activities

The SDGs Secretariat, comprising Toshiba's corporate divisions, promotes SDGs understanding and initiatives, and has played the central role in coordinating with key Group companies and exchanging opinions to clarify the relationships between our business and the SDGs. Within that process, and with consideration of impacts on society throughout our value chain, eight goals that Toshiba Group can contribute to through its business were identified, and our intention to accelerate those initiatives was announced in the [Toshiba Next Plan \(FY2019-23 Business Plan\)](#). Since then we have added two more goals where we can contribute outside of business, and by centering on these 10 goals Toshiba Group will continue to contribute to the achievement of the SDGs in all of its corporate activities.

- [CO<sub>2</sub> Capture System](#)
- [Hydrogen Energy System](#)
- [Renewable Energy](#)
- [Heavy-Ion Therapy System](#)
- [MicroRNA Detection Technology](#)
- [Phased Array Weather Radar](#)
- [Railway Transportation Systems](#)
- [Disaster Management Solutions](#)
- [Robotics, Logistics System Solutions](#)

- [Water Supply and Sewerage](#)
- [Image Recognition Processors](#)
- [Power Devices MOSFET](#)
- [High Capacity HDD for Data Center](#)
- [LED Light](#)
- [Elevator System](#)
- HAVC
- [SciB™](#)
- [Manufacturing IoT Solutions](#)
- Electronic Receipt Service

**Toshiba Group is “Committed to People, Committed to the Future.” and contributes to fulfillment of the SDGs through all its corporate activities.**

With the SDGs, working toward one goal has the ripple effect of contributing to another goal, and with this in mind, Toshiba Group will continue to undertake initiatives that extend beyond the aforementioned 10 goals to cover all 17 of the SDGs.

# Response to Climate Change



Among the wide range of issues identified by the SDGs, climate change is one with a social impact that increases in seriousness with each passing year and that threatens the safety and security of future generations. Given this situation, companies are also required to play their part in taking speedy and positive action.

Toshiba Group recognizes responding to climate change as one of its most important management issues. Accordingly, we set annual targets to guide initiatives for reducing greenhouse gas emissions in both our own business activities and the products and services we provide.

Going forward, we will intensify our activities based on Environmental Future Vision 2050, a long-term vision looking ahead to the year 2050. As part of the Vision's response to climate change, which calls for a contribution encompassing Toshiba Group's entire value chain, we aim to achieve a 50% reduction in greenhouse gas emissions generated within the Group value chain by FY2030 compared to FY2019 level and to contribute to realizing a net zero emissions society by 2050. To fulfill these targets, we will concentrate in our business activities on investing in energy-saving equipment and expanding the use of renewable energy, while in the area of products and services we will focus on development of energy technologies to realize decarbonization, highly energy efficient social infrastructure products and building-related products, and so on.

As the basis for initiatives, the FY2030 greenhouse gas reduction target is divided into separate figures for emissions generated by Toshiba Group's business activities and those generated by the utilization of our products and services. The reduction target was approved by the Science Based Targets (SBT<sup>\*1</sup>) initiative as fully meeting science-based targets for "keeping the global average temperature increase this century well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius" as defined by the Paris Agreement<sup>\*2</sup>.

Meanwhile, to respond to public calls for disclosure of climate-related information, we support the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and apply them to our analysis of risks and opportunities and our information disclosure.

\*1 Science-based targets are scientifically grounded GHG reduction targets set by companies on a medium- to long-term basis in order to keep the global average temperature increase this century well below 2 degrees Celsius above pre-industrial levels, and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius. Science-based targets are validated by the SBT initiative.

\*2 The Paris Agreement is an international framework adopted at the 21st session of the Conference of the Parties (COP21) that seeks to reduce the amount of greenhouse gas (GHG) emissions. It aims to restrain the increase in the global average temperatures to less than 2°C from the pre-industrial level and to pursue efforts to limit the temperature increase even further to 1.5°C. To this end, the Agreement's target is to lower the amount of GHG emissions to substantially zero by the latter half of this century.

- > [Environmental Vision 2050](#)
- > [In Response to Climate Change](#)
- > [Environment](#)

# Activities to Promote the SDGs

Toshiba Group undertakes various activities to boost awareness internally of the importance of the SDGs as part of our program to help achieve these goals.



April 2018  
Peter D. Pedersen explains the perspective of resolving global social issues in a lecture titled “Is there a path to new business development based on Society-in, the next innovation frontier?”.



June 2018  
Conducting a workshop for engineers at Toshiba Fuchu Complex to show how the SDGs are everyone’s problems to resolve



September 2018  
Kazuo Tase, CEO at SDG Partners, Inc. and Akitsugu Yamaguchi, Director at Toshiba Digital Solutions Corporation, discussed the SDGs in a dialogue.



December 2018  
A briefing on the SDGs given by the CSR Management Office for branch managers of Toshiba Corporation from all around Japan



December 2018  
Chairman Kurumatani discusses Toshiba Group’s SDGs initiatives at the 14th Toshiba Group CSR Conference.



February 2019  
Kazuo Tase, CEO at SDG Partners, Inc., gives a lecture to SDGs managers from core Toshiba Group companies on the topic, “The corporate value demanded today and the SDGs.”



Toshiba Life, August 2018 issue, Special edition Vol. 13 (Japanese)  
The topic “SDGs and what we can do today to realize our philosophy, ‘Committed to People, Committed to the Future’” was discussed in the aforementioned in-house communication magazine for Toshiba Group employees and their families.



Toshiba Clip released in August 2018  
The topic “Design philosophy x Amazing technology applied to business for SDGs” was included on the public website introducing trends of “Toshiba companies around the world.”

# Participation in External CSR Organizations

## Active Participation in and Cooperation with External CSR Organizations

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

### Membership in CSR-related organization

- [UN Global Compact](#)
- [Responsible Business Alliance](#) (RBA)
- [World Economic Forum](#) (WEF)
- [Science and Technology in Society Forum](#) (STS Forum)
- [Business for Social Responsibility](#) (BSR)
- [Council for Better Corporate Citizenship](#) (CBCC)
- [Task Force on Climate-related Financial Disclosures](#) (TCFD)

## UN Global Compact

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

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

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

> [United Nations Global Compact “Communication on Progress \(COP\)”](#)

> [United Nations Global Compact](#)



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



Certificate

## 10 Principles of the UN Global Compact

### Human Rights

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

### Labor Standards

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

### Environment

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

### Anti-Corruption

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

> [The Ten Principles](#)

## RBA Membership

---

The Responsible Business Alliance (RBA) is the electronics industry's CSR promotion organization committed to fulfill CSR for labor, occupational health and safety, the environment, and ethical standards throughout the supply chain. It is founded in October, 2004, and as of April 2017 110 companies all over the world have joined. Toshiba Joined in June 2011 to promote supply chain CSR based on global standard.

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

> [RBA](#)



## Participation in the World Economic Forum

---

The World Economic Forum (WEF) is an international platform which brings together corporate CEOs, political leaders, scholars, journalists, and others who take global leadership roles to discuss important issues facing the world such as those related to the environment, energy, and health etc.

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

> [World Economic Forum](#)

## Participation in the STS Forum

---

The Science and Technology in Society (STS) forum is a platform which aims to ensure appropriate development of science and technology, gathers scientists, policymakers, business leaders, journalists, and others in one place to discuss and exchange opinions about issues related to science and technology as well as society from the perspective that these are issues shared by humanity. Toshiba has participated in the STS Forum since 2004.

In addition to attending annual general conferences, we also participate in science and technology dialogues held in countries around the world, including India and Kenya.

> [STS Forum](#)

## Participation in BSR

---

Business for Social Responsibility (BSR) is a global nonprofit organization for CSR activities which is established in the U.S. in 1992. 250 or more global organizations and companies had participated as a member, and Toshiba joined in 2003. We engaged in stakeholder dialogues facilitated by BSR, and participated in Study Forums on human rights and supply chain CSR.

> [BSR](#)



## Participation in CBCC

---

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

> [CBCC](#)

# Supports and to Promote Recommendations of Task Force on Climate-related Financial Disclosures (TCFD)

---

TCFD is a private-sector-led task force established in 2015 by the Financial Stability Board in order to enhance climate-related information disclosure of companies. Toshiba Group expresses its support for the TCFD's recommendations released in 2017, and will actively disclose information on financial impacts of climate change. Additionally, Toshiba Group has become a member of the TCFD Consortium, a Tokyo-based initiative dedicated to promoting the goals of the TCFD, a step which leads to the enhancement of our own ESG information disclosure.

> [In Response to Climate Change](#)

> [TCFD](#)



## Related Information

> [Toshiba press release, “Toshiba Joins the United Nations Global Compact and Revises the Toshiba Group Standards of Conduct”](#)

(January 6, 2004)

# Stakeholders

Toshiba Group's business activities involve relationships with diverse stakeholders. Here we clarify definition of each stakeholder, points of communication, and responsibilities of Toshiba Group.

## Major Stakeholders

### ▼ Customers

With its wide range of products - from electric devices to social infrastructure systems – Toshiba Group has a diverse range of customers, including individual and corporate customers as well as government and public bodies.

### ▼ Global Environment

We are promoting business activities in harmony with the global environment.

### ▼ NPOs/NGOs

We cooperate with and draw on the strengths of NPOs and NGOs on areas such as the environment, human rights, and social contributions, and always endeavor to engage in constructive dialogue with them.

### ▼ Governments and Public Bodies

Toshiba Group operates worldwide. Governments and public bodies of many countries are also our customers.

### ▼ Local Communities

Toshiba Group has major business sites in over 30 countries worldwide. In carrying out our business operations, we respect the cultures, history, and customs of people in each region.

### ▼ Shareholders/ Investors

Toshiba has approx. 270,000 shareholders. Of the 460 million shares issued, 13.4% are held by financial institutions, 20.2% by individuals and others, and 62.7% by overseas investors. (as of May 15, 2020)

### ▼ Suppliers

Toshiba deals continuously with the total number of 7,000 suppliers worldwide (as of March 31, 2020)

### ▼ Employees

Approx. 130,000 people work for Toshiba Group at 331 companies, including approx. 80,000 employees in Japan and approx. 50,000 employees overseas. (as of March 31, 2020)



# Examples of Communications



## Customers

### Key responsibilities

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

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

- Routine sales activities
- Call center (via phone, email, etc.)
- Exhibitions

We receive opinions and requests for products and services in our daily operations, which are shared among related departments, and use them to improve product quality and repair services.

> [Improvement of Customer Satisfaction](#)



## 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 and ESG investment

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

- General Meeting of Shareholders
- Shareholder Newsletters
- Communication with Institutional Investors and Securities Analysts
- Reports (Securities Report, Integrated Report, Sustainability Report)
- Websites (Investor Relations, Sustainability, Environment)

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

**Communication with Shareholders [Point of contact: Legal Affairs Division and Strategic Planning Division]**

## General Meeting of Shareholders

The ordinary general meeting of shareholders for FY2018, held on June 26, 2019, and attended by 752 people, granted approval to proposals for an amendment of the Articles of Incorporation and the election of directors. The ordinary general meeting of shareholders for FY2019, held on July 31, 2020, with a decreased attendance of 127 due to COVID-19, granted approval to proposals for an amendment of the Articles of Incorporation and the election of directors nominated by the Company (the proposals for the election of directors nominated by the shareholders were rejected). To allow shareholders unable to attend the meeting to follow the proceedings, an Internet live stream was provided.

We will continue to make efforts to run our general meetings of shareholders so that our shareholders may have a better understanding of Toshiba.

## Publication of Shareholder Newsletters

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

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

**Dialogue with Investors [Point of contact: Strategic Planning Division]**

## Dialogue with Institutional Investors and Securities Analysts

We hold analyst briefings on the same day as our quarterly business results announcements. We also hold strategy briefings and factory tours for individual businesses. Executive officers, including the CEO, visit major shareholders in Japan twice a year. We also actively dialogue with overseas investors, and executive officers, including the CEO, visit major shareholders in the U.S., Europe and Asia to explain business activities and management policy. We also participate in conferences, both overseas and in Japan.

In line with our commitment to creating opportunities for dialogue between outside directors and shareholders, in January and October 2019, we organized the Group meetings between outside directors, including the chairman of the Board of Directors, and institutional investors in Japan and overseas and published the meeting minutes on our website.

> [Meeting between an outside director and a group of shareholders](#)

## Enhancement of IR Website

On our IR website, we endeavor to provide all investors, including individual investors, with fair, timely and easy-to-understand information disclosure that helps them to evaluate their investment decision. We meet investor requests by providing audio feeds, including live streaming, of presentations and Q&A sessions during major briefings for analysts. We also set up the questionnaire page on our website.

> [IR Website](#)

> [Questionnaire on the IR Website](#)



## 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
- CSR survey
- Clean Partner Line

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

## Request to Suppliers for Promoting CSR Management

We ask suppliers to promote CSR management through daily procurement operations.

In FY2014, we revised our procurement policy so that the priority requirement when choosing new suppliers upon starting or continuing business relationships is to comply with laws and ordinances as well as social codes, and we made this revision fully known to each of Toshiba Group's approx.10,000 suppliers (cumulative total). In addition, we conduct surveys on suppliers based on the [RBA Code of Conduct](#) presented in Toshiba Group's procurement policy to confirm the status of compliance.

> [CSR Management in the Supply Chain](#)

> [Cooperation with Industry Organizations](#)



## 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
- 360-degree survey
- CSR workplace meetings
- Providing Information through an in-house website
- Toshiba Hotline
- Audit Committee Hotline
- In-house communication magazine
- Labor-management negotiation

**Communication with Employees [Point of contact: Human Resources and Administration Division, Legal Affairs Division, and Corporate Communications Division]**

## Messages from Top Executives

Top executives deliver messages to the Group employees on the importance of promoting sustainability, improving customer satisfaction, raising quality, ensuring legal compliance, and other key concerns. In addition to this, in FY2019, the President used videos and email messages to explain the COVID-19 infection, its impact on business, and other important issues.

## Employee Morale Survey (TEAM survey) and Disclosure of Results

Toshiba Group has conducted the employee morale survey (TEAM survey) every year since FY2003, as a way to gain feedback from employees. Through this survey, we periodically monitor the level of understanding among our employees towards the company's each measures, and how widespread this understanding is. We strive to improve the issues that emerge to help enhance corporate culture. The survey assesses employees' understanding of company's measures and whether their working conditions allow them to exercise their abilities. We are also investigating questions about opinions regarding such things as the top management and the status of compliance.

> [Fair Evaluation and Talent Development](#)

## 360-degree Survey

We conduct a 360-degree survey for managers every other year. We investigate managers from multifaceted perspectives with regard to their day-to-day work attitude and actions, with such perspectives including those of managers themselves, as well as of their subordinates, peers, and supervisors. The main aims are to encourage the growth of managers by repeatedly identifying strengths and weaknesses and confirming progress in an objective manner, and to enhance their leadership in order to create a more sound organization.

> [Fair Evaluation and Talent Development](#)

## CSR Workplace Meetings

We hold CSR workplace meetings, so that managers and the employees they manage can talk and think together at a workplace level, and share feelings and opinions, in order to build a work environment where everyone feels free to discuss any matter. Themes are set every year and include communication style, and verification of compliance awareness. Increasing understanding of differences in individual philosophies among employees helps create a better workplace environment for the future and enhance CSR awareness.

> [Risk Management and Compliance](#)



## Local Communities

### Key responsibilities

- Respecting different customs and cultures
- Engaging in social contribution activities in local communities
- Preventing accidents and disasters at business sites
- Supporting neighboring communities in case of a disaster

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

- Dialogues, information exchange meetings
- Factory visits
- Employees' participation in community activities
- Local volunteer activities

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

## Environmental Communication

As part of efforts to communicate about our environmental initiatives, we organize factory tours, nature-watching sessions, and on-site classes at local elementary schools. The aim is to introduce the activities of the Toshiba Group to a wide range of stakeholders, from the communities around our factories and offices to schools, customers, enterprises, and students, and at the same time to create an opportunity to reflect on environmental questions.

> [Environmental Communication](#)

## Coexistence with Local Communities

Toshiba Group not only seeks to resolve issues faced by local communities through business, but to do various activities that are rooted in the area as a member of the local community.

> [Coexistence with Local Communities](#)

## Social Contribution Activities

Toshiba Group actively engages in a range of social contribution activities in addition to business activities toward the realization of a sustainable society.

> [Social Contribution Activities](#)



## Governments and Public Bodies

### Key responsibilities

- Complying with laws and regulations, and paying taxes
- Supporting government policies toward solving social issues

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

- Dialogues and proposals via economic associations and industry associations

**Communication with Governments [Point of contact: Each company, business site, and Government & External Relations Office]**

## Participation in Industry Associations

Toshiba actively participates in the activities of Keidanren (Japan Business Federation), Japan Electrical Manufacturers' Association, the Japan Electronics and Information Technology Industries Association, the [World 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.

> [Participation in External CSR Organizations](#)



## NPOs/NGOs

### Key responsibilities

- Providing support to solve diverse global issues
- Collaborating with and helping local communities solve their social problems
- Collaborating on our priority areas of corporate citizenship

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

- Dialogue through collaboration
- Exchange of views at stakeholder dialogues

**Dialogue with NPOs and NGOs [point of contact for dialogue: Sustainability Management Office, Environment Management Office]**

## Support for and collaboration with NPOs and NGOs

We are making the most of our strengths to establish partnerships with NPOs and NGOs across a wide range of areas such as environmental protection, human rights, and social contribution by holding active dialogues with such organizations.

We review our support for and collaboration with NPOs and NGOs based on criteria such as the degree of contribution to solving social problems, relationships with Toshiba Group's priority business sectors, creativity, pioneer spirit, and relations with local communities.

> [Participation in External CSR Organizations](#)

> [Respect for Human Rights](#)



## Global environment

### Key responsibilities

- Response to climate change
- Response to the circular economy
- Consideration of ecosystems (chemical substances, water, biodiversity conservation)

### Main methods and opportunities for day-to-day dialogue

- Reduction of environmental impacts in Toshiba Group's business activities
- Development and promotion of products and services for reduction of environmental impacts in society as a whole

Based on Toshiba Group's Environmental Future Vision 2050, we work simultaneously to reduce the environmental impacts in our business activities and to deliver value through products and services.

> [Environment](#)

> [Toshiba Group's Environmental Future Vision 2050](#)

## ESG Performance

# Main Contents of ESG Performance

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

	Items	Main contents
Environment	Environmental Vision and Plan	Environmental policy, Environmental Future Vision 2050, The Sixth Environmental Action Plan, overview of environmental impacts, in response to climate change
	Reducing environmental impacts in manufacturing	Reducing total GHG emissions, reducing waste volumes, reducing the amount of water received, reducing emissions of chemical substances
	Improving environmental performance of products and services	Reductions in CO <sub>2</sub> emissions by eco-products, increasing the amount of resources saved, increasing the use of recycled plastics, management of chemicals contained in products
	Strengthening the foundation of environmental management	Environmental management structure, ensuring environmental risk compliance, environmental communication, conservation of biodiversity
Social	Respect for Human Rights	Policy on human rights, identifying human rights risks, monitoring and education
	Employment and Labor Relations	Relationship with labor unions, labor-management dialogue, and employees data
	Fair Evaluation and Talent Development	Fair evaluations, talent development, and employee morale surveys
	Promotion of Diversity and Inclusion	Diversity management, strategies (for women, non-Japanese nationals, disabled persons, elderly people, and LGBT+ employees), work-style reforms and work-life balance
	Occupational Health and Safety	Occupational health and safety management policy, occupational health and safety management systems, occurrence occupational accidents, health management, and supply chain safety management
	CSR Management in the Supply Chain	Procurement policy, CSR promotion support to suppliers, responsible minerals sourcing, “greenness” of suppliers and procurement
	Quality Control for Safety and Reliability	Quality control policy, quality promotion structure, ensuring product quality, and disclosure of information on quality
	Product Safety and Product Security	Policy, response to product safety accidents, prevention of accident reoccurrence, and disclosure of product safety/quality information
	Improvement of Customer Satisfaction	Customer satisfaction policy, enhancing customer support, sharing and utilizing customer feedback, protecting customer information, and providing customers with business continuity support
	Universal Design	Policy related to universal design, promotion of universal design
	Coexistence with Local Communities	Check and evaluation of local impacts of establishing new operational sites, contributions to local communities around business sites
Social Contribution Activities	Basic policy on social contribution activities, expenditures for corporate citizenship activities, and various social contribution activities	
Governance	Corporate Governance	Governance policy, governance structure, Directors status, and compensation
	Risk Management and Compliance	Whistleblower system, compliance with the antimonopoly act and anti-corruption, fair trading, export control, information security management, product safety information and advertising, BCP, and tax affairs
	Research & Development and Intellectual Property	R&D structure, R&D expenses, collaborations with external parties, intellectual property strategy, patents portfolio, and anti-counterfeit measures

## ESG Performance

# FY2019 Performance Indicators

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

## Governance

Corporate Governance	FY2018	FY2019	FY2019	FY2020
	Achievements	Targets	Achievements	Targets
Number of directors	12	–	12	–
Number of directors not concurrently serving as executive officers	7	Half of all directors	10	Half of all directors
Number of female directors (Percentage of female directors)	2 (16.7%)	Over 1	1 (8.3%)	Over 1

> [Corporate Governance](#)

Risk Management and Compliance	FY2018	FY2019	FY2019	FY2020
	Achievements	Targets	Achievements	Targets
Education for “Standards of Conduct for Toshiba Group” (Toshiba Group in Japan)	100%	100%	100%	100%
	“Standards of Conduct for Toshiba Group” was published in 24 different languages. Various education programs are provided such as education based on the needs of employees at different organizational levels, job functions, and e-learning as well as seminars on compliance topics for top executives.			
Number of Workplace CSR meetings ; Number of cumulative participants (Toshiba Group in Japan)	1 56,000	1	1 66,000	1
Percentage of self-audits conducted at Group companies based on “Anti-Bribery Guidelines” and “Guidelines on Contacts with Competitors” (Toshiba Group in Japan)	100%	100%	100%	100%
	In FY2019, each of our key Group companies carried out a self-audit.			
Number of reports received by the whistle blower system “Toshiba Hotline” (In-house contact window / attorney's office) (Toshiba Group in Japan)	209 reports (206/3)	–	110 reports (109/1)	–
	Calls reporting inappropriate situations or concerns were reported to the relevant division so that instructions for improvement could be provided or alerts could be issued.			
Number of violations of the Act against Unjustifiable Premiums and Misleading Representations (Toshiba Group in Japan)	0	0	0	0
	We conducted education on advertising and labeling in the e-learning on sales risks, thus ensuring full compliance with advertising and labeling regulations.			

> [Risk Management and Compliance](#)

## Environment

> [The Sixth Environmental Action Plan \(Environment Website\)](#)

# Social

Respect for Human Rights	FY2018	FY2019	FY2019	FY2020
	Achievements	Targets	Achievements	Targets
Number of companies surveyed about conflict minerals Cumulative Numbers <sup>*1</sup>	Approx. 800	–	Approx. 560	–
Toshiba Group conducted a survey on the use of conflict minerals for Toshiba Group suppliers that could have been using 3TG*2 conflict minerals through the Conflict Minerals Reporting Template (CMRT). Toshiba Group carries out due diligence by conducting an additional survey for high risk suppliers.				
> <a href="#">Ensuring Responsible Minerals Sourcing</a>				
*1 As Toshiba Group companies conduct surveys based on each contract, we count one contract in case multiple contracts are concluded with one supplier. Also the company numbers are approximate due to their being commercially sensitive information. *2 Abbreviation of four minerals, tin, tungsten, tantalum, and gold, which are specified as “Conflict Minerals”.				
> <a href="#">Respect for Human Rights</a>				

Promotion of Diversity and Inclusion	FY2018	FY2019	FY2019	FY2020
	Achievements	Targets	Achievements	Targets
Number and percentage of female managers (Toshiba and key Group companies)	330 (4.7%)	7.00%	339 (4.9%)	7.00%
The 7% target will remain until the end of FY2020.				
Percentage of female recruits (Toshiba and key Group companies)	Administrative: 46% Technical: 14%	Administrative: 50% Technical: 25%	Administrative: 37% Technical: 19%	Administrative: 50% Technical: 25%
Employee male-female rate (Toshiba and key Group companies)	Male: 87.4% Female: 12.6%	–	Male: 86.8% Female: 13.2%	–
Employment percentage of people with disabilities (Toshiba incl. a special subsidiary company in Japan)	2.37%	2.20%	2.41%	2.20%
In the timing of June, each year. Toshiba Group will continue to operate “Toshiba With”, a special subsidiary company aiming to expand workplace for people with disabilities by cooperating with the national and local governments' employment support agencies as well as by using employment support firms effectively.				
Average number of years with company (Toshiba)	Ave.19.8yrs. (Male: 20.2yrs., Female: 18.2yrs.)	–	Ave.18.5yrs. (Male: 19.0yrs., Female: 16.5yrs.)	–
Leave utilization rate (Toshiba)	74.9%	–	73.7%	–

Number of employees to use Childcare leave Percentage of number to use Childcare leave: (Number of qualified person to use the leave/ Number of qualified person) (Toshiba and key Group companies)	Male: 10 (1.8%) Female: 277	-	Male: 34 (6.2%) Female: 316	-
	Until the end of the month when the child turns 3 years old. It is possible to apply for childcare leave up to three times per child. A handbook focusing on system and application procedure were distributed for promotion.			
Number of employees to use Paternity leave (Toshiba and key Group companies)	194	-	203	-
	Up to 5 paid holidays (100%) consecutively or separately, including the day of birth, within 6 weeks of the birth.			
Number of employees to use Family care leave (Toshiba and key Group companies)	Male: 6 Female: 5	-	Male: 9 Female: 4	-
	Up to 365 days in total per person requiring nursing care. A handbook focusing on system and application procedure were distributed for promotion.			
Number of employees to use short-time shift (Toshiba and key Group companies)	Male: 5 Female: 329	-	Male: 5 Female: 411	-
	Employees who are raising children who have not yet completed elementary school.			
<a href="#">&gt; Promotion of Diversity and Inclusion</a>				

Occupational Health and Safety	FY2018	FY2019	FY2019	FY2020
	Achievements	Targets	Achievements	Targets
OHSAS18001 certification rate (no. of companies) (Japan-based manufacturing companies and other companies subject to mandatory certification) <small>*The 2020 figure indicates the ISO 45001 certification rate.</small>	100% (54)	100%	100% (52)	100%
	Toshiba Group assessed risks related to OHSAS18001 and promoted to reduce such risks. The decrease in the number of OHSAS18001-certified companies in FY2019 was due to a decrease in the number of eligible companies resulting from business mergers. In FY2020, the transition from OHSAS 18001 to ISO 45001 will be completed.			
Lost-time frequency rate (Number of fatal accidents) (Toshiba Group in Japan)	0.21 (0)	- (0)	0.21 (1)	- (0)
	Lost-time frequency rate: The number of lost time injuries occurring in a workplace per 1 million man-hours worked. Result of our performance is less than average for all industry in Japan (1.58 days), manufacturing industry in Japan (0.94 days), and electrical appliance manufacturing industry in Japan (0.41 days) of Industrial Accident Statistics (FY2019) issued by the Ministry of Health, Labour and Welfare. In March 2020, there was however one fatal accident due to "Caught in" at a Japan-based manufacturing company. In FY2020, we aim to return to our previous record of zero fatal accidents among employees.			
<a href="#">&gt; Occupational Health and Safety</a>				

CSR Management in the Supply Chain	FY2018	FY2019	FY2019	FY2020
	Achievements	Targets	Achievements	Targets
Percentage of suppliers consenting for the Toshiba Group Procurement Policy	96%	100%	96%	100%
	In accordance with the Toshiba Group Procurement Policy, we screen new suppliers, provide them with a copy of the Policy, explain its content, and require their agreement to it.			
Number of suppliers at which the CSR survey is conducted <sup>*3</sup>	6,277	-	12,183	-
	In terms of considerations to labor, safety, and the environment, and prohibition of child labor, we have stated in the Toshiba Group Procurement Policy that we will promote activities that follow the RBA Code of Conduct. We confirm the situation regarding our suppliers' management of these individual items every year, through the supplier CSR survey.			
Number of suppliers to which Toshiba Group provided guidance and support, and the number of transactions ceased <sup>*3</sup>	Guidance and support provided: 183 Transaction suspended: 2	-	Guidance and support provided: 1,085 Transaction suspended: 0	-
	Should a supplier breach the Toshiba Group Procurement Policy, Toshiba Group firstly request the company to take any corrective actions and provide guidance and support if needed. If it is found out that the supplier is not be able to take such actions or correct the situation, we will suspend the transaction with the company.			
*3 As Toshiba Group companies conduct surveys based on each contract, we count one contract in case multiple contracts are concluded with one supplier. That surveys conducted to suppliers which supply products and components whether they consist Toshiba brand products or not from FY2019.				
> <a href="#">CSR Management in the Supply Chain</a>				

Social Contribution Activities	FY2018	FY2019	FY2019	FY2020
	Achievements	Targets	Achievements	Targets
Expenditures for Social Contribution Activities including donations for natural disasters, etc.	1.80 billion yen	-	1.22 billion yen	-
Number of social contribution programs	1,527	-	1,072	-
	In FY2019, we held the Toshiba Group Volunteer Days on or around December 5th, International Volunteer Day. A total of 267 social contribution activities were carried out in Japan and worldwide.			
> <a href="#">Social Contribution Activities</a>				
> For ESG-related data for FY2019, please see <a href="#">ESG Data Collection</a> .				