

## Toshiba Group Slavery and Human Trafficking Statement

### 1. Introduction

Toshiba Group, pursuant to Part 6, Section 54 of the United Kingdom's Modern Slavery Act 2015 and Australia's Modern Slavery Act 2018, hereby provides details of its initiatives to prevent slave labour and human trafficking in Toshiba Group and its supply chain in FY2023 (1 April 2023 to 31 March 2024).

The term "[Toshiba Group](#)" as used in this statement refers collectively to [Toshiba Corporation](#) and its subsidiaries, including [Toshiba Europe Limited](#), Toshiba International (Europe) Ltd. in the UK, and both [Toshiba International Corporation Pty. Ltd.](#) and [PGSR Pty. Ltd.](#) in Australia.<sup>1</sup>

Guided by the Basic Commitment of Toshiba Group, we respect the human rights of all stakeholders, such as our employees, customers, and shareholders. We support the universal principles of human rights and labour practices, including the Universal Declaration of Human Rights, and respect human rights through sound business activities.

### 2. Corporate Structure, Business, and Supply Chain

#### 2.1 Corporate Structure and Business Overview

Founded in 1875, Toshiba Corporation is a Japanese company headquartered in Minato-ku, Tokyo. Today, Toshiba Group operates worldwide, in 38 countries, employs approximately 105,600 people, and recorded annual sales of 3,285 billion yen in FY2023. Toshiba Group operates worldwide and provides products and services in Energy Systems & Solutions, Infrastructure Systems & Solutions, Building Solutions, Retail & Printing Solutions, Electronic Devices & Storage Solutions, Digital Solutions, and the lithium-ion battery business.<sup>2</sup>


#### 2.2 Supply Chain

In Toshiba Group's supply chain, procurement by business segment, in terms of value, breaks down to 51% for the energy systems and social infrastructure businesses, 28% for electronic devices, and 21% for others. By region, Japan accounts for 74% of procurement, Asia (including China and India) for 24%, and Europe and others for 2%. Toshiba Group strives to procure materials, processed parts, sub-assemblies, products, equipment, and other items in optimum locations, mainly in the countries where Toshiba Group has its

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<sup>1</sup> This statement excludes Toshiba TEC Corporation, as well as all tiers of Toshiba TEC's subsidiaries listed on the Tokyo Stock Exchange. Toshiba TEC Group Companies intend to provide their own statements.

<sup>2</sup> The HVAC (heating, ventilation and air conditioning), TV, personal computer and home appliance businesses have been sold, and are now operated by other corporate groups under a brand license. Those businesses are not covered by this statement.



international network of production bases, but also from other overseas procurement bases, depending on the items to be procured and local business conditions. Our supply chain includes both manufacturing and non-manufacturing suppliers that provide goods and services in support of our operations.

### **3. Toshiba Group Anti-Modern Slavery and Human Trafficking Policy**

#### **3.1 Toshiba Group Human Rights Policy**


‘Committed to People, Committed to the Future.’ is the long standing [Basic Commitment of Toshiba Group](#). It is a statement that expresses our enduring credo of contributing to the development of society by solving social issues through business. In our activities we are guided to operate fairly, with integrity and transparency, and to contribute to the realisation of a sustainable society, by the precepts elaborated in Standards of Conduct for Toshiba Group. Article 1 of the [Standards of Conducts for Toshiba Group](#) stipulates respect for human rights, including a prohibition against child labour and forced labour, and Toshiba Group has repeatedly declared that it conducts business activities with consideration for human rights. In addition, the [Toshiba Group Human Rights Policy](#) was introduced in 2022 to ensure a proper understanding of human rights related to business activities (business and human rights) and strengthen our efforts in that area. As a signatory to the United Nations (UN) Global Compact, we referred to the United Nations’ Guiding Principles on Business and Human Rights (UNGPs) when formulating this policy, along with the Universal Declaration of Human Rights and other international norms and guidelines. We also sought opinions and suggestions from third-party organisations dedicated to promoting respect for human rights, including Business with Social Responsibility (BSR), a US-based non-profit organization that promotes sustainability.

The Toshiba Group Human Rights Policy recognises that business activities have an impact on human rights. It affirms that Toshiba Group respects the human rights of all stakeholders that are involved in its business activities and is committed to fulfilling its corporate responsibilities. The policy complements the Standards of Conduct for Toshiba Group and the [Toshiba Group Sustainability Policy](#), and applies to everyone who works for Toshiba Group, including directors, officers and employees. We also request that our business partners, suppliers and other related parties conduct activities in accordance with this policy.

Based on the results of human rights impact assessments and the opinions of a third-party organisation specialising in human rights, we have identified the following human rights issues as core concerns to prioritize: "1. discrimination; 2. harassment; 3. safety and health; 4. forced labour; 5. child labour; 6. personal information and privacy", "7. corruption", "8. freedom of association and the right to collective bargaining", "9. human rights issues related to technology and AI", and "10. human rights issues related to the environment and climate change". We will review and revise this policy to incorporate the results of periodic risk assessments and reflect international norms and guidelines.

#### **3.2 Toshiba Group Procurement Policy**

The [Toshiba Group Procurement Policy](#) was first formulated in 2005, and since then it has consistently specified that we, along with our suppliers, comply with laws, regulations and social norms. We ask all suppliers to meet our requests and to ensure that their suppliers do the same. To ensure that our procurement activities consider human rights and the environment, we continually revise the policy’s



content to reflect international standards, such as the UN Global Compact and the RBA Code of Conduct. We make sure that our suppliers understand the policy by publishing it in four languages: Japanese, English, Standard Chinese and Thai.

In 2022, when we introduced the Toshiba Group Human Rights Policy, we once again clarified the criteria for selecting suppliers in the Toshiba Group Procurement Policy and reviewed our requests for suppliers. This policy clearly states that consent to its provisions is a priority condition in selecting a supplier. We also request suppliers to go beyond activities that align with the Toshiba Group Human Rights Policy, implement the policy themselves, including in their supply chain, and include its provisions prohibiting forced labour and human trafficking.

### **3.3 Toshiba Group Responsible Minerals Sourcing Policy**

In 2011, Toshiba Group implemented the Toshiba Group Conflict Minerals Response Policy. Since the implementation of Section 1502 of the Wall Street Reform and Consumer Protection Act (Dodd-Frank) on conflict minerals in January 2013, Toshiba Group has investigated and reported to customers on the use of conflict minerals mined in the Democratic Republic of the Congo (DRC) and its adjoining countries. Subsequently, due to increased risk of human rights violations in conflict-affected and high-risk areas (CAHRAs) other than the DRC and its adjoining countries, including the risk of child labour and corruption, we revised our policy in September 2020 and established the [Toshiba Group Responsible Minerals Sourcing Policy](#). This policy prohibits the use of tin, tantalum, tungsten, gold and cobalt, whose procurement contributes to conflicts in CAHRAs and to human rights violations, such as forced labour and child labour, environmental pollution, corruption, and other abuses. Toshiba Group requests its suppliers, and through them their suppliers, to conduct procurement activities in line with this policy.

## **4. Measures Taken to Identify and Address Modern Slavery Risks**

### **4.1 Implementation of Human Rights Due Diligence**

In FY2022, with BSR's support, Toshiba Group conducted human rights due diligence to deepen its understanding of the impact of its business activities on human rights and to identify priority issues. This process aimed to ensure the implementation of necessary measures on an ongoing basis.

#### **4.1.1 Human Rights Impact Assessment**

By checking human rights risks indicated in the Universal Declaration of Human Rights, evaluating the impact level of each human rights risk in line with the UNGPs, and identifying areas where risk may arise in each business's value chain, we consider what modern slavery risks are predominantly associated with the human rights of Toshiba Group's employees, supply chain and raw material procurement (such as responsible mineral procurement). Through this human rights impact assessment, we identified the following human rights issues as core concerns to priorities for employees and suppliers.

- Work environment (working hours, wages, and benefits)
- Social protection floor / Basic social support

- Discrimination, harassment, and equal opportunity
- Freedom of association and collective bargaining
- Child labour and youth workers
- Forced labour
- Foreign workers
- Occupational health and safety
- Grievance mechanisms and access to remedy

We monitor these issues through the human rights risk assessment. In addition, we believe that consideration should be given to the human rights of local communities and indigenous peoples, as well as to downstream human rights related to the final use of products, product safety, environmental impacts, privacy, cybersecurity, and responsible AI, and we are now considering specific measures for all of these in line with laws and guidelines of human rights in the world. We understand the importance of performing impact assessments to respect human rights and will periodically continue to perform assessments.

#### **4.1.2 Monitoring of Human Rights measures and risks**

Toshiba Group has a risk management structure, the Risk Management System (RMS), for responding to various risks, including those related to business and compliance. We conduct annual monitoring to assess the effectiveness of measures and initiatives formulated in accordance with the UNGPs, laws and guidelines related to human rights and labour practices, using the Risk Assessment Programme (Human Rights RAP) as part of the RMS. Our Human Resources & Administration Division is responsible for conducting the assessment for Toshiba Group and high-risk concerns identified in the Human Rights RAP, are explored in detail to determine needed actions for risk remediation. In FY2023, 144 Toshiba Group consolidated companies were surveyed on 16 questions related to "business and human rights", including child labour, forced labour, human trafficking, working hours, wages, health and safety management, and measures to address harassment issues. 67 companies required an additional survey; however, the results confirmed the effectiveness of human rights measures at those companies.

Moving forward, we will continue to conduct annual Human Rights RAP, monitor the effectiveness of human rights measures and strengthen efforts to prevent the occurrence of human rights issues. We periodically review the RAP to ensure that this process remains up to date through regular conversations with external organizations such as BSR, GCNJ and JP-Mirai, and participation in human rights-related seminars and study groups.

#### **4.1.3 Supplier Due Diligence**

We conduct an annual sustainable supply chain survey and monitoring in accordance with the Toshiba Group Procurement Policy. In FY2022, we surveyed 12,622 companies, covering human rights, health and safety, the environment, ethics, and BCP. We have identified around 1,600 at-risk suppliers and provided them with written instructions, in line with international standards, outlining the steps they need to take to rectify the situation. We also interviewed some suppliers to verify the situation and provide guidance on the corrective actions required. In FY2023, we surveyed 13,014 companies on human rights, labour, health and safety and the environment and we are now providing corrective guidance to suppliers identified as at

risk based on the results of the FY2023 survey.

#### **4.1.4 Environmental Impact Assessments**

Regarding impacts on local communities and indigenous peoples, we currently conduct an environmental impact assessment before starting a new project to minimise the environmental impacts from our business activities. We comply with the environmental laws and regulations of each country and region, take all possible measures to preserve the local environment, and take into consideration environmental impacts that may affect human rights.

#### **4.1.5 Introduction of Whistle-blower System and Grievance Mechanism**

Toshiba Group has measures in place for responding to human rights-related reports and consultations from its employees and suppliers, and to responding to grievances from stakeholders.

In Japan, employees have access to the “Toshiba Consultation Hotline” and “Harassment Consultation Desk” for reporting incidents and seeking advice via e-mail or phone, as well as the “Corporate Auditor Hotline” for reporting directly to the Corporate Auditors. Suppliers can use a “Clean Partner Line” to provide reports on a wide range of matters, including those related to human rights. Outside Japan, in addition to the whistle-blowing reporting systems at each subsidiary, we introduced the “Toshiba Group Overseas Hotline” in FY2021, which is operated by the designated secretariat in each region, the Regional Representative Subsidiary. We provide annual e-learning and regular messages about all of these systems and make clear that there is a strict guarantee of anonymity and prohibition of retaliation.

In FY2023, the company received 217 internal reports. When reported cases raise suspicions of legal violations or misconduct, we conduct investigations to find out the facts, identify root causes and take firm measures to prevent any recurrence. Most of the reports we receive are about labour issues and internal rules. Since the introduction of the Toshiba Hotlines, we have received no reports concerning forced labour, human trafficking or child labour. If a violation or the likelihood of a violation of laws, regulations or internal rules is found, necessary improvement measures and alerts are implemented. Reports requiring employees’ attention are disseminated through employee training, after changes are made to maintain the reporter’s anonymity, and these are notified by the corporate level to major subsidiaries as case studies on our company intranet.

In October 2022, Toshiba Group joined the Engagement and Remedy Platform operated by Japan Center for Engagement and Remedy on Business and Human Rights (JaCER). This move introduced a mechanism (grievance mechanism) for receiving and resolving complaints and grievance reports on business and human rights from a wider range of stakeholder. JaCER provides a non-judicial platform for the redress of grievances, and acts in a professional capacity to support the redress of grievances brought against member companies, based on the UNGPs. Toshiba Group intends to use the platform to appropriately respond to complaints and grievance reports from all stakeholders, including local communities and indigenous peoples, thereby ensuring a fair, transparent process. There was one consultation with JaCER in 2023, which we dealt with appropriately on the advice of JaCER's human rights experts and affiliated external lawyers.

## **4.2 Stakeholder Engagement**

Toshiba engages with stakeholders to identify potential human rights risks and issues at an early stage, address them effectively and strengthen its commitment to respecting human rights.

### **4.2.1 Labour-Management Dialogue**

One measure for engagement with employees is dialogues between Toshiba and Toshiba Union that aim to improve labour-management relations and business operations. These discussions are grounded in a spirit of mutual trust, mutual understanding and prior consultation, and are held in line with our basic philosophy of labour-management equality. The management status is explained on a regular basis through a labour-management council held once every six months and in labour-management meetings with top representatives from both parties. In addition, discussions between workers and management are held regularly at the Toshiba Group company level and business-site level.

### **4.2.2 Employee Engagement Survey (TEAM Survey)**

Another example of employee engagement is the employee morale survey (TEAM Survey) that has been conducted in Japan and overseas every year since FY2003, as a way to gain feedback from employees. Through this survey, we periodically monitor the level of employee understanding of various company measures, how firmly rooted those measures are, and the level of employee engagement. We strive to resolve any emerging issues and leverage them to enhance our corporate culture. The survey also assesses employees' understanding of whether their working conditions allow them to demonstrate their abilities. There are also questions that cover employee perceptions of the top management, and they are informed of the results.

### **4.2.3 Partnership with Suppliers**

Toshiba Group Companies build supportive, transparent and collaborative relationships with suppliers, and work with them to fulfil corporate social responsibilities and engage in sustainable procurement, on a basis of mutual understanding and trust.

We strive to build partnerships with suppliers grounded in mutual trust, and to improve them by supporting suppliers and organising awareness-raising activities. Our objective is suppliers able to provide a reliable supply of high-quality, appropriately priced goods while considering human rights, labour conditions, health and safety, and the environment.

### **4.2.4 Cooperation and Communication with External Organizations**

Toshiba Group, as a signatory to the United Nations Global Compact, is proactively working to eradicate human rights issues in the international community and to deepen understanding of human rights and reflect such understanding in business activities. To promote the practice and awareness of responsible sourcing, we actively affiliate with industry organizations and public-private partnership projects, as well as engage in communication with NGOs. Related organizations and projects regarding human rights and conflict minerals issues are as follows:

- GCNJ (UN Global Compact Network Japan)

- BSR (Business for Social Responsibility)
- RBA (Responsible Business Alliance)
- RMI (Responsible Minerals Initiatives)
- JEITA (Japan Electronic Industry Development Association)
- JP-Mirai (Japan Platform for Migrant Workers towards Responsible and Inclusive Society)

#### **4.3 Training and Capability-Building**

Toshiba Group provides its executives and employees with opportunities to understand the negative impacts of business activities on human rights and the necessity of appropriate responses. This enhances our awareness of human rights and ensures the effectiveness of the company's human rights initiatives.

##### **4.3.1 Human Rights Awareness Training for Executives and Employees**

Toshiba Group conducts annual training on Article 1 of the Standards of Conduct for Toshiba Group, which covers respect for human rights, including the prohibition against forced labour and child labour, the Toshiba Group Human Rights Policy and the Toshiba Group Procurement Policy. These e-learning modules are provided to executives and all employees including contract employees and temporary employees in Japan and overseas, with a training participation rate of 99.6% in FY2023. We also provide training to deepen understanding of and respect for human rights when employees join the company and before and after promotions and managerial appointments. In FY2023, 170 events were held, up 20% on the previous year, with a total of 32,000 participants, up 75% on the previous year.

Every year in December, we hold events related to respect for human rights during Human Rights Week, which includes 10 December, Human Rights Day, to raise awareness of human rights. In 2023, we held an online seminar for executives and all employees with the UNDP Business and Human Rights Liaison Officer to promote understanding of the actions required of companies to operate responsibly and sustainably. The video of the lecture with English subtitles was posted on the internal website for viewing by executives and employees of all Group Companies.


In addition to the training and lectures mentioned above, we work to raise awareness among our employees by posting various cases of human rights violations on our internal website and by introducing risk management points and related laws.

##### **4.3.2 Training for Those Involved in Promoting Respect for Human Rights**

Toshiba Group staff involved in promoting respect for human rights attend BSR's human rights working group meetings to learn about human rights. In July 2023, 9 people attended, and in December 15 people attended, where they discussed global trends and issues related to human rights, as well as necessary corporate initiatives, with BSR human rights experts and participants from other companies. They also participate in activities such as the GCNJ's Human Rights Due Diligence Working Group, RBA's outreach meetings, and JEITA's CSR Committee to obtain the information and knowledge necessary for respecting human rights in business.

##### **4.3.3 Training for Harassment Consulting**





Toshiba Group workplaces and Group Companies have established harassment consulting services, and once a year we hold training sessions to improve the skills of those in charge of the services, with the aim of preventing harassment and improving counselling responses.

#### **4.3.4 Training for Procurement Division Members**

We provide training for personnel working in procurement when they join the company or are transferred to the division. Training based on their job role and responsibilities is also provided. The scope of this training includes the Toshiba Group Procurement Policy and how to achieve sustainable procurement. In FY2023, approximately 100 members of Toshiba Group's Procurement Division participated in sustainable procurement training based on their job role and responsibilities.

#### **4.3.5 Raising Awareness of Human Rights among Suppliers**

In cooperation with the Human Resources & Administration Division, the Procurement Division conducts a Self-Assessment Questionnaire (SAQ) survey for suppliers that include question on human rights and conducts further investigation as necessary depending on the response status. We strive to promote understanding by distributing guidelines which explain specific examples prepared by Toshiba Group to suppliers who have an insufficient understanding of international norms and guidelines.

## **5. Effectiveness in Addressing Modern Slavery Risks**

### **5.1 Framework for Respecting Human Rights**


The Sustainability Strategy Committee, chaired by the President and CEO, deliberates and decides on strategies and policies to promote the sustainability of Toshiba Group and its supply chain, and has identified human rights as one of the material issues for Toshiba Group. The Board of Directors receives reports on the Committee's deliberations and decisions and oversees its activities.

The Sustainability Management Group of the Strategic Planning Division, under the supervision of the Corporate Officer in Charge of Sustainability, makes specific human rights-related action plans for Toshiba Group and implements them in cooperation with the Human Resources and General Affairs Division, the Procurement Division, and the Legal & Compliance Division. We hold regular weekly human rights meetings among the members of the mentioned and discuss how to achieve the plan and manage issues, as well as share information on global trends. We will work with the Environment Management Office to discuss the impact of environmental issues on human rights and consider specific measures.

The Human Resources and General Affairs Division uses the RAP to monitor Group Companies' measures to promote respect for human rights and seeks to correct any problems and prevent their recurrence. The division also provides human rights training to all managers and employees of Toshiba Group and advises Group Companies on human rights-related activities.

Regarding the supply chain, an independent team specialising in sustainable procurement activities, part of Toshiba Corporation's Procurement Division, works with related organisations, including the Sustainability Management Group and the Environment Management Office, and also with Group Companies, to promote





understanding and respect for human rights in the supply chain.

The results from assessing and monitoring the human rights risks of Toshiba Group and in its supply chain mentioned above are discussed by the aforementioned Sustainability Strategy Committee; they are also reported to the Risk Compliance Committee, chaired by the Chief Risk & Compliance Officer (CRO), who oversees risk management and compliance. Corporate Auditors attend at the Committee for monitoring. This committee evaluates the impacts of risks and the status of risk control in accordance with a risk table that covers compliance risks based on the Standards of Conduct for Toshiba Group. Divisions involved in any human rights risks that are detected are responsible for developing and implementing corrective actions to prevent recurrence. The Risk Compliance Committee is held in every fiscal half, and a system is in place to ensure continuous monitoring of the risks facing Toshiba Group, including human rights risks and the effects of countermeasures. The contents of discussions at the Committee are reported to the Board of Directors.

## **5.2 Key Performance Indicators related to Monitoring for Modern Slavery**

The Sustainability Strategy Committee of Toshiba Group decides on Key Performance Indicators (KPIs) in line with material issues, and the Sustainability Promotion Committee monitors efforts related to these items to strengthen future initiatives. To ensure that modern slavery and human trafficking are not taking place in our business or supply chains, we set targets for human rights and sustainable procurement KPIs and report the details of our achievements and initiatives. With regard to human rights, we use the percentage of human rights risk assessments conducted at Group Companies and the percentage of employees who have received human rights training as KPIs. For sustainable procurement, we set the cumulative number of suppliers where we conducted a Sustainability Survey as one of the KPIs and we work with our suppliers and regularly check the progress of their corrective actions.

## **6. Continuing Initiatives for Respecting Human Rights**

Toshiba Group recognises respect for human rights as a material issue. We will continue to monitor the effectiveness of our measures and actions based on the results of human rights impact assessments and the core concerns of our human rights policy, and minimise human rights risks by taking corrective action as necessary. In addition, we continuously communicate with external experts, participate in study groups, seminars, and forums, assess the latest information to closely monitor global trends, and address human rights issues with external organisations such as BSR and RBA.

Information given in this statement contains general descriptions and/or highlights of Toshiba Group's initiatives for anti-modern slavery and human trafficking, some of which are under modification, derivation, or improvement in certain subsidiaries or regions. In accordance with the Toshiba Group Human Rights Policy, we will continue to ensure that human rights are fully respected within Toshiba Group and strengthen our supply chain management to promote an equally deep understanding of human rights on the part of our suppliers.

Through these efforts, Toshiba Group will carry out business activities that prevent any occurrence of slave labour and human trafficking in Toshiba Group and its supply chain.

## 7. Consultation Process

This statement is issued by Toshiba Corporation on behalf of the UK reporting entities under the Modern Slavery Act 2015, Toshiba Europe Limited and Toshiba International (Europe) Ltd, and the Australian reporting entities under the Modern Slavery Act 2018, Toshiba International Corporation Pty. Ltd. and PGSR Pty. Ltd.

In preparing this joint statement, the Sustainability Management Group in Toshiba Corporation worked with the Human Resources & Administration Division, the Procurement Division, and the Legal & Compliance Division. The contents regarding the Toshiba Group's human rights efforts in its operations and supply chains are consulted and explained, and feedback was sought from the senior management of each reporting entity covered by the statement, and this consultation process realized a comprehensive and integrated group-wide statement.

Toshiba Group empowers its Corporate Officers delegated by the Board of Directors to make operational decisions. As the Sustainability Strategy Committee, in its capacity as a principal governing body, has identified human rights as one of its material issues and oversees the efforts, this statement was deliberated upon by the committee. The committee is chaired by Taro Shimada, the President and CEO, and includes Corporate Officers in charge of Sustainability Management, Human Resources, Procurement, Marketing, Strategic Planning, Global Strategy, Legal & Compliance, Cyber-Physical Systems and Design, Information Systems, Technology, R&D, Quality, Finance, Accounting as well as the Corporate Officers responsible for each reporting entity. This statement was reviewed and approved by the committee, on 17 July 2024 and the Director, President and CEO signed the statement on behalf of the committee and the board.



Taro Shimada  
Representative Director  
Corporate Officer  
President and Chief Executive Officer  
Toshiba Corporation