

TOSHIBA

2021

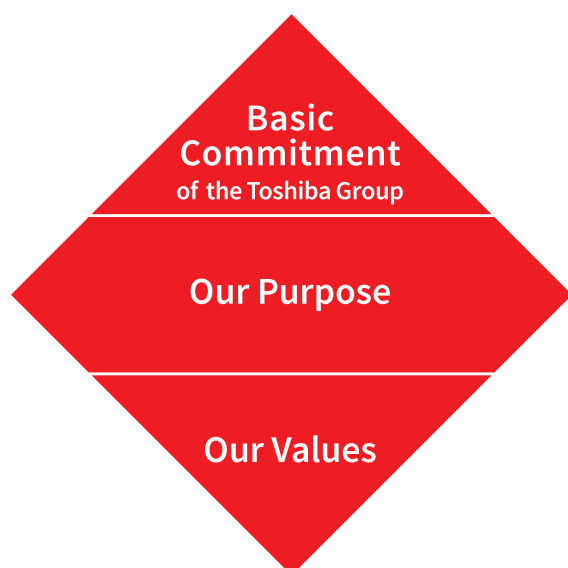
Integrated Report

Year ended March 31, 2021



The Essence of Toshiba

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



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

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

Basic Commitment of the Toshiba Group

Committed to People, Committed to the Future.

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

Our Purpose

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

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

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

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

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

We turn on the promise of a new day.

Our Values

Do the right thing

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

Look for a better way

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

Always consider the impact

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

Create together

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

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Message from Top Management

We will first endeavor to regain trust, and then enhance our corporate value and resolve social issues. We will strive to become a company that evolves by reorganizing the Group's businesses through spin-offs.

Satoshi Tsunakawa

Representative Executive Officer,
President and CEO

Review of Past Events and Direction of Future Management

First of all, I would like to express my sincere apologies to our shareholders, investors, and all other stakeholders for any inconvenience and concern caused by the continued confusion in the management of Toshiba Group.

In recent years, we have been making Group-wide efforts to restore our financial strength, earning power, and the confidence of our stakeholders—all of which were impaired by inappropriate accounting and massive losses in our overseas nuclear power business. However, after concerns were raised over whether the Annual General Meeting of Shareholders held in July 2020 was managed fairly, the reappointments of two Outside Directors, including the Chairperson of the Board of Directors, were rejected at the Annual General Meeting of Shareholders held in June 2021. Subsequently, one of the Outside Directors resigned, and since then the Board of Directors operates with eight members. Toshiba's Corporate Governance Guidelines stipulate that, in principle, the Chairperson of the Board of Directors should be elected from among the Outside Directors. However, based on



the judgment of the Board of Directors in light of the circumstances, I have been serving concurrently as Chairperson of the Board of Directors to date on a temporary basis.

With regard to the “Pressure Issue,” we assigned to the Governance Enhancement Committee (the “GEC”), which consists mainly of outside third parties, the mission of analyzing the root causes, and received a report from the GEC in November 2021.

Here, I would like to reflect on the content of the report and state our resolve to prevent recurrence and restore trust. I will also explain the changes that are to take place in Toshiba Group’s management in line with the policy for reorganizing our business structure that we announced in November 2021, as well as the outlook for the future.

Message from Top Management

Response to the GEC Report

Although the report on the “Pressure Issue” received from the GEC concluded that the acts of former executive officers were not illegal, it did state that the series of acts in question “as a whole violated business ethics required by the relevant market,” and I take this point very seriously.

The Essence of Toshiba includes the phrase “Do the right thing” as one of our important values, and the majority of our employees approach their daily work with this principle in mind. Nevertheless, the fact that certain members of the management team acted in a manner that is incompatible with this value requires sincere reflection on the part of the company. Toshiba had been one of the early examples of introducing a company with three committees, etc., system, and had endeavored to boost the effectiveness of the Board of Directors through the predominance of Outside Directors. In fact, however, the reports and information provided to the Board of Directors, as well as its meeting agenda, were not necessarily sufficient to supervise business execution, and we had not fully leveraged the extensive experience and diversity of the Outside Directors. I believe that this was at the root of the problem.

The GEC report made four suggestions for developing the recurrence prevention measures: (i) “development of sound trust relationship with shareholders,” (ii) “rectification of Toshiba’s tendency to be overly dependent on administrative authorities,” (iii) “redevelopment of corporate governance,” and (iv) “tone at the top.” In response, our directors and executive officers held discussions and formulated measures to prevent recurrence, and on December 16, 2021, we announced the [“Notice Regarding Recurrence Prevention Measures Based on Suggestions in Investigation Report of Governance Enhancement Committee.”](#) We will continue our efforts to regain the trust of our shareholders and other stakeholders, which has been undermined by this issue, as soon as possible by taking concrete steps to implement the recurrence prevention measures we have formulated based on our reflections on the issue.



Announcement of Policy on Toshiba Group's Reorganization through Spin-offs

As part of our reform of Toshiba Group management with the aim of enhancing our corporate value, we recently announced a policy on strategic reorganization, pursuant to which Toshiba will reorganize into three independent companies by conducting a spin-off of Toshiba's core businesses into two new publicly listed companies.

The executive team and the Strategic Review Committee (the "SRC"), which consists of five Outside Directors, engaged in ongoing dialogue with major shareholders and other shareholders and investors, to reach the decision on this policy. At the same time, the executive team was working on the formulation of a mid-term business plan assuming that Toshiba Group's management would remain the same, but shareholders and investors called for a major revamp of our business portfolio, and some even suggesting that we should go private to increase our corporate value. Based on the results of the discussions at the SRC that ensued, we materialized the reorganization plan involving spin-offs. Through this reorganization, we intend to divide Toshiba Group into three independent companies: Infrastructure Service Co., Device Co. (both tentative names), and the current Toshiba. Under the plan, Infrastructure Service Co. and Device Co. are to be publicly listed with their respective shares distributed to our shareholders.

Infrastructure Service Co. will aim to establish a top-class position in Japan as a leading company for tackling two tasks facing society, namely realizing carbon neutrality and infrastructure resilience. The said company will also be looking to expand its share of global markets, particularly in Asia. By drawing on the cyber-physical technologies that have been our focus, Infrastructure Service Co. will offer Energy×Digital and Infrastructure×Digital solutions, while also forging stronger ties with our customers and business partners. Device Co., meanwhile, will lead the evolution of social infrastructure and information infrastructure and will accelerate its growth in the global market by leveraging its strength in the supply of power semiconductors and nearline HDDs.

One of the advantages of spin-offs is that by separating businesses with different business cycles, investment scale, and target customer industries/markets, it becomes possible to allocate capital in a way that matches each business, thereby improving investment efficiency. As for the management structure, directors and executive officers who are most familiar with the business of each company will be selected, leading to faster decision-making. Shareholders and investors will also be able to take advantage of investment opportunities in line with their expectations for each business.

This plan is merely the beginning of a process of further evolving Toshiba Group. Since the announcement on November 12, 2021, we have continued to review our portfolio and other properties to determine the best growth strategy for each of our businesses, and we will continue to do so throughout the preparation period for the spin-offs.

We will carefully communicate the rationale for this strategic reorganization to facilitate the understanding of our shareholders and other stakeholders on the benefits it will bring to them.

Policy on Shareholder Returns

It has been Toshiba's policy for some time to return to shareholders any equity in excess of the appropriate level of capital, including through share repurchases. To maximize shareholder value, we intend to monetize shares in KIOXIA Holdings Corporation held by Toshiba after the spin-off as soon as practicable. We will return the net proceeds to shareholders in full, instead of returning a majority as was formerly the case, to the extent that doing so does not interfere with the smooth implementation of the intended spin-off.

We will continue to utilize appropriate leverage and review our portfolio on an ongoing basis to achieve both shareholder returns and corporate growth as a means to increase total shareholder return (TSR).

Message from Top Management

Redefining Material Issues with an Eye to the Future

Toshiba Group identified “Respect for Human Rights,” “CSR Management in the Supply Chain,” and “Environmental Management” as material issues (key themes) in 2013 and we have continued our efforts to tackle these issues. In recent years, however, calls for companies to address SDGs and climate change have risen worldwide, leading to significant changes in how people recognize issues facing society. We have therefore redefined our material issues following discussions and deliberations by the Sustainability Strategy Committee.

The new material issues comprise three in the environmental (E) area: response to climate change; response to the circular economy; and consideration of ecosystems; five in the social (S) area: securing, retaining and developing human resources; employees’ health and safety; respect for human rights; promotion of sustainable procurement; and enhancing research and development to create innovation; and two in the governance (G) area: strengthening governance; and improving cyber resilience. As such, we have selected issues that connect directly with our aspirations (i.e., goals) for each area in 2030.

We will tackle these material issues as efforts in line with our Sustainability Policy based on the Essence of Toshiba. I expect that “Committed to People, Committed to the Future,” which is our resolve embedded in the Basic Commitment of Toshiba Group, be inherited as universal principles by the new companies after the spin-off, so that Toshiba Group’s DNA will contribute to sustainability. As we look ahead to the future in 2030, we will continue to implement initiatives for addressing the new material issues, and ensure that they take root throughout Toshiba Group.



Moving Forward with Our Stakeholders

To win back the trust of our stakeholders, we will create a corporate culture that emphasizes transparency, integrity, and communication. We will also carry out the spin-off plan to concretely demonstrate that it is not so much a dismantling of Toshiba Group as an evolution, and that it will bring about co-existence and co-prosperity with all of our stakeholders. We will also continue endeavoring to provide such explanations in ways that are easy to understand, so that our shareholders can properly comprehend the significance of this strategic reorganization and the value that it will bring.

Some employees may have reservations about the major changes in Toshiba Group’s management brought about by the spin-off plan, but we will continue to provide them with solid explanations of our future growth strategy and promise to keep their workplaces rewarding. In this way, we will further draw out the potential of every individual to build companies that grow alongside them.

In addition, we will deploy our diverse technologies to create a wide range of products and services that are appreciated by customers around the world, while continuing to advance forward as companies that delight in contributing to the development of society.

Messages from Outside Directors



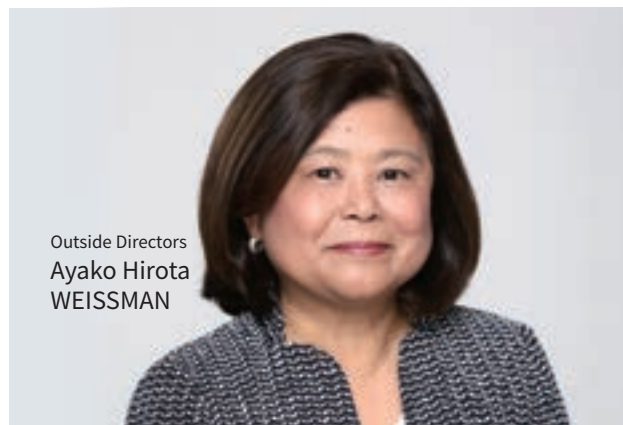
The two years I have spent on the board of Toshiba Corporation have been challenging and, to some extent, troubling.

Toshiba employs approximately 120,000 people, operates through around 20 business units and has subsidiaries in over 30 countries. In an organization of this size, no matter how strong the controls and processes, it is inevitable that the company will have to deal with unforeseen incidents, corporate and employee misconduct and unexpected losses. But how an organization reacts and deals with such events is the critical test and in the case of Toshiba, its reputation for trust-worthiness, strong management and responsible behavior have come under strong stakeholder scrutiny.

While I have been unable to visit Tokyo for the last 16 months, my impression prior to being unable to travel and in my dealings since, is that Toshiba employs many good and reliable people who want to do the right thing, act ethically and work very hard for the Company. I have seen them brought low and upset by the adverse news headlines and other reports featuring Toshiba over the last year. These people expect their leaders to set a good example and who stand for good values and live by strong ethics. The report of the Governance Enhancement Committee, published on November 12, 2021 will help Toshiba strengthen its values and guide management and employees in the setting of new standards of behavior.

The development of the mid-term business plan has also been a complex and time-consuming undertaking and, together with my fellow board members, I hope that stakeholders will recognize the strategic thought that has gone into our recommended Separation Plan.

We have much to do over the coming months but I remain both excited to be working with the Chairman and my fellow board members and equally determined to guide Toshiba through these challenging times.



Looking back over this past year, we were faced by drastic changes, as seen in the persisting COVID-19 pandemic, and the shortage of various supplies and concerns over inflation. However, the changes that have taken place within Toshiba was more intense than those external events. The shareholders' proposal to set up an independent committee was approved at the EGM^{*1} held in March 2021. The findings of this independent committee were announced in June 2021, with extremely severe consequences for Toshiba. At the 182nd AGM^{*2}, shareholders decided to take another step further toward changing the composition of the Board. The new management and Board must take this message to heart, and Toshiba must overcome various challenges to restore the trust of shareholders.

The highest priority is to raise the Company's level of corporate governance to one that is compatible with global standards. In this process, Toshiba launched the Governance Enhancement Committee (GEC) this summer. With the participation of outside experts, the goal of GEC is to analyze the root cause of the "Pressure Issue" stated in the investigation report dated June 10, 2021 and prevent reoccurrence. Going forward, not only do we need to address the "Pressure Issue," but we also need to further verify Toshiba's corporate governance overall and bring it to the best practice in the global arena.

The second issue is that Toshiba's current stock price does not necessarily reflect its potential corporate value. The COVID-19 pandemic by far accelerated digitalization that has been going on for the past decade. It is vital that we build a winning strategy to ensure our survival in an intensely competitive world where the winner takes all. To ensure the success of Toshiba and bridge this gap between its stock price and corporate value, we need to thoroughly examine various factors, such as Toshiba's comprehensive capabilities and potential synergies between business divisions, to further promote selection and focus of our business portfolio.

I intend to make all-out efforts together with the management and the other directors to overcome these challenges so that all Toshiba stakeholders will be able to share a brighter future.

*1 Extraordinary Meeting *2 Annual Meeting

Messages from Outside Directors



Two of Toshiba's greatest challenges are regaining shareholder trust and creating and executing a very strong mid-term business plan to improve the long-term value of Toshiba. This is part of the objective of the recently announced three company spinoff.

The reputation and integrity of Toshiba is our highest priority. As you know, Toshiba has created a significant loss in shareholder trust. We have much work to do to earn back this trust.

As a director for Toshiba, I am mindful of our duties to represent shareholders, while also fulfilling our obligation to employees, communities, and business partners. It is sometimes incorrectly perceived that these duties are in conflict. In fact, what is good for shareholders is good for all of us.

It has also become clearer to me that Toshiba has many diverse businesses that make it difficult for outsiders to understand the value of the Company. We have also been too tolerant of non-profitable and under-performing subsidiaries which limits the ability to invest more in new business opportunities.

I believe that to be successful in a highly competitive world, Toshiba must become more focused on its business portfolio and prioritize investments in areas where we can win and grow. The board and management are highly focused on providing transparency to our shareholders and the Strategic Review Committee has worked closely with management to conduct a thorough strategic review of the company and to make recommendations to the Board of Directors.

As a result, the three company spinoff will accelerate Toshiba's progress in becoming more focused in our core business areas and targeting investments in ways to provide more opportunities for Toshiba people, more value to society and better returns for shareholders.

Toshiba has tremendously talented people, leading technologies and is a treasure for Japan and other parts of the world. I am proud to be a part of Toshiba and I have great confidence in Toshiba people to overcome its many challenges.



The past years have brought challenges for all of us resulting from disruptions related to Covid-19. These disruptions have impacted Toshiba in many ways but they haven't stopped the company from pushing forward with improvements in governance and an increased focus on shareholder returns and return on invested capital. These improvements will likely require considerable restructuring of some of Toshiba's businesses in order to focus on infrastructure services, electronic devices, data services, and on opportunities related to the environment and de-carbonization. This restructuring will likely also result in changes in ownership in some of Toshiba's subsidiaries. In the past, there were multiple subsidiary buy in acquisitions to help simplify the ownership structure of Toshiba. Going forward, there will likely be multiple businesses that should benefit from being taken out or separated from the current Toshiba holding structure. By separating businesses, there is a better opportunity to make short and long term decisions around investments in capital expenditures, and research and development while also making sure that Toshiba can achieve superior returns on its investments for shareholders.

The effort and time commitment over the past year from both the Board of Directors and senior management team of Toshiba has been significant. We are all working hard to achieve the best outcome possible for our shareholders, employees and customers. This journey is still in its early stages—the planning and strategy are only the beginning. Ultimately it will be how well Toshiba can execute that will determine our collective success.



I was appointed as an outside director at the Ordinary General Meeting of Shareholders held on June 25, 2021.

I served as a judge for over 40 years and have been working as an attorney-at-law since I left the bench in May 2020. Many of you probably imagine a criminal judge when referring to a judge, but I presided over civil, administrative, and labor cases. A large number of my cases were related to corporate legal affairs, or labor legislation, which has emerged as a social issue in recent years. Furthermore, as Chief Judge of a District Family Court and Chief Justice of some High Courts taking charge of judicial administration, I have been striving to ensure thorough governance, compliance, and accountability.

Toshiba first lost the trust of society following the discovery of fraudulent accounting in 2015, which greatly undermined its corporate value. Thereafter, a round-trip transaction by a subsidiary came to light in 2020, followed by the recent discovery of some governance-related problems pertaining to last year's general meeting of shareholders. These incidents show that our organizational governance reforms are yet to be completed. Toshiba has been told repeatedly that it needs to revamp its corporate culture. While steadily addressing this issue, I intend to apply my legal perspective cultivated over many years as a judge, and use my position as a newly appointed director with no prior relations with the Company to help build a system that can appropriately supervise the legitimacy and validity of business execution.

I feel the most important thing for improving Toshiba's corporate value over the long term is to optimally leverage its capabilities in innovative technological development to achieve successful commercialization. I deeply appreciate the enthusiastic support of all our stakeholders in this endeavor.



I was appointed chairperson of the Audit Committee and a member of the Nomination Committee and the Strategic Review Committee as a director on June 25, 2021.

In this era of change, the Basic Commitment of the Toshiba Group, "Committed to People, Committed to the Future." becomes all the more effective as the torchlight that shows the path toward sustainable growth. Furthermore, our values, "Do the right thing," "Look for a better way," "Always consider the impact," and "Create together" form the cornerstone of each individual's conduct. While our Basic Commitment and values remain unchanged, we must continue to evolve our business portfolio to help solve global issues facing human beings as represented by the SDGs. In this context, "Toshiba of Technology" is one of the foremost companies with comprehensive capabilities that can offer a variety of business models and solutions in the truest sense of the word. As a director, it is my job to fulfill the role of Board 3.0 to encourage dialogue and build good relationships with shareholders, customers, employees, business partners, local communities and other stakeholders, respect shareholder rights and incorporate their opinions into management, as well as ensure appropriate disclosure and transparency, so as to contribute to visualizing management and progressive corporate governance. This will facilitate our efforts for sustainable growth and improvement of corporate value over the medium to long term, and create an environment where the management can fully demonstrate its prowess while practicing a sound entrepreneurial spirit. Enhanced corporate value is created by the trinity of employee value that comes from safe, healthy, inspiring workplaces that guarantee equal treatment and fair evaluations, customer value generated from how satisfied customers are of our products and services, and social value arising from compassion toward society and the SDGs. By extension, shareholder value, which is the product of employee value, customer value, and social value, is the source of total shareholder return (TSR). I commit to working together with all our stakeholders to restore Toshiba's self-confidence as a company, regain society's trust in us, and revive our reputation as a prestigious business corporation.

History of Value Creation—Toshiba's DNA

Toshiba's Roots

Toshiba's roots can be traced back to the time when the heritage of two men—Hisashige Tanaka, dubbed *Karakuri Giemon* (inventor of mechanical devices), and Ichisuke Fujioka, known as the Thomas Edison of Japan—joined forces.

Tanaka Engineering Works (later Shibaura Engineering Works), founded by Tanaka in 1873, and Hakunetsu-sha, established by Fujioka in 1890, were the two companies that would eventually become Toshiba Corporation. They both were business ventures that dreamed of a bright future for Japan, aspiring to create something never seen before that would benefit people and society.

Committed to People, Committed to the Future.

“Committed to People, Committed to the Future.” is the long standing Basic Commitment of the Toshiba Group that expresses our credo since founding to always be on the watch for issues facing society amid the changing times and resolve them through business.

In recent years, amid the rising risk of natural disasters caused by global warming, more significance is attached to the resilience of infrastructure conducive to mitigating risk.

Under the new normal, which was accelerated by the recent spread of COVID-19, digitalization has become

Our unwavering drive to make and do things that lead to a better world for over 140 years

1875 Hisashige Tanaka founded a telegraphic equipment factory in Tokyo.

1875 Hisashige Tanaka founded a telegraphic equipment factory in Tokyo.

1890 Ichisuke Fujioka established Hakunetsu-sha & Co., Ltd. and manufactured Japan's first electric incandescent light bulbs.

1930 Japan's first Completed and released electric washing machines and refrigerators.

1939 Tokyo Shibaura Denki

1939 Tokyo Shibaura Denki

1967 World's first Completed the automated mail processing equipment.

1978 Japan's first Developed a Japanese word processor.

1984 Renamed Toshiba Corporation.

1985 World's first Developed and launched the laptop personal computer.

1989 World's first Developed an ultra-supercritical high capacity steam turbine.

1991 World's first Developed the 4-megabit NAND-type Electrically Erasable and Programmable Read-only Memory (EEPROM).

Toshiba's Technology to Turn on the Promise of a New Day

Founding	1960s	1970s	1980s
In 1930, Toshiba released Japan's first electric washing machines and completed Japan's first electric refrigerators. In 1955, the Company also released Japan's first electric rice cookers. At a time when many women's lives were bound to the domestic realm, these products allowed women to have more free time.	The automated mail processing equipment completed in 1967 was the world's first to mechanize manual work by recognizing handwritten characters, and became a forerunner of labor-saving equipment in the advanced information society. At the same time, it led to the widespread use of optical character reading (OCR) technology, automatic ticket gates, and other cutting-edge image recognition technologies. In addition, research on superconducting materials, which began in the early 1960s, has borne fruit in the form of heavy ion cancer treatment devices, leading to the technology for next-generation medicine.	In 1978, Toshiba completed Japan's first practical <i>kana-kanji</i> conversion system and released Japan's first Japanese word processor. The development of <i>kana-kanji</i> conversion technology and high-capacity storage led to mobile music devices enjoyed by people out on the street, e-mail, social media, and other methods of communication, which have become the norm today.	Toshiba commercialized the world's first laptop personal computer in 1985, and the world's first NAND flash memory in 1991. These developments laid the foundation for an internet-driven society.

indispensable, which in turn has made it vital to be well prepared for cyberattacks on our infrastructure.

We believe that achieving carbon neutrality and infrastructure resilience, major social issues facing us today, are the keys to realizing a sustainable society. We will combine digital technology with the fields of energy and infrastructure, to achieve Energy×Digital, which contributes to net zero greenhouse gas emissions and Infrastructure×Digital, which helps cope with the effects of increasingly extreme weather. These are some of the solutions we will offer to enhance the

safety, security and resilience of our social infrastructure against threats and cyberattacks.

Toshiba recognizes its responsibility to society and the earth, and will concentrate its creativity and technological capabilities on resolving social issues, upholding the venture spirit that has been passed down for generations.

2017 World's first

Developed the practical multi parameters phased array weather radar.



2017 World's first

Superconducting rotating gantry irradiation system for heavy-ion radiotherapy

Collaboration with QST/iQMS

2021 World's No. 1

Demonstrated quantum cryptographic communications covering the world's longest¹ communication distance of over 600km.



2021 World's No. 1

Film-based perovskite photovoltaic module with the world's highest² power conversion efficiency



2021 Japan's No. 1

Share of mega solar power plant installations

2007 World's first

Developed the 320-detector row CT scanner.



2020 Japan's first

Launched operations of a large-scale carbon capture and storage facility in Omuta, Fukuoka Prefecture³.



2020 World's largest class

World's largest-class hydrogen production plant (Fukushima Hydrogen Energy Research Field: FH2R)

*1. Toshiba's survey in June 2020

*2. Among film-based perovskite photovoltaic modules with an active area of over 100cm² made of plastic substrates, Toshiba's survey (as of September 10, 2021)

*3. Japan's first carbon capture unit to capture over 50% of total CO₂ emissions from a thermal power plant

2010s

In 2017, Toshiba developed the world's first practical multi parameters phased array weather radar.

As torrential rains are caused by locally and rapidly developing cumulonimbus clouds, they had been considered difficult to predict. However, the multi parameters phased array weather radar makes it possible to predict the signs of torrential rains and resulting rainfall quickly and accurately.

2020s

In 2021, Toshiba developed the world's largest film-based perovskite photovoltaic module with the world's highest power generation efficiency. The module can be installed in urban areas where it is difficult to secure a large area of land, even on the walls of buildings and condominiums and the roofs of large vehicles, which used to be considered unsuitable for installation.

"We want to be the first to deliver products and services that make people's dreams come true and change society." This passion has been the source of Toshiba's products and services.

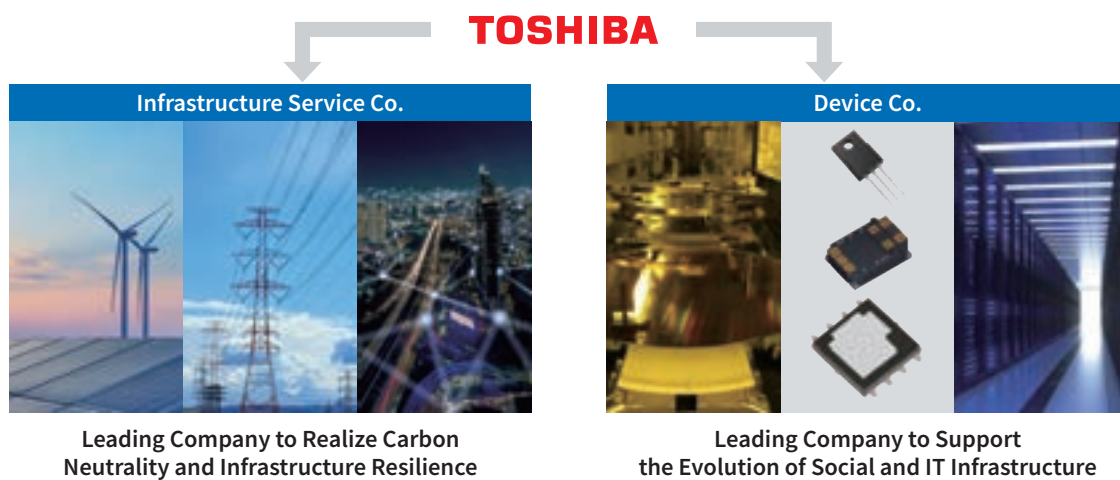
Toshiba's technology has altered the way people live and has also changed society.

Evolution for Toshiba's Future

In November 2021, to further leap toward the future, Toshiba Group announced a policy on strategic reorganization, pursuant to which Toshiba will reorganize into three independent companies by conducting a spin-off of Toshiba's core businesses into two new publicly listed companies; Infrastructure Service Company (Infrastructure Service Co.)*, Device Company (Device Co.)* and Toshiba. Here we explain the announcement.

* The official name to be announced in due course

There are three compelling reasons for the separation. First, the separation will unlock immense value by removing complexity. Second, it enables us to have a much more focused management facilitating agile decision-making. And third, the separation enhances choices for our shareholders.



Public Co.	Business Focus	
Infrastructure Service Co.	<ul style="list-style-type: none"> ■ Energy system Solutions ■ Infrastructure Systems Solutions ■ Building Solutions ■ Digital Solutions ■ Battery 	<ul style="list-style-type: none"> • Power generation, transmission and distribution, renewable energy, and energy management • Systems solutions for public infrastructure, railways and industry • Building energy-saving solutions • IT solutions for government agencies and private companies
Device Co.	<ul style="list-style-type: none"> ■ Semiconductor ■ HDD& other business 	<ul style="list-style-type: none"> • Power semiconductors (Silicon, Compounds), Optical semiconductors, and Analog ICs • High-capacity HDDs for data centers (Nearline HDDs) • Semiconductor manufacturing equipment
Toshiba	Kioxia Toshiba Tec	<ul style="list-style-type: none"> • Monetize shares in Kioxia

Infrastructure Service Co. will consist of Energy Systems & Solutions, Infrastructure Systems & Solutions, Building Solutions, Digital Solutions, and Battery businesses. Its increased focus combined with its innovative technological solutions will enable it to play a leading role in driving the transition to renewable energy to meet ambitious global carbon neutrality goals and advancing infrastructure resilience as a leading player.

Device Co. will comprise of Electronic Devices & Storage Solutions business. Its products will include power semiconductors, high-capacity hard disk drives (HDDs) for data centers and semiconductor manufacturing equipment. It will be a leader in supporting the evolution of social and IT infrastructure.

Toshiba will continue to hold the company's ownership stake in Kioxia and Toshiba Tec. Toshiba will seek to monetize the shares of Kioxia.

The spin-off plan follows natural contours of differences in the businesses.

Infrastructure Service Co. related businesses focus on the direct sale of equipment and the provision of solutions mostly to specific customers. It has long business cycles that are more heavily dependent on negotiations between business parties than market conditions. In addition, it will be a relatively capital light business, and it conducts customized production.

In contrast, Device Co. primarily manufactures and sells devices, such as semiconductors, and other materials. Its business cycles are shorter and can be impacted significantly by market conditions. It needs to conduct make-to-stock production to fulfill differing customer needs and supply various products. Another big difference is that this business requires relatively high level of capital investments to be made in a flexible manner.

The separation enables us to better align each new companies by its unique business characteristics.

Infrastructure Service Co.	Business Characteristics	Device Co.
Long	Business Cycle	Short
Equipment Solutions Services	Product and/or Service	Devices Materials
Heavily negotiated based on project specifics (scale, duration, complexity, etc.)	Pricing	Market rates
Long-term project contracts	Form of Contract	Delivery agreements of varying duration
Project Management Infrastructure Data Analysis	Technology	Materials Circuit Design Packaging Manufacturing Technology
Relatively small (capital light)	Capital Expenditures	Relatively large (capital intensive)
Customized production	Production Systems	Scale, continuous production across multiple orders
Renewable energy related products and solutions	Growth Opportunities	Cutting edge products for energy saving and digital economy

The spin-off plan is the right step for sustainable profitable growth for each of the businesses and the best path to create additional value and delivers compelling benefits to our stakeholders.

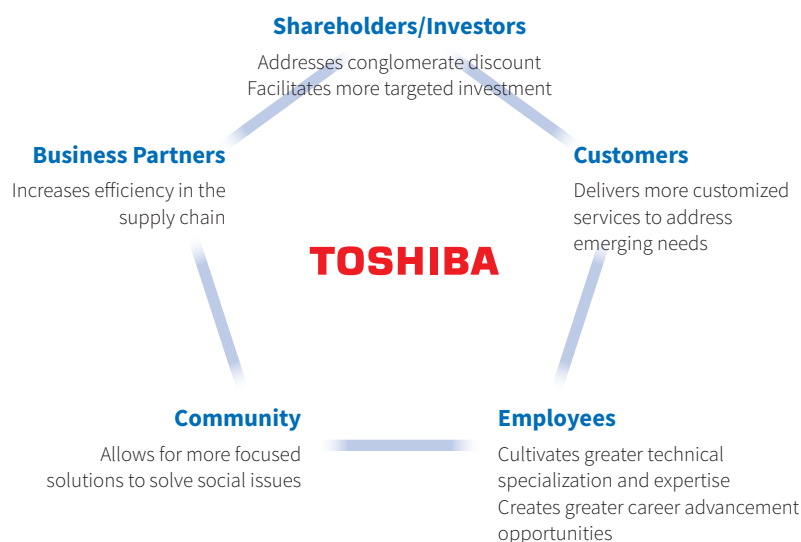
For our shareholders, we will unlock value by having focused and highly professional management teams.

We will be able to provide our customers more innovative and tailored services and solutions to meet their evolving needs.

Our employees will have the opportunity to work at more focused companies where they can gain more technical expertise and self-growth opportunities, and have greater growth potential in their chosen field.

And the separation will benefit our communities by providing more focused solutions to solve social issues of carbon neutrality and infrastructure resilience that we all are facing.

The Spin-Off Delivers Compelling Benefits to All Stakeholders



Advantages of Business Separation

Focused Management Structure Better Capitalizes Distinct Market Opportunities to Compete More Effectively

There are three main benefits of the business separation.

Improved Management Structure

- Sharpens strategic focus and industry knowledge by creating separate management teams and Boards of Directors
- Consider candidates from outside the company for building new management structure
- Enables more nimble decision-making through reduction in management layers
- Creates optionality for both new companies to make their own separate and informed decisions regarding potential strategic partners

First, the standalone companies will have improved management and governance structures. Infrastructure Service Co. and Device Co. are expected to have dedicated management teams that bring deep industry knowledge with clear growth strategies. We will consider candidates from outside the company for building new management structure. The new structures also will facilitate more agile decision-making due to reduced management layer. In addition, the new structure creates optionality for both new companies to make their own separate decisions regarding potential strategic partners.

More Efficient Capital Allocation

- Enables each business to tailor its capital allocation policies to its specific business requirements, including exploring options to reduce their cost of capital by increasing leverage
- Allows each business to review portfolio and cost structure based on benchmarking competitors in each industry
- Facilitates cleaner comparison to peer leverage and capital return metrics for debt and equity investor community
- Allows for more direct dialogue with capital markets
- Ability to target debt and equity investors enables effective financing

Second, the standalone companies will have more effective, efficient and tailored capital allocation policies, more closely matching their industry peers. Based on industry benchmark, businesses will continue to review portfolio and cost structure. By having the opportunity to dialog directly with the market, each company will manage its respective business with the aim to maximize shareholder value.

Increased Shareholder Returns

- Monetize shares in Kioxia and return net proceeds in full to shareholders as soon as practicable while maximizing value to the extent that it would not interfere with the smooth execution of the business separation
- Provides compelling investment opportunities that meet different preferences of shareholders and investors in order to facilitate the realization of fair value

The third benefit will be to increase shareholder returns. Toshiba intends to monetize shares in Kioxia while maximizing shareholder value and return the net proceeds in full to shareholders as soon as practicable to the extent that doing so does not interfere with the smooth implementation of the separation. In addition, this will facilitate fair value by providing compelling investment opportunities that meet different preferences of shareholders and investors.

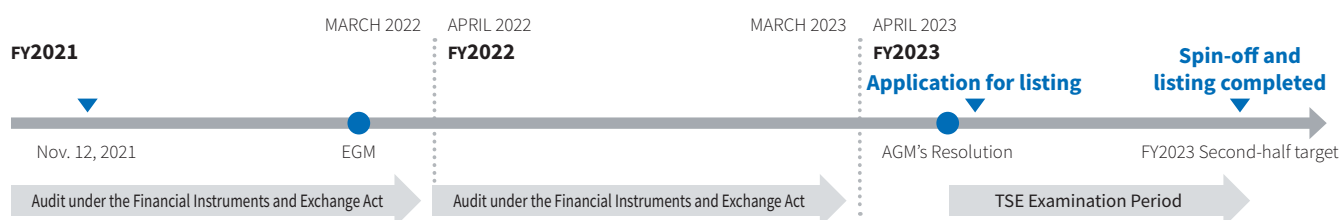
We are working with the relevant authorities and advisors to determine the best and the most effective and efficient way to spin-off the businesses with an intention of effecting the transaction in a tax-qualified spin-off structure.

For the timeline, reorganization is expected to be completed in the second half of FY2023, subject to a shareholder resolution and in obtaining approval from the relevant authorities, however, we will make an effort to speed up the process to the extent that it is feasible. Moreover, we are considering to hold an extraordinary general meeting of shareholders somewhere between January and March in 2022 in order to hear the voices of our shareholders. A board steering committee is expected to be formed then, which will include Strategic Review Committee (SRC) members, in order to provide continuity and accountability for the successful completion of the business separation.

In terms of costs associated with the spin-offs, we expect to incur 10 billion yen from FY2021 onward. The spin-off costs are expected to be offset by reducing SG&A expenses in each business based on peer benchmarks.

Timeline of the Spin-off Process

Target Completion of Spin-off and Listings in Second Half of FY2023 (subject to regulatory review)



Timing of audits under the Financial Instruments and Exchange Act will be discussed with independent auditors in the future.

Spin-off Method and Cost

Method of Spin-off	<ul style="list-style-type: none"> Spin-off through distribution of shares of two new companies to Toshiba shareholders at the time of the spin-off record date Currently planning on a tax-qualified spin-off structure pursuant to the recent tax reform legislation in Japan Plan to utilize the Act on Strengthening Industrial Competitiveness to smoothly conduct the spin-off The financial results of the businesses to be separated must be audited for a two-year period, beginning with the FY2021 results, before the spin-offs can be completed
Cost	<ul style="list-style-type: none"> Expected to incur 10 billion yen from FY2021 onward as costs associated with the spin-off Spin-off costs to be offset by reducing SG&A expenses in each business based on industry benchmarks

The separation plan, which has been unanimously approved by the board, follows a wide range of strategic options by the SRC, comprising five independent Outside Directors. The SRC has published "[Strategic Review Committee of Toshiba Board of Directors Provides Update to Shareholders on Process Leading to Separation Plan](#)" to provide background, as transparently as confidentiality considerations will allow, about the activities and deliberations that led to the decision to recommend the separation plan to the board and its decision to unanimously endorse that recommendation.

Shareholder Commitment

Strong Track Record of Creating and Returning Value, and Our Way Forward

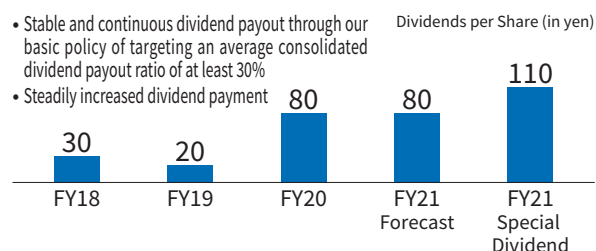
Toshiba has built up a strong track record of creating and returning value to shareholders.

Based on the target dividend payout ratio of 30% as committed, we have steadily increased our dividend payment from 30 yen per share in FY2018 to an expected 80 yen per share in FY2021. In addition, the special dividend of 110 yen per share had already been provided during FY2021.

Toshiba has also maintained a commitment to return excess capital to shareholders. We completed share repurchase of 700 billion yen in November 2019, and another 100 billion yen in September 2021.

Capital in excess of appropriate level of capital will be used to provide shareholder returns, including share repurchase in FY2022 and FY2023, to the extent that it would not interfere with the smooth execution of the business separation. The expected amount is to be about 100 billion yen. In addition, we will use leverage appropriately, and continue reviewing our business portfolio including divestiture opportunities.

Dividend



Share Repurchase

- Return capital which exceeds appropriate level of capital to our shareholders
- On Nov 7, 2019 Completed share repurchase of **700 billion yen**
- On Sep 9, 2021 Completed share repurchase of **100 billion yen**

Capital in excess of appropriate level of capital will be used to provide shareholder returns, including share repurchases
(Planned to be about 100 billion yen over the next 2 years)

Utilize appropriate level of leverage, and continue reviewing our business portfolio including consideration of divestiture opportunities

* to the extent that it would not interfere with the smooth execution of the business separation

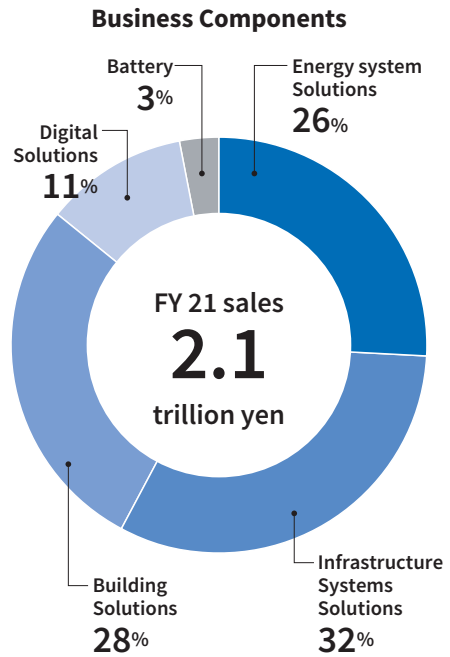
Infrastructure Service Co.

Infrastructure Service Co. will consist of Energy Systems & Solutions, Infrastructure Systems & Solutions, Building Solutions, Digital Solutions, and Battery businesses.

Its products and services will include power generation, transmission and distribution, renewable energy, energy management systems solutions for public infrastructure, railways and industry, building energy-saving solutions, and IT solutions for government agencies and private companies.

Its increased focus, combined with its innovative technological solutions, will enable it to play a leading role in driving the transition to renewable energy to meet ambitious global carbon neutrality goals and advancing infrastructure resilience.

The key to growth in energy and infrastructure lies in the intersection of AI, security and platform technologies. The conversion to a cyber-physical solutions business is what we refer to as "x Digital."

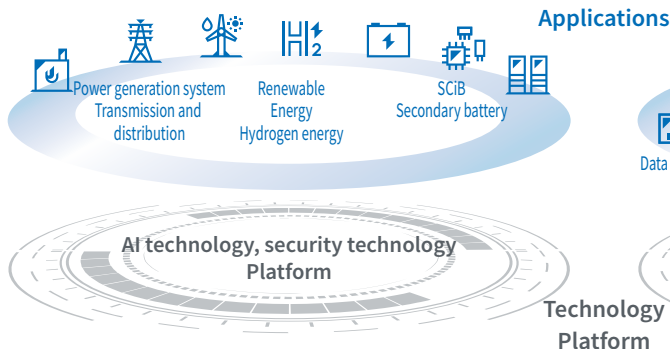


Infrastructure Service Co. - Strategy

Lead realization of carbon neutrality and infrastructure resilience with our partners

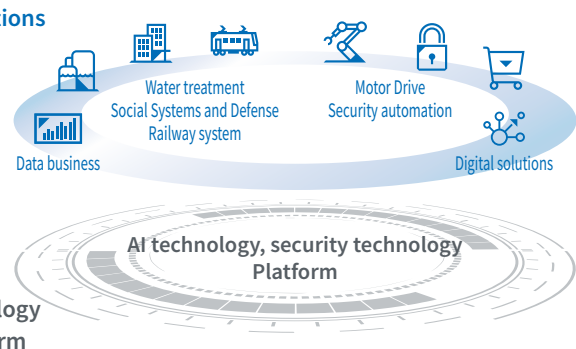
Energy × Digital

Lead Achievement of Carbon Neutrality



Infrastructure × Digital

Lead Realization of Resilient Infrastructure



Consolidate Domestic Leadership in Japan and Expand Market Share, with Focus on Asia

Device Co.

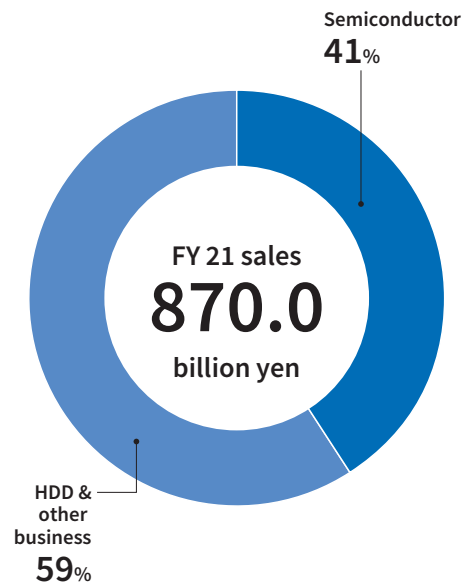
Device Co. will comprise Toshiba's Electric Devices & Storage Solutions business.

Its products will include power semiconductors (silicon, compounds), optical semiconductors, analog integrated circuits, high-capacity hard disk drives (HDDs) for data centers (nearline HDDs) and semiconductor manufacturing equipment. It will lead the evolution of social and information infrastructure, through its semiconductor and storage businesses.

The leading products are significantly contributing to the wider society including the realization of carbon neutrality. The strength of the business lies with its customer relationships, years of experience with technology development and capacity creation of production facilities, which the company intends to expand with a sharper focus on its fast business cycle.

It is well positioned as a global provider of leading products to transfer the technology further into profits and sustainable growth.

Business Components



Device Co. - Strategy

Lead the evolution of society and information infrastructure through innovation, technology, strategic investments and customer relationships

Semiconductors, storage devices and materials

Leading Realization of Carbon Neutrality for Society and Information Infrastructure

Applications



Motor Drive



Motor Home appliances



Compactness and efficiency Power supply



Data center Server



Eco-friendly vehicles



Auto motive



Large motors Drive



Power conversion



Advanced semiconductor Mask

Products

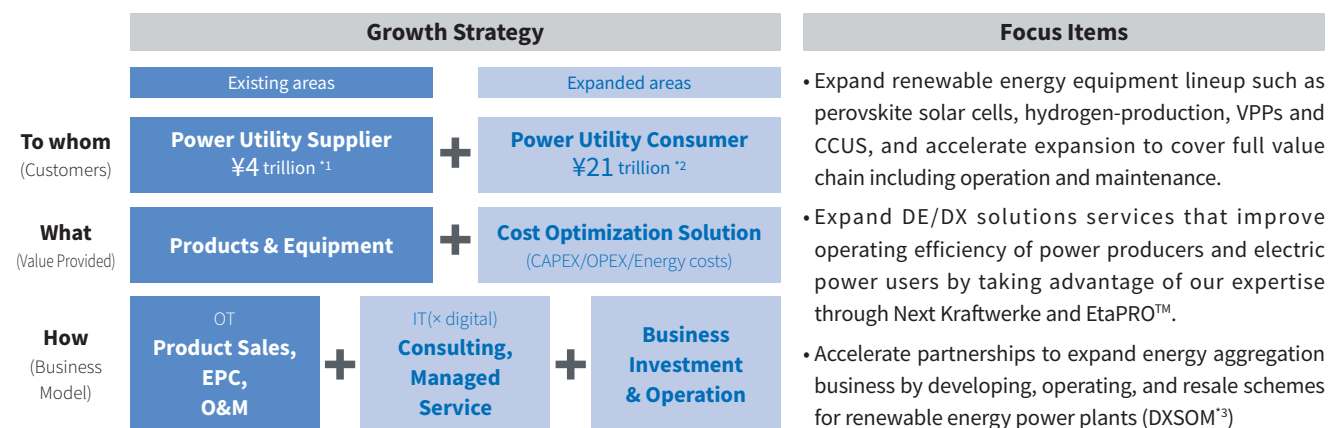
Power semiconductors, compound semiconductors, optical semiconductors, small signals, analog ICs, microcomputers
Dual-Aligned HDDs, Mask Writers, Fine Ceramics Products

Capitalize on opportunities in growth markets and deliver leading products in niche markets

Infrastructure Service Co.

Infrastructure Service Co. - Focus Area (1) Energy × Digital Growth Strategy

Provide energy to electric power utilities and consumers across the full value chain from products to equipment “x digital”



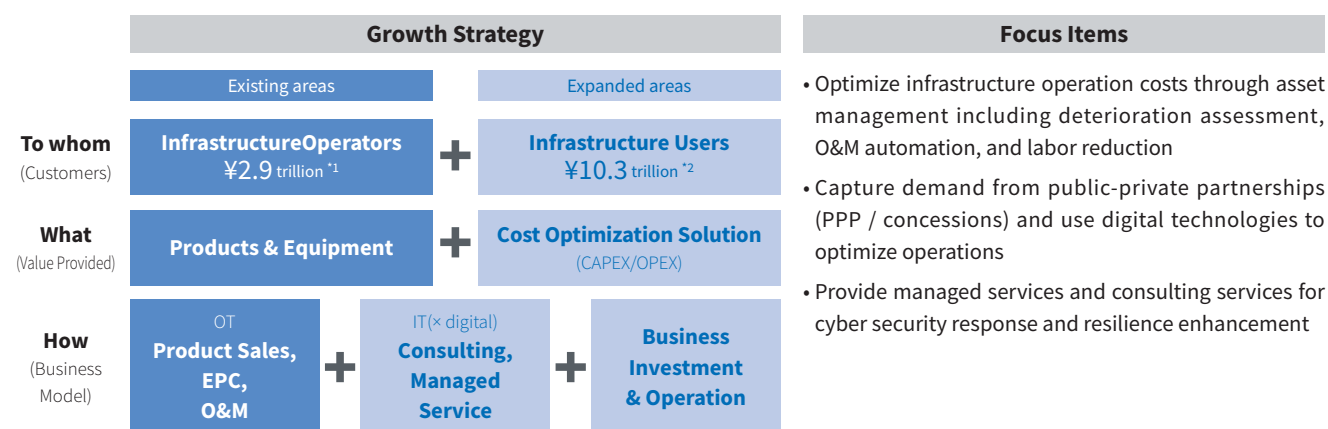
*1 FY 2020 Total capital expenditures of 10 major electric power companies in Japan + new electric power companies in Japan

*2 FY2020 Total sales of 10 major electric power companies in Japan + J-Power + 2 other electronic power companies in Japan *3 Digital Transformation of Service, Operation & Maintenance

In the “energy x digital” domain, the realization of carbon neutrality is an urgent global issue for our customers. We already have a sound track record of delivering equipment and facilities to power utility suppliers as well as for EPC and maintenance services for power plants and in the transmission and distribution business. Further growth will result from the advancement of efficient use of energy through energy matching and energy management services. We will solve problems together with customers on both power supply side and the demand side. This is a huge market and we have new technologies to offer.

Infrastructure Service Co. - Focus Area (2) Infrastructure × Digital Growth Strategy

Enhance infrastructure through adoption of digital technology and cutting-edge security solutions



*1 FY 2020 Total capital expenditures of water supply, sewerage, subways, railways, airports, and ports

*2 Estimated market size for roads, airports, water supply and sewage, waste, etc. are provided as services

The “infrastructure x digital” domain offers us significant growth opportunities. We will create value for our customers by promoting optimal operation of infrastructure and achieve resilience by ensuring security. Already today, we have an established business model introducing equipment and facilities to infrastructure companies including maintenance services. In the future, we will combine our operational knowledge and digital technology specifically for infrastructure users to provide asset management solutions including deterioration diagnosis, O&M automation and labor saving solutions, and consulting to realize infrastructure operation cost and service usage cost optimization

Infrastructure Service Co. - Investments

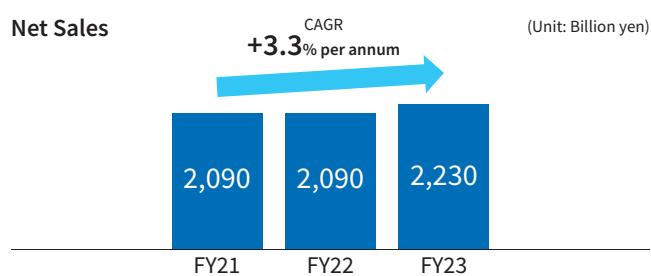
	Investments (FY21 to FY23 total)		Growth Initiatives
CAPEX	216	Carbon neutral support	Perovskite PSC facilities, Nasel Assembly, Hydrogen Feasibility Study Project
		SCiB rechargeable batteries	Increase production of electrodes, cells, modules, and packline
R&D	232	Carbon neutral support	Balancing group forecasting/optimization technology, wind analysis technology and hydrogen production
		Infrastructure resilience response	Water sewerage monitoring PF, weather data analysis, development of cyber security solutions
		Digital service	QKD, IoT-data platform, Meister series
M&A	35	Carbon neutral support	Minority investment using power generation DXSOM model*, expansion of energy matching and hydrogen business
Total	483		

* Digital Transformation of Service, Operation & Maintenance: energy aggregation business model involving the establishment of schemes to develop, operate and resell renewable power generation plants

Our bold investment plan for next three years from FY2021 to FY2023 underpins our huge growth opportunities with about 500 billion yen marked for Capex, R&D as well as M&A.

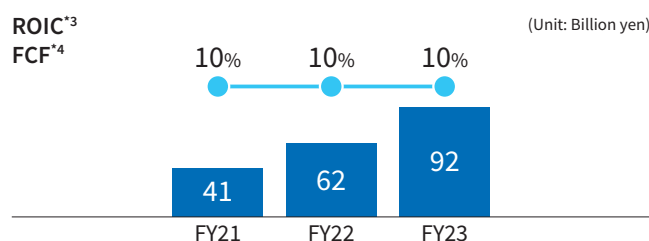
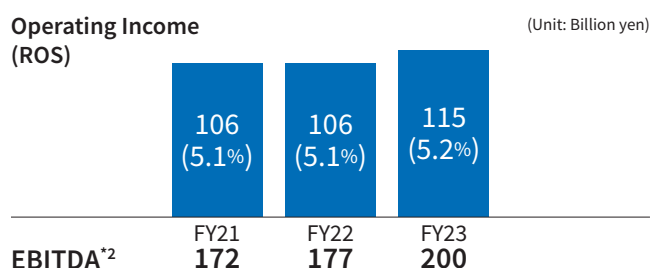
We are eyeing to pursue a capital light business model for the Infrastructure Service Co. with our mid-to-long term strategy.

Infrastructure Service Co. – Basic Figures ^{*1}



Strategy

- Enhance solutions through “x Digital”
- Expand value chain and digital solutions segments through new and existing partnerships
- Enhance human capital development to strengthen DX and business operation capabilities
- Incorporate ROIC focused metrics



*1 Figures are initial Proforma based on the assumptions of separating corporate functions, and will be revised during detailed review process *2 EBITDA = Operating income + Depreciation

*3 ROIC = (Net income - Non-controlling interest - Interest expense × (1 - tax rate)) / (Net interest-bearing debt + Net assets) *4 Free Cash Flow

The Infrastructure Service Co. shows a solid financial profile and strong growth outlook.

It expects net sales to grow at a 3.3% CAGR, from 2.090 trillion yen in FY2021 to 2.230 trillion yen by FY2023. It also expects to maintain operating income margins above 5% over the same period, which we expect it to be higher after the separation. We are planning for steady improvement in FCF, and maintain ROIC above 10%.

Evolution for Toshiba's Future

Device Co.

Device Co. - Focus Area (1) Power Semiconductor

Electric power efficiency in equipment and social infrastructure through strategic investments in growth markets



* Comparison with on-resistance of 40V N channel power MOSFET, according to a survey by Toshiba (as of January 2021)

In the field of power semiconductors, we will actively invest in growth markets, including the development of 300mm line facilities and compound semiconductors (Silicon Carbide (SiC) and Gallium Nitride (GaN)). This will enable us to drive the acceleration of power efficiency improvements in equipment and social infrastructure.

We are targeting net sales of power semiconductors in semiconductors division to be 95 billion yen in FY2021 and 120 billion yen in FY2023, with an average annual growth rate of 13%.

Device Co. - Focus Area (2) Nearline HDD

Accelerate evolution of society's digitalization and information infrastructure by continued introduction of large-capacity products



Source: Our Estimates from Various Data

With expanding demand for the data centers along with the evolution of society's digitization and information infrastructure, significant market growth is expected in storage business.

In Nearline HDDs, we will accelerate development of high-capacity products by collaborative development of key components, which accelerates vast development and productive improvement. In addition, we will strengthen support systems for data center customers.

For Nearline HDDs, we have set a sales plan of 200 billion yen in FY2021 and 280 billion yen in FY2023, equivalent to an average annual growth rate of 18%.

Device Co. - Investments

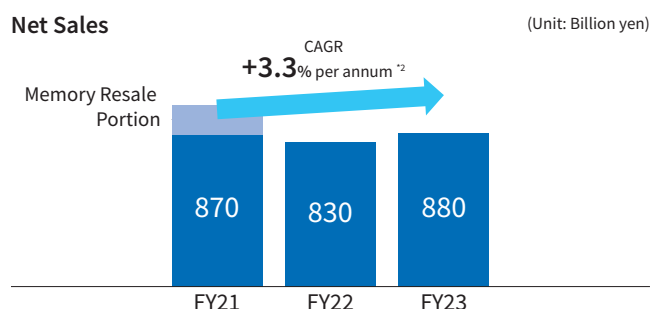
Investments (Unit: Billion yen) (FY21 to FY23 total)		Growth Initiatives	
CAPEX	188	Silicon Power	New 300mm line and increased 200mm production
		Compound Semiconductor	SiC/GaN Semiconductor-Development Facility (Capacity Expansion, Larger wafer size)
		Nearline HDD	Increase supply capacity and strengthen BCP
R&D	153	Silicon Power	Expand lineup and high-efficiency package development
		Compound Semiconductor	Development of high-voltage SiC, accelerate development of GaN
		Nearline HDD	Development of new models (next-generation assist recording, increasing disks)
		Mask Writer	Development of next-generation multi-beam machines
Total	341		

Device Co. expects total investments of more than 300 billion yen in the next three years from FY2021 to FY2023.

Prior to the separation, it will invest to bolster its technological strengths in selected areas. In addition to expanding its power semiconductor production facilities, Device Co. plans to increase the capacity of its semiconductor development facilities and the supply capacity of Nearline HDDs. In addition, its R&D focus will be on expanding its lineup and developing new models.

Device Co. – Basic Figures ^{*1}

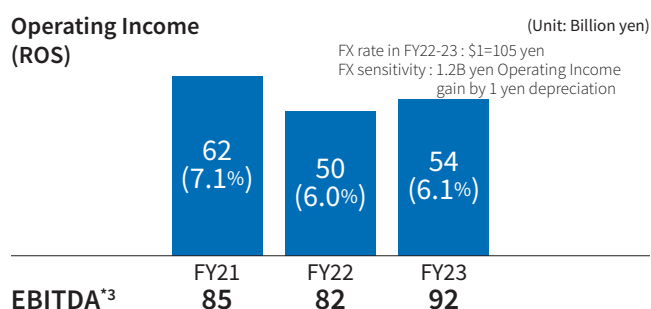
Net Sales



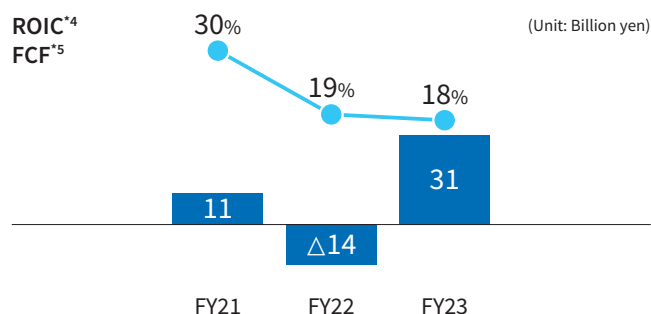
Strategy

- Power Semiconductor: CAPEX mainly towards 300mm Line (FY21-22 investment: 76 billion yen, contribute to profit after FY24)
- Compounds: Accelerate the development of SiC and GaN semiconductors
- Nearline HDDs: Promote capacity expansion for data centers
- Mask Writers: Introduction of high-precision, high-productivity multi-beam machines

Operating Income (ROS)



ROIC^{*4} FCF^{*5}



^{*1} Figures are initial Proforma based on the assumptions of separating corporate functions, and will be revised during detailed review process.

^{*2} Excludes memory resale portion ^{*3} EBITDA = Operating income+Depreciation

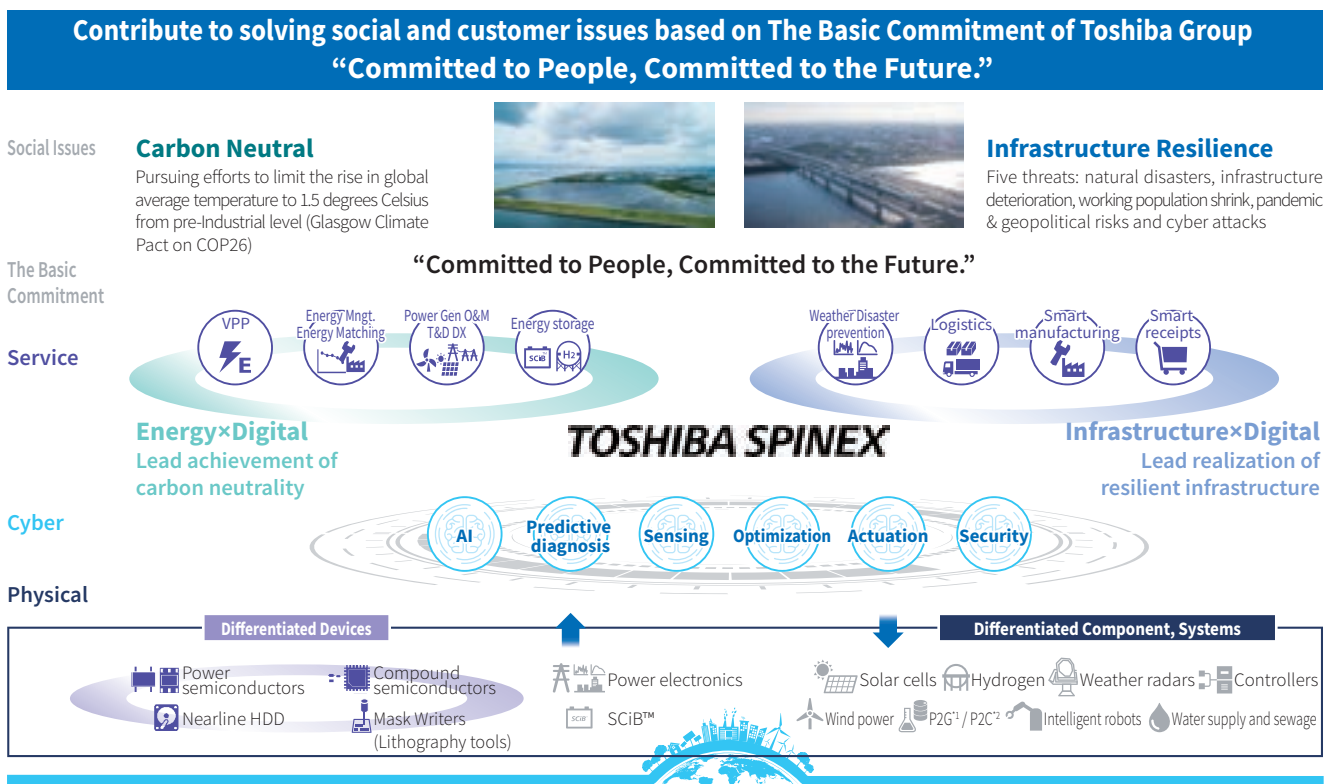
^{*4} ROIC = (Net income-Non-controlling interest-Interest expense×(1-tax rate))/(Net interest-bearing debt+Net assets) ^{*5} Free Cash Flow

Device Co. aims to grow net sales at a CAGR of 3.3%, from 870 billion yen in FY2021 to 880 billion yen by FY2023 excluding memory resale. Over the same period, the operating income margin to change from 7.1% to 6.1%, however, in consideration of the foreign exchange assumption and the on-going and intended large Capex during FY2021 and FY2022, the actual profitability of the business is improving, and we expect further growth beyond FY2024.

Toshiba Group Technology Strategy

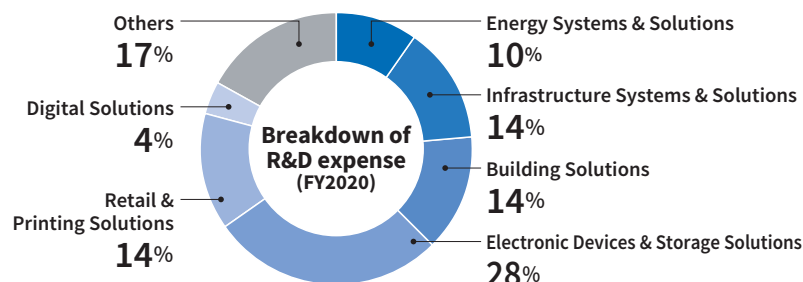
Toshiba Group Technology Policy

We now see the promotion of renewable energy and carbon neutrality throughout the world. In addition, intensifying natural disasters, aging social infrastructure, declining working population, pandemics, and cyberattacks are having significant impacts on our daily lives, increasing the need for infrastructure resilience. Guided by the Basic Commitment “Committed to People, Committed to the Future,” Toshiba Group will play a leading role in achieving carbon neutrality and building resilient infrastructure with the concepts of Energy×Digital and Infrastructure×Digital. Specifically, we endeavor to solve issues facing society and our customers by utilizing our strengths in Cyber Physical Systems (CPS) technologies to offer differentiated devices, components and systems that will lead the evolution of social and information infrastructure, and our “Toshiba SPINEX” brand infrastructure services and solution based on open IoT reference architecture.



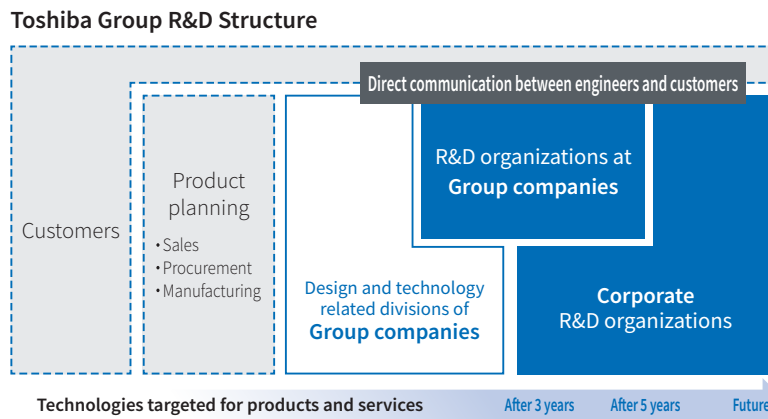
*1 : Power to Gas *2 : Power to Chemicals

The ratio of R&D expenses to sales in Toshiba Group stands at approximately 5%. Our policy on R&D is to concentrate investment on business areas of focus and take into account investment efficiency.



Toshiba Group R&D Structure

Toshiba conducts research and development that best suit the purpose, from both aspects of seeds-led R&D triggered by future technologies and concepts, and needs-led R&D based on customer feedback and product planning. We have a research and development structure in which our relevant sites are categorized according to their role. Corporate R&D organizations that tackle basic and fundamental research from a medium- to long-term perspective; R&D organizations of Group companies that engage in short- and mid-term component technology development; and design and engineering divisions of Group companies that are geared to realizing products and services. This structure is optimal for solving technological challenges.



Toshiba has built research and development sites not only in Japan but also in the United States, Europe, China, India, Vietnam, among others. These sites cooperate organically across borders to conduct a wide array of cutting-edge research and development on a global basis. In order to boost our global competitiveness, we are improving our capacity to respond swiftly to changes in the market, in our research and development as well. Particularly in China and the rest of Asia, where markets are expanding, we are working to locally operate not only manufacturing sites, but also engineering sites and development sites. Going forward, our research and development in emerging countries will create products and services that will appeal to the global market including in developed countries.

Major R&D bases in Japan and overseas

Toshiba Europe Ltd.

Cambridge, Bristol

Tel Aviv

Beijing

Hanoi

Bangalore

San Jose

Toshiba (China) Co., Ltd.
Research & Development Center

Toshiba America, Inc.
R&D Division

Cambridge Research Laboratory

Bristol Research and Innovation Laboratory

Stationed in Israel

Toshiba Software (India) Private Limited

Toshiba Software Development (Vietnam) Co., Ltd.

Major R&D Facilities in Japan

- Corporate Research & Development Center
- Corporate Manufacturing Engineering Center
- Corporate Software Engineering & Technology Center
- Digital Innovation Technology Center
- Energy Systems Research & Development Center
- Infrastructure Systems Research & Development Center
- Electronic Devices & Storage Research & Development Center
- Software Systems Research & Development Center
- Research & Development Center

Strengthen R&D to Stimulate Innovation

We are working on research and development in frontier fields utilizing open innovation as well. Here, we pick up our next-generation film-based perovskite photovoltaic module and a quantum cryptographic communications technique, Quantum Key Distribution (QKD) as examples of our R&D projects conducted through industry-academia-government collaboration. Our perovskite photovoltaic module won the Minister of Economy, Trade and Industry Award in CEATEC AWARD 2021. The module was a double winner, also awarded the Grand Prix in the Carbon Neutral category, and Toshiba also took the Semi Grand Prix award in the Solutions Category for the QKD. These technologies have been highly acclaimed as leading-edge technologies that can help resolve social issues to achieve carbon neutrality and infrastructure resilience.

Toshiba's Film-Based Perovskite Photovoltaic Module Reaches Record Power Conversion Efficiency of 15.1%

The introduction of renewable energy is gaining traction as society aims to realize carbon neutrality. In particular, increasing the generated volume of solar power is essential, necessitating significantly more locations for equipment in addition to raising the efficiency of power generation. Accordingly, Toshiba developed a film-based perovskite photovoltaic module¹ that achieves the world's highest² power conversion efficiency (PCE) of 15.1%³ by developing a new coating method using its proprietary meniscus coating technology. Our newly developed coating method requires only one step (one-step process) to form the perovskite layer, which used to be performed in two steps (two-step process). This technology can both speed up the production process and improve PCE, which have been difficult in the past and is expected to reduce power generation costs.

Toshiba will make efforts to enlarge the active area to 900cm², the size required for practical application, as well as improve materials used in the perovskite layer to further increase PCE.

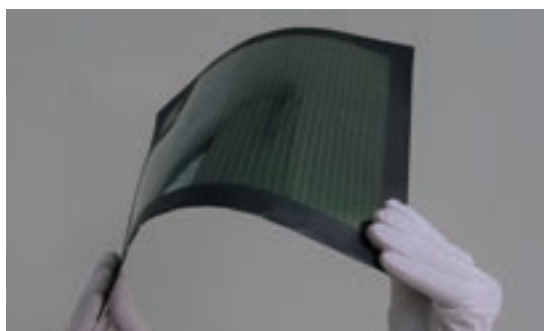
The newly developed coating technology and the perovskite solar modules that apply it are the results obtained from a project commissioned by the New Energy and Industrial Technology Development Organization (NEDO).

*1. Photovoltaic cell in which the light-absorbing layer is composed of perovskite crystals

*2. Toshiba's survey of 100cm² or larger film-based perovskite solar modules with a plastic substrate (as of September 10, 2021)

*3. Efficiency of converting solar energy into electrical energy

Toshiba's polymer film-based perovskite large-area photovoltaic module applying the one-step meniscus coating method



Sketch of the new one-step meniscus coating method

One-step meniscus coating

- **25x** faster coating speed than our previous two-step meniscus coating method
- Only **one coating** and drying required
- **50x** reduction in total coating process time over our previous process



*For 5x5cm² module

Toshiba Demonstrated Quantum Cryptographic Communication Covering Over 600km, a World Record

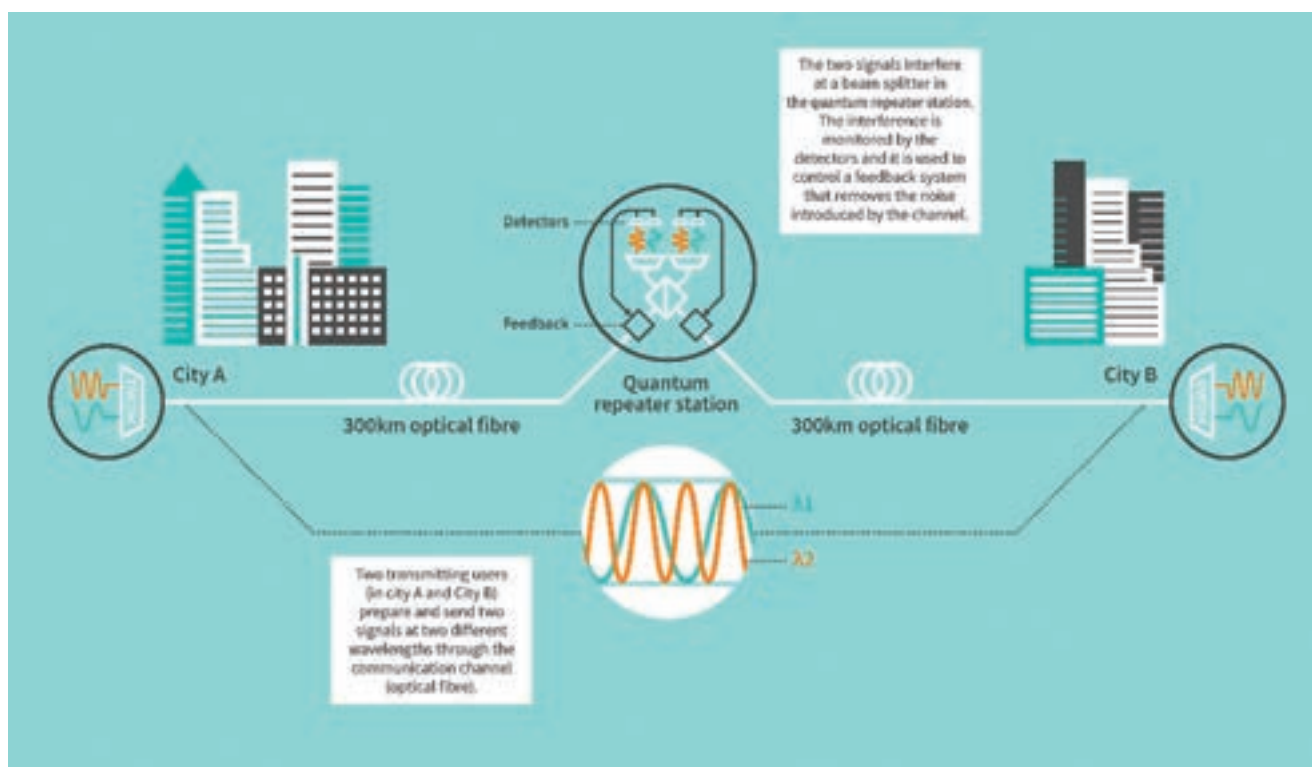
Toshiba has successfully demonstrated the world's longest^{*1} communication distance of over 600km by developing a novel dual band stabilization technique to expand the communication distance for quantum cryptographic communications. Quantum cryptographic communication is a cryptographic communications technique that can never be broken theoretically even with a quantum computer. Expectations are mounting for the use of quantum cryptographic communication for communicating data of highly confidential nature, such as financial, medical, and personal information. However, one of the most difficult technological challenges in building the long-distance communication, is the problem of how to transmit quantum bits over long optical fibers. Small changes in the ambient conditions, such as temperature fluctuations and vibrations, cause optical fibers used for quantum cryptographic communications to expand and contract, thereby scrambling the fragile qubits, which are encoded as a phase delay of a weak optical pulse in the fiber. Due to this problem, the communication distance of the quantum key distribution system currently on the market is between 100-200km, which limits their application to networks within cities. To solve this problem, Toshiba has developed a dual band stabilization technique that cancels the effects of changes in ambient conditions^{*2}.

With this newly developed technique, it is possible to connect cities or countries with secure cryptographic communications. This technique is also an underlying technology for building the quantum internet, which connects quantum computers by long-distance quantum communication links.

Toshiba Group aims to commercialize this achievement within five years. Further, with this success in quantum technology, Toshiba is willing to further expand its quantum business with rapid speed. Our vision is a platform for quantum information technology services, which will not only enable secure communication on a global scale, but also transformational technologies such as cloud-based quantum computing and distributed quantum sensing.

The work was partially funded by the EU through the Horizon 2020 project, OPENQKD.

Sketch of quantum cryptographic communication between two cities using the technique



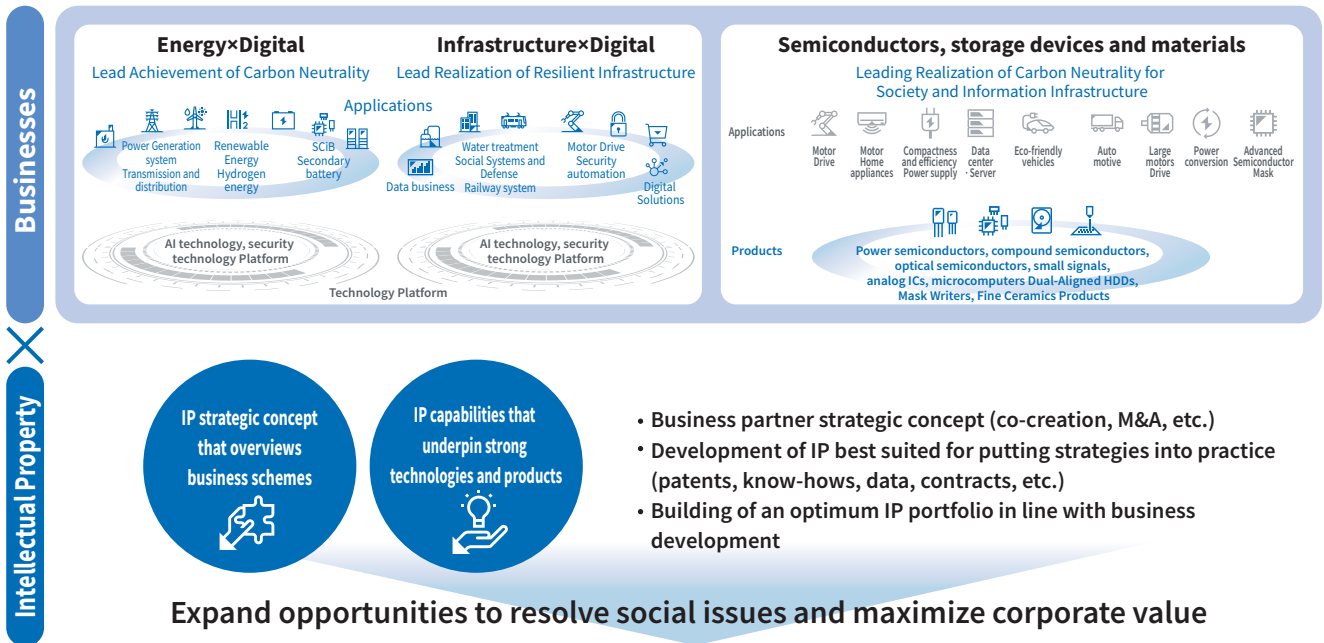
*1. Toshiba's survey in June 2021

*2. Details of the achievement were published in the international scientific journal, *Nature Photonics*, dated June 7, 2021
<https://www.nature.com/articles/s41566-021-00811-0>

Intellectual Property

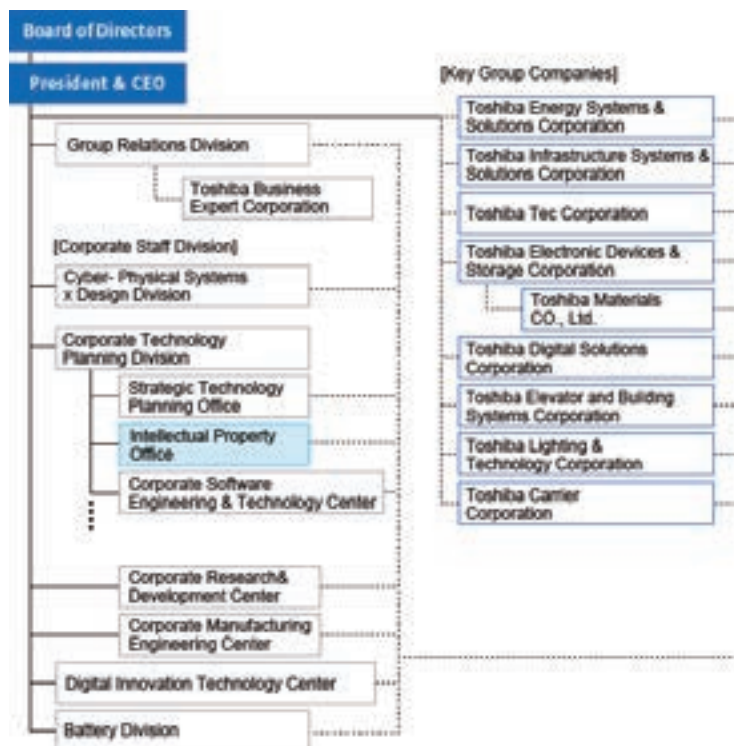
Intellectual Property Strategy

Toshiba Group has worked to reinforce intellectual property (IP) capabilities that underpin its strong technologies and products and to strengthen its IP strategic concept. By proactively leveraging IP, we will expand opportunities to resolve social issues and maximize our corporate value. IP strategy lies at the root of all IP activities, and it is essential to start strategizing starting from the upstream of the business. In the two businesses that respectively combine Energy and Infrastructure with Digital, we conceptualize IP strategies and business partner strategies which overview the entire business schemes, and secure and develop intellectual properties best suited for putting these strategies into practice. In the device business, we are committed to building and strengthening an optimum IP portfolio in line with business development.



The Organizational Structure Concerning Intellectual Property

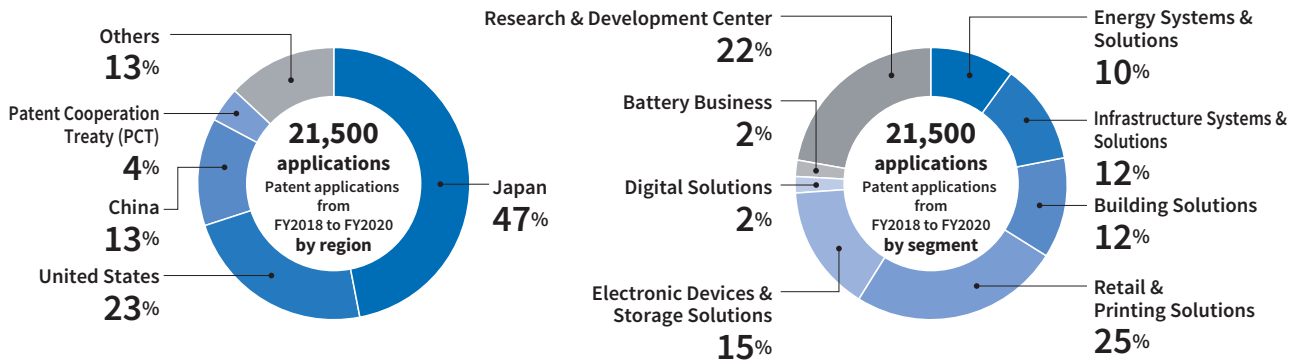
The organizational structure of the Intellectual Property Division is composed of the corporate Intellectual Property Office, and the intellectual property divisions at our individual laboratories and key Group companies. The corporate Intellectual Property Office formulates and promotes company-wide strategy and measures regarding intellectual property, handles contracts and disputes, manages patent information and deals with matters related to intellectual property right laws, such as the Copyright Law. Meanwhile, the intellectual property divisions of research laboratories and key Group companies pursue intellectual property strategies in their respective development and business domains and work to strengthen their intellectual property activities in order to build a superior intellectual property portfolio. Personnel in charge of intellectual property are stationed in the United States and China, promoting our IP strategies on a global basis.



Global Patent Portfolio

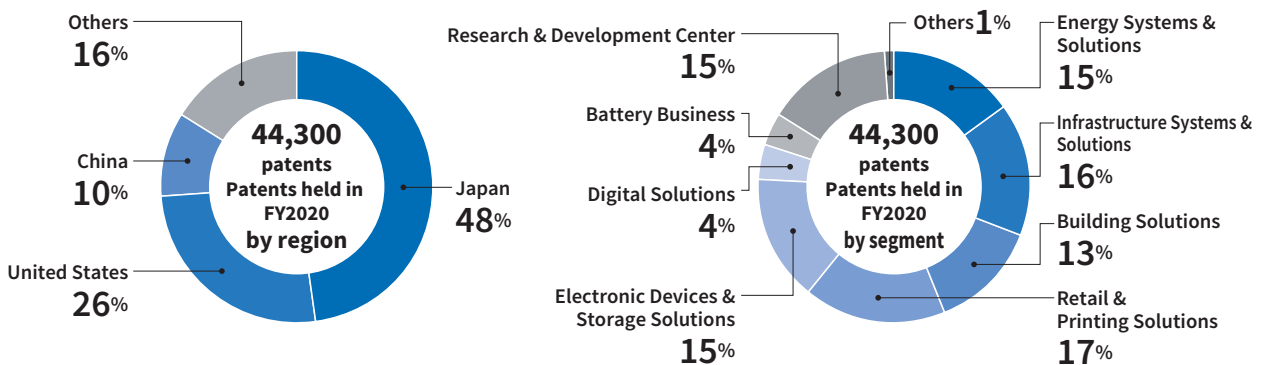
Patent applications are the fruits of our research and development and the pinnacle of our corporate assets. From FY2018 to FY2020, Toshiba Group filed approximately 7,000 patent applications per year.

Portfolio of All Applications Filed from FY2018 to FY2020



Toshiba Group assesses the validity of rights in all its registered patents each year to build a patent portfolio optimized for each business segment.

Portfolio of Patents Held in FY2020 (as of March 31, 2021)



Protection of the Toshiba Brand

The Toshiba brand symbolizes the corporate value of Toshiba Group, and the value of the goods and services that Toshiba Group provides. In order to ensure that the Toshiba brand is intact, we have worked to manage trademark rights and eliminate counterfeit products.

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 customers mistaking counterfeit products as genuine and finding the purchase does not deliver the expected performance. To prevent this, we strive to eliminate counterfeit products, collaborating with domestic and overseas anti-counterfeit organizations, and are actively appealing to local government agencies and other organizations for more stringent control.

External Recognition of Toshiba's Intellectual Property

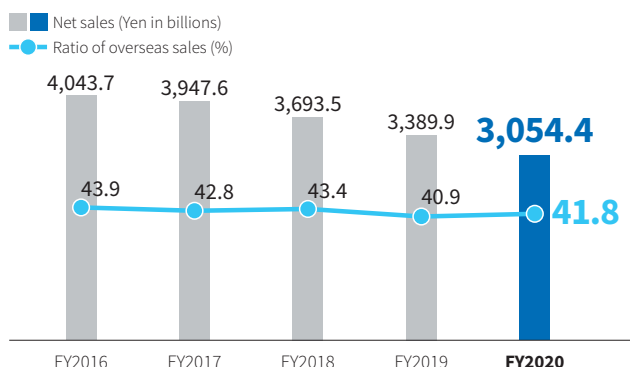
Toshiba Group's diverse state-of-the-art technologies are highly appreciated. Prominent awards received include the following:

• The 21st Century Invention Prize, National Commendation for Invention 2018	Invention of a method to dispose of radioactive waste	
• The Prime Minister Prize, National Commendation for Invention 2019	Invention of large-size rechargeable batteries with high-power and long-life performance	
• Derwent Top 100 Global Innovator 2021	Toshiba has been selected as one of the world's most innovative companies for 10 consecutive years	
• Top 100 Best Protected Global Brands 2021	The Toshiba brand has been selected as one of the top 100 impactful and best protected brands in the world	

Financial Highlights (Consolidated)

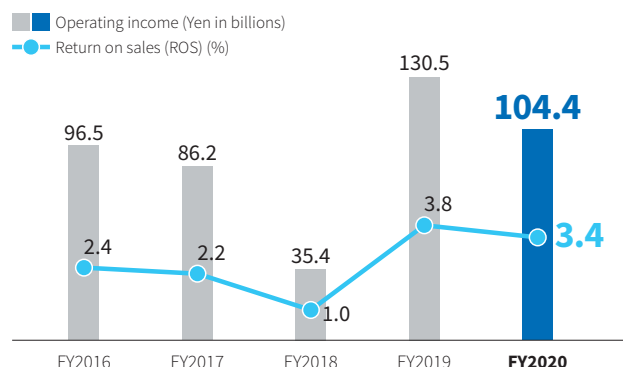
For the detailed financial information for the fiscal year ended March 31, 2021, please refer to the [Financial Report for the Fiscal Year ended March 31, 2021](#).

Net sales / Ratio of overseas sales



Net sales decreased by 335.5 billion yen year on year to 3,054.4 billion yen as a whole, reflecting lower sales in each segment due to the COVID-19 and lower sales in Others mainly caused by the outsourcing and deconsolidation of some operations of subsidiaries.

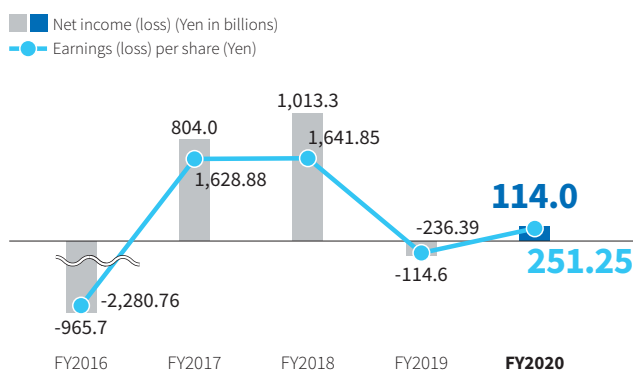
Operating income / Return on sales (ROS)



Operating income decreased by 26.1 billion yen year on year to 104.4 billion yen, reflecting lower operating income in the Energy Systems & SL*, Building SL, Retail & Printing SL, and Electronic Devices & Storage SL, despite improvements in the Infrastructure Systems & SL, Digital SL, and Others.

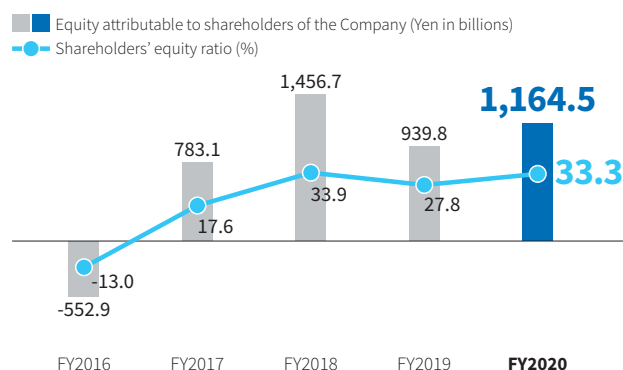
*SL: Solutions

Net income (loss) / Earnings (loss) per share



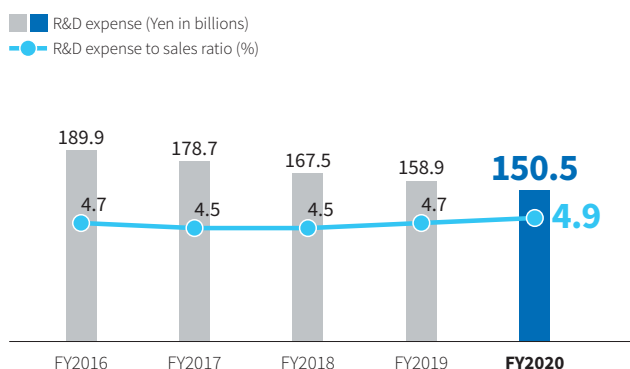
Net income (loss) improved by 228.6 billion yen year on year to 114.0 billion yen, mainly reflecting the loss from the transfer of the LNG business in the previous fiscal year and the reduction of equity in losses of Kioxia.

Equity attributable to shareholders of the Company / Shareholders' equity ratio



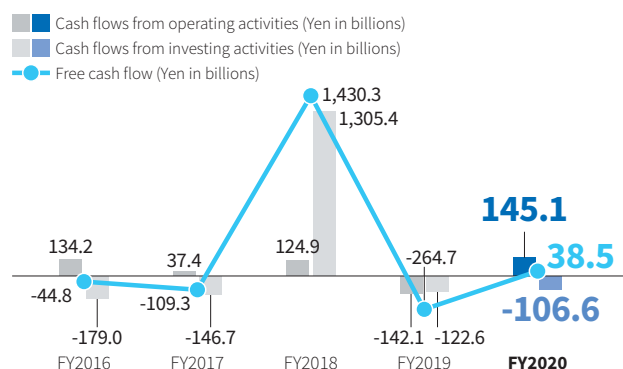
Equity attributable to shareholders of the Company increased by 224.7 billion yen year on year to 1,164.5 billion yen due to improvements in net income and comprehensive income.

R&D expense / R&D expense to sales ratio



R&D expense amounted to 150.5 billion yen, 8.4 billion yen lower than in the previous fiscal year. The R&D expense to sales ratio was 4.9%, 0.2% points up from the previous fiscal year.

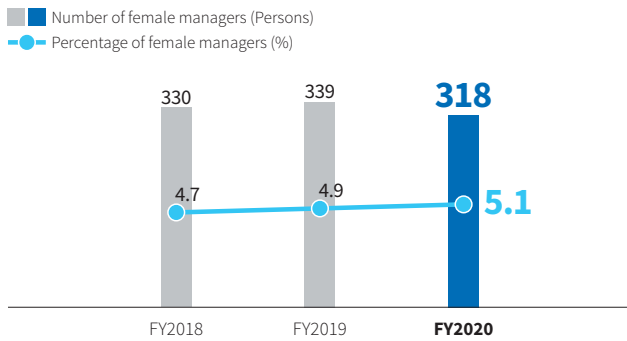
Cash flows



Cash flows from operating activities improved by 287.2 billion yen, mainly reflecting the transfer of the LNG business in the previous fiscal year. Cash flows from investing activities also improved by 16.0 billion yen. Consequently, free cash flow improved by 303.2 billion yen year on year to 38.5 billion yen.

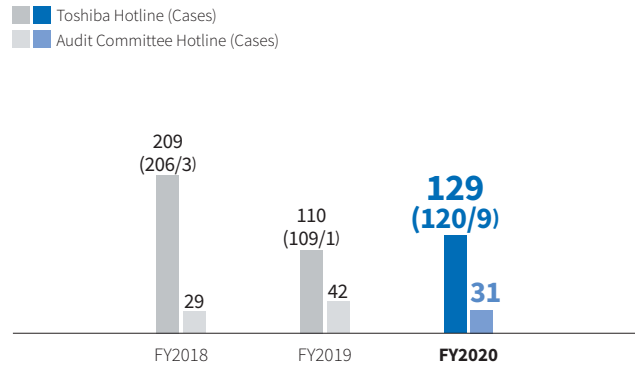
Non-Financial Highlights (Consolidated)

Number / Percentage of female managers (Toshiba and key Group companies*, section manager level or higher)



*Sum of the figures for Toshiba Corporation, Toshiba Energy Systems & Solutions Corporation, Toshiba Infrastructure Systems & Solutions Corporation, Toshiba Electronic Devices & Storage Corporation, and Toshiba Digital Solutions Corporation

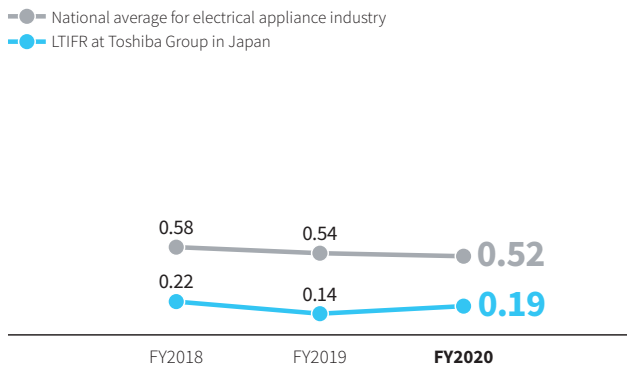
Number of reports received by whistleblower system



*Figures in parentheses for the Toshiba Hotline: (Number of reports to the internal secretariat / Number of reports to an attorney's office)

*Includes duplicate reports made to the internal secretariat

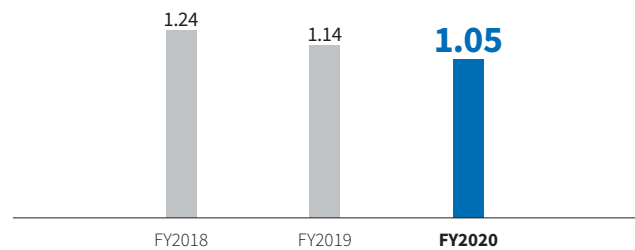
Lost-time injury frequency rate* at Toshiba Group in Japan*



*LTIFR: Lost Time Injury Frequency Rate, the number of lost time injuries occurring in a workplace per 1 million man-hours worked

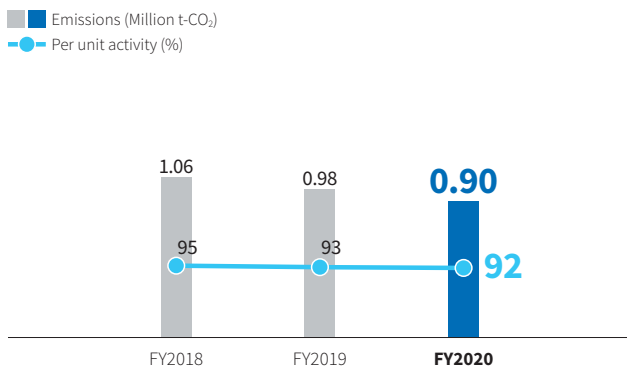
*Includes accidents involving part-time workers, fixed-term workers and dispatched workers.

Total GHG emissions* (Million t-CO₂)



*CO₂ emission coefficients for electricity are calculated using emission coefficients provided by power companies.

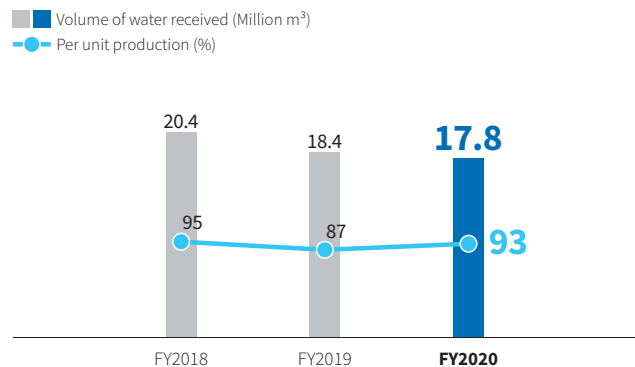
Energy-derived CO₂ emissions and per unit activity



*CO₂ emission coefficients for electricity are calculated using emission coefficients provided by power companies.

*Per unit activity refers to values related to energy consumption required for manufacturing (nominal output, the number of products manufactured, number of persons, total floor area, etc.).

Volume of water received and per unit production



Full-Year Business Results for FY2020 and Full-Year Business Results Forecast for FY2021 (Consolidated)

FY2020

Net sales : Due to the impact of the COVID-19 throughout the year, net sales decreased by 335.5 billion yen year on year to 3,054.4 billion yen.

Operating income (loss) : Operating income declined by 26.1 billion yen year on year to 104.4 billion yen, reflecting lower sales due to the spread of COVID-19, despite improvements of more than 60.0 billion yen mainly through strengthened earning power and a reduction of fixed costs.

Net income (loss) : Net income turned to surplus, up 228.6 billion yen year on year to 114.0 billion yen, due to a significant improvement in non-operating income.

FY2021 (Business results forecast as of November 12, 2021)

Net sales : We expect higher sales in all business segments and forecast net sales of 3,350.0 billion yen, an increase of 295.6 billion yen from FY2020.

Operating income (loss) : By continuing to work to strengthen earning power, and higher operating income due to higher sales we forecast operating income of 170.0 billion yen, an increase of 65.6 billion yen from FY2020.

(Yen in billions)

	FY2020 Actual	FY2021 Forecast
Net sales	3,054.4	3,350.0
Operating income (loss)	104.4	170.0
Return on sales (ROS)	3.4%	5.1%
EBITDA	189.6	265.0
Net income (loss)	114.0	130.0*
Free cash flow	38.5	40.0

*This forecast is disclosed for reference only, which only includes the actual FY2021/H1 equity earnings of Kioxia, and does not include any forecasted equity earnings (losses) of Kioxia.

		FY2020 Actual	FY2021 Forecast	Difference
Energy Systems & Solutions	Net sales	493.2	560.0	+66.8
	Operating income (loss)	10.8	30.0	+19.2
	ROS	2.2%	5.4%	+3.2%pt
Infrastructure Systems & Solutions	Net sales	654.6	680.0	+25.4
	Operating income (loss)	47.8	49.0	+1.2
	ROS	7.3%	7.2%	-0.1%pt
Building Solutions	Net sales	545.2	590.0	+44.8
	Operating income (loss)	23.7	33.0	+9.3
	ROS	4.3%	5.6%	+1.3%pt
Retail & Printing Solutions	Net sales	410.6	450.0	+39.4
	Operating income (loss)	2.0	15.0	+13.0
	ROS	0.5%	3.3%	+2.8%pt
Electronic Devices & Storage Solutions	Net sales	711.3	870.0	+158.7
	Operating income (loss)	12.5	70.0	+57.5
	ROS	1.8%	8.0%	+6.2%pt
Digital Solutions	Net sales	221.7	240.0	+18.3
	Operating income (loss)	19.9	21.0	+1.1
	ROS	9.0%	8.8%	-0.2%pt
Others and eliminations	Net sales	17.8	-40.0	-57.8
	Operating income (loss)	-12.3	-48.0	-35.7
Total	Net sales	3,054.4	3,350.0	+295.6
	Operating income (loss)	104.4	170.0	+65.6
	ROS	3.4%	5.1%	+1.7%pt

Toshiba Group's Business Activities

Energy Systems & Solutions ▶ P.33

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

- ▶ **Energy Business Domain:**
- Toshiba Energy Systems & Solutions Corporation
 - Toshiba Plant Systems & Services Corporation

Infrastructure System & Solutions ▶ P.35

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

- ▶ **Social Infrastructure Business Domain:**
- Toshiba Infrastructure Systems & Solutions Corporation

Building Solutions ▶ P.37

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

- ▶ **Building Solutions Business Domain:**
- Toshiba Elevator and Building Systems Corporation
 - Toshiba Lighting & Technology Corporation
 - Toshiba Carrier Corporation

Retail & Printing Solutions ● Toshiba Tec Corporation

Electronic Devices & Storage Solutions ▶ P.39

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

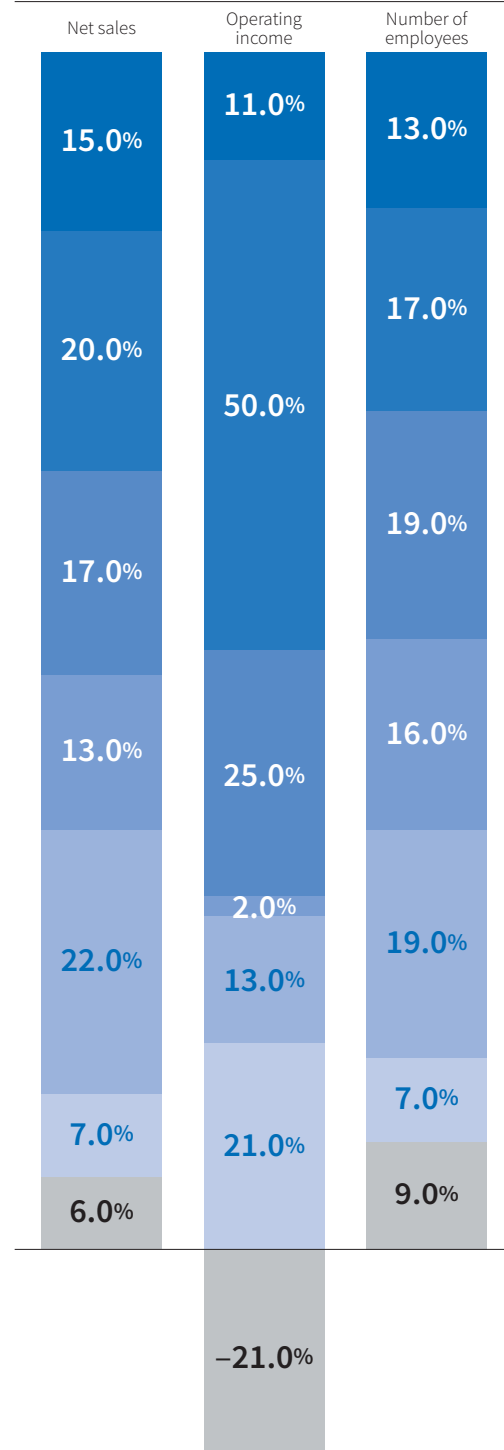
- ▶ **Electronic Devices Business Domain:** ● Toshiba Electronic Devices & Storage Corporation

Digital Solutions ▶ P.41

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

- ▶ **Digital Solutions Business Domain:** ● Toshiba Digital Solutions Corporation

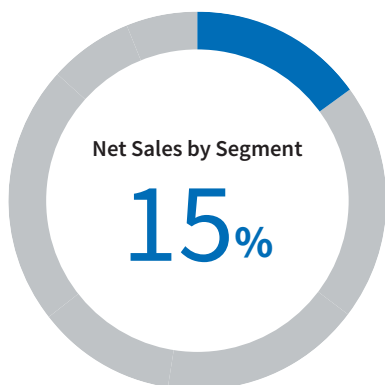
Breakdown of each index for each segment (FY2020)



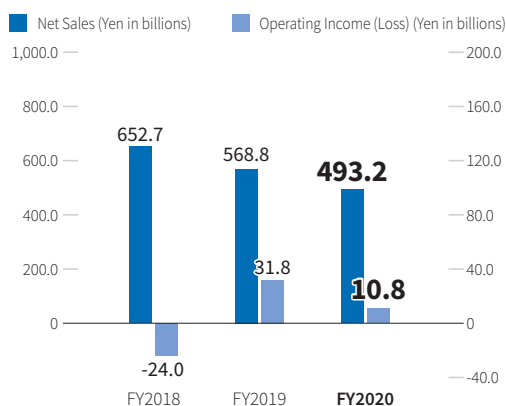
- Energy Systems & Solutions
- Infrastructure Systems & Solutions
- Building Solutions
- Retail & Printing Solutions
- Electronic Devices & Storage Solutions
- Digital Solutions
- Others

•Ration in the above graph prior to elimination of inter-segment sales

Energy Systems & Solutions



Net Sales/Operating Income (Loss)



Main Businesses

As of March 31, 2021

- Nuclear power generation systems
- Thermal power generation systems
- Hydroelectric power generation systems
- Solar Photovoltaic systems
- Transmission & Distribution systems

Business Overview

The Energy Systems & Solutions segment saw lower sales of 493.2 billion yen, 75.6 billion yen decrease from the previous year. Although Nuclear Power Systems recorded higher sales due to the impact of progress of projects to enhance safety measures, Thermal & Hydro Power Systems saw lower sales, reflecting the impact of the difference in scope of thermal power construction projects and COVID-19, and Transmission & Distribution Systems saw lower sales, reflecting the impact of the difference in scope of transmission & distribution systems and renewable energy (solar) projects in addition to COVID-19.

The segment as a whole saw lower operating income of 10.8 billion yen, 21.0 billion yen decrease from the previous year. Although Nuclear Power Systems saw higher operating income due to recording higher sales and Thermal & Hydro Power Systems saw higher operating income due to the impact of a decrease in unprofitable projects, Transmission & Distribution Systems was impacted by unprofitable projects and lower sales, and because the segment as a whole deteriorated due to the impact of COVID-19.

Toshiba Heavy-Ion Therapy System Is Awarded by Seoul National University Hospital in Korea

Toshiba Energy Systems & Solutions Corporation, in collaboration as a consortium with DK Medical Solutions, a Korean leading global medical company, has been awarded a contract to supply a heavy-ion therapy system to Seoul National University Hospital. This is the second contract the Toshiba Group has been awarded overseas and completion is slated for 2024.

The heavy-ion therapy system is a radiation treatment system that accelerates carbon ions up to 70% of the speed of light and irradiates cancerous tissues with carbon ions as heavy ion beams from outside the body. Adding a heavy-ion therapy system allows hospitals to increase treatment options for cancer patients and to provide more effective treatment according to the location of the cancer.

The awarded system is configured with one treatment room with a rotating gantry that allows the heavy ion beam irradiation nozzle to circle around the patient's body without necessitating inclination of the treatment bed, in addition to another treatment room with a fixed nozzle for the beam. The system's rotating gantry utilizes advanced high-speed scanning irradiation technology that is the result of the Toshiba Group's cutting edge technology, while the use of superconducting magnets achieves a compact and lightweight design.

Going forward, the Toshiba Group aims to further spread heavy-ion therapy systems and actively solicit orders both inside and outside Japan in order to contribute to achieving high-quality cancer treatment.



Heavy-ion therapy system

Toshiba Starts Operation of Large-Scale Carbon Capture Facility

At Group company SIGMA POWER Ariake Corporation's Mikawa Power Plant (Omuta City, Fukuoka Prefecture), Toshiba Energy Systems & Solutions Corporation (Toshiba ESS) has started operating a large-scale carbon capture test facility for capturing CO₂ emitted from the power plant. This project is being carried out by multiple entities, including Toshiba ESS, as part of the "Demonstration of Sustainable CCS (Carbon dioxide Capture and Storage) Technology Project," sponsored by Japan's Ministry of the Environment (MOE).

The Mikawa Power Plant is a biomass-fired power plant whose primary fuel source is palm kernel shells that absorb CO₂ through photosynthesis as they grow. In addition to the power plant being deemed carbon-neutral due to the net result of emissions and absorption, it becomes a "negative emission" power plant by capturing its own CO₂ and removing previously discharged CO₂ that has accumulated in the atmosphere. Through the trial phase of this facility, Toshiba ESS will evaluate the facility's CO₂ capturing technology, in addition to its performance, cost, environmental impact, and integrated operability with the power plant. The new facility that has been put into operation is the world's first large-scale BECCS (Bio- Energy with Carbon Capture Storage) compatible system capturing CO₂ from a biomass power plant. Results of operations up to March 2021 showed capture of more than 600 tons of CO₂ per day. It is the first implementation in Japan of a system able to capture 50% or more of CO₂ emissions from a thermal power plant.

By developing technologies aimed at deploying CCUS (Carbon dioxide Capture, Utilization and Storage) technology in society by 2030, which is advocated by Ministry of the Environment, the Toshiba Group will contribute to preventing global warming.



Large-scale carbon capture facility

Contract with First Solar for the Yatsubo and Ikeda Solar Power Plants

Toshiba Energy Systems & Solutions Corporation (Toshiba ESS) has been contracted by First Solar Japan (a subsidiary of First Solar, Inc., a U.S. company engaging in solar panel manufacturing and sales) to construct two solar projects, the Yatsubo Solar Power Plant and Ikeda Solar Power Plant, in the Nasu area of Tochigi Prefecture. Both power plants will be operated by First Solar Japan and construction has already gotten underway.

Toshiba ESS will handle the full construction of the Yatsubo Solar Power Plant. Toshiba ESS will construct the transformer equipment, electrical works, and rack setup for the Ikeda Solar Power Plant, while Asunaro Aoki Construction Co., Ltd. will manage the reclamation. Both power plants are scheduled to start operating in April 2023, adding a total of 60 megawatts (MW) of solar energy capacity.

Both power plants will use chemical-compound thin-film solar cell panels developed by First Solar, Inc. The panels have excellent thermal characteristics that provide less drop in output on overcast days. Additionally, Toshiba ESS can ensure power generation tailored to sunlight volume through a high-quality and well-designed approach to power plant construction. In addition, by using a monitoring system linked to First Solar's system, Toshiba ESS can accurately monitor plant operations and carry out appropriate routine maintenance.

The Toshiba Group provides power generation systems and solutions through a wide variety of different renewable energies, from solar power and hydroelectricity to geothermal and wind-generated power. Going forward, the Group will continue to work on a diverse range of clean energy projects such as the construction of industrial-use solar power plants, helping to create a sustainable society.

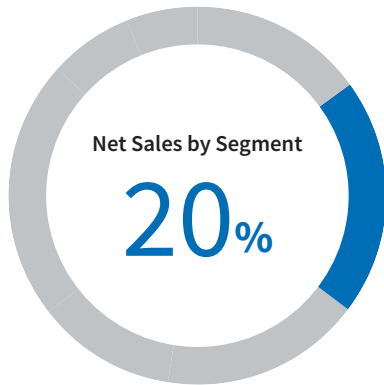


Yatsubo Solar Power Plant

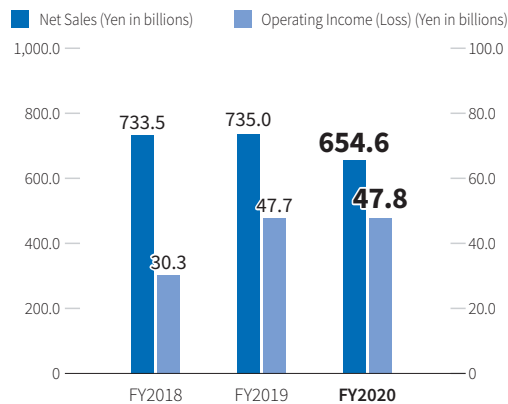


Ikeda Solar Power Plant

Infrastructure Systems & Solutions



Net Sales/Operating Income (Loss)



Main Businesses

As of March 31, 2021

- Water supply and sewage systems
- Road systems
- Telecommunication systems
- Railway systems
- Power distribution systems
- Communication & broadcast systems
- Security & automation systems
- Motor & drive systems

Business Overview

The Infrastructure Systems & Solutions segment saw lower sales of 654.6 billion yen, 80.4 billion yen decrease from the previous year as Public Infrastructure and Railways and Industrial Systems both recorded lower sales due to the impact of a decrease in scale, mainly for the Social Systems business and the Industrial Systems business, respectively, because of the impact of COVID-19.

The segment as a whole saw higher operating income of 47.8 billion yen, 0.1 billion yen increase from the previous year due to a decrease in fixed costs, etc.

Order for a Parcel Unloading Robot

An orthogonal parcel unloading robot (de-palletizer) developed by Toshiba Infrastructure Systems & Solutions Corporation (Toshiba ISS) has been installed at the SENKO Co., Ltd. Kazo PD Center and commenced operations on its sorting line in February 2021.



An orthogonal parcel unloading robot

The de-palletizer grasps items from above and on the side to disperse pressure on the item. Using a proprietary Toshiba ISS method, it also pulls the item onto an internal conveyor belt so that it is able to gently unload items while preventing accidental opening of packages, ruptures of package bottoms, and package drops. Also, high-precision automatic recognition technology and planning/control technology enable high-speed processing of 600 items per hour. The robot's compact design is a small footprint, space saving feature. The robot is able to replace manual laborers unloading heavy boxes up to 30 kg, which greatly contributes to higher efficiency at logistics sites.

In the future, the Toshiba Group aims not only to expand sales of logistics robots, but also to leverage data gathered from robots to let companies visualize work tasks and improve operations at logistics centers.

■ Tie-up with a U.S. Start-up Counter-Drone Company

With an eye toward expanding security solutions business using radio waves, Toshiba Infrastructure Systems & Solutions Corporation (Toshiba ISS) signed a strategic business alliance with Fortem Technologies, Inc., a U.S. company in the counter-drone security field targeting illegal incursions by drones and the like. In addition to the alliance, Toshiba invested US\$15 million (approx. 1.6 billion yen) in Fortem Technologies, Inc., a counter-drone security company that provides markets with advanced counter-drone products, notably highly accurate small drone detection radars that are easily installed and autonomous drones that can deploy highly unique nets to capture rogue drones.

At present, the Toshiba Group has already commercialized a drone detection system that can determine the incoming direction and altitude of a drone by receiving radio waves emitted by the drone in flight and we are also proceeding to strengthen our counter-drone security business through other related product development. With

this alliance as our starting point, we will simultaneously strive for more effective and multifaceted counter-drone solutions and services, while also working to expand sales in Japan as well as Asia, the U.S., Europe, the Middle East, and other promising overseas markets.

As an infrastructure services company, the Toshiba Group will continue contributing to ensuring safe social infrastructure by making timely responses to growing demands to prevent damage from rogue drones and drone incursions that are rapidly increasing at airports and other critical facilities in countries around the world.



Drones that can capture rogue drones

■ Order for Construction of an Indian Water Treatment Plant

Toshiba Water Solutions Private Limited (TWS), an Indian subsidiary of Toshiba, jointly received an order with SUEZ India Pvt. Ltd., an Indian subsidiary of France's Suez S.A., from the Bangalore^(Note) Water Supply and Sewerage Board (BWSSB) for the design and construction of the T.K. Halli Water Treatment Plant servicing the Bengaluru metropolitan area in India's Karnataka state. This project is part of the yen-loan-financed Bengaluru Water Supply and Sewerage Project (Phase 3) funded by the Japan International Cooperation Agency (JICA).

The Bengaluru metropolitan area in southern India's Karnataka state is called the Silicon Valley of India and its population is increasing and the urban area is expanding accompanying rapid industrial development; however, facility construction has been unable to keep pace with increasing water demand and the region is facing the challenge of alleviating chronic water shortages. JICA's yen-loan-financed project is a plan to build water and sewage facilities across the metropolitan area, including suburban districts under rapid development. The plan is expected to contribute to further industrial vitalization and improvements in the residential hygiene environment for residents.

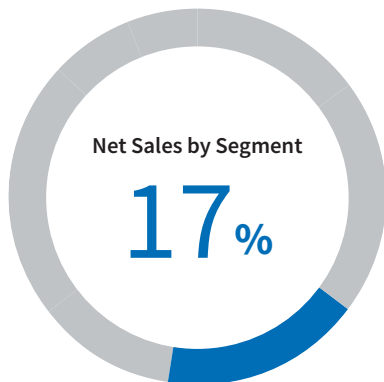
TWS has amassed a track record and expertise in the design, procurement, construction, operation, and maintenance of public water and sewage plants and industrial-use water treatment facilities through projects inside and outside India. By combining this with Toshiba Group's monitoring control, energy-saving, and similar solutions technologies, we will contribute to establishing sustainable public water circulation systems, while creating environmentally advanced communities.

TWS has amassed a track record and expertise in engineering, procurement, construction, operation, and maintenance of public water supply and sewage treatment plants and industrial water treatment facilities through projects inside and outside India. By combining this with the Toshiba Group's solutions that utilize technologies that monitor control, save energy, etc., we will contribute to establishing sustainable public water circulation systems, while creating environmentally advanced communities.

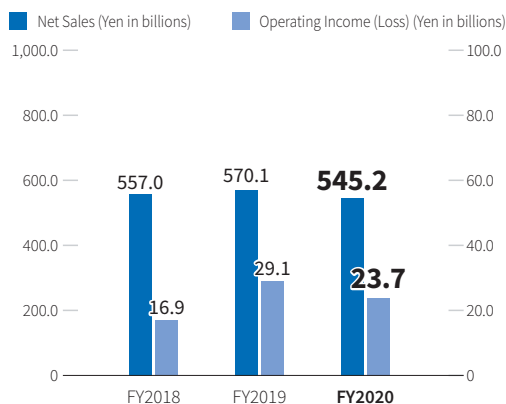
(Note) Bangalore

Although the city of Bangalore was renamed Bengaluru in 2006, BWSSB has continued using Bangalore in its name.

Building Solutions



Net Sales/Operating Income (Loss)



Main Businesses

As of March 31, 2021

- Elevators
- Light fixtures
- Industrial light parts
- Commercial air-conditioners
- Compressors

Business Overview

The Building Solutions segment saw lower sales of 545.2 billion yen, 24.9 billion yen decrease from the previous year, as a result of lower sales in Elevators, Lighting and Air Conditioning due to the impact of COVID-19.

The segment as a whole saw lower operating income of 23.7 billion yen, 5.4 billion yen decrease from the previous year. Although Lighting and the overseas market for Elevators improved, the Japanese market for Elevators and Air Conditioning saw lower operating income.

New VRF Models Super Multi-u Series with High Efficiency S Specifications

Toshiba Carrier Corporation (TCC) launched in October 2020 the Super Multi-u series with high efficiency S specifications, a new premium-tier reversible variable refrigerant flow (VRF) system. The new series, consisting of 22 models in total, has accomplished a high energy efficiency through optimized matching and tuning of various elements of technologies such as newly-developed DC rotary compressors, invertors, heat exchangers and fans. The new series allows a stable cooling operation by maintaining its rated cooling capacity even during a severe heat wave up to an ambient temperature of 41 degrees Celsius. The new series' structure of outdoor units has been reinforced for addressing a rising level of concerns as to natural disasters as recently seen in massive typhoons and earthquakes. Significant power consumption has been achieved not only through its improved energy efficiency but also through a new power demand control system that is capable of containing power consumption below a set value, enabling users to plan peak demands for AC operations at their premises.



Super Multi u Series High Efficiency S Specification Outdoor Unit

The Super Multi-u Series, the winner of the Minister of Economy, Trade and Industry Prize, the highest honor in the product and business model segment of 2020 Energy Conservation Grand Prize Award of Japan, has gained high reputations both inside and outside Japan, as the series was also named the Air Conditioning Product of the Year of the RAC Cooling Industry Awards, the United Kingdom of Great Britain and Northern Ireland.

At TCC, we will endeavor to accomplish sustainable development goals (SDGs) and make contribution toward the creation of a sustainable society with tireless pursuit of new ideas and innovations and offering new values in heat pump technologies going forward.

Launching an Ultraviolet Lighting System with Care222® Technology that Offers Antivirus and Disinfection Even in Spaces where People Are Present

In January 2021, Toshiba Lighting & Technology Corporation (TLT) launched the UVee universal downlight type, an ultraviolet lighting system equipped with Care222® technology that offers antivirus and disinfection but is safe to use even in spaces where people are present.

The product was jointly developed with Ushio Inc., which is able to cut UV wavelengths of 230 nm and above (the wavelengths that are harmful to humans) by combining a special filter with an ultraviolet lamp developed by Ushio, whose peak wavelength is 222 nm. This solution, called Care222®, offers antivirus and disinfection and is incorporated into the light source module supplied to TLT, which handles the comprehensive processes of designing, manufacturing, and quality checking of the commercial product.

The product leverages the antivirus and disinfection features inherent in ultraviolet lights, yet can be used in areas where people are present, which is not the case for conventional 254-nm UV lamps. Installation examples are expected to include offices and schools, as well as commercial and public facilities where unspecified large numbers of people congregate. We will strive to prevent COVID-19 infections with these products.



UVee™ universal downlight type

New SPACEL Product Launch with Greater Antibacterial/Antiviral Features

Toshiba Elevator and Building Systems Corporation (TELCO) has enhanced the antibacterial and antiviral features of its SPACEL machine-room-less elevators, which avoid the need for a rooftop machine room by incorporating the traction machine and control mechanisms inside the elevator shaft in a compact design. The new SPACEL models, launched in February 2021, are an enhanced lineup that follows the latest construction trends and includes novel design features.

The new products can be equipped with antibacterial and antiviral finishes as well as touchless buttons inside the cars as countermeasures against COVID-19. In addition, ion generators are standard features and ventilation functions can be enhanced.

In terms of design, there is a new line-up of new-design ceilings and control panels, while the large LCD of the control panel can display four languages during emergencies and give a visual image of travel time. These additions strive for an elevator space that offers greater comfort from the user's perspective.

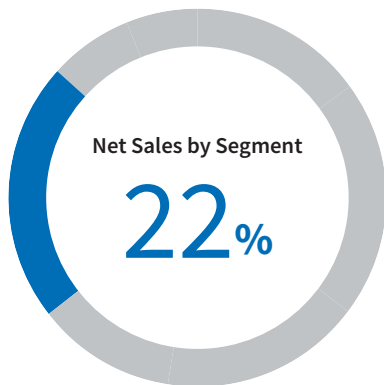
Furthermore, we improved packing materials and developed a new weld-free construction method, which contributes to a better construction site environment.

TELCO is committed, through its business activities, to contributing toward achieving a more sustainable society (SDGs) and will continue emphasizing the dual objectives of reduced environmental burden plus safety, security, and comfort.

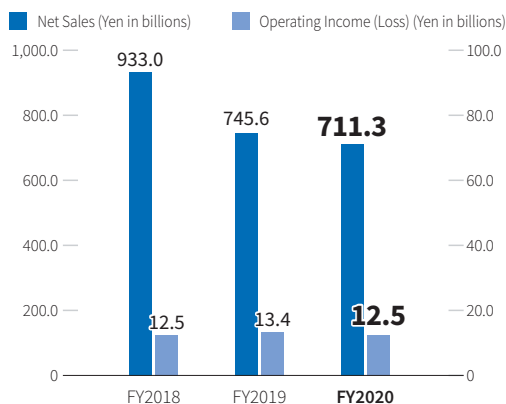


New design SPACEL

Electronic Devices & Storage Solutions



Net Sales/Operating Income (Loss)



Main Businesses

As of March 31, 2021

- Power devices
- Small-signal devices
- Optoelectronic devices
- In-vehicle digital & logic
- Microcomputers
- Analog ICs
- HDDs
- Semiconductor manufacturing equipment
- Parts materials

Business Overview

The Electronic Devices & Storage Solutions segment saw lower sales of 711.3 billion yen, 34.3 billion yen decrease from the previous year. Although Semiconductors saw higher sales as a result of resolving the delay of semiconductor manufacturing equipment from the previous year, HDDs & Others saw lower sales due to the impact of COVID-19.

The segment as a whole saw lower operating income of 12.5 billion yen, 0.9 billion yen decrease from the previous year. Although Semiconductors saw higher operating income due to recording higher sales of semiconductor manufacturing equipment, HDDs & Others saw lower operating income due to the impact of recording lower sales.

Expanding Production Capacity for Power Devices with a 300-millimeter Wafer Fabrication Facility

Toshiba Electronic Devices & Storage Corporation (TDSC) decided to add a 300-millimeter-diameter wafer fabrication facility inside Kaga Toshiba Electronics Corporation in order to expand production capacity for power devices.

As thin and disk-shaped semiconductor substrates, wafers of larger diameters allow the production of more semiconductors. The 300-mm wafer production line will be constructed inside Kaga Toshiba Electronics' existing clean room for 200-mm wafers and will expand production capacity for power devices. Production on the new line is scheduled to start in the first half of FY2023.

Semiconductor power devices, whose role is to supply and manage power, are essential components for boosting the energy-saving features of all types of electrical equipment. Given the growth in e-vehicles and factory automation, demand for power devices is projected to continue expanding.

The Toshiba Group will further expand its power device business by building a production framework that can meet the growth of the power device market, and as a result, contribute to achieving an energy efficient society.



Kaga Toshiba Electronics Corporation

Toshiba Announces 18TB MG09 Series Hard Disk Drives with Conventional Magnetic Recording

^{*1}
Source: Toshiba Electronic Devices & Storage Corporation, as of February 18, 2021.

^{*2}
Definition of capacity: One terabyte (TB) = one trillion bytes, but storage capacity actually available may vary depending on operating environment and formatting. Available storage capacity (including examples of various media files) will vary based on file size, formatting, settings, software and operating system and/or pre-installed software applications, or media content. Actual formatted capacity may vary.

^{*3}
Power consumption per capacity in active idling mode

•
FC-MAMR™ is a trademark of Toshiba Electronic Devices & Storage Corporation.

Toshiba Electronic Devices & Storage Corporation announced development of the world's highest 18TB^{*1,2} MG09 Series HDD, Toshiba's first HDD models with energy-assisted magnetic recording, and started shipment to customers.

The MG09 Series features Toshiba's third-generation Helium-sealed design and Toshiba's innovative Flux Control – Microwave Assisted Magnetic Recording (FC-MAMR™) technology, to advance Conventional Magnetic Recording (CMR) density to 2TB per disk, achieving a total capacity of 18TB.

The 18TB MG09 Series offer 12.5% more capacity consumes about 10% less power^{*3} than prior 16TB models.

They further illustrate Toshiba's commitment to advancing HDD design to meet the evolving needs for storage devices in cloud-scale servers and Object and File storage infrastructure.

With its improved power efficiency and 18TB capacity, the MG09 Series helps cloud-scale infrastructure advance storage density to reduce capex and improve TCO (total cost of ownership).



18TB MG09 Series Hard Disk Drives

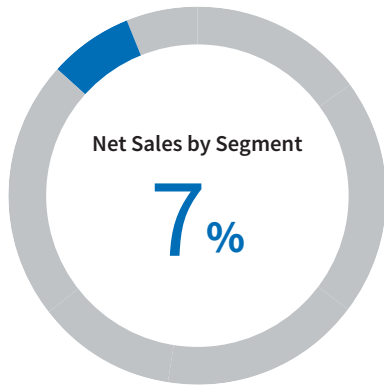
Future Focus Areas in the System LSI Business

As part of the Toshiba Group's policy to build a business portfolio of sustainable financial strength and resilience to impacts from economic fluctuations, we decided to restructure our System LSI business in September 2020.

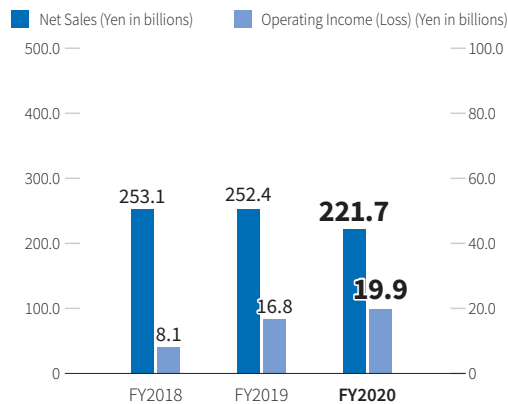
For analog ICs and microcontroller units (MCUs), we will focus on products for motor control application, which have strong synergies with discrete semiconductors and are expected to see continued future market expansion, and we will continue our sales expansion efforts and customer support, as well as new product development. However, we will halt new development on advanced system LSIs (SoC) and focus only on existing business, including the Visconti™ family of image recognition processors.

By further clarifying our focus business areas and by building an efficient business operation framework, we aim to establish a highly profitable business structure and achieve our targets in the Toshiba Next Plan.

Digital Solutions



Net Sales/Operating Income (Loss)



Main Businesses

As of March 31, 2021

- IT solutions services

Business Overview

The Digital Solutions segment as a whole saw lower sales of 221.7 billion yen, 30.7 billion yen decrease from the previous year due to the impact of COVID-19, and the impact of the sale of an affiliate's business.

The segment as a whole saw higher operating income of 19.9 billion yen, 3.1 billion yen increase from the previous year due to higher operating income as a result of improvements because of reduced fixed costs and improvement of the marginal income ratio.

Launching an AI Service that Predicts Lifestyle Disease Risk Six Years in the Future

Toshiba and Toshiba Digital Solutions Corporation launched a disease-risk prediction AI service in July 2020 that analyzes health checkup results and predicts lifestyle disease risks up to six years in the future.

Since lifestyle diseases lead to issues including increased healthcare costs and lower productivity for companies, we have seen rising needs in recent years to assess the risk of onset of lifestyle diseases, with an eye on their prevention.

The Toshiba Group applied AI and big data analysis technology accumulated in industrial fields, in combination with healthcare data mining technology developed in collaboration with universities inside and outside Japan, and worked with Sampo Holdings, Inc. to jointly develop disease-risk prediction AI technology. This AI has achieved a 90% or greater accuracy level in predicting the risk of diabetes onset up to six years in the future.



Linkx Kenko Try
Sampo Himawari Life Insurance Inc.

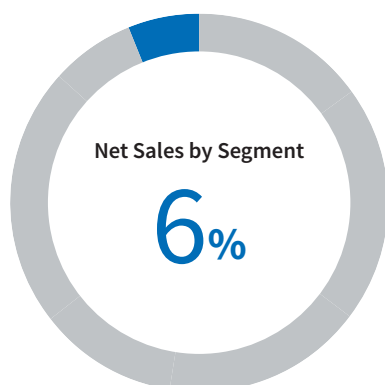
The disease-risk prediction AI service now offered by Toshiba uses a year of health checkup data to produce predictive results over a six-year time horizon for the risks of six lifestyle diseases: diabetes, hypertension, obesity, dyslipidemia, hepatic dysfunction, and renal dysfunction. The service was made available by Sampo Himawari Life Insurance Inc. as a feature of Linkx Kenko Try, which was launched in July 2020.

Going forward, in addition to its disease-risk prediction AI, the Toshiba Group will move forward in applying AI to preventing the aggravation of diabetic nephropathy, cardiac disease, and other ailments as we develop solutions for encouraging behavioral modifications such as dietary changes and exercise habit improvements.

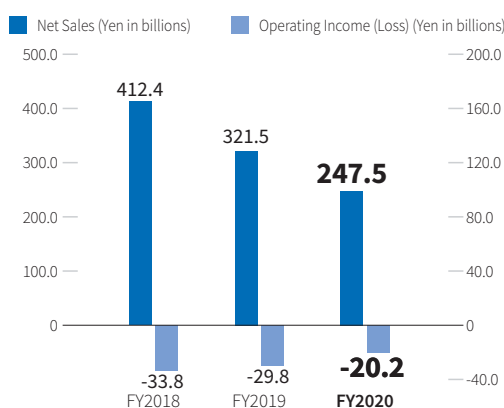
Signing a Strategic Alliance with WingArc1st Inc.

Toshiba Digital Solutions Corporation signed a strategic alliance with WingArc1st Inc. in November 2020, in addition to an agreement with existing WingArc1st shareholders allowing the acquisition, on December 25, 2020, of 15% of WingArc1st's outstanding common shares, excluding treasury stock. The alliance will strengthen collaboration in the digital solutions business, which delivers solutions leveraging IoT, AI, and other cutting-edge digital technologies that are part of our conventional initiatives. In addition, the alliance will support joint efforts toward leveraging digital data to create new data services in fields including personnel solutions and smart factories, which improve plant efficiency and productivity.

Others



Net Sales/Operating Income (Loss)



Main Businesses

As of March 31, 2021

- Battery systems

Business Overview

The Others segment as a whole saw lower sales of 247.5 billion yen, 74.0 billion yen decrease from the previous year due to lower sales resulting from the externalization and deconsolidation of some operations of subsidiaries under the corporate staff division and the impact of COVID-19. The segment as a whole saw improved operating loss of 20.2 billion yen, an improvement of 9.6 billion yen from the previous year.

Transfer of the Toshiba Group's Logistics Business

The Company signed a share purchase agreement on May 26, 2020 with SBS Holdings, Inc. (SBSHD) for the transfer to SBSHD of 66.6% of the issued shares of Toshiba Logistics Corporation (TLOG), which had handled the Toshiba Group's logistics services. After this, the transfer was completed on November 2, 2020, after all necessary procedures were finalized.

TLOG was established as a spin-off company functioning in logistics, primarily for the Group's home appliances in October 1974, and subsequently expanded its main businesses as operations from the Group were transferred to it one after the other, from the shipment of heavy items for electric power equipment, etc. to the shipment of components for medical equipment, semiconductors, etc., in addition to packing operations and import/export-related operations. TLOG's global network of companies outside Japan extends to 14 companies in nine countries, covering China, Asia, Europe, and North America.

TLOG leverages its strength stemming from being founded by a manufacturing company and functions as a third-party logistics (3PL) business comprehensively taking on logistics tasks and providing companies with optimized logistics management and operations. In addition, as a fourth-party logistics (4PL) company, which also handles the planning and promoting of clients' logistics strategies, TLOG provides Toshiba Group companies and various other companies with comprehensive logistics solutions from warehouse management to cargo handling, transportation, and more.

SBS Group's 3PL business serves customers in a broad range of businesses, while the group also has extensive know-how in distribution center development. This share acquisition brings to SBS Group TLOG's 4PL business know-how, as well as broaden its service line-up and strengthen its overseas network. This helps establishing a firmer support structure for the group's logistics supply chain.

TLOG aims for further development as a comprehensive logistics company based on the competitiveness of business as a 4PL company while utilizing the resources and know-how of the SBS Group, and will handle the Group's logistics services and contribute to business by providing logistics services that are even more efficient and advanced.

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 have taken initiatives to help solve issues by considering the impact of our corporate activities on society over the long-term, rather than simply pursuing short-term profits. To further advance the initiatives and strengthen our activities to contribute to social sustainability, we have established a Sustainability Policy, for promoting sustainability management and enhancing our corporate value. The Sustainability Policy was resolved by the Board of Directors.

Toshiba Group Sustainability Policy

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

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

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

October 21, 2021

Committed to People, Committed to the Future.

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

In addition, it clearly states the responsibility of the Board of Directors in [the Corporate Governance Guidelines](#). The Board of Directors will be responsible for establishing and revising the “Toshiba Group Sustainability Policy” and will endeavor to ensure that this Policy are known and complied with broadly across the Company, including at the front lines of the Company’s business activities both in Japan and overseas.

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

We reviewed our sustainability management structure and newly established the Sustainability Strategy Committee chaired by the President and CEO with members comprising executives related to sustainability, presidents of key Group companies*, and managers related to sustainability. Starting from FY2021, the committee meeting is held twice a year as a general rule. The

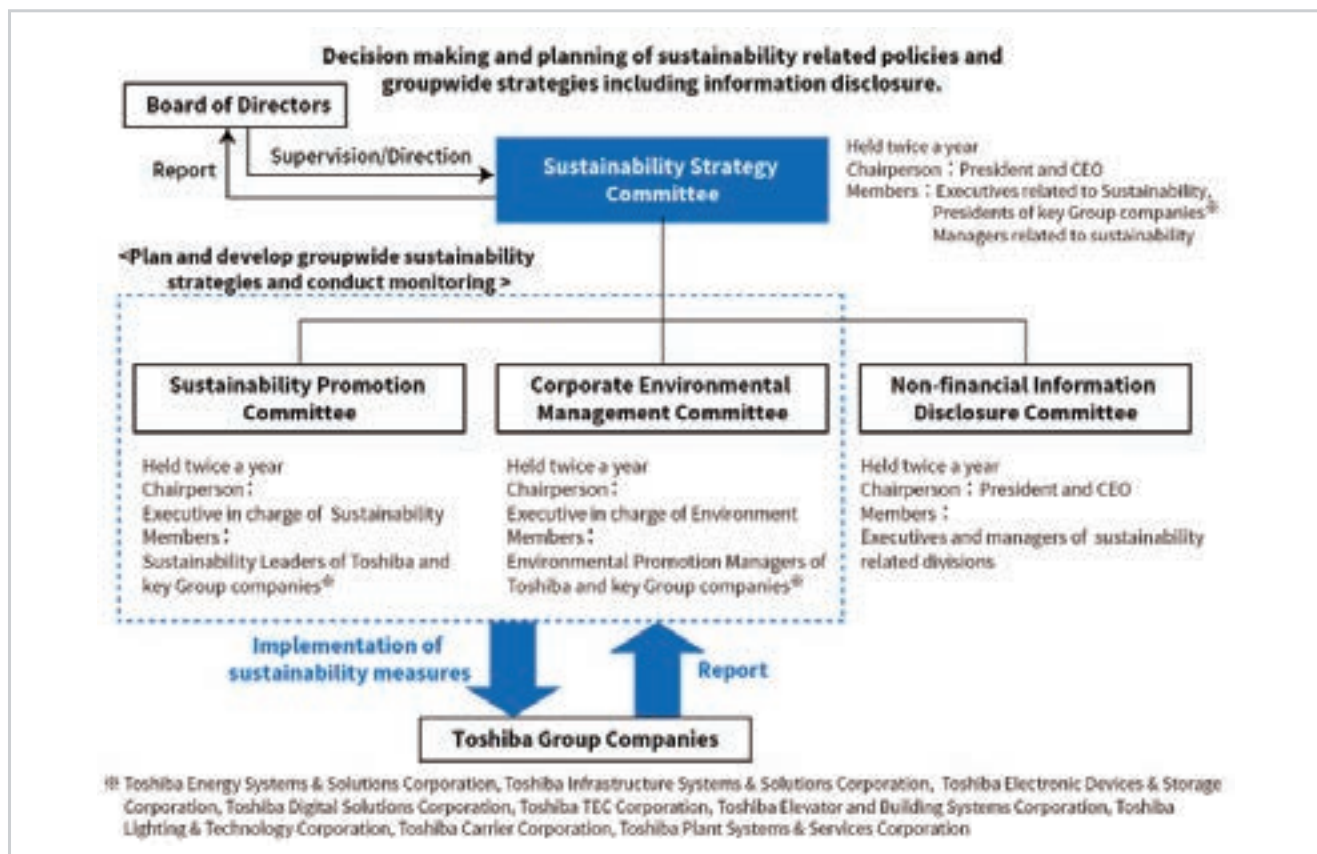
Sustainability Strategy Committee decides on strategies and measures to promote sustainability in Toshiba Group. At its meeting held in August 2021, the committee discussed and identified new material issues (important issues).

Under the Sustainability Strategy Committee, we set up three committees, namely the Sustainability Promotion Committee that considers specific measures based on decisions made by the Sustainability Strategy Committee, develops an action plan, and monitors progress; the Corporate Environmental Management Committee that has functioned since 1991; and the Non-financial Information Disclosure Committee that approves the disclosure of ESG information to be included in our Integrated Report and Sustainability Report. The Sustainability Promotion Committee is chaired by the executive in charge of sustainability. The Corporate Environmental Management Committee is chaired by the executive in charge of environment. As a general rule, each of the committees holds a meeting twice a year to discuss and examine various measures that Toshiba Group is promoting.

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

* Toshiba Energy Systems & Solutions Corporation, Toshiba Infrastructure Systems & Solutions Corporation, Toshiba Electronic Devices & Storage Corporation, Toshiba Digital Solutions Corporation, Toshiba Tec Corporation, Toshiba Elevator and Building Systems Corporation, Toshiba Lighting & Technology Corporation, Toshiba Carrier Corporation, and Toshiba Plant Systems & Services Corporation.

Sustainability Management Structure

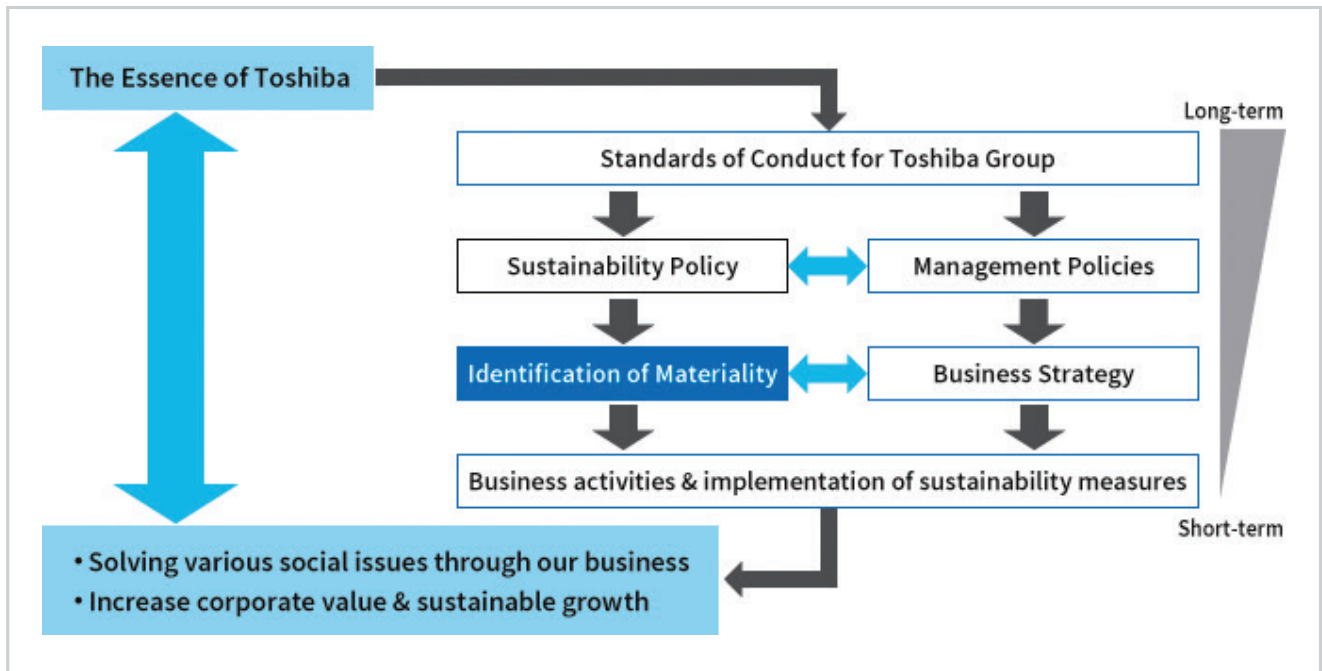


Material Issues

Guided by the Essence of Toshiba, Toshiba Group works on material issues in accordance with the Sustainability Policy and promotes sustainability management that contributes to the development of society.

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

We position the material issues under the Essence of Toshiba and the Sustainability Policy, and will work on initiatives Group-wide.



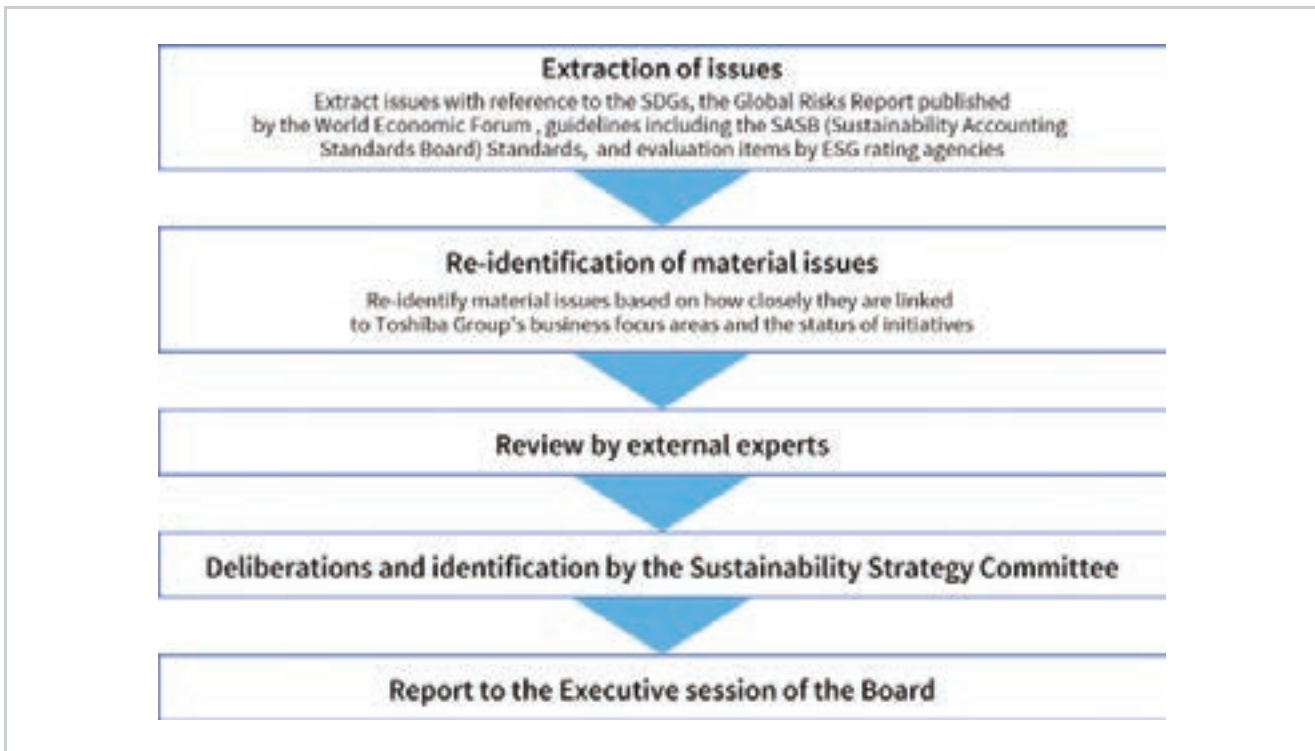
Toshiba Group will help solve social issues through its business. By strengthening our management foundations that support our business activities and tackling the material issues below, we will increase Toshiba Group’s corporate value and achieve sustainable growth.

We understand that the following re-identified material issues in particular are closely linked to our business: “responding to climate change,” one of the urgent issues to be addressed on a global scale, “improving cyber resilience,” one of the essential elements to drive data business, “enhancing research and development to create innovation,” and “securing, retaining and developing human resources.”

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

Process of Material Issue Identification

Before re-identifying material issues, Toshiba Group extracted and organized issues with reference to the SDGs, which are universal social issues, the Global Risks Report published by the World Economic Forum (WEF), and guidelines including the SASB Standards. We narrowed them down to those of priority, evaluating them by their closeness to our businesses and their importance in terms of strengthening the foundations to drive businesses. External experts then reviewed the draft of the selected issues. In August 2021, the Sustainability Strategy Committee chaired by the President and CEO confirmed the selection. The re-identified material issues were also reported to the Executive session of the Board in September 2021, and finalized upon reflecting opinions of the session members.



Secure, Retain and Train Human Resources

To “turn on the promise of a new day,” the Toshiba Group Human Resources Policy provides total support for people with a sincere passion for transformation who envision the company’s future and cooperate with one another to create new value.

Toshiba Group Human Resources Policy

Appraisal

People who take on new challenges will be highly evaluated and rewarded for their actions and performance.

Talent (management, assignment, and training)

People who lead growth and innovation and take on new challenges will be assigned and trained.

Organization

A highly creative and productive organization will be created where each person can play an active role.

In accordance with the Toshiba Group Human Resources Policy, we implement the following initiatives.

Appraisal

Since FY2020, Toshiba Group introduced a new human resource system that compensates for competency and achievements of employees who continue to innovate toward a new future, regardless of age and length of service. We have changed our qualification system from one based on employees’ ability to perform their duties to a role-based grading system that clarifies employees’ roles in the organization and determines the grade based on those roles.

Talent

Toshiba Group considers the development of successors and executive candidates to be important management tasks. Accordingly, we implement the Succession Plan to systematically select and develop successors for all management positions, from business managers to chief foremen.

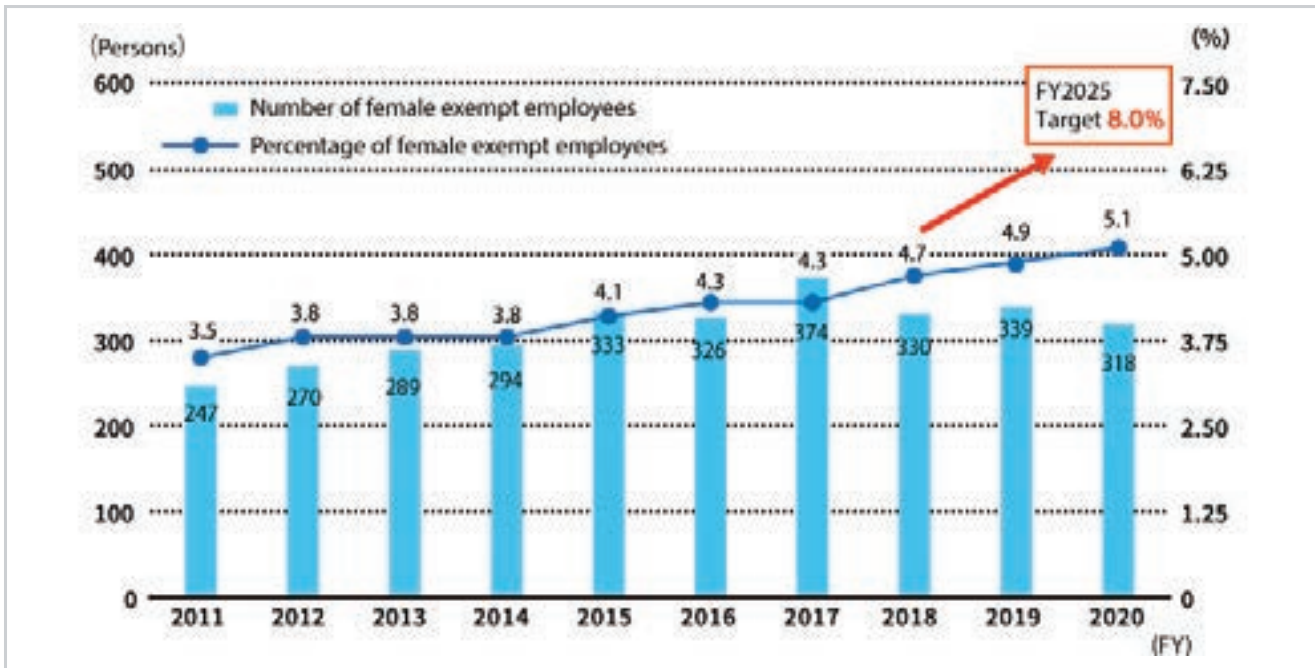
Organization

Toshiba Group has prepared guidelines for establishing organizations to optimize decision-making processes and to encourage open-minded communication between supervisors and junior colleagues. Organizations are established and managed based on these guidelines which specify the maximum number of organizational levels and the number of subordinate organizations, as well as the appropriate number of their constituent members.

Toshiba Group believes that promoting diversity and inclusion and equal opportunity leads to greater corporate value in areas such as securing workforce and creating innovation, and aims to establish a corporate culture that enables diverse employees to play active roles irrespective of gender, nationality, or whether they have disabilities or not. We are working to enhance our systems and initiatives, especially for female employees, non-Japanese employees, employees with disabilities, and LGBT+ employees.

With regard to measures to accelerate the success of female employees, Toshiba developed an action plan aimed at increasing the percentage of female exempt employees to at least 7% by the end of FY2020. However, it stopped short at 5.1%, partly due to factors such as the subsequent status of Toshiba brought by organizational and business restructuring. In the second-term action plan formulated in April 2021, Toshiba and key Group companies set a target percentage of female exempt employees at 8% to be achieved by the end of FY2025 through systematic human resource development and mid-career employment. In addition, a new 15% target has been added for childcare leave utilization rate among male employees by the end of FY2025. We formulated measures to achieve these targets, including training for female manager candidates, support for male employees to utilize childcare leave, and awareness raising seminars for supervisors and workers.

Trends in the number/percentage of female exempt employees (Toshiba and key Group companies*, section manager level or higher)



* FY2011 through FY2016: figures for Toshiba

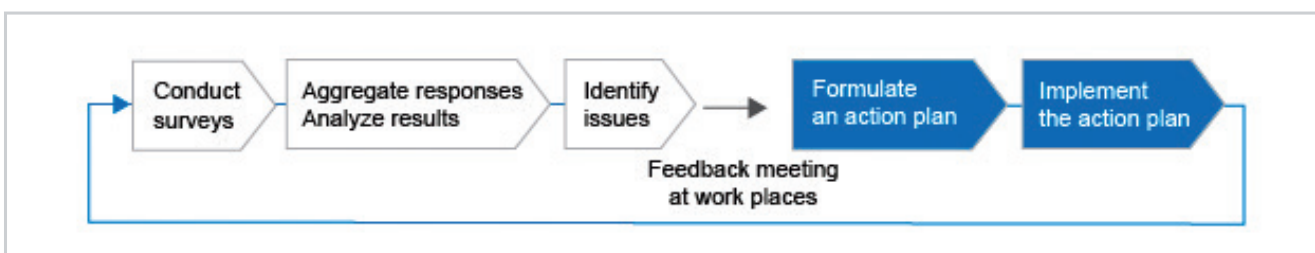
From FY2017 onward: Sum of the figures for Toshiba Corporation, Toshiba Energy Systems & Solutions Corporation, Toshiba Infrastructure Systems & Solutions Corporation, Toshiba Electronic Devices & Storage Corporation, and Toshiba Digital Solutions Corporation

In order for Toshiba Group to leap forward as an infrastructure services company, it is essential to increase the number of AI experts. We are working to develop AI experts to increase the number of AI experts to 2,000 by FY2022. For example, we launched an AI engineer training program in collaboration with the Graduate School of Information Science and Technology at the University of Tokyo in the first half of FY2019. We are training more than 300 highly-skilled AI experts by holding training sessions for approximately 50 people each, twice a year. We have also set up programs based on employees' knowledge and requirement levels, such as basic courses to provide AI knowledge, practical courses to perform hands-on training using AI tools, and courses specializing in deep learning, as part of our efforts to enhance in-house education.



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 various measures, and how firmly rooted they are. We strive to improve the issues that emerge and leverage them to enhance the corporate culture. In FY2020, we conducted an anonymous survey targeting around 60,000 employees in 79 Toshiba Group companies in Japan and overseas, and received responses from approximately 92% of the employees. The survey assesses employees' understanding of company measures and whether their working conditions allow them to demonstrate their abilities. Since FY2015, the survey also features questions regarding how the President and CEO and top management are perceived, the status of compliance and other measures. Although the score fell for "Feedback from manager" and "Systems for growth and career development" compared to the previous fiscal year, it improved for other items. In particular, the scores related to "Integrity," "Values," and "Pride to company" improved significantly, with the "Engagement score," a key indicator, improving by 2 percentage points year on year to 22%.

TEAM Survey execution cycle (Annual)



Ensure Employee Health and Safety

At the Toshiba Group, we implement sustainability management, including Occupational Health and Safety (OHS), in accordance with the Basic Commitment of the Toshiba Group. While according full respect to the culture and customs of the societies in which we operate, we conduct business activities that contribute to realization of a sustainable society. To realize this, in our all business conduct, we place the highest priority on human life, safety and compliance, and we make concerted efforts throughout our operations to create safe and healthful workplace environments.

For Toshiba Group to resolve social issues and contribute to the further development of society, it is necessary to promote work style reform that includes enhancing the work environment and reforming operations so that employees feel that work is rewarding. Steadily promoting work style reform is a key to ensuring that each employee is safe and healthy, works in a lively manner and leads a fulfilling life, and as such, it is important to take steps aimed at boosting health and safety to increase employees' vitality. Toshiba Group has made further improvements to its OHS management activities and codified them into the OHS management to penetrate them throughout the organization from top management to all employees. We declared the launching of this policy at the Toshiba Group CSR Conference in December 2018. In addition, to spread awareness of OHS management, we established an OHS Management Conference (described later) chaired by the CHSO in FY2019 and convened on a regular basis.

Toshiba Group defines fatal accidents or accidents for which more than one person requires leave from work at the same time as serious accidents and strives to eliminate them. Although Toshiba Group companies are engaged in a wide variety of industries, there are industries where the risk of a severe accident is relatively high, as judged from past cases. We, therefore, identified target industries to introduce the international OHSMS standard based on third-party assessment and have been incorporating OHSAS 18001 and acquiring external certification for manufacturing companies in those industries since FY2007. In FY2020, we transitioned to ISO 45001*, and, all manufacturing companies and 44 non-manufacturing companies (accounting for 75.1% of all personnel from Group companies in Japan) in Toshiba Group in Japan and 38 companies (accounting 79.8% of all personnel from Group companies in overseas) Toshiba Group overseas have acquired the certification.



ISO 45001 Certificate of Registration

* An international standard for OHSMS established by the International Organization for Standardization (ISO) in 2018

The frequency of occupational accidents (frequency of lost workdays) of Toshiba Group in Japan in FY2020 was almost the same as that of the previous fiscal year. This is much lower than the national average for the manufacturing industry. The number of occupational accidents in FY2020 was 95 in total, almost unchanged from the previous fiscal year, with 31 cases resulting in lost workdays and 64 cases without lost workdays. At the same time, the number of occupational accidents of Toshiba Group overseas in FY2020 was 35 (counting accidents resulting in lost workdays or worse), a decrease of 17 cases from the previous fiscal year.

Meanwhile, two fatal accidents involving Toshiba Group employees (one in FY2019 in Japan and one in FY2020 overseas) occurred over the past three years. Taking this fact to heart, we will systematically take various measures with a renewed resolve to eradicate serious accidents.

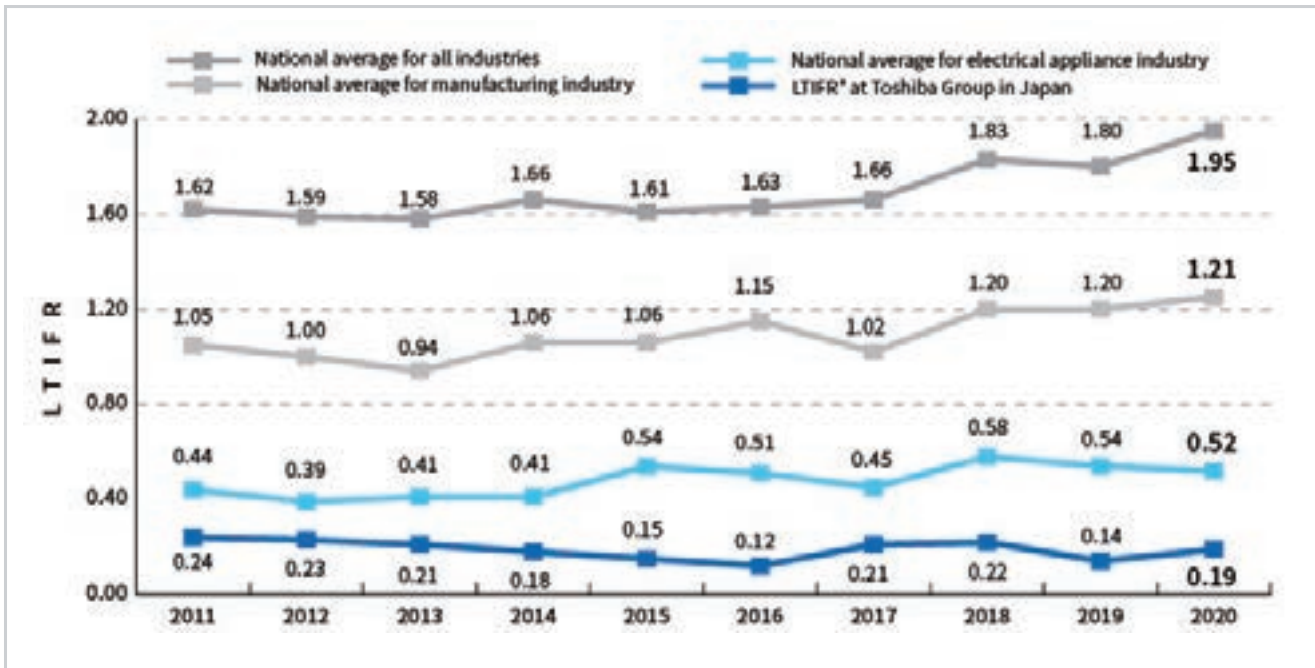
Toshiba Group in Japan has set the prevention of lifestyle diseases, enhancement of mental health and prevention of overwork as the basis to achieve them as the top priority measures within the Toshiba Group's Standards for Health Management. We strive to raise employees' awareness of the importance of health and take various measures to maintain their physical and mental health from both a high-risk approach¹ and population approach².

Toshiba Group overseas is working to maintain and improve the health of its employees in accordance with the actual situation of each country.

¹ High-risk approach: A method of health management that focuses on people at high risk of disease

² Population approach: A method of health management that focuses on the whole group rather than a specific group to lower the exposure to risk

Lost-time injury frequency rate at Toshiba Group in Japan



In response to the COVID-19 Outbreak, Toshiba Group is responding to the changing situation to ensure the safety of customers, suppliers, local communities, employees and their families and business continuity. Toshiba Group is engaged in many businesses and services that sustain society such as social infrastructure, the cornerstone of life. In light of the need to fulfill our responsibilities to society and provide these businesses and services, we are continuing activities at sites engaged in manufacturing, services and distribution with appropriate measures in place to minimize the risk of COVID-19 infection.

In response to the pandemic, the COVID Countermeasures Headquarters was established to manage the situation within Toshiba Group and provide information on measures based on the latest trends and knowledge through internal notices and a dedicated website. We made a decision that in principle employees were to work from home where possible and set a target attendance rate for each job type for workplaces where working from home is viable. To support this policy, we increased the number of lines enabling access to our internal systems.

KPIs for health management were set forth as shown below at the OHS Management Conference for FY2019. We will aim to further improve items which have already attained nationwide target figures and raise the level of items which are yet to achieve targets nationwide. Our varied approach will center on improving the process indicator, lifestyle habits.

As a result of our health-related efforts, we were selected by Nippon Kenko Kaigi* as the 2021 Certified Health and Productivity Management Organization Recognition Program; namely, Toshiba and its key Group companies (excluding Toshiba Tec Corporation), Toshiba Lighting & Technology Corporation, Toshiba Carrier Corporation and its two group companies, Toshiba IT & Control Systems Corporation, and Toshiba Plant Systems & Services Corporation (Large enterprise category) as well as Toshiba Precision Corporation (Small- and medium-sized enterprise category). Further, Toshiba Lighting & Technology was also selected in the White 500 as one of the top 500 companies based on health and productivity management survey results.

* An entity comprising private organizations such as economic groups with the support of the Ministry of Economy, Trade and Industry



Respect for Human Rights

Toshiba Group's policy on human rights is stipulated in the Article 1 "Respect for Human Rights" in the Standards of Conduct for Toshiba Group, which Toshiba Group's executives and employees must adhere to. The policy was formulated with reference to international norms and guidelines such as the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises and ISO 26000.

As part of this policy, we will require corrective actions not only of Toshiba Group executives and employees but also of our suppliers for any human rights violations found. Furthermore, we will engage in dialogues with relevant stakeholders on human rights issues.

We recognize the importance of implementing our human rights policies not only within the Group but also throughout our supply chain. To this end, we stipulate this policy as "Supplier Expectations" in the Toshiba Group Procurement Policy and request all parties' adherence. We monitor them through annual CSR surveys.

Led by Human Rights Enrichment Committee, which is chaired by the executive in charge of Human Resources and Administration Division, Toshiba plans and executes training courses covering key topics on human rights to educate and enlighten employees under the basic principle of respect for human rights. Human Resources and Administration Division serves as the secretariat for the Human Rights Enrichment Committee, formulating basic policies for human rights awareness and enforcing them Group-wide, establishing an internal promotion system, drafting and promoting Group-wide policy on education and training, preparing training materials, developing instructors, following up on the progress of training, consulting and coordinating with outside organizations, and providing instructions and support to promote the concept of respect for human rights throughout Toshiba Group.



Toshiba Group has constantly verified potential human rights risks in its business activities through ISO 26000 reviews. In FY2017, we performed another human rights impact assessment in each business in collaboration with Business for Social Responsibility (BSR), an US-based non-profit organization that promotes CSR, in order to further understand how our business activities impact human rights issues and recognize the following priorities.

Major Human Rights Issues Identified by the Human Rights Impact Assessment

- Consideration of human rights in raw material procurement (such as responsible mineral procurement)
- Consideration of human rights in the supply chain, especially in emerging countries
- Consideration of Toshiba Group employees' human rights
- Consideration of customers' human rights (protection of personal information, privacy, etc.)
- Consideration of human rights when venturing into new markets

Based on the result, we grasp the situation in each company regarding human rights concerns, which vary depending on the business area, country or region, and make the appropriate response when an issue arises. Also, to ensure ongoing monitoring, we perform human rights surveys (human rights due diligence) targeting our Group companies worldwide and CSR surveys targeting our suppliers, as well as mineral procurement surveys, etc.

Human rights surveys are conducted as part of the Risk Assessment Programs of the Toshiba Group Risk Management System, with content that centers on child labor and forced labor. They have been conducted on an ongoing basis since 2005. In FY2020, we surveyed 211 Group companies.

For employees, our Human Rights Enrichment Committee is the driving force to raise awareness about respect for human rights among employees. It aims to increase the familiarity among all employees in Toshiba Group and its business sites with the Standards of Conduct for Toshiba Group and provide training programs on human rights at the time of hire and before/after employees get promoted or appointed to managerial positions.

Education and Enrichment on Respect for Human Rights

Human Rights Awareness Training

FY2020 : 120 times
Participants : around 7,300

(Toshiba Group in Japan)

Human Rights Week Lecture

In December every year during Human Rights Week, Toshiba holds a Human Rights Week Memorial Lecture as a Toshiba Group Sustainability Month* event.

Disclosure of Risk Management Case Studies Regarding Human Rights

Toshiba publishes case studies from outside the company regarding violation of human rights on our company intranet, in order to improve employee awareness.

Workshops on Human Rights

In order to increase understanding of human rights issues within Toshiba Group, we hold workshops on human rights at various locations.

Prevention of Harassment

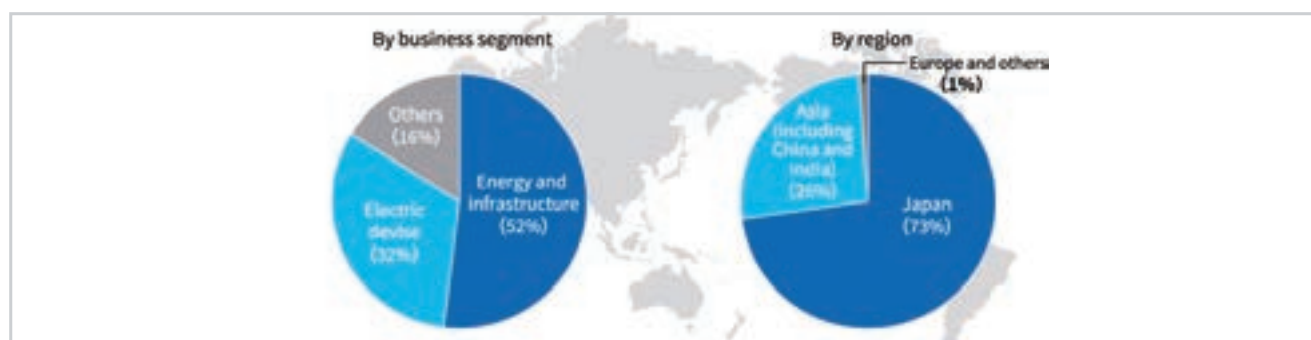
In FY2020, we provided online training on how to acquire basic knowledge about harassment and the attitude and method of how to respond to consultation.

* Since FY2006, Toshiba Group has designated December as Sustainability Month (renamed from CSR Month in FY2020) to implement various initiatives.

In addition, Toshiba Group receives internal reports and consultations concerning human rights through points of contact for employees and business partners.

Promotion of Sustainable Procurement

Procurement component ratio by business segment and region (Japan/overseas) (FY2020, monetary value base)



Sustainable procurement activities refer to procurement that is sustainable over the future, aiming to fulfill social responsibilities, such as following laws and regulations, social norms, protecting human rights, occupational health and safety, and the environment, including those of suppliers. Toshiba Group promotes sustainable procurement activities through its supply chain. In April 2020, Toshiba Group established an independent team specializing in sustainable procurement activities within the Procurement Division at Toshiba's Headquarters. To promote sustainable procurement activities in areas such as human rights, labor, health and safety, and the environment, the specialized team collaborates with related divisions such as sustainability management, the environment, and each business division. Through our structure for promoting sustainable procurement activities, we provide information and education to Toshiba Group companies to ensure that they are fully aware of and comply with our measures.

We request all our suppliers, who play an important role in the Toshiba Group companies' production and services, to consent to and put into practice the [Toshiba Group Procurement Policy](#). The policy is translated into English, Chinese and Thai to complement the Japanese version, and whenever the contents of the said policy are revised in keeping with social trends, we inform all our suppliers both inside and outside Japan.

In FY2020, Toshiba Group selected approximately 2,000 companies as new suppliers based on the Policy for Selecting Suppliers stipulated in the Toshiba Group Procurement Policy. We distributed the Toshiba Group Procurement Policy to new suppliers and briefed them on its content, requesting their consent, including to encourage secondary suppliers to also adhere to the policy.

* As Toshiba Group companies conduct surveys based on each contract, we count a supplier with multiple contracts based on the number of contracts with the supplier, and therefore the number of suppliers is cumulative. Additionally, the company numbers are approximate due to there being commercially sensitive information.

In addition, we have set the [Toshiba Group Green Procurement Guidelines](#) in order to address environmental issues and the [Toshiba Group Responsible Minerals Sourcing Policy](#) in order to address responsible minerals sourcing.

We also have the Standards of Conduct for Toshiba Group for our Group officers and employees. Our corporate policy is to fulfill our CSR through fair trade and compliance with laws, regulations and social norms, as well as to build relationships of mutual understanding and trust together with our suppliers.

Toshiba Group monitors the status of management at suppliers that have ongoing businesses at the time of quality audits at manufacturing sites and requests improvements and provides support as necessary. For new procurement transactions, we check the supplier's conformity with Toshiba Group's procurement and selection policies, its manufacturing sites and management structure, and whether it complies with laws and regulations on environment, human rights, and occupational health and safety.

Toshiba Group holds briefings to explain to suppliers its policies on the environment, human rights, and occupational health and safety as well as supplier surveys to monitor their performance in accordance with the Toshiba Group Procurement Policy (including self-assessment) at each business site. In FY2020, we conducted surveys on human rights for 2,603 suppliers, health and safety surveys for 2,789 suppliers, and environmental surveys for 4,263 suppliers (the figures are cumulative numbers of Toshiba Group's suppliers). As a result of surveys, for example, we requested the proper use of protective equipment and other measures.

Since FY2019, we have expanded the scope of the survey to suppliers of products and components, regardless of whether they are used in products under the Toshiba brand, as our primary suppliers.

Number of suppliers participating in briefings and those covered by the survey (FY2020, Toshiba Group, cumulative)

Topic	Participation in briefings	Surveys*	On-site audit*
Human rights/Labor	2,366	2,603	167
Health and safety	2,868	2,789	222
Environment	3,333	4,263	108

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

If a supplier violates the standard for procurement transactions, 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.

Number of suppliers subject to guidance & support and suspension of transactions (FY2020, Toshiba Group, cumulative)

Topic	Guidance and support	Suspension of transactions
Human rights/Labor	93	0
Health and safety	193	0
Environment	68	0

Examples of supplier guidance & support (FY2020)

Environmental activities	<ul style="list-style-type: none"> • Thorough implementation of the environmental policy and the Green Procurement Guidelines among the employees of suppliers • Guidance on how to treat industrial waste material, etc.
Human rights and OHS	<ul style="list-style-type: none"> • Thorough implementation of 5S (Sort, Set in Order, Shine, Standardize, Sustain) management • Supporting smelters to obtain conflict-free certification* • Guidance on proper use of protective equipment

* Conflict-free certification: A system that has a third-party organization certify that an operator does not use conflict minerals (conflict free).

In order to drive forward its CSR management through the supply chain in accordance with international standards, in June 2011, Toshiba joined the RBA, the organization for CSR promotion in the electronics industry. In order to fulfill CSR in the areas of labor, health and safety, the environment, and ethical standards throughout the supply chain, we take measures in accordance with the spirit of the RBA Code of Conduct. We participated in an RBA membership meeting (online meeting) held in the United States in September 2020, and the RBA Outreach Meeting in Japan held online in January 2021. In these meetings, we learned about the latest global trends, exchanged information and held discussions with experts to create a responsible supply chain.

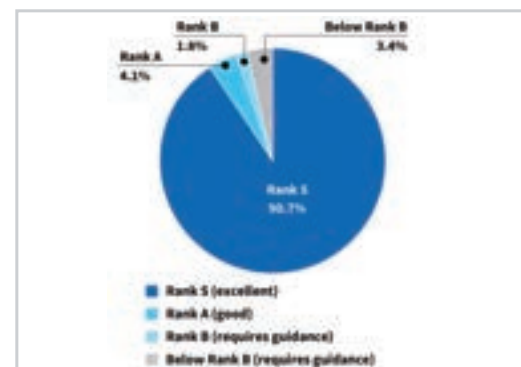
We request suppliers of Toshiba Group companies to carry out CSR self-assessment each year in accordance with the RBA Code of Conduct depending on their respective industries, to check how they implement initiatives regarding compliance with laws, regulations and social norms, human rights, occupational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

Environmental Considerations

Toshiba Group promotes green procurement as a part of our environmental considerations in the manufacturing processes. Following our Green Procurement Guidelines, we endeavor to referentially procure products, parts, and materials that have a low environmental impact from suppliers who actively promote environmental protection. We ask our suppliers for their understanding and cooperation regarding green procurement, evaluate their environmental performance, and conduct inquiries and assessments of chemical substances contained in the goods procured.

With regard to environmental performance, we request our suppliers to conduct a voluntary assessment of the level of greenness of their environmental activities (Toshiba standards) based on the environmental standard ISO 14001 by using a standard format and to report on assessment results. In selecting suppliers, we assign priority based on the ranks of the suppliers and also encourage them to improve their level of greenness.

The level of greenness of suppliers (FY2020) (Priority suppliers 94.8% Rank S and Rank A)



Human Rights and Occupational Safety (Ensuring Responsible Minerals Sourcing)

Since Section 1502 on conflict minerals of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act) enacted in January 2013, companies listed in American Exchange are required to report on the use of conflict minerals mined in the Democratic Republic of the Congo and its adjoining countries. Toshiba Group is not a listed company, however, as a part of the supply chain of listed companies, investigates and reports to our customers.

Prior to the enactment of the Act, Toshiba Group organized an internal system to address conflict minerals issues, and established the Toshiba Group Conflict Mineral Policy and publicized it on its website in October 2011.

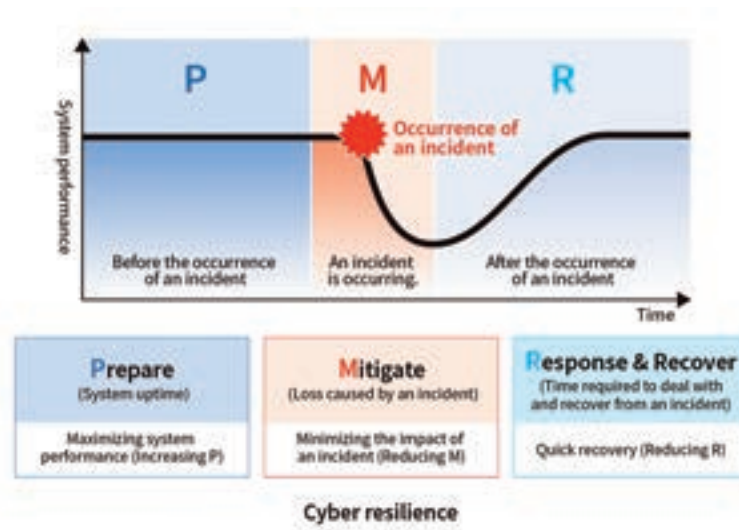
In recent years, however, there has been heightened risk associated with minerals sourcing, affecting not only the Democratic Republic of Congo and adjoining countries but also other conflict-affected and high-risk areas, and extending to child labor and other general human rights violations, as well as corruption and other sources of risk. In September 2020, therefore, we revised our Conflict Mineral Policy and formulated the Responsible Minerals Sourcing Policy.

We surveyed around 630 suppliers (cumulative number), using the Conflict Minerals Reporting Template (CMRT) that might use 3TG in FY2020. We also took part in preparing materials explaining the recent trends in minerals surveys and the questionnaire in the latest version of the survey as a member of JEITA Responsible Minerals Trade Working Group in order to deepen the understanding of responsible mineral procurement.

Strengthen Cyber Resilience

Strategies for Enhancing Cyber Security Preparedness

Toshiba Group has adopted a philosophy called “cyber resilience” in order to achieve comprehensive solutions for information, product, control, and data security. It means the ability to be prepared for cyberattacks and other security incidents so as to minimize their impact and facilitate prompt recovery from any incidents. To increase cyber resilience, Toshiba Group has defined three parameters, PMR; P for “prepare,” M for “mitigate,” and R for “respond & recover.” It is necessary to increase P and reduce M and R. Toshiba Group is promoting comprehensive cyber security measures to enhance the cyber resilience in terms of Governance, Operations and Human Resources Development.

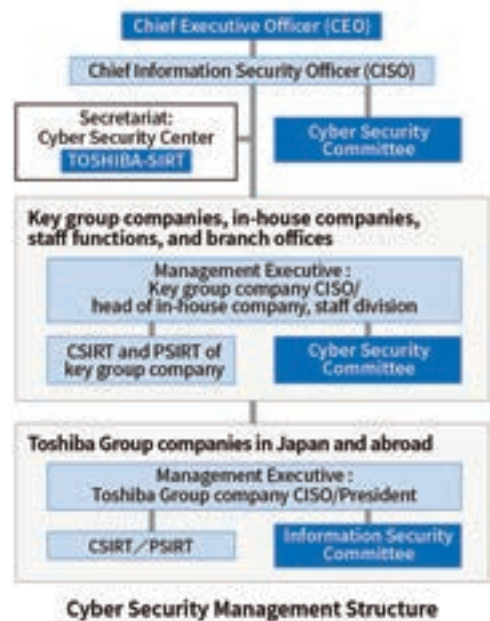


Governance

Toshiba Group has a management system in place under the direction of the Chief Information Security Officer (CISO) to properly manage cyber security risks that could have a severe impact on corporate management and to promote cyber security measure that assumes various types of cyberattacks. The TOSHIBA-SIRT¹ assists the CISO and have the functions of both CSIRT and PSIRT. It supervises the cyber security measures of the entire Toshiba Group and provides support for all group companies in Japan and abroad. Each key group company overseeing other subsidiaries also

has a CISO, who is responsible for the implementation of security measures consistent with those of Toshiba Group and the establishment of a cyber security management system for the company. Toshiba Group has established the Basic Regulation for Cyber Security that stand above the regulations and guides on information security, product security, and privacy protection. The purpose of the Basic Regulation for Cyber Security is to ensure the promotion of consistent security measures across Toshiba Group for its internal information systems; our products, systems, and services; and personal information.

¹ SIRT: Security Incident Response Team



Operations

Toshiba Group is endeavoring to enhance cyber security not only for internal information systems and production systems at its factories and other facilities but also for its products, systems, and services to be offered to customers. Its initiatives are aimed not only to enhance security via security by design¹ at the design and development stages but also to predict and be prepared for security risks at the operational stage by constantly monitoring internal and external security threats. Toshiba Group quickly responds to security incidents to minimize damage and expedite business recovery in the event of an incident. We also emphasize “security lifetime protection,” a concept stressing the importance of sustainable security that incorporates the evaluation and verification of up-to-the-minute security threats and their countermeasures as well as feedback to the design and development processes of products and services.

To strengthen security operations such as prediction & detection, response & recovery, and protection, the Cyber Security Center is currently developing a security management platform called the Cyber Defense Management Platform (CDMP). The purpose of CDMP is to increase the accuracy and expediency of security risk detection and response and thereby enhance cyber resilience. The CDMP is designed to automate the “prediction and detection” and “response and recovery” processes and actively use threat intelligence² in order to minimize the impact of security risks on corporate activities.

*1 Security by Design: A product development approach that focuses on security at the planning and design stages

*2 Threat intelligence: A collection of information about cyber threat trends and cyberattacks by hackers that supports decision-making concerning cyber security.



Human Resources Development

In order to enhance security consciousness, Toshiba Group provides education on information security, privacy protection and product security for all employees. In addition, Toshiba Group provides training for security personnel according to the types of their tasks and levels while defining the qualities of security personnel required. Training security personnel so as to ensure they possess the necessary specialized knowledge and expertise is not the only goal of human resource development. Toshiba Group also endeavors to train personnel so that they are capable of enhancing product security at the development stage and promptly responding to security vulnerabilities and incidents. In addition, Toshiba Group provides product security education for those in managerial positions. Based on the qualities required for security personnel, Toshiba Group has a certification program to certify security personnel who possess sufficient knowledge and expertise for each type of task and level.

Toshiba Group meets its responsibilities to stakeholders in respect of information disclosure related to cybersecurity by publishing an annual [Cyber Security Report](#), and by posting regular updates on the [Toshiba Group Cyber Security website](#). These measures ensure that stakeholders understand the Group’s thinking and strategies, and specific measures to enhance cyber security.

Environmental Future Vision 2050

Toshiba Group considers it important to continue providing enriched value to customers while responding to global trends from a long-term perspective in order to contribute to the realization of a sustainable society and to aim to grow sustainably as a company. As such, Toshiba Group formulated the Environmental Future Vision 2050 as a new long-term vision in November 2020 to address carbon neutrality, the circular economy, and other issues from a global perspective. With the goal of “contributing to the realization of a sustainable society through environmental management which aims to create enriched value and to ensure harmony with the earth,” the Environmental Future Vision 2050 aims to realize a sustainable society—in other words, a decarbonized society, a resource circulating society, and a society in harmony with nature. Under the same concept of backcasting, which has been incorporated at the formulation, we will promote the implementation of initiatives in three areas: **“response to climate change”**, **“response to the circular economy”** and **“consideration of ecosystems”** so as to realize the ideal situation in 2050.

These three areas are in line with the Toshiba Group’s materiality, aiming to integrate business and environmental activities from a medium-to long-term perspective, and focus on them in line with the business strategy indicated by the newly formulated Mid-term business plan. We will proactively develop environmental contribution measures in our business.



Response to Climate Change

We aim to achieve carbon neutrality throughout Toshiba Group’s entire value chain by FY2050. As a milestone, we aim to reduce GHG emissions by 70% by FY2030 compared to the FY2019 level. Specific initiatives include investing in energy-saving equipment and introducing equipment for renewable energy and procuring power derived from renewable energy in carrying out Toshiba Group’s business activities; suspending the receipt of new orders for coal-fired thermal power plant construction work; and leveraging our technological capabilities to create products and services that contribute to GHG reductions in society. Such products and services include energy technologies: renewable energy, energy aggregation* for power supply and demand adjustment, CO₂ separation and capture technology, social infrastructure products and building-related products with high energy-saving properties. We will promote business that involves measures to adapt to climate change, which are aimed at ensuring stable energy supply and strengthening resilience, and also reducing GHG emissions derived from products and service purchased in cooperation with our suppliers.

*A mechanism for consolidating various energy resources, such as renewable energy and Electric Vehicle (EV), and controlling output according to power supply and demand conditions.

Response to Climate Change in Business Activities

Toshiba Group has been proactively installing systems to capture and/or remove sulfur hexafluoride (SF₆), which is used to insulate heavy electric machinery, and perfluorocarbons (PFCs), which are used to produce semiconductors. By steadily taking measures to improve our production processes, the Group is working to reduce the total volume of GHG* emissions generated from our business activities. In particular, to reduce energy-derived CO₂ emissions resulting from the use of electricity, we are making efforts to proactively adopt energy-saving measures at our production sites, including those overseas, to improve production efficiency, as well as to introduce renewable energy.

*Carbon dioxide (CO₂), methane (CH₄), dinitrogen oxide (N₂O) (= nitrous oxide), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃)

In FY2020, total GHG emissions were 1.05 million t-CO₂, so we achieved our target of 1.66 million t-CO₂. Energy-derived CO₂ emissions per unit activity were 92% compared to the FY2013 level. Although total GHG emissions have remained almost flat compared to the previous year, per unit activity improved as a result of investment in high-efficiency equipment and other efforts.

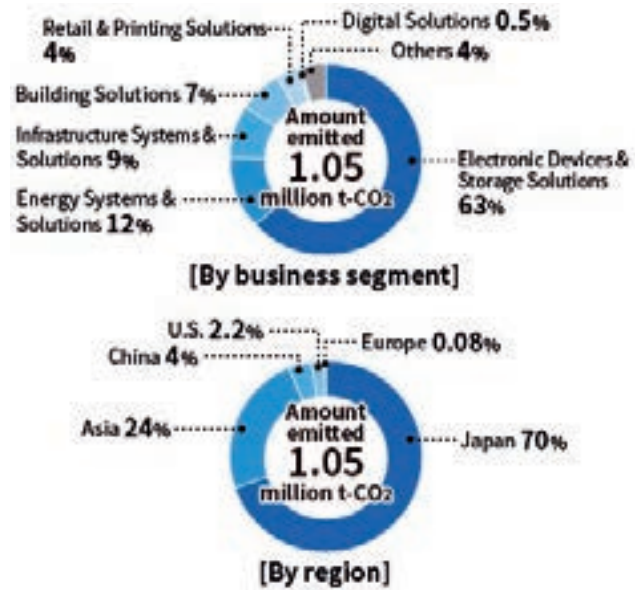
Renewable energy accounted for 0.08% of total energy consumption.

Total GHG emissions



*CO₂ emission coefficients for electricity are calculated using emission coefficients provided by power companies.

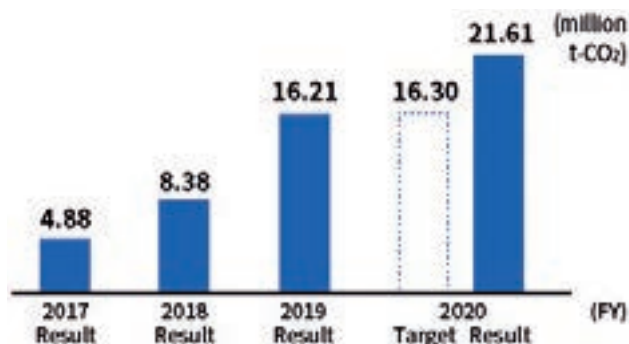
Breakdown of total GHG emissions (FY2020)



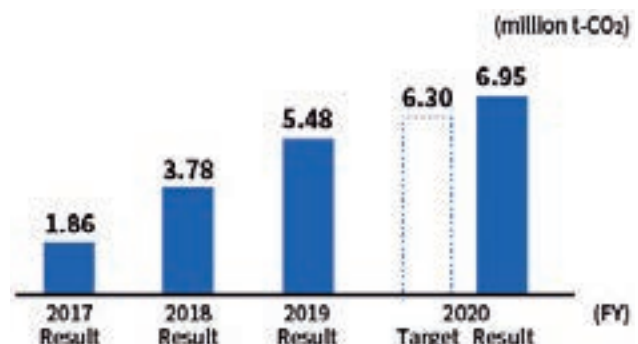
Increased Reduction of GHG Emissions by Products and Services

In regard to products and services associated with power supply, we contribute to reducing CO₂ emissions by developing renewable energy technologies and improving the efficiency of power infrastructure facilities such as power plants. In addition to products and services associated with power consumption, we will contribute to reducing CO₂ emissions by improving the energy-saving performance of products and services associated with power consumption, including social infrastructure products, services and office equipment.

Reductions in CO₂ Emission by Eco-products (Power Supply) (Cumulative Total)



Reductions in CO₂ Emission by Eco-products (Power Consumption) (Cumulative Total)



Response to the Circular Economy

We will promote the efficient use of resources in both business activities and products and services. At the same time, we will actively collaborate with relevant parties, such as industry organizations, government agencies, and other companies, in order to adapt our business models to the circular economy. Specifically, we will work to reduce the volume of waste from business activities and to recycle used products and parts, as well as aim to build circular economy business models based on solutions that employ digital technologies, which is our focus business.

Reduction of Waste Volume in Business Activities

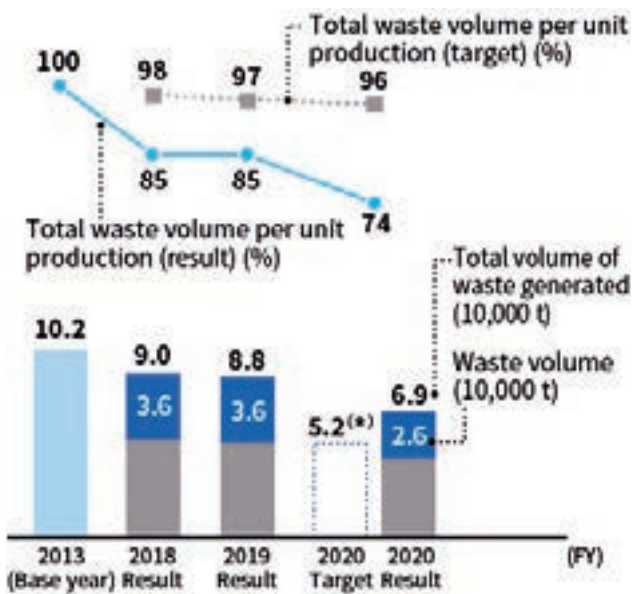
Toshiba Group is working to reduce waste generation by minimizing the volume of waste generated per unit production, which indicates business process efficiency improvement, as well as by reducing the total volume of waste to a level that does not exceed the Earth's environmental capacity.

Waste is a matter of concern to all employees. We have decided to promote measures at all workplaces having all employees participate, focusing first of all on not generating waste and aiming to improve the recycling rate. At each stage of design, development, production, and distribution, we give thorough consideration to reducing, recycling, and facilitating waste disposal. We monitor the composition of waste and promote the reduction or elimination of hazardous substance content, as well as thorough sorting and storage.

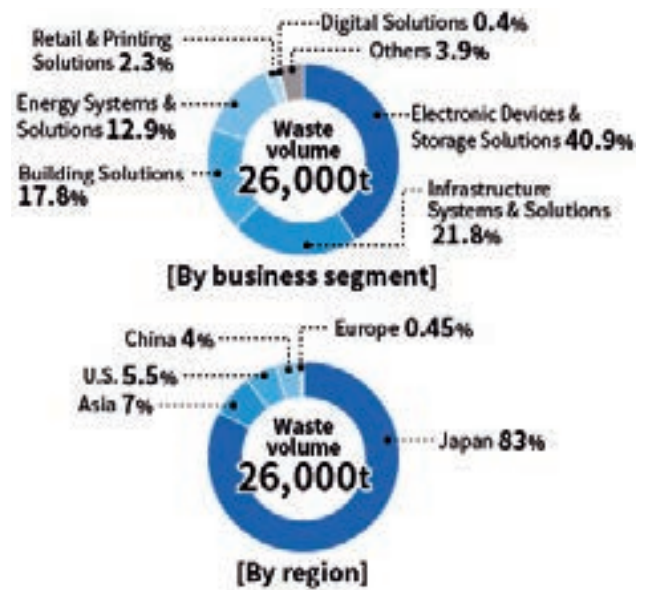
In FY2020, the volume of waste (excluding that of objects with value) totaled 26,000 tons. The total volume of waste generated per unit production was 74% compared to that of FY2013, achieving the target.

The total volume of hazardous waste is 2,800 tons, and its recycling rate is 78%.

■ Waste volume and total volume of waste generated/per unit production



■ Breakdown of the waste volume (FY2020)



Recycling of End-of-Life Products

In order to ensure efficient use of resources and appropriate treatment of hazardous substances, in accordance with recycling regulations in each country and region of the world, Toshiba Group is promoting the collection and recycling of products that customers have stopped using. In Japan, in addition to products subject to the Act on Recycling of Specified Kinds of Home Appliances and the Act on the Promotion of Effective Utilization of Resources, we have established a unique scheme to collect elevators, MFP/POS systems, and other office equipment. Toshiba Group also observes the WEEE Directive* in Europe and state laws in the United States. Furthermore, we are preparing to respond appropriately to recycling-related laws enacted in China, India, and Australia and those expected to be enacted in the future by governments in other countries in Asia and Central/South America.

*WEEE Directive: The European Union (EU) Waste Electrical and Electronic Equipment Directive

Consideration of Ecosystems

We will contribute to the creation of a society where humans live in harmony with nature and continue to enjoy the blessings of ecosystems by promoting compliance with policies and regulations on chemical substance management in countries around the world, proper management of water resources, and activities to conserve biodiversity on and off the premises of Toshiba sites.

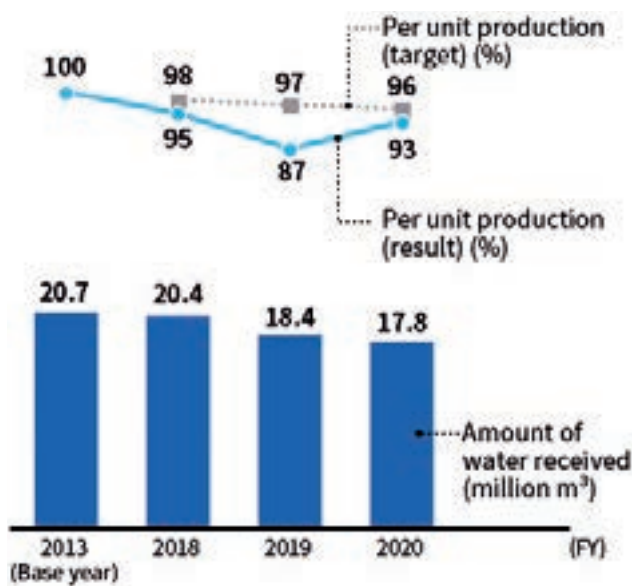
Reduction of the Amount of Water Received in Business Activities

In response to rising concerns over water problems worldwide, Toshiba Group is promoting sustainable water resource management. Each of our production sites has incorporated the policy of reducing the volume of water received into its annual plan in order to develop specific strategies and conduct follow-up surveys on an ongoing basis. We are promoting wide-ranging initiatives including recycling the wastewater generated in sites and introducing systems for using rainwater.

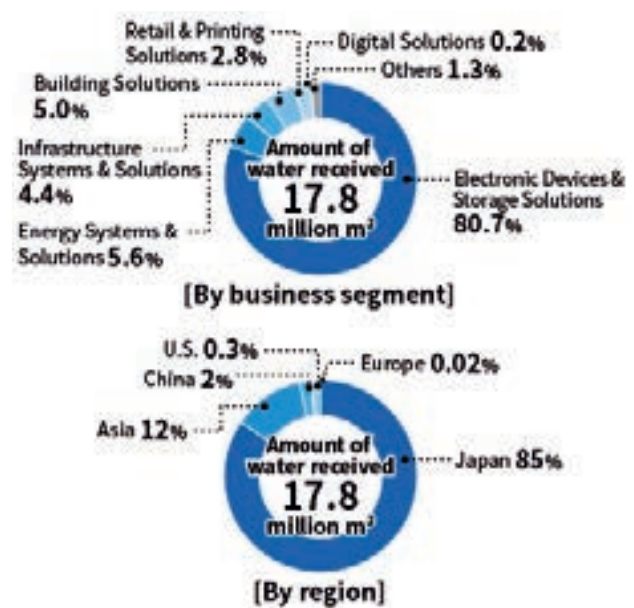
Since Toshiba Group has multiple production sites in Southeast Asia, where water risks are relatively high, we will focus our risk management efforts on appropriately dealing with the issues of each region by promoting recycling of wastewater and using rainwater as measures for water-shortage problems as well as by raising the floor of main equipment and making other efforts as flood control measures.

The total volume of water received in FY2020 was 17.8 million m³ and the volume of water received per unit production was 93% of the total for FY2013, so we achieved our targets.

Amount of water received per unit production



Breakdown of the amount of water received (FY2020)



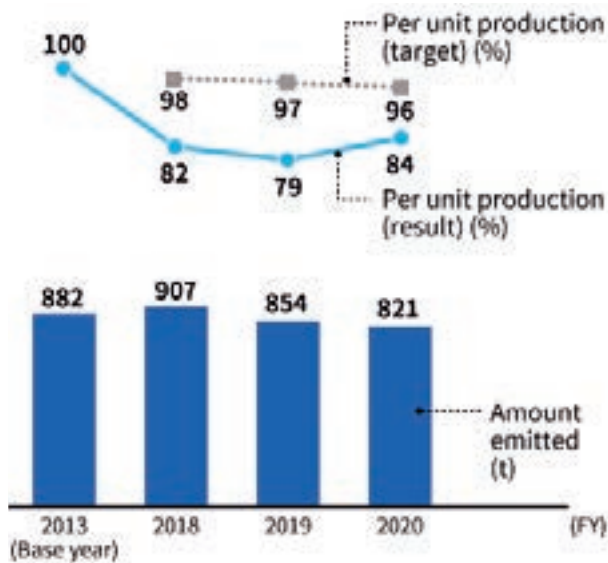
Reduction of Emissions of Chemical Substances in Business Activities

Toshiba Group strives to reduce the emission of chemical substances by designating substances that have large direct impacts on the environment as those targeted for reduction.

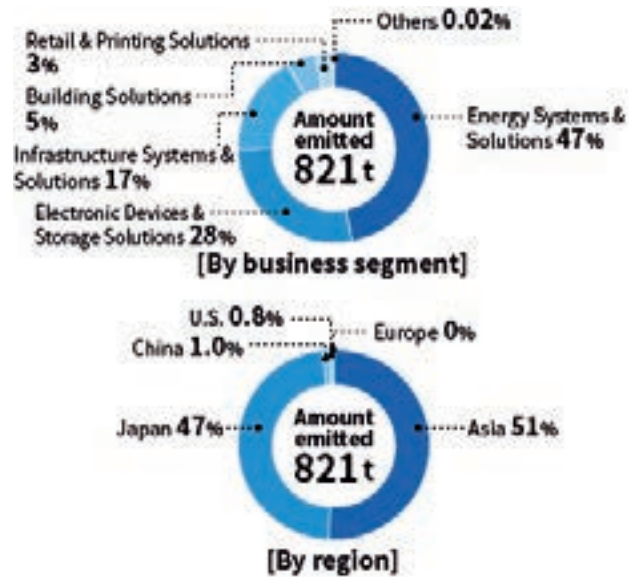
Toshiba Group plans to use alternative substances and increase the efficiency of using materials by improving processes as an incoming countermeasure and to expand the usage of equipment to remove and capture emitted substances as an outgoing countermeasure.

In FY2020, Toshiba Group took measures to address solvents used in cleaning and resin processing, which are the major emissions in terms of volume. We promoted initiatives such as using alternative substances and improving productivity and manufacturing processes in order to reduce the use of raw materials as well as reducing the evaporation of volatile organic compounds (VOCs) by enhancing chemical management. As a result, the quantity of chemical substance emissions per unit production was 84% of the FY2013 level and we therefore achieved our target.

■ Emissions of substances targeted for reduction and those per unit production



■ Breakdown of emissions of substances targeted for reduction (FY2020)



Management of Chemical Substances Contained in Products

Toshiba Group provides a wide range of products, from electronic devices to building- and facility-related equipment, industrial systems, and energy and social infrastructure products. Various chemicals are used to manufacture these products. Toshiba Group considers “minimizing the risks involved in the use of chemicals,” the precautionary principles proposed and adopted at the WSSD* and other conferences, as an important challenge to address if it were to properly manage these chemicals. We have been promoting initiatives to specify the chemicals to be managed, to eliminate the use of specified chemicals (including the use of substitute substances), and to reduce the amount of chemicals contained in our products. In addition, we share information on such specified chemicals in each process of our production activities in order to minimize the risks of these chemicals to human health and the global environment.

Also, to respond to the globalization of business, Toshiba Group takes global measures to manage chemicals contained in products. We gather and assess the latest trends in policies and regulations on chemical management of countries around the world and reflect them in Toshiba Group’s management of chemicals.

Furthermore, Toshiba Group promotes the Green Procurement initiative, which specifies prohibited substances, which are prohibited from use in procured items such as product materials and parts, and managed substances, which are monitored for use in procured items, to be reduced and substituted to mitigate their environmental impact. Our aim is to procure products, parts, and materials with less environmental impact in cooperation with our business partners and suppliers.

* WSSD: World Summit on Sustainable Development

Conservation of Biodiversity

Toshiba Group aims to create a sustainable society in harmony with nature by promoting the reduction of environmental impacts through our business activities, products, and services, such as responding to climate change and the circular economy and ensuring water and chemical substance management, as well as biodiversity conservation activities that directly act on nature. It takes a long time to recover and improve biodiversity and ecosystems. We will monitor the impact the Group has on biodiversity and the risks and opportunities associated with biodiversity so as to continue to engage in long-term biodiversity conservation activities.

The Strategic Plan for Biodiversity 2011–2020 was adopted at the 10th Conference of the Parties to the Convention on Biological Diversity (COP10) held in Nagoya City in 2010. The plan sets a medium- to long-term vision for achieving “a society in harmony with nature” by 2050 and aims to achieve the mission and specific action goals, the Aichi Targets, by 2020. The Aichi Targets consist of 5 strategic goals and 20 individual targets.

Considering biodiversity conservation activities an important element of environmental management, Toshiba Group has set a goal for FY2020 to contribute to the achievement of 10 goals that are closely connected to our business activities. We carried out biodiversity conservation activities in accordance with the regional characteristics of each of 61 sites worldwide (39 in Japan, 22 overseas).

Toshiba Group's Seventh Environmental Action Plan

We at Toshiba Group have formulated the Environmental Action Plan to achieve our long-term environmental vision by reviewing its activity items and the scope of governance every few years. In this plan, we specify detailed areas of activity as well as set and manage targets. Based on Toshiba Group's Environmental Future Vision 2050, we have now formulated the Seventh Environmental Action Plan with an activity period covering FY2021 to FY2023. There are 19 targets set in three activity areas, "Response to climate change", "Response to the circular economy" and "Consideration of ecosystems", with the first two being the priority items, and also "Enhancement of the basis of environmental management", which supports the three activity areas.

Activity area		Activity content		FY2021 target	FY2022 target	FY2023 target
Response to climate change (Priority item)	Business activities	Reduction of total GHG emissions ¹		1.10 million t-CO ₂	1.08 million t-CO ₂	1.04 million t-CO ₂
		Improvement of total energy-derived CO ₂ emissions per unit		1% improvement compared to FY2020	1% improvement compared to FY2021	1% improvement compared to FY2022
	Products & services	Products and services associated with power supply	Reduction of GHG emissions during power supply (Base year: FY2019) ²	9.1% reduction	11.4% reduction	13.6% reduction
			Contribution to GHG reduction through introduction of renewable energy (cumulative total) ³	13 million t-CO ₂	28 million t-CO ₂	43 million t-CO ₂
		Products and services associated with power consumption	Contribution to GHG reduction during product use (cumulative total) ⁴	26 million t-CO ₂	54 million t-CO ₂	84 million t-CO ₂
	Business activities/ Products & services	Contribution to GHG reduction through digital technology		Promotion of the use of digital technologies to realize remote operation, automation, and intelligence		
		Promotion of business that adapt to impacts of climate change		Development of measures aimed at stable energy supply, strengthened resilience, etc.		
Response to the circular economy (Priority item)	Business activities	Reduction of waste volume ⁵		31,000 t	33,000 t	33,000 t
		Improvement of the volume of waste generated per unit		1% improvement compared to FY2020	1% improvement compared to FY2021	1% improvement compared to FY2022
	Products & services	Increased amount of plastic resources recycled (cumulative total) ⁶		700 t	1,400 t	2,200 t
		Increased amount of resources saved (cumulative total) ⁷		150,000 t	300,000 t	450,000 t
		Promotion of circular economy businesses		Creation of business models that improve both resource efficiency and corporate value		
Consideration of ecosystems	Chemical substance management	Business activities	Reduction of the amount of chemicals discharged per unit	1% improvement compared to FY2020	1% improvement compared to FY2021	1% improvement compared to FY2022
		Products & services	Reduction of specified chemical substances contained in products	Responding to policies and regulations regarding specified chemical substance management by countries around the world		
	Water resource management	Business activities	Improvement of the amount of water received per unit	1% improvement compared to FY2020	1% improvement compared to FY2021	1% improvement compared to FY2022
	Conservation of Biodiversity		Activities at global sites based on the themes set out in reference to the new international goals ⁸		Setting of five themes ⁹ as Toshiba Group's activity targets and promotion of employee participatory initiatives in and outside Toshiba sites	
Enhancement of the basis of environmental management	Environmental communication	External communication		Communicating Toshiba Group's environmental initiatives on its Environment website		
		Networking with stakeholders		Promotion of communication activities in the age of the "new normal" based on collaboration with local residents, NPOs, NGOs, and administrative offices and among employees		
	Environmental risk management & compliance	Strengthening of the internal compliance management system and thorough implementation of internal education		Building and strengthening of the internal compliance management system through the Toshiba Group Environmental Audit System and Performance Evaluation System; provision of environmental education according to different posts, occupational roles, and specializations		

* Basic-unit goals for energy-derived CO₂ emissions, waste, water, and chemical substances: activities are assessed using indicators such as nominal output, the number of products manufactured, the number of persons and total floor area.

¹ CO₂ from electricity is calculated using emission coefficients provided by power companies.

² The reduction rate of GHG emissions from products and services associated with power supply, such as thermal power generation (compared to FY2019). The calculation method is as follows: GHG emissions from power generation for FY2021 onward due to newly installed or upgraded facilities are calculated into a reduction rate from emissions in FY2019. The arithmetic mean for the results during the period of the Seventh Environmental Action Plan is used.

³ Contribution to GHG reduction by products and services associated with power supply such as hydroelectric, geothermal, and photovoltaic power generation. The calculation method is as follows: Obtain the difference between average GHG emissions per unit of all thermal power generation (coal, gas, oil) and GHG emissions per unit of renewable energy generation and multiply it by output, operation rate, facility utilization rate, expected service life, etc. Aggregate the cumulative total volume of contribution to GHG reduction due to power generation in FY2021 onward attributable to newly installed or upgraded facilities.

⁴ Contribution to GHG reduction by products and services associated with power consumption, such as social infrastructure products. The calculation method is as follows: Obtain the difference between total GHG emissions of assumed substitute products and total GHG emissions of shipped products and multiply it by the expected service life. Aggregate the cumulative total volume of the three years.

⁵ Obtained by deducting the volume of objects with value from the total volume of waste generated (excluding sites engaged in waste treatment and power generation).

⁶ Cumulative total volume of recycled plastics and bioplastics used over the three years.

⁷ Cumulative total volume of resources conserved due to lighter product weights and longer product service lives over the three years. The calculation method is as follows: [Total volume of input materials for assumed substitute products - Total volume of input materials for shipped products]

⁸ Post-2020 Global Biodiversity Framework scheduled to be adopted at the 15th Conference of the Parties to the Convention on Biological Diversity (COP 15) (scheduled to be held from October 2021 to May 2022). Toshiba Group has set its activity themes referring to the first draft of the framework. First draft: <https://www.cbd.int/doc/c/abb5/591f/2e46096d3f0330b08ce87a45/wg2020-03-03-en.pdf>

⁹ (1) Building of ecosystem networks, (2) Conservation of rare species, promotion of ex situ conservation, (3) Response to marine plastics issues, (4) Response to climate change (mitigation, adaptation), (5) Conservation of water

Information Disclosure Based on the TCFD Recommendations

The impact of climate change is intensifying every year, society's interest in this issue is on the rise, triggering demands that companies step up their actions. The Task Force on Climate-related Financial Disclosures (TCFD), which was established by the Financial Stability Board, published its final report in 2017 that urged companies to disclose information on their climate-related risks and opportunities. We have endorsed the TCFD recommendations and are a member of the TCFD Consortium, which aims to promote actions by organizations in Japan in support of the TCFD recommendations. We will actively disclose information on climate change in the four areas (Governance, Strategy, Risk Management, and Metrics and Targets) specified by the TCFD.

Governance

We have a system in place that has the Board of Directors appropriately supervise our efforts to address climate change and other important sustainability-related issues. For important issues related to management risks and opportunities in particular, the executive in charge of sustainability and the executive in charge of environment bring them up to all directors, including Outside Directors, at the Board of Directors meetings to be reflected in the Group's management strategy.

Prior to reporting to the Board of Directors meetings, specific policies, strategies, and measures related to the environment, including climate change, are deliberated at the Corporate Environmental Management Committee, which is chaired by the executive in charge of environment. This semiannual meeting is attended by the environmental promotion managers of key Group companies, corporate staff division managers, and Corporate Environment Management Office personnel.

Strategy

We consider a variety of mega-trends at the development stage of Toshiba Group's Mid-term business plan, and consider the risks and opportunities presented by climate change, which are then reflected in our business strategy. For example, in response to the trend toward achieving carbon neutrality in Japan and abroad, we decided to suspend the receipt of new orders for coal-fired thermal power plant construction work in FY2020. Furthermore, we announced that we will accelerate our efforts toward achieving carbon neutrality throughout the entire value chain under the new Mid-term business plan which starts in FY2022.

We are attempting to predict the future, specifically 2030 and 2050, by analyzing climate change-focused scenarios such as the 2°C (and beyond 2°C) scenario by the International Energy Agency (IEA) and the 4°C scenario (RCP 8.5) by the Intergovernmental Panel on Climate Change (IPCC).

Risk Management

At the Business Risk Review Committee meeting, we assess risks of matters including climate change-related risks that have a significant impact on management. Matters that are especially important in terms of business risks are discussed at the Management Committee meeting. Countermeasures and preventive measures for matters related to environmental risks including climate change are also discussed at the Risk Compliance Committee, directly under the control of the President and CEO.

Climate change-related risks and opportunities that have been assessed and identified are shared by the executive in charge of environment, Group companies, and corporate staff divisions at Corporate Environmental Management Committee meetings, and are managed through the aforementioned organizational structure for promoting environmental management.

Metrics and Targets

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

We set out the following breakdown of GHG reduction target for FY2030 and are promoting related initiatives.

- 1. Reduce the total of Scope 1¹ and Scope 2² (GHG emissions generated from Toshiba Group's own business activities) by 70% by FY2030.**
- 2. Reduce use-phase GHG emissions of "products and services associated with power supply"³ sold in Scope 3⁴ by 80% by FY2030.**
- 3. Reduce use-phase GHG emissions of "products and services associated with power consumption"⁵ sold in Scope 3 by 14% by FY2030.**
- 4. Reduce GHG emissions from products and services purchased from other companies in Scope 3.**
Targets 1 to 3 above are compared to the FY2019 levels. The base year for target 4 is to be determined.

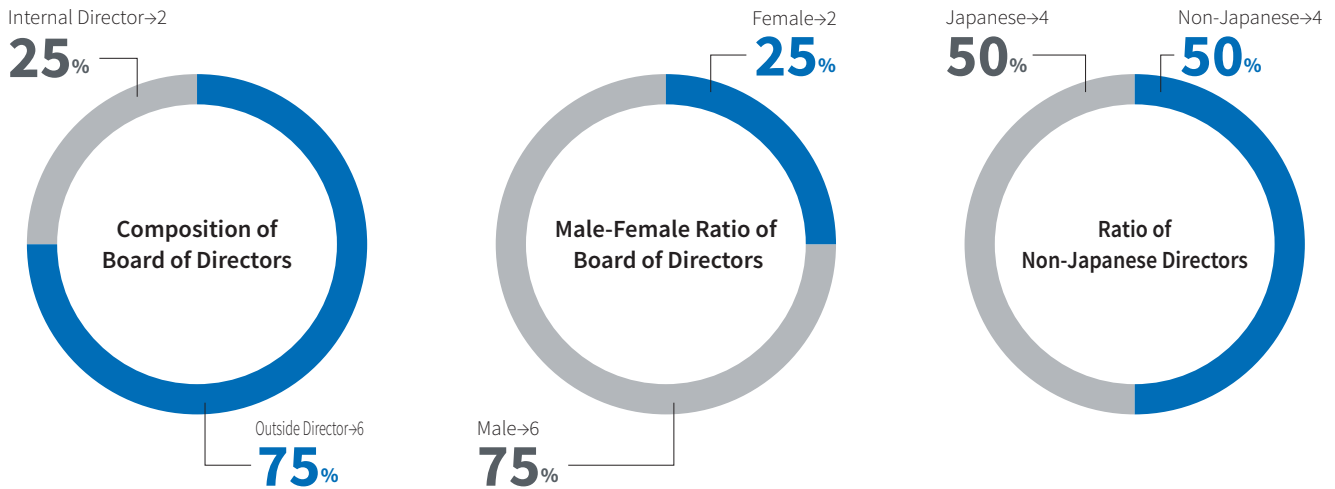
¹1 Volume of direct emissions through fuel use at Toshiba Group

³3 Power generation plants, etc.

⁴4 Volume of indirect emissions generated by Toshiba's value chain (raw materials procurement, distribution, sales, disposal, etc.) outside Scopes 1 and 2

⁵5 Social infrastructure products, building-related products (air conditioners, lighting equipment, elevators and escalators), retail and printing equipment, power devices, etc.

Highlights of Corporate Governance



Point 1 Each committee composed exclusively of Outside Directors

The Nomination Committee, Audit Committee, Compensation Committee and Strategic Review Committee, composed exclusively of Outside Directors, determine the content of proposals for the election and dismissal of Directors to be submitted at shareholder meetings, supervise the execution of duties by Executive Officers, determine the content of individual compensation, and support the Board in its decision making independently, in order to enhance the Company's corporate value for its shareholders and other stakeholders, etc., to be provided to each Executive Officer. The Nomination Committee, Audit Committee, Compensation Committee and Strategic Review Committee are chaired by Outside Director.

Point 2 Directors with a wide range of skills and backgrounds

Our Board of Directors is composed of Directors with experience in international business, expertise in business portfolio management, business transformation, M&A, capital markets and capital allocation, and deep knowledge in law and compliance, and the composition of directors could also reflect in management sufficient diversity viewpoints in terms of gender and international experience.

Point 3 Establishment of Strategic Review Committee

The Strategic Review Committee has the mission to enhance the Company's corporate value and support the Board in its decision making independently for its shareholders and other stakeholders. The Strategic Review Committee is chaired by Mr. Brough, and its other members are Mr. Zage, Mr. Black, Ms. Weissman, and Mr. Hashimoto. All five are Outside Directors.

Point 4 Governance Enhancement Committee

The investigators indicated that the 181st Ordinary General Meeting of Shareholders held on July 31, 2020 had not been conducted fairly as required by the Corporate Governance Code. The Company takes such the indication seriously and determined to initiate an inquiry that would, in an objective and transparent manner, through means including the participation of third parties, investigate and identify root causes, clarify responsibilities, and take appropriate measures to prevent recurrence, in respect of what is referred to in the investigation report as the "Pressure Issue". Thereafter, the Company established the Governance Enhancement Committee and assigned to it the missions of (i) analyzing the root causes; (ii) clarifying responsibility; and (iii) making suggestions on how to develop measures to prevent recurrence. On November 12, 2021, the Company received an investigation report from the Committee and the Company takes the contents of the report seriously, and the Company will proceed with the formulation and implementation of recurrence prevention measures based on the suggestions contained in the report.

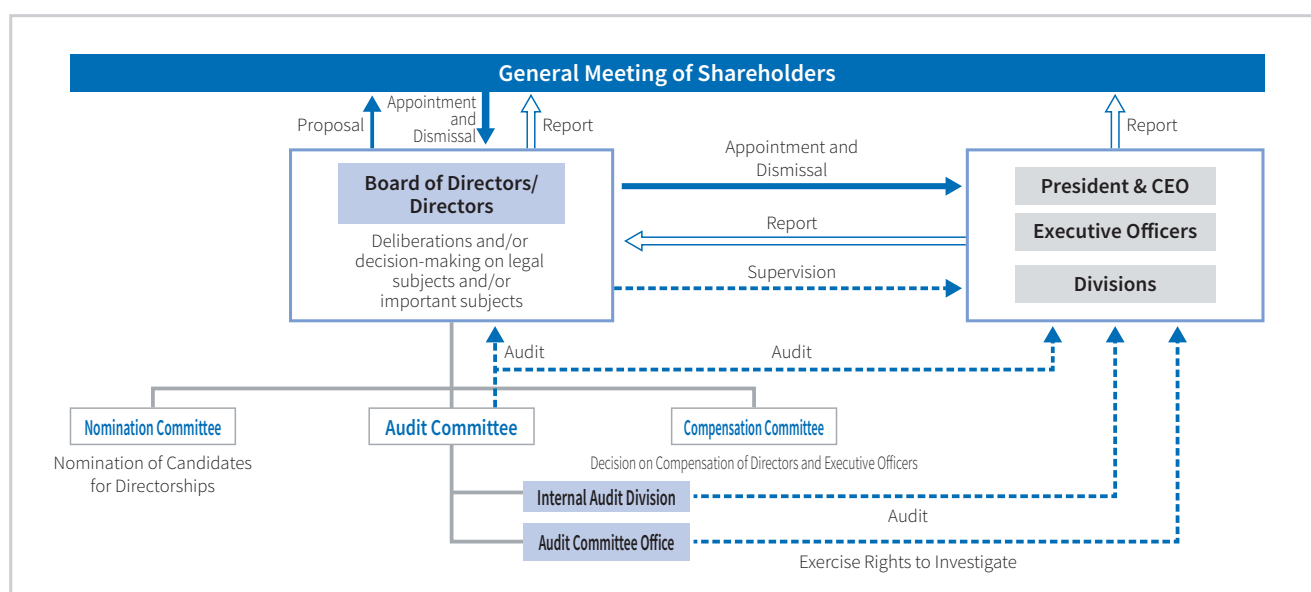
Corporate Governance Policy

Basic Views of Corporate Governance

The basic policy and objectives of Company's corporate governance are to realize sustainable growth and raise the enterprise value of the Group over the medium- to long-term, and to contribute to the interests of all stakeholders, including shareholders, investors, employees, customers, business partners, creditors, and local communities. Under this policy, as the Company puts importance on the Board of Directors' function to supervise business execution, the Company adopts a company with Nomination committee, etc., as its form of organization, that delegates business execution decisions to Executive Officers, allowing the Board of Directors to concentrate on monitoring and supervising execution and determining basic strategy.

The Company has also established "[Corporate Governance Guidelines](#)" (Latest version: December 22, 2021) that form the framework of governance of the Company.

Corporate Governance Structure



State of Activities of the Board of Directors and Committees

During FY2020, the Board of Directors met 16 times, the Nomination Committee 11 times, the Audit Committee 16 times, and the Compensation Committee 4 times. The following outlines the Board of Directors' and committees' principal activities.

State of activities of the Board of Directors

- The Company held the "Directors Council" (so-called "Executive Session") composed solely of independent Outside Directors in order for them to share information and problem awareness among themselves, better understand the Company's operations for Outside Directors and deliberate on the Toshiba Group's key business challenges. At each Directors Council meeting, held prior to a Board of Directors meeting, an advance briefing on proposals to the Board of Directors was provided and opinions were exchanged. Moreover, the Directors Council was operated to ensure that independent Outside Directors' opinions obtained through its meetings were reflected in the Company's management.
- The Company filed applications to be reviewed for reinstatement to the first sections of the Tokyo Stock Exchange and Nagoya Stock Exchange, and received approval for reinstatement from both exchanges in January 2021.
- With respect to the Toshiba Group's policy on shareholder return, regarding the shares of KIOXIA Holdings Corporation held by the Toshiba Group (which holds 40.6% of all voting rights), the Group's management strategy expresses no intention to operate the company's memory business as part of the Toshiba Group. To realize the value of KIOXIA Holdings Corporation's shares, the Company is holding ongoing discussions concerning measures for possibly liquidating these shares. It has been decided that, when the liquidation of shares is carried out, more than half of the net proceeds from this sale will, in principle, be allocated to shareholder return.
- Following a review of our management policy for FY2021 and beyond, the Company announced Phase 2 of the Toshiba Next Plan in November 2020.
- Regarding the incident wherein certain voting forms were not included in the vote count at the 181st Ordinary General Meeting of Shareholders (hereinafter the "Vote Count

Problem”), the Toshiba Group received reports on the results of an investigation conducted by Sumitomo Mitsui Trust Bank, Limited, the Shareholder Registration Agent for the Group, and the results of an examination of this investigation by the Audit Committee. Based on these results, the Group revised the voting results at the 181st Ordinary General Meeting of Shareholders and deliberated on ensuring an appropriate environment for the execution of voting rights at such meetings.

- Concerning shareholder requests for convocation of an extraordinary general meeting of shareholders, the Group received a report on the results of an investigation conducted by the Audit Committee into an issue, indicated in the request by the requesting shareholders, that certain shareholders came under pressure and were unable to exercise their voting rights at the 181st Ordinary General Meeting of Shareholders (hereinafter the “Pressure Problem”).

Following deliberations on how to handle the situation, the Group decided to convene an extraordinary general meeting of shareholders.

- This led to the election at the extraordinary general meeting of shareholders of persons to investigate the status of the operations and property of the stock company (hereinafter “Investigators”), as set forth in Article 316, paragraph (2) of the Companies Act for the purpose of investigating whether or not the 181st Ordinary General Meeting of Shareholders was conducted fairly. The Group resolved to cooperate with the Investigator’s survey in good faith and to ensure greater transparency in its business management.
- The Board of Directors was provided with reports on business plans, budget, risk control information and the state of duty execution by Directors and Executive Officers pursuant to applicable laws and regulations, the Articles of Incorporation, the Board of Directors Regulations, etc.

State of activities by committees

A. Nomination Committee

- The Nomination Committee deliberated on a proposal for the election of Executive Officer, President and CEO.
- The Nomination Committee deliberated on the proposed changes to the Nomination Committee Rules.
- The Nomination Committee deliberated on candidates for Outside Directors to be submitted to the Ordinary General Meeting of Shareholders for the 181st fiscal year.
- The Nomination Committee deliberated on the election of Chairperson of the Board of Directors to be submitted to the Board of Directors.
- The Nomination Committee deliberated on the composition of Outside Directors after the 182nd Ordinary General Meeting of Shareholders.
- The Nomination Committee deliberated on the changes to the standards on the handling of Executive Officers.

B. Audit Committee

- The Audit Committee audited the state of the execution of duties by executives, by attending the Board of Directors and other key meetings and by making inquiries to Executive Officers and other personnel, with a focus on the state of observance of laws and regulations and preventing the recurrence of inappropriate accounting conduct. In addition, the Audit Committee received reports regularly from the Internal Audit Division on their audit results, and from the Internal Control Promotion Division and the Project Audit Division on their state of activities. The Audit Committee also made inquiries to other internal control management departments, thereby verifying the state of implementation of improved internal control system and the status of progress of

corporate culture reform programs. All of the full-time and part-time Audit Committee members attended all hearings and reporting sessions and participated actively in audit activities.

- Outside Director Junji Ota, Chairperson of the Audit Committee, collected information actively, which involves attending important meetings (such as corporate management meetings, Risk-Compliance Committee meetings, Accounting Compliance Committee meetings, and Annual Securities Report Disclosure Committee meetings). In addition, Mr. Ota worked to enhance communication with each department through meetings with executives in each department. The information collected was shared with the Audit Committee members in a timely manner.
- With regard to the inappropriate accounting conduct, the Company continued the claim for damages filed in the Tokyo District Court in November 2015 against five former executives, including those with experience as President.
- The whistleblowing system operated by the Audit Committee, the committee received 31 whistleblowing reports and responded. The Audit Committee was briefed on details and status of responses of all 129 reports to the whistleblowing contact point on the Company’s executive side. The committee has prioritized the reports related to accounting and compliance to verify their investigation results and status of improvements
- Through liaison meeting with Group company auditors, as well as through education and the like, the Audit Committee worked to strengthen auditing governance of Group companies and improve audit quality by bolstering coordination with Group company’s auditors.
- Some shareholders reported that a portion of the voting forms were not tallied in the voting results of the 181st Ordinary General Meeting of Shareholders. The Company therefore requested an investigation by Sumitomo Mitsui Trust Bank, Limited, its transfer agent and shareholder registration agent. In order to ensure the objectivity and transparency of the investigation, the Company hired an outside law firm to evaluate the appropriateness of the process and procedures adopted by Sumitomo Mitsui Trust Bank, Limited in its investigation of the issue and the results thereof. The results of the evaluation were summarized in an Audit Committee opinion that was submitted to the Board of Directors.
- The Company hired an outside law firm to investigate the necessary items regarding the 181st Ordinary General Meeting of Shareholders related to the Pressure Problem and the Vote Count Problem pointed out by the shareholders who demanded an extraordinary general meeting of shareholders. Based on the results of the investigation, the opinions of the Audit Committee were summarized and submitted to the Board of Directors.

C. Compensation Committee

- The Compensation Committee deliberated on the provision of the performance-linked compensation for Executive Officers, etc. according to their performance evaluation for FY2019.
- The Compensation Committee deliberated on changes to, and the applicable period of, FY2020 compensation.
- The Compensation Committee deliberated on revisions to the Compensation Policy and the Officer Compensation Rules.
- The Compensation Committee deliberated on the details of the individual compensation to be paid to Directors and Executive Officers from August 2020.
- The Compensation Committee deliberated on the details of person-by-person compensation to be paid to Executive Officers from April 2021.
- The Compensation Committee deliberated on FY2020 short-term incentives for Executive Officers.
- The Compensation Committee deliberated on the FY2021 compensation plan for Executive Officers.

Rebuilding a system that ensures sound and stable management

The investigators appointed at the Extraordinary General Meeting of Shareholders held on March 18, 2021 conducted the investigation into whether the 181st Ordinary General Meeting of Shareholders held on July 31, 2020 was conducted in a fair manner (including whether or not resolutions were handled legally and fairly). In June 2021, the investigators published the investigation report indicating the results of the investigation. In the investigation report, the investigators indicated that the 181st Ordinary General Meeting of Shareholders had not been conducted fairly as required by the Corporate Governance Code. The Company takes such the indication seriously and determined to initiate an inquiry that would, in an objective and transparent manner, through means including the participation of third parties, investigate and identify root causes, clarify responsibilities, and take appropriate measures to prevent recurrence, in respect of what is referred to in the investigation report as the “Pressure Issue”. Thereafter, The Company established the Governance Enhancement Committee and assigned to it the missions of (i) analyzing the root causes; (ii) clarifying responsibility; and (iii) making suggestions on how to develop measures to prevent recurrence. On November 12, 2021, the Company received an investigation report from the Committee and the Company takes the contents of the report seriously, and the Company will proceed with the formulation and implementation of recurrence prevention measures based on the suggestions contained in the report.

The Company believes that these recurrence prevention measures will form the first step to restore the trust of the shareholders which has been damaged. The Company will continue to discuss governance seriously within the company based on the contents of the report, including suggestions for developing measures to prevent reoccurrence measures. One of Toshiba Group’s values is, “Do the Right Thing”. Many employees on the front lines of operations are working day-to-day based on this value. On the other hand, some of the members of the senior management acted quite differently from this value and the Company should sincerely reflect on this point. Corporate management is established on relationships based on trust with all stakeholders. The Governance Enhancement Committee also indicated the importance of Tone at the Top and for leaders of an organization to demonstrate their commitment to ethical values and integrity. Until now, the Company has made efforts to create a culture, which acknowledges mistakes and creates an organization where anyone can raise their voice openly to above. But the Company needs to dig deeper and consider the psychological safety of all employees, and continue to make persistent efforts in this regard.

Compensation Policy

■ Compensation Policy

Since the main responsibility of Directors is to supervise the execution of the overall Group’s business and to increase corporate value, “Compensation for Directors” is determined at an adequate level to secure highly competent personnel and ensure effective work of the supervisory function, and increasing corporate value from a medium-to long-term perspective.

Since the responsibility of Executive Officers is to increase corporate value in their capacity as executives responsible for companies or divisions within the Group, “Compensation for Executive Officers” is divided into the fixed compensation and the performance-linked compensation, and determined at an adequate level to secure highly competent personnel and ensure the effectiveness of their compensation package as an incentive to improve business performance.

① Compensation for Directors

- Directors are paid the base salary (fixed amount) and stock compensation in accordance with the scope of their responsibilities. An allowance is provided for nonresidents of Japan (the country where the HQ is located). Directors who concurrently hold offices as an Executive Officer are paid only the compensation for Executive Officers and not paid compensation for Directors.
- The stock compensation is paid in the form of the Company’s stock, mechanisms such as restricted stocks with transfer restrictions until retirement.

② Compensation for Executive Officers

- Compensation for Executive Officers consists of Base salary (fixed amount), and stock compensation (fixed amount), determined according to rank, and performance-linked compensation.
- Performance-linked compensation is determined in accordance with the performance of the Company as a whole and managed business and Medium-to Long-Term Management Indicators under the charge of the Executive Officers during the fiscal year, with cash and stock of the Company paid at a rate set according to rank.
- With regard to the stock compensation and performance linked compensation (Shares) that is paid in the form of the Company’s stock, mechanisms such as restricted stocks with transfer restrictions until retirement are used to secure effectiveness as an incentive for medium- to long-term improvement of business performance.

③ Compensation standards

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

Compensation pertaining to the above is set as follows:

Director	Base salary + Stock compensation + Allowance for non-residents of Japan
Executive Officer	Base salary + Stock compensation + Performance-linked compensation (shares and cash)

Risk Management and Compliance Policy

Toshiba Group conducts business activities, giving the highest priority to life, safety, and compliance with laws and regulations, and social and ethical norms. In order to respond appropriately to changes in laws and regulations in every country of the world, the globalization of management and the diversification of business, Toshiba Group has established systems to address various risks.

The Company has set up a three lines of defense, with the relevant business divisions as the front line, the administrative divisions as the second, and the audit divisions as the third. The system is designed to effectively manage risks by assigning to each line a clearly defined role and set of duties, which it carries out appropriately, at the same time exercising a checks-and-balances function. In order to respond to changes in the business environment, such as new technologies and growing supply chains in developing countries, and to the diverse and ever-changing risks that arise when conducting business activities, we will strengthen the three-line defense and ensure effective risk management.

At Toshiba Group, we formulated and are striving to entrench the Standards of Conduct for Toshiba Group (SOC) as a specific action guideline since we are a company that contributes to the realization of a sustainable society while conducting fair, sincere and highly transparent business activities. We are also working toward making the SOC an integral part of the entire Toshiba Group. The SOC is one of the Toshiba Group's important basic guidelines, and therefore, its revision requires approval by the Board of Directors.

■ Compliance Advisory Meeting

In July 2020, the Company established the Compliance Advisory Meeting, which evaluated and verified Toshiba Group's compliance and fraud prevention system. The Compliance Advisory Meeting provided a positive evaluation in that we had put in place a fundamental compliance system for the whole Group and administrative divisions had carried out compliance-related duties by drawing on their appropriate experience, knowledge and ability. The meeting issued an advisory opinion to improve the management level and completed its activities in March 2021. By following the advisory opinion, we have been taking the following measures in FY2021.

- Reinforce Group-wide compliance awareness and strengthen cross-organizational compliance systems and measures under the leadership of the Risk Management & Compliance Office newly established in the Legal Division on April 1, 2021.
- Secure greater penetration of compliance awareness by delivering timely and appropriate messages and developing educational programs that effectively disseminate the principle that compliance takes priority over performance targets.
- After reinforcing a policy of zero tolerance against fraud, maintain and operate rules necessary to prevent fraud, including standardizing fraud countermeasures, setting internal regulations on control activities, preparing manuals, and strengthening awareness of disciplinary action.
- Further improve the structure to promote the use of our internal whistleblower system, by increasing awareness of such a system among employees, receiving reports in English in Japan, and strengthening the overseas whistleblower network.
- Strengthen the function of internal audit on the fraud risk management system through measures such as assigning additional staff.

■ Structure of Risk Management and Compliance

To address compliance and other risks, we appoint a Chief Risk Compliance Management Officer (CRO) to oversee compliance, financial accounting, and other risks for the whole Group. In

addition, the Legal Division responds to whistleblower reports and attempts to achieve global compliance, and is advancing effective risk management and compliance activities.

The CRO chairs the Risk Compliance Committee, which is attended by executives in charge of corporate staff divisions. The committee analyzes whistleblower reports and cases both inside and outside the Company and evaluates the impacts of risks and the status of risk control in accordance with the risk table that covers compliance risks based on the Standards of Conduct for Toshiba Group. In addition, we have established the Accounting Compliance Committee as an organization that promotes reliability and internal control of financial reporting. However, in October 2021, the committee was integrated into the Risk Compliance Committee in order to strengthen risk management and compliance by centrally managing financial and accounting risks and other risks. The Chairman of the Audit Committee, who is an Outside Director, attends the Risk and Compliance Committee.

The Company operates a risk management system (RMS) incorporating a PDCA cycle* led by administrative divisions at the second line of defense. The aim is to identify the status at each Group company of initiatives on compliance risk and to promote improvement in an integrated manner. With the RMS, we implement the Risk Assessment Program (RAP) to assess risks of Group companies. The administrative divisions provide guidance to improve the compliance risks identified. At the same time, the relevant business divisions at the front line of defense themselves work to identify and mitigate the risks autonomously.

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

In the event of a serious issue on compliance or other such matters, there is a system in place by which the relevant in-house committees, etc. at Group companies promptly evaluate and implement countermeasures.

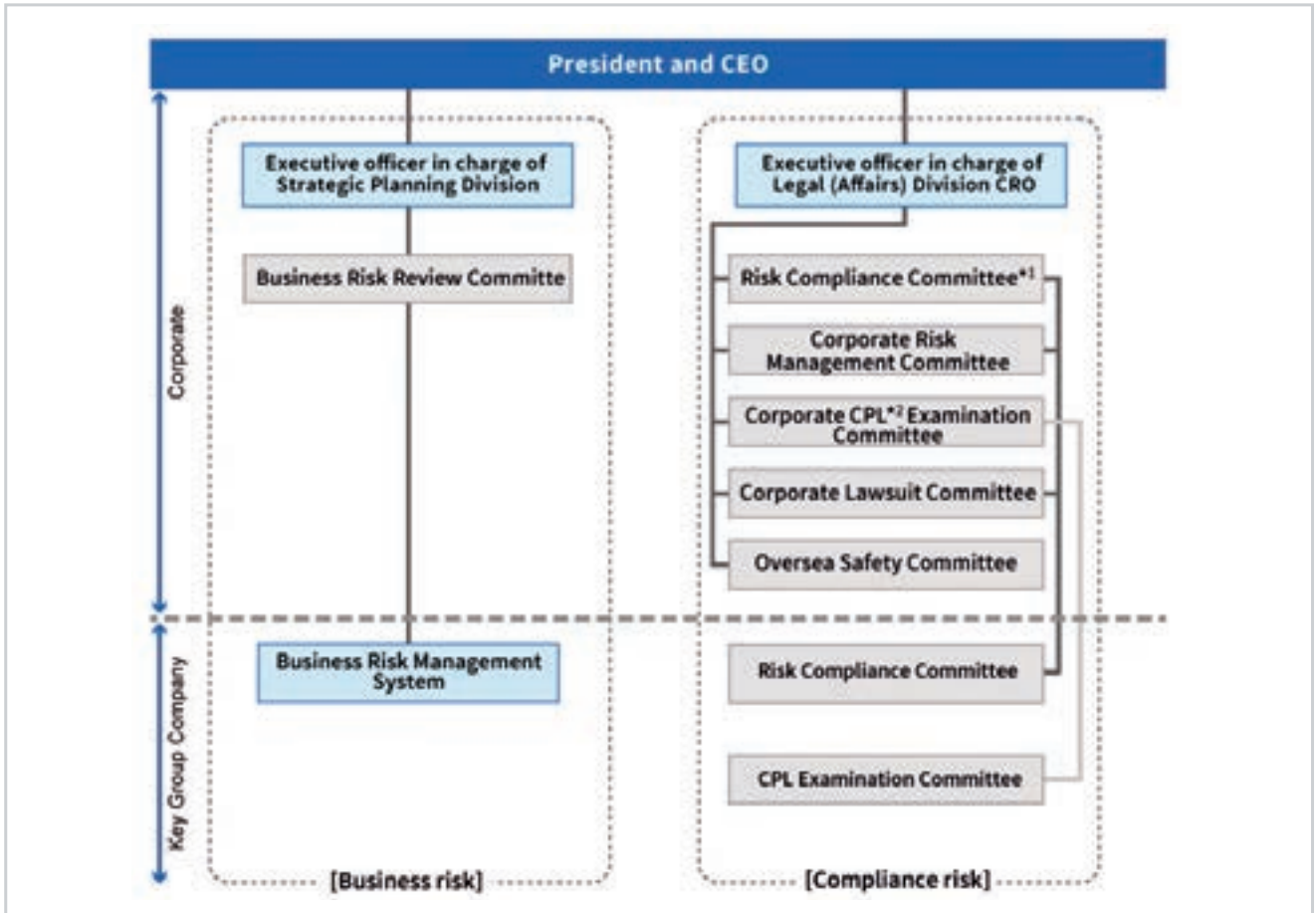
Meanwhile, the Company deals with business risks by clarifying management decision criteria, permissible risk limits and corporate policy on business withdrawal in making

* PDCA cycle: Cycle of Plan (identification and evaluation of risks), Do (preparation and operation), Check (reflection and status investigation), and Action (formulation and implementation of improved plan)

management decisions for business execution to achieve Toshiba Group's sustainable growth and increase corporate value. In addition, for each risk case, the Business Risk Review

Committee conducts risk assessment, identifies the maximum risk, and establishes items for monitoring.

Risk Management and Compliance Committee



*1 The Risk Compliance Committee manages matters related to the Standards of Conduct for Toshiba Group and matters related to risk management and compliance.
 *2 CPL is an abbreviation combining CL (contractual liability) and PL (product liability).

Whistleblower System

In January 2000, the Company established a whistleblower system Toshiba Hotline. We transferred the function of receiving whistleblower reports to an external organization and set up window of outside lawyers in order to further ensure anonymity and build a stronger sense of safety. E-mail support is available 24/7. The Toshiba Hotline was registered as conforming to the Consumer Affairs Agency's Whistleblowing Compliance Management System certification (self-declaration of conformity registration system) on April 23, 2021.

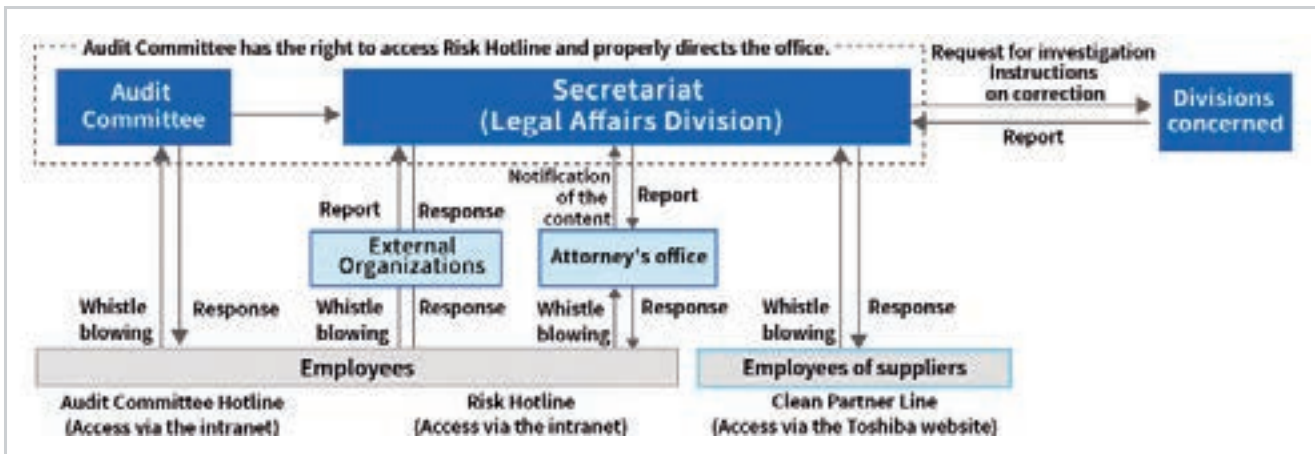


Furthermore, in October 2015, the new Audit Committee Hotline was set up, which allows people to report directly to the Audit Committee, which is composed of Outside Directors. With this new system, even matters in which the involvement of top management is suspected can be safely reported.

The Audit Committee also has access rights to the Toshiba Hotline, and provides appropriate guidance and supervision.

In April 2006, the Company set up a supplier whistleblower system Clean Partner Line 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.

Toshiba's Whistleblower System



Based on these reporting systems, in FY2020, we received 129 reports from the Toshiba Hotline and 31 reports from the Audit Committee Hotline. Of the 160 cases, about 60% were related to various workplace issues such as internal systems and labor safety, etc. Of the reports received in FY2020, about 26% of the reports were found to be true, except for those for which the investigation is ongoing.

From the second half of FY2021, we introduced a global whistleblower system for Toshiba Group companies in overseas, with the Legal Affairs Division of Toshiba as the secretariat and the Regional Representative Subsidiaries as the secretariat for each region. As a result, employees of Toshiba Group companies in overseas can make not only internal reports within the Company but also reports to the Regional Representative Subsidiaries in their jurisdiction.

At Toshiba Group, in accordance with laws, regulations, and internal regulations, officers and employees who make whistleblower reports with honest and legitimate intent do not receive unfavorable treatment such as dismissal and demotion as a result of having made the reports. Toshiba Group strives to ensure that the officers and employees can use the whistleblower system at ease. Specifically, each Group company has stipulated in its regulations a confidentiality obligation that allows limited persons in charge to access to what is reported by whistleblowers and a prohibition of unfavorable treatment of whistleblowers, as well as prepared manuals for persons in charge of whistleblowing.

Business Risk Factors

The Group's business areas of energy systems, infrastructure systems, building, retail & printing, devices & storage, and digital solutions require highly advanced technology for their operation. At the same time, the Group faces fierce global competition. Under such circumstances, major risk factors related to the Group recognized by the Company are described in [Toshiba's Investor Relations website](#). However, they should not be regarded as a complete and comprehensive statement of risk factors relating to the Group, and there are unforeseeable risk factors other than those described in said former website. The actual occurrence of any of those risk factors may adversely affect the Group's operating results and financial condition.

Further, the risks described in said former website are identified by the Group based on information that the Group has obtained as of November 12, 2021 (the date of submission second quarter report for the 183rd period), and involve inherent uncertainties, and, therefore, the actual results may differ.

Directors

The Company is promoting various initiatives with the aim of expanding its Total Shareholder Return (TSR) through maximizing its corporate value.

Currently, of the eight Directors, six are Outside Directors and two are Directors who also serve as Executive Officers. Outside Directors are the majority of the Board of Directors, in order to enhance the governance. In addition, including 4 non-Japanese Outside Directors, the Board of Directors is composed of Directors with experience in international business, expertise in business portfolio management, business transformation, M&A, capital markets and capital allocation, and deep knowledge in law and compliance, and the composition of directors could also reflect in management sufficient diversity viewpoints in terms of gender and international experience.

In deciding the candidates for Director, the Nomination Committee judged that the candidates conformed to the Director Nomination Criteria separately designated by the Nomination Committee and that the candidates had the appropriate qualifications for Director. The specific details of the Director Nomination Criteria and the Independence Criteria for Outside Directors are described at the [website](#).

Name		Current position(s) in the Company	Corporate management	Law and compliance	Accounting and auditing	Diversity*	M&A	Corporate restructuring	Capital markets	International business
Satoshi TSUNAKAWA		Chairperson, Board of Directors (interim) Representative Executive Officer President and Chief Executive Officer	○				○	○	○	○
Mamoru HATAZAWA		Representative Executive Officer Corporate Senior Executive Vice President	○				○			○
Paul J. BROUGH	Outside Director Independent	Chairperson, Strategic Review Committee Member, Nomination Committee Member, Audit Committee	○	○	○	○		○		○
Ayako Hirota WEISSMAN	Outside Director Independent	Member, Compensation Committee Member, Strategic Review Committee	○			○			○	
Jerry BLACK	Outside Director Independent	Chairperson, Compensation Committee Member, Nomination Committee Member, Strategic Review Committee	○		○	○	○	○		○
George Raymond ZAGE III	Outside Director Independent	Chairperson, Nomination Committee Member, Strategic Review Committee	○			○	○		○	○
Mariko WATAHIKI	Outside Director Independent	Member, Nomination Committee Member, Audit Committee Member, Compensation Committee		○		○				
Katsunori HASHIMOTO	Outside Director Independent	Chairperson, Audit Committee Member, Nomination Committee Member, Strategic Review Committee	○	○	○		○			○

* Diversity indicates diversity of gender, ethnicity, nationality, and other identities.

Directors



Satoshi TSUNAKAWA

Directors
September 21, 1955

April 1979: Joined the Company
June 2010 - June 2014: President & Representative Director, Toshiba Medical Systems Corporation (now Canon Medical Systems Corporation)
October 2013: General Manager, Healthcare Business Development Division
June 2014: Executive Officer Corporate Senior Vice President
September 2015: Director Representative Executive Officer Vice President
June 2016: Director Representative Executive Officer President
April 2018: Director Representative Executive Officer President and COO
April 2020: Director Chairman
April 2021: Director Chairman Representative Executive Officer, President and CEO
June 2021 - present: Director Chairperson, Board of Directors Representative Executive Officer, President and CEO



Mamoru HATAZAWA

Directors
April 2, 1959

April 1982: Joined the Company
July 2011: Senior Manager, Fukushima Restoration Project Engineering Dept., Nuclear Energy Systems & Services Division, Power Systems Company
January 2014: Vice President, Nuclear Energy Systems & Services Division, Power Systems Company
April 2016: Vice President, Nuclear Energy Systems & Services Division, Energy Systems & Solutions Company
June 2016: Executive Officer and Corporate Vice President
April 2018 - May 2021: President and CEO of Toshiba Energy Systems & Solutions Corporation
April 2018: Executive Officer, Corporate Senior Vice President
April 2020: Representative Executive Officer, Corporate Executive Vice President
June 2021 - present: Director Representative Executive Officer, Corporate Senior Executive Vice President

Outside Directors



Paul J. BROUGH

Outside Directors
November 13, 1956

September 1983: Joined KPMG Hong Kong
October 1991: Partner, KPMG Hong Kong
July 1995: Head of Consulting, KPMG Hong Kong
October 1997: Head of Financial Advisory Services, KPMG Hong Kong
October 1999: Asia-Pacific head of Financial Advisory Services, KPMG Hong Kong and member of KPMG's global advisory steering group
September 2008: Joint-Liquidator of various Lehman Brothers entities located in Asia.
April 2009 - March 2012: Regional Senior Partner, KPMG Hong Kong
March 2012 - present: Chief Executive, Blue Willow Limited
September 2012 - January 2013: Chief Restructuring Officer, Sino-Forest International Corporation
September 2012 - April 2021: Independent Non-Executive Director, GL Limited
February 2013 - April 2015: Chairman and CEO, Emerald Plantation Holdings Limited Group
October 2013 - May 2015: Director (until May 2015) and Interim CEO (until April 2015), Greenheart Group Limited

October 2013 - present: Independent Non-Executive Director, Habib Bank Zurich (Hong Kong) Limited
May 2015 - May 2017: Independent Non-Executive Director, Noble Group Limited
January 2016 - June 2016: Executive Director and Chief Restructuring Officer, China Fishery Group Limited
September 2016 - present: Independent Non-Executive Director, Vitasoy International Holdings Limited
May 2017 - December 2018: Executive Chairman, Noble Group Limited
May 2017 - present: Independent Non-Executive Director, The Executive Center Limited
December 2018 - October 2019: Executive Chairman, Noble Group Holdings Limited
June 2019 - present: Outside Director

Outside Directors



Ayako Hirota WEISSMAN

Outside Directors
May 9, 1957

January 1984: Vice President, Equitable Capital Management
January 1987: Managing Director, Smith Barney, Harris Upham & Co. Inc. (now Citigroup)
October 1999: Partner, Feirstein Capital Management LLC
January 2002: Portfolio Manager, Kingdon Capital Management LLC
June 2006: Founder and Chief Executive Officer, AS Hirota Capital Management LLC

November 2010 - present: Senior Vice President, Senior Portfolio Manager and Director in charge of Asia Strategy, Horizon Asset Management, Inc. (now Horizon Kinetics LLC)

June 2015 - June 2019: Outside Director, SBI Holdings, Inc.

June 2019 - present: Outside Director

February 2020 - present: Non-Executive Director, Nippon Active Value Fund plc



Jerry BLACK

Outside Directors
May 29, 1959

July 1982: Joined Arthur Andersen & Co.
October 1986: Joined Ernst & Young LLP
January 1995: Joined Kurt Salmon Associates, Inc.
March 2002: Managing Director, Global Practice Director, Kurt Salmon Associates, Inc.
January 2005: Managing Director, North America, Kurt Salmon Associates, Inc.
January 2006: President, Consumer Products Division, Kurt Salmon Associates, Inc.
January 2008: Chief Executive Officer, Kurt Salmon Associates, Inc.
March 2009: Joined Aeon Co., Ltd., Advisor
May 2009: Executive Officer, Chief Executive of Group Strategy & IT and Chief Executive Officer of Asian Operation, Aeon Co., Ltd.
March 2010: Executive Officer, Chief Executive Officer of ASEAN Business and Chief Executive Officer of Group IT and Digital Business, Chief Group Strategy Officer, Aeon Co., Ltd.
March 2011: Senior Managing Executive Officer, Chief Group Strategy Officer; Chief Executive Officer of Group IT and Digital Business, Aeon Co., Ltd.

March 2012: Senior Managing Executive Officer, Advisor to Group CEO; Chief Group Strategy Digital and IT Officer, Aeon Co., Ltd.

March 2013: Senior Managing Executive Officer, Advisor to Group CEO; Chief Strategy, Digital, IT and Marketing Officer, Aeon Co., Ltd.

March 2014: Senior Managing Executive Officer, Merchandising Strategy and Digital Shift Promotion Officer, Aeon Co., Ltd.

February 2015 - May 2016: Executive Officer, Digital Business, Aeon Co., Ltd.

March 2016 - February 2017: Director, Executive Officer and Vice President of AEON RETAIL Co., Ltd.

April 2017 - present: Advisor, Aeon Co., Ltd.

June 2019 - present: Outside Director

May 2021 - present: Senior Advisor, Japan Computer Vision Corporation



George Raymond ZAGE III

Outside Directors
January 20, 1970

June 1991: Joined PriceWaterhouse
August 1992 - February 2000: Vice President of Investment Banking Division, Goldman Sachs & Co
March 2000: Joined Farallon Capital Management L.L.C
September 2002: Managing Director, Farallon Capital Asia Pte. Ltd
January 2008 - August 2018: Managing Director and CEO, Farallon Capital Asia Pte. Ltd
August 2013 - present: Independent Non-Executive Director, Whitehaven Coal Limited

August 2016 - present: Commissioner (Non-Executive), PT Aplikasia Karya Anak Bangsa (Go-Jek)

August 2018 - present: Founder and CEO, Tiga Investments Pte. Ltd. Senior Advisor (Part time), Farallon Capital Management, L.L.C

April 2019 - present: Commissioner (Non-Executive), PT Lippo Karawaci Tbk

June 2019 - present: Outside Director

June 2020 - present: Chairman and CEO, Tiga Acquisition Corp



Mariko WATAHIKI

Outside Directors
May 2, 1955

April 1980: Assistant Judge, Tokyo District Court
March 1992: Investigator, Supreme Court (Administrative and Labor)
April 1997: Judge, Tokyo District Court
April 2001: Judge (Division Chief), Tokyo District Court
March 2005: Instructor, Legal Training and Research Institute
October 2006: Judge, Tokyo High Court
March 2009: Senior Judicial Research Official (Civil), Supreme Court
March 2012: Chief Judge, Utsunomiya District Court

July 2014: Chief Judge, Yokohama Family Court

June 2015: Judge (Division Chief), Tokyo High Court

April 2016: Chief Justice, Sapporo High Court

September 2018: Chief Justice, Nagoya High Court

May 2020: Retired from judge

August 2020: Registered as Attorney at Law

August 2020 - present: Joined Okamura Law Office

June 2021 - present: Outside Director

Outside Directors



Katsunori HASHIMOTO

Outside Directors
September 16, 1955

April 1978: Joined YKK Corporation

October 1986: Chief Financial Officer, U.K. subsidiary of YKK Corporation

April 1990: Corporate Accounting, Finance, Department, DuPont K.K.

August 1996: Senior Financial Analyst, Automotive, DuPont de Nemours, Inc.

January 1998: Global Business Reporting Project Leader, Finance, DuPont de Nemours, Inc.

October 1998 - April 1999: Audit Manager, Finance, DuPont de Nemours, Inc.

May 1999: Treasurer, Tokyo Treasury Center, DuPont K.K.

August 2001: General Manager of Finance, DuPont K.K.

January 2002: Director of Finance, DuPont K.K. (Board of Directors)

November 2009: Director and Managing Executive Officer - Finance and Affiliated, DuPont K.K.

January 2013: Director and Senior Managing Executive Officer, DuPont K.K.

June 2014 - July 2018: President and Representative Director, Danisco Japan Ltd.

September 2014 - September 2020: Director and Executive Vice President, DuPont K.K.

October 2020 - present: Chairperson, DSS Sustainable Solutions Japan, LLC

Professor, Graduate School of Business Administration, Tokyo Metropolitan University

June 2021 - present: Outside Director

(As of June 25, 2021)

Executive Officers

Representative Executive Officer
President and Chief Executive Officer: **Satoshi TSUNAKAWA**

Representative Executive Officer
Corporate Senior Executive Vice President: **Mamoru HATAZAWA** General Executive, Strategic Planning Div., Infrastructure Services Promotion Div.

Representative Executive Officer
Corporate Executive Vice President and Chief Financial Officer: **Masayoshi HIRATA** General Executive, Spend Management Promotion Project Team, Finance & Cash Management Div., Accounting Div. and Project Monitoring & Oversight Div. Vice President, Finance & Cash Management Div.

Representative Executive Officers
Corporate Executive Vice Presidents: **Naoya SAKURAI** General Executive, Legal Affairs Div., Internal Control Promotion Div.

Takayuki KONNO General Executive, Marketing Div., and Branch Offices, Responsible for Infrastructure Systems business (President and CEO, Toshiba Infrastructure Systems & Solutions Corporation), Responsible for Building Solutions Business, Assistant to Corporate Senior Vice President; KONISHI (Toshiba Plant Systems & Services Corporation), the Americas.

Executive Officers
Corporate Senior Vice Presidents: **Taro SHIMADA** General Executive, Cyber-Physical Systems x Design Div., Vice President, Cyber-Physical Systems x Design Div. Responsible for Digital Solutions business (President and CEO, Toshiba Digital Solutions Corporation)

Hiroyuki SATO General Executive, Battery Div., Responsible for Electronic Devices & Storage business (President and CEO, Toshiba Electronic Devices & Storage Corporation), Europe, Middle East and Africa, China and East Asia

Keiichi YUMITA General Executive, Information Systems Div. and Business Process Re-engineering Div.

Tsutomu KAMIJO General Executive, Procurement Div. and Corporate Production Planning Div., Assistant to Corporate Senior Vice President; ISHII (Corporate Manufacturing Engineering Center)

Hideaki ISHII General Executive, Corporate Technology Planning Div., Research & Development Center, Corporate Manufacturing Engineering Center and Digital Innovation Technology Center, Vice President, Corporate Technology Planning Div.

Takao KONISHI General Executive, WEC Div., Responsible for Energy System business (President and CEO, Toshiba Energy Systems & Solutions Corporation / Toshiba Plant Systems & Services Corporation), Asia Pacific

Shigeru FUKUYAMA General Executive, Corporate Communication Div., Vice President, Strategic Planning Div.

Executive Officers
Corporate Vice Presidents: **Hitoshi OTSUKA** General Executive, Internal Audit Div. Vice President, Audit Committee Office

Takamasa MIHARA General Executive, Sustainability Management Div., Human Resources and Administration Div. Vice President, Human Resources and Administration Div.

Naofumi TANI Vice President, Strategic Review Committee Office

(As of June 25, 2021)

SASB Reference Table

Topic	Accounting Metric	Category	Unit of Measure	Code	
Energy Management	(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	RT-EE-130a.1	
Hazardous Waste Management	Amount of hazardous waste generated, percentage recycled	Quantitative	Metric tons (t), Percentage (%)	RT-EE-150a.1	
	Number and aggregate quantity of reportable spills, quantity recovered	Quantitative	Number, Kilograms (kg)	RT-EE-150a.2	
Product Safety	Number of recalls issued, total units recalled	Quantitative	Number	RT-EE-250a.1	
	Total amount of monetary losses as a result of legal proceedings associated with product safety	Quantitative	Reporting currency	RT-EE-250a.2	
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative	Percentage (%) by revenue	RT-EE-410a.1	
	Percentage of eligible products, by revenue, that meet ENERGY STAR® criteria	Quantitative	Percentage (%) by revenue	RT-EE-410a.2	
	Revenue from renewable energy-related and energy efficiency-related products	Quantitative	Reporting currency	RT-EE-410a.3	
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	RT-EE-440a.1	
Business Ethics	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior	Discussion and Analysis	n/a	RT-EE-510a.1	
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Quantitative	Reporting currency	RT-EE-510a.2	
	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	Reporting currency	RT-EE-510a.3	
	Activity Metric	Category	Unit of Measure	Code	
	Number of units produced by product category	Quantitative	Number	RT-EE-000.A	
	Number of employees	Quantitative	Number	RT-EE-000.B	

*1: Renewable energy refers to energy from solar power

*2: The total volume of hazardous waste is the amount of specially controlled industrial waste defined by the Waste Management and Public Cleansing Law in Japan

*3: Volume of hazardous waste recycled refers to the amount of specially controlled industrial waste that the company recycled

Disclosure	Reference
(1) 18,919,459 GJ (2) 87% (3) 0.08% ¹	<p>▶ Overview of Toshiba Group's Environmental Impacts</p>
Total amount of hazardous waste: 2,806 t ² Percentage recycled: 78% ³ Percentage incinerated: 13% ⁴	
Number of substances: 25 ⁵ Amount of chemical substances released: 475,966 kg ⁵ No reportable chemical substances were released into the soil	
Number of recalls started from FY 2020: 1 voluntary recall Number of units recalled: 1,301	▶ Disclosure of Product Safety and Quality Information
—	
Toshiba Group promotes green procurement as a part of our environmental considerations in the manufacturing processes. Our 1999 Green Procurement Guidelines supported management of chemical substances in procured goods by establishing the "Toshiba Group Environment-related Substance List," which includes applicable IEC62474 Declarable Substances. We revise the Green Procurement Guidelines as necessary in order to respond to changing circumstances, such as stricter regulations on chemicals contained in products.	<p>▶ Toshiba Group Green Procurement Guideline</p> <p>▶ Green Procurement / Green Purchase</p>
Some multifunction peripherals (MFPs) manufactured and sold by Toshiba Tec Corporation meet the ENERGY STAR [®] criteria. However, revenue from these products is insignificant in terms of Toshiba Group's overall consolidated sales.	
Toshiba Group provides a wide range of equipment, systems and services that generate, transfer, store and smartly use electricity. We aim to build a society that realizes both a stable electricity supply and harmony with the environment and future generations can live with peace of mind.	
Toshiba Group introduced Business Continuity Plan (BCP) Procurement Guidelines in 2012. In the same year, we built a system to manage corporate information on upstream suppliers, in order to minimize the risk of and the time required to resolve supply chain disruptions.	▶ Risk Management Using the Business Continuity Plan (BCP)
The Standards of Conduct for Toshiba Group contain provisions regarding bribery and compliance with competition laws. Toshiba Group has established compliance programs reflecting laws and regulations in Japan and overseas as well as associated sets of guidelines. Those guidelines clearly define prohibited acts such as corruption including cartels, bribery and facilitation payments. In addition, the compliance programs and guidelines stipulate matters related to internal procedures including pre-screening and consultation, matters related to the internal systems, education, and audits. To prevent violations and early detect situations leading to violations, Toshiba Group established the whistleblower system for employees and the Clean Partner Line for suppliers and business partners as a system to report violations or suspected violations.	▶ Compliance with the Antimonopoly Act and Anti-corruption
0 yen	▶ Compliance with the Antimonopoly Act and Anti-corruption
0 yen	
Disclosure	Reference
Toshiba Group contributes to a sustainable future through the global delivery of products and services in a wide range of business domains	▶ Toshiba Group Business Domains
117,300 ⁶	▶ Corporate Data

⁴: Volume of hazardous waste incinerated refers to the amount of specially controlled industrial waste that the company used for energy recovery

⁵: Reportable amount of chemical substances released is the number and volume of substances managed by Toshiba Group among substances designated as hazardous substances in the Comprehensive Environmental Response, Compensation, and Liability Act (CERCA) in the U.S.

⁶: As of March 31, 2021

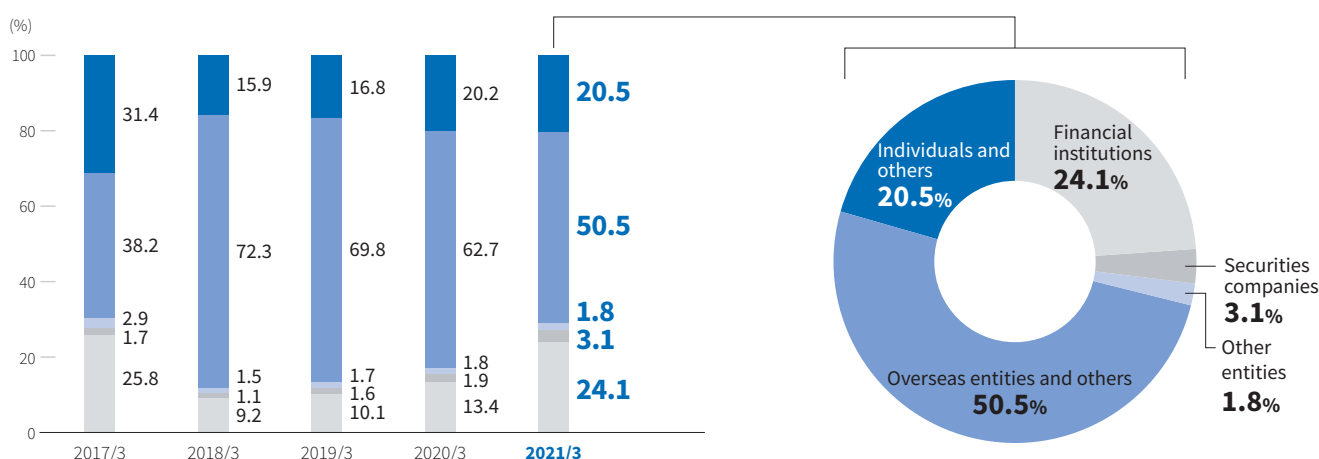
Shareholder Information

Distribution of Shareholder

(As of March 31 of each year)

	2017/3	2018/3	2019/3	2020/3	2021/3
■ Individuals and others	31.4 %	15.9 %	16.8 %	20.2 %	20.5 %
■ Overseas entities and others	38.2	72.3	69.8	62.7	50.5
■ Other entities	2.9	1.5	1.7	1.8	1.8
■ Securities companies	1.7	1.1	1.6	1.9	3.1
■ Financial institutions	25.8	9.2	10.1	13.4	24.1

Note: For the purpose of calculation of shareholding ratio, treasury shares are excluded from the total number of issued shares.



Principal Shareholders

(As of March, 31, 2021)

Name of Shareholder	Shareholding ratio (percentage)
MSIP CLIENT SECURITIES	7.5 %
The Master Trust Bank of Japan, Ltd. (Trust Account)	4.9
SUNTERA (CAYMAN) LIMITED AS TRUSTEE OF ECM MASTER FUND	4.4
CHINOOK HOLDINGS LTD	3.4
GOLDMAN SACHS & CO. REG	3.1
The Dai-ichi Life Insurance Company, Limited	2.5
Custody Bank of Japan, Ltd. (Trust Account)	2.5
Nippon Life Insurance Company	2.4
Toshiba Employees Shareholding Association	2.2
NIHK A/C CLIENT	2.0

(Notes)

- For the purpose of calculation of shareholding ratio in the above table of principal shareholders, treasury shares are excluded from total number of issued shares (denominator).
- The change report on large-volume holdings offered for public inspection on June 1, 2018 notes that, as of June 1, 2018, Farallon Capital Management L.L.C. and CHINOOK HOLDINGS LTD jointly held 350,398K shares (ratio of stock certificates, etc. held: 5.37%) as shown below. As the Company cannot confirm the beneficial ownership or number of shares held by Farallon Capital Management L.L.C. and CHINOOK HOLDINGS LTD as of the end of the current fiscal year, Farallon Capital Management L.L.C. is not included in the above table and data for CHINOOK HOLDINGS LTD stated in the above table is based on the details of the shareholder registry. The number of shares referred to in this note is the number of shares prior to share consolidation in October 2018.

Name of company	Number of stock certificates, etc., held (in thousands)	Ratio of stock certificates, etc. held (percentage)
Farallon Capital Management, L.L.C.	138,475	2.12
CHINOOK HOLDINGS LTD	211,923	3.25
Total	350,398	5.37

- The change report on large-volume holdings offered for public inspection on December 4, 2020 notes that Effissimo Capital Management Pte Ltd. held 45,068K shares as of November 30, 2020 (ratio of stock certificates, etc. held: 9.91%). However, as the Company was unable to confirm the beneficial ownership or number of shares held as of the end of the current fiscal year, Effissimo Capital Management Pte Ltd. is not included in the above table.
- The change report on large-volume holdings offered for public inspection on August 21, 2020 notes that Nomura Securities Co., Ltd. and Nomura Asset Management Co., Ltd. jointly held 20,880K shares as of August 14, 2020 (ratio of stock certificates, etc. held: 4.59%) as shown below. However, as the Company was unable to confirm the beneficial ownership or number of shares held as of the end of the current fiscal year, Nomura Securities Co., Ltd. and Nomura Asset Management Co., Ltd. are not included in the above table.
- The change report on large-volume holdings offered for public inspection on March 4, 2021 notes that a total of 11 companies as noted in the table below, including BlackRock Japan Co., Ltd., held 23,720K shares as of February 26, 2021 (percentage of stock certificates, etc. held: 5.21%). However, as the Company was unable to confirm the beneficial ownership or number of shares held as of the end of the fiscal year under review, these companies are not included in the above table.
- The report on large-volume holdings offered for public inspection on April 2, 2021 notes that 3D Investment Partners Pte. Ltd. held 32,791K shares as of March 29, 2021 (ratio of stock certificates, etc. held: 7.2%). However, as the Company was unable to confirm the beneficial ownership or number of shares held as of the end of the current fiscal year, 3D Investment Partners Pte. Ltd. is not included in the above table.
- The change report on large-volume holdings offered for public inspection on April 7, 2021 notes that Mizuho Bank, Ltd. and Asset Management One Co., Ltd. jointly held 15,521K shares as of March 31, 2021 (ratio of stock certificates, etc. held: 3.41%) as shown below. However, as the Company was unable to confirm the beneficial ownership or number of shares held by Asset Management One Co., Ltd. as of the end of the current fiscal year, Mizuho Bank, Ltd. and Asset Management One Co., Ltd. are not included in the above table.

Stock Information

		2017/3	2018/3	2019/3	2020/3	2021/3
Common stock price (Yen, fiscal year) ¹						
High		475	347	3,980	4,030	4,010 ^{注3}
Low		178	193	2,840	1,982	2,301
Nikkei average (Yen)		18,909.26	21,454.30	21,205.81	18,917.01	29,178.80
Number of shares issued (Millions of shares)		4,238	6,521	544	455	455 ^{注3}
Market capitalization (Billions of yen) ²		1,023.0	2,008.4	1,917.6	1,082.9	1,701.7
Earnings (Loss) per share attributable to shareholders of the Company (Yen) ⁴		(2,280.76)	1,628.88	1,641.85	(236.39)	251.25
Annual dividends per share (Yen)		—	—	30	20	80
Payout ratio (%) (Consolidated)		—	—	1.83	—	31.8
Number of shareholders		366,030	300,871	270,570	269,067	270,598
Price-to-earnings ratio (PER) (Times)		—	1.89	2.15	—	14.89
Price-to-cash flows ratio (PCFR) (Times)		(1.3)	1.6	2.0	(3.3)	8.5
Price-to-book value ratio (PBR) (Times)		(1.8)	2.6	1.3	1.1	1.5

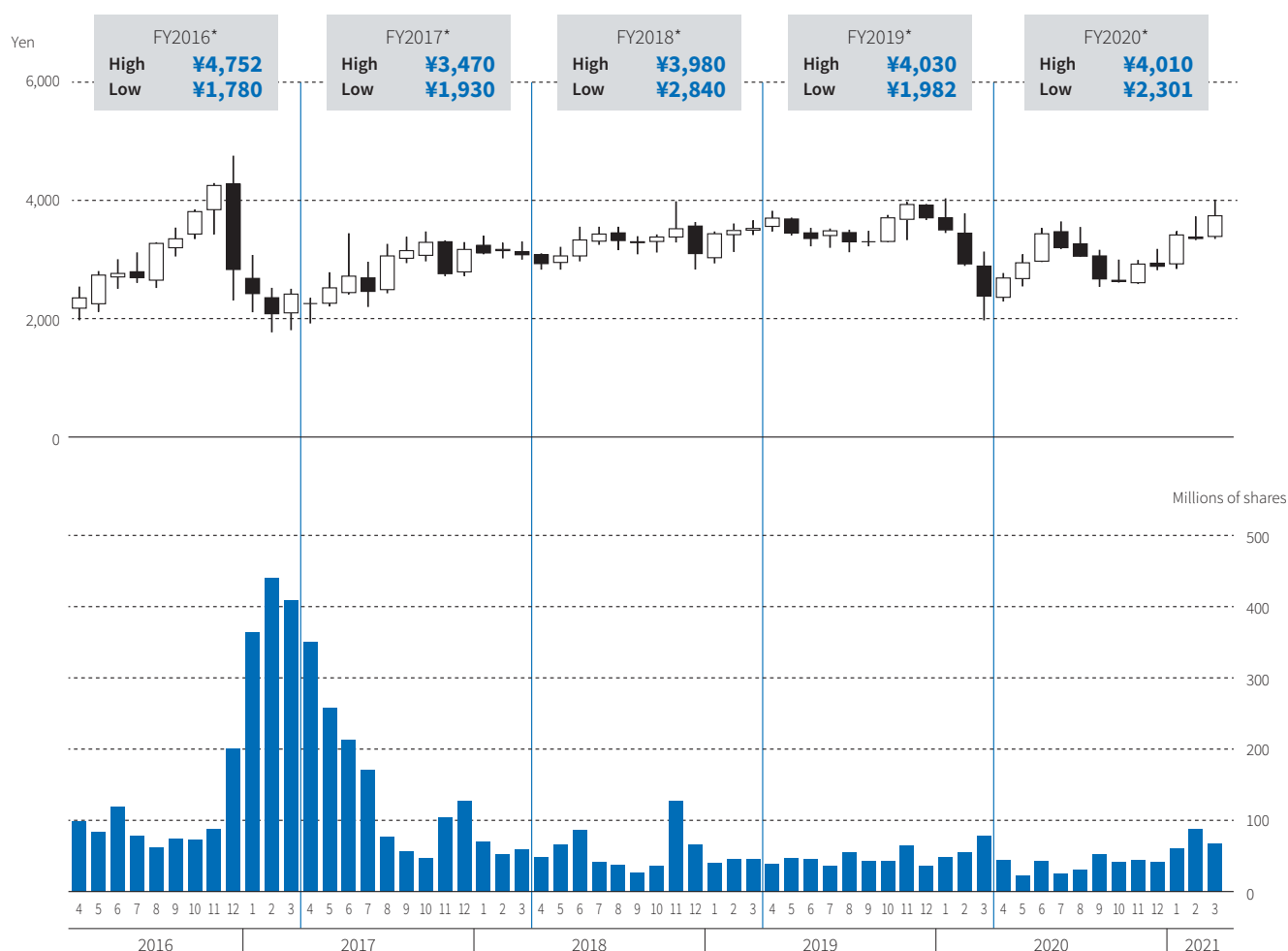
¹: Common stock price until July 31, 2017 is based on the 1st section of the Tokyo Stock Exchange, and from August 1, 2017 until January 28, 2021 on the 2nd section of the Tokyo Stock Exchange. Also from January 29, 2021 onward is based on the 1st section of the Tokyo Stock Exchange

²: Market capitalization = Common stock price [year-end/yen/close] × Total issued shares

³: The Company implemented a share consolidation with a ratio of 10 common shares to 1 share as of October 1, 2018.

⁴: Earnings (Loss) per share attributable to shareholders of the Company before the fiscal year ended March 31, 2018 has been revised.

Stock Price and Trading Volume Trends (for past 5 fiscal years)



* The Company implemented a share consolidation with a ratio of 10 common shares to 1 share as of October 1, 2018. The stock price and the trading volume are calculated assuming that the share consolidation was implemented on April, 2016.

Consolidated Subsidiaries and Affiliated Companies Accounted for by the Equity Method

Consolidated Subsidiaries

(As of March 31, 2021)

Domestic

- Japan Semiconductor Corporation
- Kaga Toshiba Electronics Corporation
- Nishishiba Electric Co., Ltd.*
- Nuclear Fuel Industries, Ltd.
- NuFlare Technology, Inc.*
- Toshiba Carrier Corporation
- Toshiba Data Corporation
- Toshiba Design & Manufacturing Service Corporation
- Toshiba Device Corporation
- Toshiba Digital Solutions Corporation
- Toshiba Electronic Devices & Storage Corporation
- Toshiba Elevator and Building Systems Corporation
- Toshiba Energy Systems & Solutions Corporation
- Toshiba Global Commerce Solutions Holdings Corporation
- Toshiba Industrial Products and Systems Corporation
- Toshiba Infrastructure Systems & Solutions Corporation
- Toshiba IT-Services Corporation
- Toshiba Lighting & Technology Corporation
- Toshiba Plant Systems & Services Corporation*
- Toshiba Tec Corporation
- Toshiba Tec Solution Service Corporation
- Toshiba Trading Inc.

107 companies in total including the 22 above

* Listed Company in stock market

Overseas

- TCFG Compressor (Thailand) Co., Ltd.
- Toshiba America Business Solutions, Inc.
- Toshiba America Electronic Components, Inc.
- Toshiba America, Inc.
- Toshiba Asia Pacific Pte., Ltd.
- Toshiba (Australia) Pty., Ltd.
- Toshiba Carrier Air Conditioning (China) Co., Ltd.
- Toshiba Carrier Air-Conditioning Europe Sp. z o.o.
- Toshiba Carrier Europe S.A.S
- Toshiba Carrier (Thailand) Co., Ltd.
- Toshiba (China) Co., Ltd.
- Toshiba Dalian Co., Ltd.
- Toshiba Electronics Europe GmbH
- Toshiba Electronics Taiwan Corporation
- Toshiba Elevator (China) Co., Ltd.
- Toshiba Elevator (Shenyang) Co., Ltd.
- Toshiba Europe GmbH
- Toshiba Europe Ltd.
- Toshiba Gulf FZE
- Toshiba Hydro Power (Hangzhou) Co., Ltd.
- Toshiba Industrial Products Asia Co., Ltd.
- Toshiba Information Equipment (Philippines), Inc.
- Toshiba International Corporation
- Toshiba International Procurement Hong Kong, Ltd.
- Toshiba JSW Power Systems Private Ltd.
- Toshiba Lighting & Technology (Kunshan) Co., Ltd.
- Toshiba Semiconductor (Thailand) Co., Ltd.
- Toshiba Tec Europe Imaging Systems S.A.
- Toshiba Tec France Imaging Systems S.A.
- Toshiba Tec Information Systems (Shenzhen) Co., Ltd.
- Toshiba Tec Singapore Pte., Ltd.
- Toshiba Tec U.K. Imaging Systems Ltd.
- Toshiba Transmission & Distribution Systems Asia Sdn. Bhd.
- Toshiba Transmission & Distribution Systems (India) Private Ltd.
- TPSC (India) Private Ltd.
- TPSC (Thailand) Co., Ltd.

189 companies in total including the 36 above

Affiliated Companies Accounted for by the Equity Method

(As of March 31, 2021)

Domestic

- EREX New Energy Saiki Co., Ltd.
- Kioxia Corporation
- Kioxia Holdings Corporation
- KK6 Safety Measures Joint Venture Corporation
- SBS Toshiba Logistics Corporation
- Toshiba Mitsubishi Electric Industrial Systems Corporation
- WingArc1st Inc.

48 companies in total including the 7 above

Overseas

- Changzhou Toshiba Transformer Co., Ltd.
- Dalian Toshiba Locomotive Electric Equipment Co., Ltd.
- Energy Asia Holdings, Ltd.
- GD Midea Air-Conditioning Equipment Co., Ltd.
- GD Midea Commercial Air-Conditioning Equipment Co., Ltd.
- GD Midea Group Wuhan Air-Conditioning Equipment Co., Ltd.
- GD Midea Group Wuhu Air-Conditioning Equipment Co., Ltd.
- GE Toshiba Turbine Components de Mexico S.R.L. de C.V.
- Guangdong Meizhi Compressor Ltd.
- Guangdong Meizhi Precision Manufacturing Co., Ltd.
- Henan Pinggao Toshiba High-Voltage Switchgear Co., Ltd.
- Schneider Toshiba Inverter SAS
- TDS Lithium-Ion Battery Gujarat Private Ltd.
- TMEIC Corporation
- TMEIC Industrial Systems India Private Ltd.
- TMEIC Power Electronics Products Corporation
- Toshiba Carrier UK Ltd.
- Toshiba Mitsubishi-Electric Industrial Systems (China) Corporation

91 companies in total including the 18 above

Corporate History

July 1875	A shop-cum-factory (called Tanaka Seizo-sho from 1882; later Shibaura Engineering Works Co., Ltd.) opened in Tokyo.
Apr. 1890	Hakunetsu-sha & Co., Ltd. (from 1899 Tokyo Electric Company) founded.
Jan. 1896	Tokyo Hakunetsu Dentokyu Seizo Co., Ltd. established (Renamed Tokyo Electric Co, Ltd. in 1899)
June 1904	Shibaura Engineering Works Co., Ltd. established.
Sept. 1939	Shibaura Engineering Works Co., Ltd. merged with Tokyo Electric Company to become Tokyo Shibaura Electric Co., Ltd.
Oct. 1942	Absorbed Shibaura Mazda Industry Co., Ltd. and Nippon Medical Electric Co., Ltd., expanding home appliance line-up.
July 1943	Absorbed Tokyo Electric Co., Ltd. and Toyo Fire Brick Co., Ltd., expanding line-up of communications equipment.
Feb. 1950	Under the Law on Elimination of Excessive Concentration of Economic Power, a group of 14 companies, including Tokyo Electric Appliances Co., Ltd., now Toshiba TEC Corp., was separated from Tokyo Shibaura Electric Co., Ltd.
Apr.	Absorbed Toshiba Rolling Stock Co., Ltd., expanding rolling stock products.
Nov. 1955	Absorbed Dengyo-sha Prime Mover Works Ltd.
Nov. 1961	Absorbed Ishikawajima-Shibaura Turbine Co., Ltd., expanding line-up of turbines.
Apr. 1984	Japanese official trade name changed to "Toshiba Corporation."
June 1998	Introduced corporate executive officer system.
Apr. 1999	Introduced in-house company system.
July 2001	Changed registered headquarters from Kawasaki City, Kanagawa, to Minato Ward, Tokyo.
Aug.	Announced 01 Action Plan.
June 2003	Adopted the Company with Committees (now, company with three Committee, etc.) system.
Oct.	Transferred electric equipment for manufacturing plant business to TMA Electric Corp. (now Toshiba Mitsubishi-Electric Industrial Systems Corp.).
Oct. 2006	Acquired Westinghouse Group.
June 2009	Raised funds by public offering.
Oct.	Acquired HDD business from Fujitsu Ltd.
Oct. 2010	Merged mobile phone business with that of Fujitsu Ltd. and transferred it to Fujitsu Toshiba Mobile Communications Ltd. (now Fujitsu Mobile Communications Ltd.).
July 2011	Acquired Landis+Gyr AG.
Mar. 2012	Transferred all shares of Toshiba Mobile Display Co., Ltd. to Japan Display Inc., a company established with co-funding by Innovation Network Corporation of Japan, Toshiba Corporation, Sony Corporation and Hitachi, Ltd.
Aug.	Toshiba TEC Corporation acquired the retail store solutions business of US-based IBM (International Business Machines Corporation).
Sept. 2015	Decided that, in principle, the majority of the directors of the Company, and all members of the Nomination Committee, Audit Committee and Compensation Committee, shall be outside directors.
Dec.	Announced the Toshiba Rebuilding Initiative.
Mar. 2016	Sold off all shares of Toshiba Medical Systems Corporation.
June	Sold off 80.1% shares of Toshiba Lifestyle Products & Services Corporation.
June	The Board decided to no longer appoint advisers to the Board ("Sodanyaku").
Mar. 2017	Westinghouse Group deconsolidated from Toshiba Group by Westinghouse Electric Company filing a voluntary petition for relief under Chapter 11.
Apr.	Split off and transferred the memory business to Formerly Toshiba Memory Corporation by means of a company split.
July	Split off and transferred the social infrastructure business to Toshiba Electric Service Corp. (Toshiba Infrastructure Systems & Solutions Corp.) by means of a company split. Split off and transferred the electronic devices business to Toshiba Electric Devices & Storage Corp. by means of a company split. Split off and transferred the ICT solutions business to Toshiba Solutions Corp. (Toshiba Digital Solutions Corp.) by means of a company split.
July	Sold off 100% shares of Landis+Gyr Group.
Oct.	Split off and transferred the energy business to Toshiba Energy Systems & Solutions Corp. by means of a company split.
Feb. 2018	Transferred 95% shares of Toshiba Visual Solutions Corporation to China's Hisense Group.
June	Transferred all shares of Formerly Toshiba Memory Corporation.
Oct.	Transferred 80.1% shares of Toshiba Client Solutions Co., Ltd. (now Dynabook Inc.) to Sharp Corporation.

Corporate Data (As of March 31, 2021)

Toshiba Corporation

1-1, Shibaura 1-chome, Minato-ku, Tokyo, Japan (headquarters)

Founded	July 1875
Number of Employees	Approx. 117,000 (consolidated)
Fiscal Year	April 1 to March 31
Authorized Number of Shares	1 billion
Number of Shares Issued	455,280,690
Number of Shareholders	228,528
Stock Exchange Listings	Tokyo, Nagoya
Ticker Code on the Tokyo Stock Exchange / ISIN	6502 / JP359 2200004
Shareholder Registration Agent	Sumitomo Mitsui Trust Bank, Limited

- This report has not been audited by our independent auditor.
- Forward-looking statements
 - The information contained herein shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, exemption from registration, or qualification under the securities laws of any such jurisdiction.
 - This report contains forward-looking statements concerning future plans, strategies and the performance of Toshiba Group. These forward-looking statements are not historical facts, rather they are based on management's assumptions and beliefs in light of the economic, financial and other data currently available. Since Toshiba Group promotes business in various market environments in many countries and regions, its activities are subject to a number of risks and uncertainties that, without limitation, relate to economic conditions, worldwide mega-competition in the electronics business, customer demand, foreign currency exchange rates, tax rules, regulations and other factors. Toshiba therefore wishes to caution readers that actual results might differ materially from its expectations.
- Regarding items reported in this report
 - Any corrections made to this report will be published on our website, as referenced above.
- Product names may be trademarks of the respective companies.
- This report has been prepared for the purposes of providing information and does not constitute an offer to sell or a solicitation of an offer to buy any security of Toshiba, its subsidiaries or any other company in Japan, the United States or any other jurisdiction.
- The execution of the spin-off described in this report is subject to approval at Toshiba's general shareholders' meeting and the fulfillment of all review requirements of the relevant regulatory authorities.
- Depending on the applicable laws and regulations (including securities listing regulations and U.S. laws and regulations), developments in the application, revision and enforcement of various regulatory regimes including tax regulations, interpretations by the relevant authorities, further consideration in the future and other factors, the implementation of the Reorganization may take longer than expected and there may be changes in the structure of the reorganization.

Editorial Policy

The goal of this report is to act as an effective communication tool that helps all stakeholders including shareholders and investors to understand about Toshiba Group. We have endeavored to report strategies and results in an integrated manner including both financial and non-financial information.

This integrated report conforms to the integrated reporting frameworks recommended by the International Integrated Reporting Council and by the Guidance for Collaborative Value Creation issued by the Japanese Ministry of Economy, Trade and Industry.



Reporting period: April 1, 2020 to March 31, 2021, including some information after April 2021.

Reporting scope: Toshiba Corporation and Toshiba Group

Please refer to our website for detailed investors information and non-financial information.

Reports

Financial and non-financial information



[Integrated Report](#)

Financial reports (main), non-financial outlines

Non-financial details



[Sustainability Report](#)

Report on detailed activities for non-financial information including environmental activities

Details of cyber security enhancement activities



[Cyber Security Report](#)

Overview of cyber security activities

Website

Sources of timely information

Financial information



[IR website](#)

Financial information; legal disclosures



[IR website for smartphones](#)

Financial information; legal disclosures

Non-financial information



[Sustainability website](#)

Sustainability information



[Environment website](#)

Environmental information

Committed to People, Committed to the Future.

Toshiba Corporation

1-1, Shibaura 1-chome, Minato-ku, Tokyo, 105-8001, Japan

Contacts:

Investor Relations Group
Corporate Strategy Office
Strategic Planning Division

Inquiry page on Investor Relations

URL <https://www.toshiba.co.jp/about/ir/en/contact.htm>