

TOSHIBA
Leading Innovation >>>

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



Corporate Social Responsibility Report 2009

Corporate Philosophy

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

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

Basic Commitment of the Toshiba Group

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

Commitment to People

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

Commitment to the Future

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

Toshiba Group Slogan

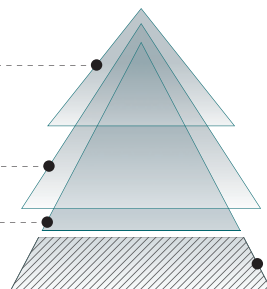
**Committed to People,
Committed to the Future. TOSHIBA**

Framework of Toshiba Group's Management Philosophy

Basic Commitment
of the Toshiba Group
Toshiba Group's mission

Toshiba Group
Management Vision
A set of values and targets shared
throughout Toshiba Group

Toshiba Group
Standards of Conduct
Standards of conduct to which everyone
in Toshiba Group is required to adhere



UN Global Compact*

Responsibilities as a global enterprise

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

Editing Policy

One of Toshiba Group's endeavors includes the publication of the CSR report in order to report its CSR management policy and activities worldwide in a sincere and user-friendly manner. While editing the report, we examine and consider the items to be reported every year, from the viewpoint of what is material for our stakeholders as well as Toshiba Group. We then verify the results using Toshiba's unique indicator for determining materiality, based on specific indicators of SRI survey items, etc. (See P19)

Based on the above basic policy, we have edited CSR Report 2009, with the three new features described below: We solicited the opinions on Toshiba's CSR management from two intellectuals associated with Toshiba's CSR over the past few years. The theme revolved around the recent important issues for Toshiba Group's CSR. Accordingly, we have reported their views and recommendations as well as our response to them.

The second feature of the CSR Report 2009 is that we have included a special feature emphasizing two aspects that are considered important as a "corporate citizen of planet Earth," based on the feedback from intellectuals. The first aspect is how Toshiba Group is addressing the global warming problem, the most critical environmental issue. In response, we have reported our environmental commitment (based on Toshiba Group Environmental Vision 2050) made in each business domain. Another aspect is how Toshiba Group is addressing the social issues specific to each region in the world. In response, we have introduced our CSR efforts in the U.S., Europe, China and Asia.

The third feature of the CSR Report 2009 is that we have categorized our activity reports into Materiality Reporting and Management Reporting in order to clarify the materiality of the activities*.

We have considered these improvements in this edition based on third-party comments, opinions from readers, stakeholder dialogue, etc.

We request you to read this report and give us your valuable feedback.

* This report covers only a limited coverage on environmental aspects since the "Toshiba Group Environmental Report 2009" issued separately contains environmental information in details.

Organizations covered

In principle, Toshiba Group (Toshiba Corporation and its 537 consolidated subsidiaries in Japan and overseas). In case the scope of reporting is not Toshiba Group, then the individual entity is indicated.

Note: "Toshiba" in this report means Toshiba Corporation.

Reporting period

This report focuses on the results of activities in fiscal 2008 (from April 1, 2008 to March 31, 2009) but includes some activities continuing from the past and more recent ones.

Publication

Current issue: August 2009 (Next issue: Scheduled for August 2010; Previous issue: August 2008)

Reference Guidelines

Global Reporting Initiative (GRI)
Sustainability Reporting Guidelines (G3)
Environmental Reporting Guidelines (Fiscal Year 2007 Version), Ministry of the Environment of Japan
Environmental Accounting Guidelines 2005, Ministry of the Environment of Japan

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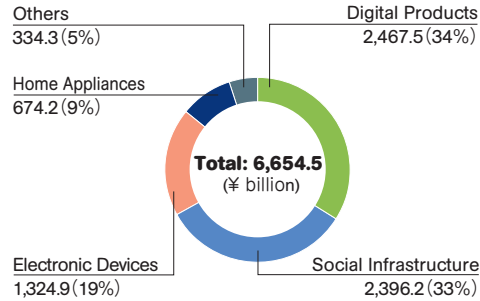
Disclaimer

This report contains plans and strategies for the future of Toshiba, and predictions and prospects for our performance. They are based on our determinations and convictions made based on the facts and information made available to us today.

Toshiba Group Business Overview and Economic Performance

Toshiba Pursues Innovation to Provide New Values to People and Society

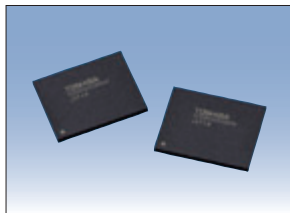
Sales by Business Segment (FY2008)



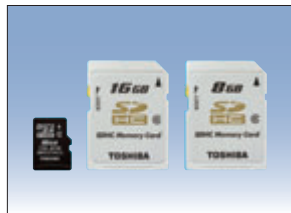
Founded in 1875, Toshiba Group consists of Toshiba and its consolidated subsidiaries throughout the world (in total 538 companies, with around 200,000 employees) as of end of March 2009. The Group operates globally in the following four domains: digital products, electronic devices, social infrastructure and home appliances.

At Toshiba Group, our mission is to “deliver technology and products remarkable for their innovation and artistry-contributing to a safer, more comfortable, more productive life.”

Electronic Devices



High-capacity NAND flash memory



High-capacity and ultra high-speed SD memory card



Industrial-use LCD module using a long-life LED backlighting system



Ultra-compact fuel cell for mobile equipment

Social Infrastructure Systems



High-efficiency turbine for thermal power generation



High-resolution medical CT scanner



High capacity, super high speed elevator (Image by Tobu Railway Co., Ltd. & Tobu Tower Sky Tree Co., Ltd.)



New rechargeable battery offering excellent safety, a long-life cycle and a rapid charge-discharge capability

Digital Products



Energy-saving Digital Hi-Vision LCD TV with superior picture quality



Small notebook PCs with enhanced functions



Water and energy saving, low-noise washing machine with dryer



Energy-saving LED lights with long life



High-capacity refrigerator retaining freshness



Easy-to-use Hi-Vision recorder with superior picture quality



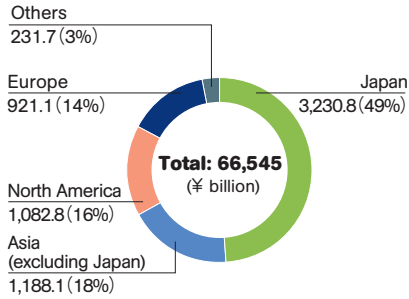
Mobile phones with audiovisual pleasure



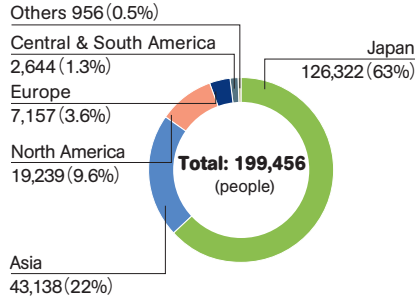
Air conditioner (winner of Energy Conservation Grand Prize for 2 consecutive years)

Please refer to the Toshiba Annual Report 2009 for detailed business and financial information. This information is also available at the following website: <http://www.toshiba.co.jp/about/ir/index.htm>

Sales by Region (FY2008)



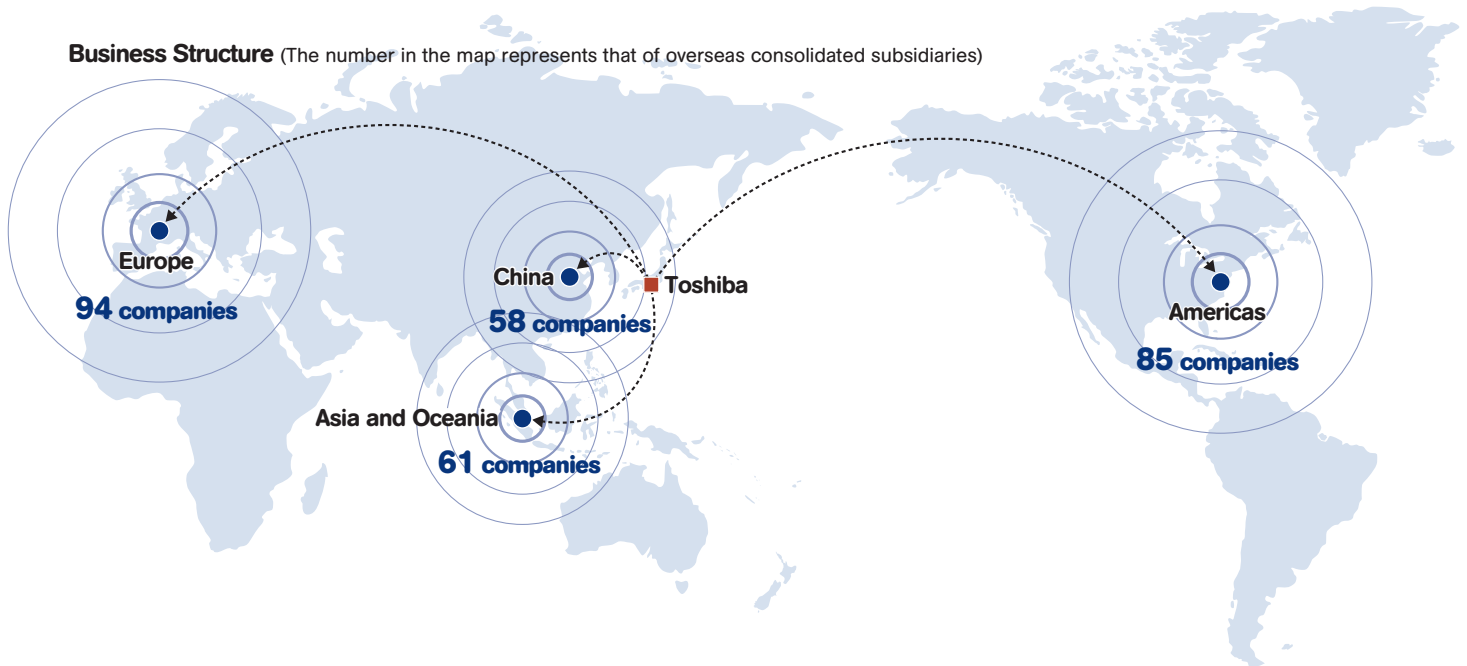
No. of Employees by Region (as of March 31, 2009)



As in fiscal 2007, overseas sales exceeded sales in Japan, at 51%. As for the sales by region, Asia accounted for a significant proportion.

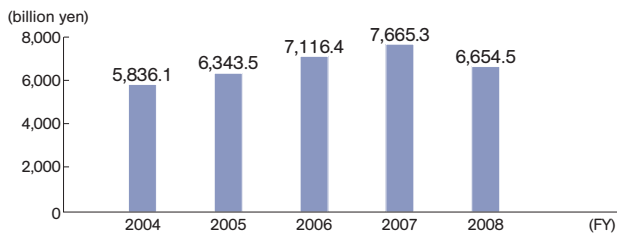
Of the 200,000 employees, those in Japan account for approximately 60% of the total, as semiconductor and social infrastructure operations are mostly based in Japan.

Business Structure (The number in the map represents that of overseas consolidated subsidiaries)

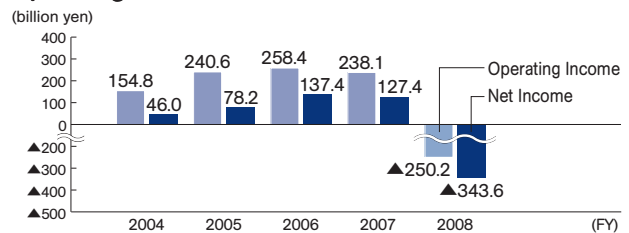


Financial Results (Consolidated)

Net Sales



Operating Income & Net Income



Company Overview (as of March 31, 2009)

Company name	Toshiba Corporation
Headquarters address	1-1, Shibaura 1-chome, Minato-ku, Tokyo
Founded	July 1875
Paid-in capital	280.3 billion yen
Consolidated net sales	6,654.5 billion yen
Number of employees (consolidated)	199,456
CSR-related international charters/ guidelines Toshiba endorses	<ul style="list-style-type: none"> ● United Nations Global Compact ● Global Reporting Initiative (GRI)

Number of shareholders	462,649
Number of shares issued	3,237,602,026 shares
Number of consolidated subsidiaries	537 (239 in Japan, 298 overseas)
Number of affiliates accounted for by the equity method	199
Stock exchange listings	Tokyo, Osaka, Nagoya, London
Membership in CSR-related organization	Business for Social Responsibility (BSR)

Recommendations by Intellectuals to Toshiba

While creating our CSR Report 2009, we carefully selected our material issues and solicited the opinions of intellectuals.

Prof. Katsuhiko Kokubu of Kobe University (Graduate School) has provided us with valuable opinion on the topic “CSR during the Economic Crisis,” while Mr. Jeremy Prepscius of Business for Social Responsibility (BSR) has given views on “Mitigation of Climate Change” and “Commitment in the Supply Chain.”



Professor Katsuhiko Kokubu

Graduate School of Business Administration
Kobe University

Brief description of background:

Professor Kokubu completed his Ph.D. in Osaka City University and published more than 10 books and 120 papers on environmental accounting and CSR. He has served as Professor of Social and Environmental Accounting at Graduate School of Business Administration, Kobe University since 2001. He is currently appointed as Chairperson or Convenor for various committees including the Committee for Environmental Management Accounting International Standardization in Japan, and Convenor of Working Group 8: Material Flow Cost Accounting at ISO TC 207.

CSR during the Economic Crisis

Aiming for CSR in coexistence with society

Since the fall of 2008, we have been going through a global economic crisis. As it is generally said that the true value of things is tested during times of hardship, this also applies to CSR. How the management handles CSR during an economic crisis reflects how they view the relationship between the company and society.

The challenges of CSR during the economic crisis converge into the following two points: (1) How a company can accelerate its environmental protection efforts in spite of the economic crisis and (2) How a company should take into account the CSR aspects while determining adjustments related to production or employment as a result of the economic crisis, that have a significant impact on the local economy.

As for the first challenge, it is important for the company to not only have a strong determination to continue with such efforts but also initiate specific activities and seek their results. I expect companies to review their social responsibilities and continue to act, even in this time of hardship so that internal solidarity and corporate power are enhanced.

As for the second challenge, it is important for the company to build the attitude of overcoming this difficulty through mutual cooperation with employees, including non-regular employees, trader partners and local communities. A company should not only think of its own survival, rather it is more vital to have the attitude of sharing with and supporting the society. This should be the key to sustainable economic development.

Toshiba Group's CSR Management

Building a CSR management model

Over the years, I have been observing Toshiba's CSR initiatives. I have found that in terms of information collection, analysis, goal setting, promotion and evaluation of efforts, Toshiba is of the foremost standard among the Japanese companies. I hope, with these abilities, Toshiba can play a leading role in the field of CSR.

Currently, one of the issues related to CSR is that companies tend to over-emphasize their own internal problems, such as the relationship with employees, etc. and ignore the viewpoint of how they should contribute to the harmonious development of society as a whole. This problem can be solved by introducing the viewpoint of CSR into their own business activities. To do so, a CSR management model needs to be developed from a wider perspective. I expect Toshiba to promote their activities in that direction such that it can raise the levels of global CSR.



Response from Toshiba

- CEO Commitment »P7-8
- CSR Reporting Policy »P19
- Responsibility toward Employees »P27
- CSR Management »P35-36



Jeremy Prepscius

Managing Director, Asia
Business for Social Responsibility (BSR)

Brief description of background:

Specialized in international commerce at Kentucky University, US. Worked for NIKE, Inc. for more than 10 years, dealing with CSR issues in Cambodia, Vietnam, China, etc.

Currently leads BSR's membership and CSR consulting services in Asia, including ICT companies in Japan.

CSR Management of Toshiba Group

Ensure wider coverage of information on supply chain management

Toshiba Group's CSR management can be highly evaluated in that the Group has well-defined its material issues and acted upon them. It is also superior in terms of reporting on its environmental performance. On the other hand, Toshiba should disclose more information concerning its supply chain management issues.

Mitigation of Climate Change

With the convening of COP 15, I expect a global leader like Toshiba to contribute toward the mitigation of global warming.

I expect Toshiba Group to contribute to mitigation of climate change in the following four aspects.

The first aspect is contribution through energy technology. Toshiba has the ability to contribute to mitigation of climate change with their state-of-art technology, such as more efficient nuclear power generation, in addition to rechargeable batteries, photovoltaic generation and fuel cells.

The second aspect is contribution through the development and promotion of eco-products. As Toshiba Group states in its "Environmental Vision 2050," the provision of products and services that can effectively reduce CO2 emissions is expected to contribute to the sustainable development of society.

The third aspect is contribution through reducing greenhouse gases in the manufacturing process. Although Toshiba Group has established a robust global environment management system, CO2 emissions have been increasing every year over the past few years. I strongly recommend that Toshiba commit itself to reducing the absolute amount of CO2 emissions in the semiconductor manufacturing process, which is responsible for

approximately 50% of all the CO2 emissions in the entire manufacturing process.

The fourth aspect is contribution through active participation in developing public policy. I expect Toshiba to actively encourage the government to create frameworks for the environment, including for mitigation of climate change.

Impacts and Considerations while Exploring New Markets

Ensure commitment to providing guidance and education to suppliers on human right and labor problems in the supply chain.

One of the important themes of CSR is the safeguarding of human rights. In particular, the efforts of global companies are vital to solve human right problems in developing countries. Mere auditing of supply chain is not sufficient for ensuring human rights or appropriate labor management. Toshiba should also use its management expertise gained during global operations to guide, train and appropriately incent its suppliers. I expect that Toshiba continues to deal fairly with suppliers, also considering that fact that order placement with a short delivery time may result in long working hours and that excessive pursuit of low costs causes lower wage and poor working environment problems.



Response from Toshiba

- CSR Reporting Policy »P19
- Commitment to CSR in the Supply Chain »P18, P31
- Environmental Vision 2050 »P9-13
- Toshiba Group's Commitment to the Environment »P43-48



“As a ‘corporate citizen of planet Earth,’ we will constantly act with **integrity**, and through using our Group’s powers of **imagination** that helps lead to continuous **innovation**, we will work to contribute to the achievement of a sustainable world.”

I was appointed President and CEO of Toshiba in the midst of the kind of deep global economic crisis that comes along about once in a hundred years. Accordingly, my first mission will be to implement strategic policies to overcome the difficult challenges posed by the current tough business environment. To assure that Toshiba Group can position itself (within the current fiscal year) to return to the path of generating sustained growth with profit, my main emphasis will be put on effectively and expeditiously implementing Toshiba Group’s “Action Programs to Improve Profitability.” We will continue devoting our efforts to building a strong business foundation that will allow us to quickly seize business opportunities when the market starts to recover. Toward this end, we will decisively move forward with carrying out our programs to reform the structure of the businesses most affected by the economic downturn, executing Toshiba Group-wide actions to strengthen our business structure and accelerating strategic allocation of resources to growth businesses.

Harnessing the Powers of Imagination to Lead Us to Continue Innovation

In the current fast-shifting business environment, we must draw on all of Toshiba Group’s strengths to proactively meet the challenges of the new business age we are entering. Through using our Group’s creative powers of **imagination** that will help lead us to achieve our ambitious goals for continuous **innovation**, we will work to contribute to the achievement of a sustainable world. Our creative powers of imagination backed up by our prowess in sensitively reading the trends affecting our businesses will allow us to anticipate and clearly understand the coming changes in the global business environment, and in turn, this thinking process will advance our ability to innovate. To further strengthen the position of Toshiba Group, we must accurately imagine the needs of society a decade from now, and channel our imaginative ideas to create innovative products and services that will lead to a better future and a sustainable world. Furthermore, we must also take an intensive look into the future and try to construct a vision of the Earth as it may be 100 years from now and imagine how we can, over the long term, work together with society and contribute to bringing about a comfortable and secure future for people everywhere. In addition, we believe that it is essential to respond promptly and effectively to rapidly changing business circumstances through carrying out sound management practices and maintaining a strong financial base. Constantly acting with complete **integrity** is the unchanging aim of Toshiba Group’s approach to CSR (corporate social responsibility).

Contributing to a Sustainable World through Environmental Technologies, Innovative Products and Services

The term “CSR” is increasingly used to refer to the awareness by companies of the need to go beyond legal requirements and contractual obligations and strive to reflect an understanding of and response to social and environmental considerations in all of their business activities. Toshiba Group promotes CSR-oriented management motivated by its deep convictions about its responsibilities as a “corporate citizen of planet Earth.” This concept embodies two core commitments. The first is our comprehensive commitment to promote Toshiba Group Environmental Vision 2050, which states our aggressive goal of raising the eco-efficiency of our products and business processes 10 times by 2050, with 2000 as the benchmark year, as we endeavor to address today’s most pressing environmental issue: climate change. We are proactively taking environmental initiatives throughout our business activities. More specifically, we are helping to mitigate the impact of climate change by promoting nuclear power generation and state-of-the-art environmental technologies, such as carbon capture and storage (CCS) systems, solar photovoltaic systems for solar power generation, a new generation of innovative rechargeable batteries for industrial and automotive applications and new eco-friendly LED lighting systems.

At the same time, in all our business activities, we are committed to a strong policy in support of cultural diversity. We seek to understand and respect the different cultures and ways of thinking, histories and customs in the communities around the world in which we do business. We are building an organizational environment that allows us to appropriately respond to various issues in society that differ from region to region. In addition, we promote a working environment in which we employ capable people from diverse cultural backgrounds, and we encourage all of our employees to actively enjoy their work and work to achieve their full potential. I believe that the success of our policy of cultural diversity is an important strength of Toshiba Group.

Acting with Complete Integrity

As a “corporate citizen of planet Earth,” Toshiba Group places utmost importance on constantly acting with complete integrity in all of our business activities. We have long recognized the importance of being recognized as a trusted corporate citizen. That is why we not only promote rigorous compliance with laws and regulations but continue to build a corporate culture that, based on the Toshiba Group Standards of Conduct, which places a strong emphasis on both personal and corporate integrity. The Standards of Conduct, codified in 18 chapters, provides us with guidance for our business activities, our corporate and individual relationships and our community relations. As we reinforce our global presence, I will ensure that the worldwide Toshiba Group faithfully follows this code of conduct, and always acts to place its highest priorities on human life, safety and compliance.

Fulfilling Our Responsibilities to All of Our Stakeholders

Toshiba Group owes its existence to its stakeholders – our customers, shareholders and investors, employees, local communities, and suppliers. For this reason, I believe that it is an important part of Toshiba Group’s mission to listen closely to the voices of all of our stakeholders and draw on their opinions and advice as we endeavor to solve issues that present themselves. To position Toshiba Group to perform well in the current tough environment, in FY2009 we are going forward with our action programs to improve profitability. We will endeavor to fulfill our responsibilities to our stakeholders with regard to transparency by

sincerely, clearly and concretely explaining Toshiba Group’s management policies, including not only our business strategies but also detailed information about our efforts toward strengthening the structural foundations of our businesses and such important matters as implementing personnel policies aimed at providing stable employment.

As we follow through on these action programs, I would like to ask for your understanding.

We Adhere to Universal Principles as a UN Global Compact Member

As a global entity, Toshiba Group generates over 50% of its sales overseas, and operates production bases around the world, many of them in Asia. As a significant step toward global CSR-oriented management in each region around the world, we signed the United Nations Global Compact in 2004. We are thoroughly implementing and promoting within Toshiba Group the Global Compact’s basic principles concerning human rights, labor, the environment, and anti-corruption, and we also urge our suppliers to make the same kind of efforts. We consider adherence to the universal principles of the Global Compact as an integral part of Toshiba Group CSR management.

Toshiba Group will continue to live up to its obligations as a “corporate citizen of planet Earth.” We are totally committed to the promotion of comprehensive global CSR-based management. Moreover, we will act swiftly and decisively to adapt to the fast-changing business environment. I assure you that we will continue to strive to live up to the expectations of our stakeholders.

I would like to ask for your continued support and cooperation.



Norio Sasaki
Director, President and CEO
Toshiba Corporation

Toward Achieving the Environmental Vision 2050

Efforts in Various Business Domains

New vision of the ideal situation in 2050

People leading rich lifestyles in harmony with the Earth – this is the ideal situation envisaged in 2050 based on the Toshiba Group Environmental Vision 2050. Under this overarching vision, we consider our mission, as a corporate citizen of planet Earth, is to create new, enriched value while striving to further reduce environmental impacts.

Approaches and actions to make the vision a reality

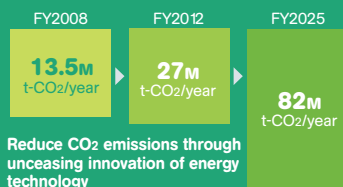
Toshiba Group aims to make Environmental Vision 2050 a reality through two approaches: while the Energy Approach emphasizes the stable supply of reliable energy and mitigation of climate change, the Eco Products Approach focuses on creating new value in harmony with the Earth. In addition, we are taking action on two standpoints – while Eco Process seeks to minimize environmental impacts throughout business processes, Eco Program is a concerted effort to tackle environmental issues in collaboration with our stakeholders.

To execute these approaches and actions, Toshiba Group is promoting business activities in four domains, capitalizing on the strengths of each domain.



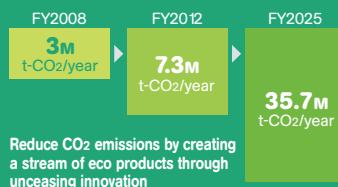
Contribution by Energy Approach

Aim to contribute to reduce CO₂ emissions by 82 million tons in fiscal 2025



Contribution by Eco Products Approach

Aim to contribute to reduce CO₂ emissions by 35.7 million tons in fiscal 2025



Case Study of Efforts Made in Various Business Domains

Social Infrastructure Business p10

Contributing toward Control of Global CO₂ Emissions

Electronic Devices Business p11

Promoting CO₂ Emission Control in Manufacturing Processes and Energy Saving in Electronic Devices

Digital Products Business p12

Providing World-Class Environmentally Conscious Products

Home Appliance Business p13

Developing Environmentally Conscious Products to Contribute to Reducing Household Energy Consumption

Contributing to the Prevention of Global Warming and Better Society with Innovative Environmental Technologies

Toward Realizing the Environmental Vision 2050

Contributing toward Control of Global CO₂ Emissions

Through our social infrastructure business, Toshiba Group can contribute to controlling CO₂ emissions in power generation systems. By expanding nuclear power generation system (which does not generate CO₂), improving the efficiency of thermal power generation, promoting businesses such as carbon capture and storage globally, Toshiba Group aims to contribute to reduce CO₂ emissions by 82 million tons by 2025, which is equivalent to the annual emissions of Tokyo City. Our energy-saving efforts extend to the social system business such as traffic control system, development of elevator, medical equipment, etc. through the use of state-of-the-art environmental technologies. Furthermore, through the promotion of CDM* business, we are contributing toward the reduction of global CO₂ emissions.

* CDM: Clean Development Mechanism

Case 1

Safe and economically efficient nuclear power generation

In fiscal 2008, we received orders for 8 nuclear power plants*¹ in the US. In France, for the first time, we have received orders for repair work of turbo generator of nuclear plants. We have also set up Japan's largest Sodium Test Facility for fast reactor within Toshiba's Yokohama Complex and are developing fast breeder reactors with higher uranium-saving rate.

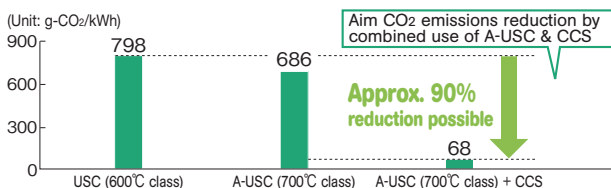
On the other hand, in order to reduce CO₂ emissions for thermal power generation systems, we are promoting the development of the A-USC*² thermal power generation system in which the steam temperature is increased from a class of 600°C in the conventional system to 700°C, while simultaneously building a CCS*³ plant at a commercial scale through pilot plant verification. As a result of the combined use of A-USC and CCS, an approximately 90% CO₂ reduction from the current levels is possible.

*¹ Two ABWRs (1.4 million kW class nuclear reactors) and six AP1000s (1.1 million kW class nuclear reactors)

*² Advanced-Ultra-Supercritical

*³ Carbon Capture and Storage

Reducing CO₂ emissions of Thermal Power Generation



Note: Currently, only the USC (Ultra-Supercritical) is put to practical use. Drastic CO₂ emissions reductions possible with a combination of A (Advanced)-USC and CCS.

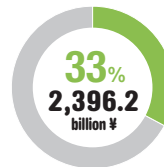
Data on the Social Infrastructure Business

(Fiscal 2008)

Major products

Nuclear power generators, thermal power generators, hydro-power generators, electric distribution systems, instruments control systems, transportation equipments, electrical machineries, gauges, automatic railroad station equipments, water supply and sewerage systems, road equipment systems, government systems, broadcasting systems, transmission network systems, radar systems, environmental systems, elevators, escalators, IT solutions, x-ray systems, CT systems, MRI systems, diagnostic ultrasound systems, clinical analysis systems, etc.

Sales amount



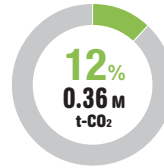
CO₂ emission reduction benefit by the energy approach

(Compared with FY 2000)

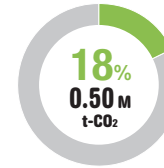


CO₂ emission reduction benefit by the Eco Products approach

(Compared with FY 2000)



CO₂ emissions with the Eco Process



Note: The percentages in the above graphs are calculated based on the data of the entire Toshiba Group.

Case 2

Expanding Environmentally Conscious Businesses to Sustain Global Society

Our other efforts also include mass production of new rechargeable batteries, namely, SCiB™ and collaboration with a European automobile manufacturer for their application. In December 2008, to meet the growing global demand for high-efficiency motors which support energy saving of various electrical products, we established a manufacturing base in Vietnam. We also set up a CDM project in the country.



CDM factory inaugural ceremony (Vietnam)

In order to promote CDM business, in January 2009 Toshiba established a new company in Vietnam with NGUYEN VU Co., Ltd. The project will use Toshiba's high concentration organic wastewater treatment technology to recover biogas* from wastewater discharged by starch factories in order to reduce the atmospheric greenhouse gas emissions. The new company aims to construct methane gas recovery plants in multiple starch factories to reduce GHG emissions in terms of CO₂ by 70 thousand tons in fiscal 2010. Similar type of plants will be installed in alcohol and food processing factories to reduce greenhouse gas emissions by 500 thousand tons in terms of annual CO₂ volume.

* Biogas: A combustible gas whose dominant component is methane gas recovered from organic wastewater by methane fermentation process

Contribute to a Green IT Society with Advanced Semiconductor Technology, while Considering Efforts to Reduce Environmental Impacts at Factories

Toward Realizing the Environmental Vision 2050

Promoting CO₂ Emission Control in Manufacturing Processes and Energy Saving in Electronic Devices

Toshiba Group provides electronic device products supporting a broad range of industries, while pursuing performance improvement, miniaturization and power consumption reduction of semiconductors by developing advanced technologies.

Though electronic devices are vital for contemporary society, in terms of environmental impacts, during their manufacturing, they consume vast electricity required for air conditioning systems in clean rooms and manufacturing equipment. Toshiba Group's greenhouse gas emissions proportion made up by the manufacturing processes of electronic devices comprises 60% of that for the entire Group and, thus, reducing this volume of emissions is critical.

Toshiba Group is actively striving to control the increase in greenhouse gas emissions to 70% of the fiscal 1990 level by fiscal 2012 and subsequently achieving further 10% reduction by fiscal 2025.

At the same time, we will promote further reduction of power consumption in electronic devices and contribute to energy conservation in various electric and electronic equipment, including IT equipment.

Case 1

Energy Saving Promotion in Semiconductor Factories

From fiscal 2004, Toshiba Group has been expanding the "Clean Room Econology Project" under which energy saving is promoted in all semiconductor factories in Japan. We have achieved a drastic reduction of power consumption by reducing energy use during the standby and operating periods of manufacturing equipment in cooperation with equipment manufacturers and the introduction of a mini-environment technology in clean room.

For example, in Toshiba's Oita Operations, various energy-saving technologies, including those for streamlining operations of inverter centrifugal chiller in air conditioning system as well as the system as a whole and for building cold water automatic controlling systems have been developed and introduced. A CO₂ emissions reduction of 12,000 tons was actually achieved in fiscal 2007, for which three consecutive annual awards were received from the Energy Conservation Center, Japan, as an excellent case of implementing energy conservation measures.

We are also planning to apply those energy conservation technologies to other factories.



State-of-the-art high efficiency inverter centrifugal chiller

Data on the Electronic Device Business (Fiscal 2008)

Major products

General-purpose logic ICs, small-signal devices, optoelectronic devices, power devices, image information system LSIs, communication & network system LSIs, CMOS image sensors, microcomputers, LCD drivers, bipolar ICs, NAND flash memories, multi chip packages, liquid crystal displays, x-ray tubes, etc.

Sales amount

19%
1,324.9 billion ¥

CO₂ emissions reduction benefit by the Eco Products approach

(Compared with FY 2000)

6%
0.18 M t-CO₂

CO₂ emissions with the Eco Process

62%
1.70 M t-CO₂

Note: The percentages in the above graphs are calculated based on the data for the entire Toshiba Group.

Case 2

Contributing to Green IT Via Our Original Semiconductor Technologies

The power consumption of IT equipment such as personal computers, servers, communication devices and digital appliances is increasing globally and it is predicted that the power consumption of IT equipment will comprise 15-20% of overall power consumption in Japan by 2025, which is more than 5 times of the present consumption. "Green IT" is an industry-academic-government collaborative effort to control the rapid increase in power consumption.

Toshiba Group actively promotes the "Greening of IT" to save energy in IT equipment itself and the "Greening by IT" for the society using IT equipment. For example, although the high capacity memory storage devices installed in IT equipment such as personal computers normally consume larger amount of power than those of low capacity, power consumption can be reduced even with increased capacity with SSDs*1 using NAND flash memories*2 to replace conventional hard disk drives. Toshiba Group is contributing to the greening of IT equipment by utilizing its original semiconductor technologies such as the newly commercialized 512 gigabyte SSD, which is the industry's first one.



The industry's first 512 gigabyte SSD
(From the left: 512GB, 256GB and 64GB SSDs)

*1 SSD: Solid State Drive. A NAND flash memory based on board storage device

*2 NAND flash memory: A type of nonvolatile memory

Advanced Technology and Environmental Awareness Create Products Offering New Experiences

Toward Realizing the Environmental Vision 2050

Providing World-Class Environmentally Conscious Products

In our digital and network products, notebook computers and LCD TVs among them, we offer improved functions and image quality that enhance performance, while directly addressing such environmental considerations as lower power consumption and maximum recyclability. Toshiba Group fully complies with environmental standards on electric and electronic equipment, most notably the EU's RoHS directive*1 and REACH*2. Our goal is product performance that brings new levels of experience and enjoyment to our customers around the world, with full consideration for protecting the environment.

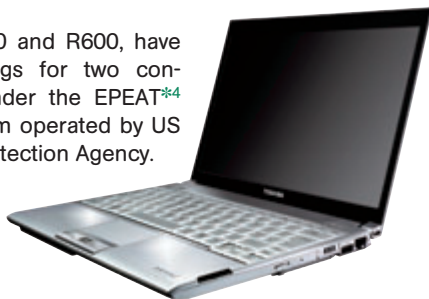
- *1 RoHS (Restriction of the use of certain Hazardous Substances) directive: An EU restriction on the use of six chemical substances – lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls and polybrominated diphenyl ether – in electrical and electronic equipment
- *2 REACH (Registration, Evaluation, Authorization and Restriction of Chemicals): An EU directive on managing chemicals

Case 1

Energy and Resource-Saving Notebook Computers Win the US Environmental Protection Agency's Highest Rating

In the development of notebook computers, minimizing environmental impacts throughout the product lifecycle is a crucial concern. "Portégé® R600-ST4203"*1, launched in May 2009 with the world's very first 512 GB SSD*2, surpasses its HDD-equipped predecessor by offering faster data access and operating for approximately 12 hours on battery power*3. It is an excellent product in terms of energy conservation, designed with a resource-saving thin and light profile.

The Portege R500 and R600, have won "Gold" ratings for two consecutive years under the EPEAT*4 evaluation program operated by US Environmental Protection Agency.



"Portégé® R600-ST4203" notebook computer, with 512GB SSD

- *1 The first mobile computer with a single module 512GB SSD (as of May 2009, Toshiba data)
- *2 SSD: Solid State Drive. A NAND flash memory based on board storage device.
- *3 Result with a 63A battery pack, measured using "JEITA Battery Run Time Measurement Method (Version 1.0)" developed by the Japan Electronics and Information Technology Industries Association
- *4 Electronic Product Environment Assessment Tool

Data on the Digital Products Business (Fiscal 2008)

Major products

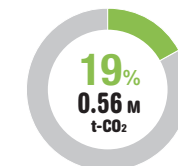
Mobile phones, hard disk drives, LCD TVs, industrial & surveillance camera systems, DVD products, personal computers, PC servers, business-use telephones, POS systems, Multi-Function Peripherals (MFPs), etc.

Sales amount

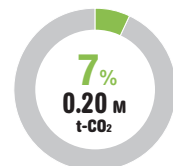


CO₂ emission reduction benefit by the Eco Products approach

(Compared with FY 2000)



CO₂ emissions with the Eco Process

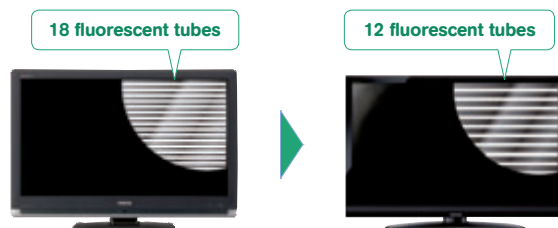


Note: The percentages in the above graphs are calculated based on the data for the entire Toshiba Group.

Case 2

Pursuing Superb Images for LCD TVs and Saving Energy

"REGZA C8000 (Japan)" series LCD TVs, launched in March 2009, combine excellent image quality with the industry's lowest power consumption*1. The secret is a fluorescent tube backlight with high luminescent efficiency and a new film with high light transmittance. Together, they reduce the number of tubes by a third*2, and cut annual power consumption by approximately 29%*3 while maintaining the same level of brightness. In addition, these TVs are all RoHS compliant and plastic materials are labeled to facilitate recycling.



Previous panel vs. new panel

- *1 42C8000 and 32C8000. Lowest power consumption in 32- and 42-inch digital LCD TVs with 120Hz technology (as of March 4, 2009)
- *2 Comparison between Toshiba's 42C8000 and 42CV500
- *3 Compared with the liquid crystal panels in the CV500 series products. The 42C8000 has 12 fluorescent tubes against 18 in the 42CV500.

Provide the New “eco style” Home Appliance to Pursue Comfortable and Environmentally Conscious Lifestyle

Toward Realizing the Environmental Vision 2050

Developing Environmentally Conscious Products to Contribute to Reducing Household Energy Consumption

In Japan, the volume of CO₂ emissions from household energy consumption* is increasing, one of the reasons being of home appliances getting bigger in size. Though individual energy saving activities are important to control energy consumption, the effectiveness of individual electricity saving is limited. Thus, Toshiba Group considers that developing and providing “eco style” home appliances to support comfortable living, yet reduce power consumption is our urgent responsibility. We are striving for further functional enhancement and improved environmental performance, mainly in air conditioners, refrigerators and lighting equipment, where energy consumption amount is especially large with home appliances. In addition, we are providing guidance and conducting other educational activities to support efforts of our customers to conserve energy.

* The CO₂ emissions from household energy consumption increased by about 37% from 127 million tons in 1990 (11.1% of total CO₂ emissions in Japan) to 174 million tons in 2005 (13.5% of total CO₂ emissions in Japan). (Annual Report on the Environment and the Sound Material-Cycle Society in Japan 2007 of the Ministry of the Environment)

Case 1

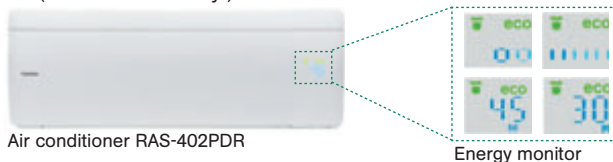
Ensuring Further Comfort and Environmental Performance of Air Conditioners and Refrigerators

The “Daiseikai PDR” series air conditioners, winner of the Energy Conservation Center Chairman’s Award of the 19th Energy Conservation Award of fiscal 2008, have inner compressors with an original mechanism to implement, enabling unprecedented energy-saving operations. These series of air conditioners have reduced the power consumption by about 32% as compared with that of 1998 models.*1 Additionally, they have a function indicating power consumption and an electricity bill on the front of the indoor equipment to help electricity saving at home, introduced for the first time within the industry.

Similarly, for the “Marugoto-Sendo-Meijin” series of refrigerators, new technologies for energy-saving operation were introduced in the condensers and controlling methods to reduce power consumption by about 50% as compared with conventional models.*2 Furthermore, the inside of the product is filled with humid cool air to preserve the freshness of food and new sterilization technologies are used to prevent bacterial growth and thus reduce waste food. The products have various functions to support comfortable and environmentally conscious life.

*1 Comparison between RAS-402PDR and RAS-406BDR (a product 11 years old). Period power consumption:
RAS-402PDR: 1,336kWh, RAS-406BDR: 1,955kWh

*2 Comparison of annual power consumption between a Toshiba product 3 years old (GR-W50FB: 700kWh/yr) and a new product (GR-A51R:380kWh/yr).



Data on the Home Appliance Business (Fiscal 2008)

Major products

Refrigerators, washing drying machines, washing machines, kitchen appliances, vacuum cleaners, light bulbs, fluorescent lamps, light fixtures, industrial light parts, air-conditioners, compressors, batteries, etc.

Sales amount

9%
674.2 billion ¥

CO₂ emission reduction benefit by the Eco Products approach

63%
1.9 M t-CO₂

CO₂ emissions with the Eco Process

9%
0.25 M t-CO₂

Note: The percentages in the above graphs are calculated based on the data for the entire Toshiba Group.

Case 2

Expand LED Lighting to Global Markets to Provide the “New Value in Lighting”

Toshiba Group has been developing and providing advanced lighting technologies since it first manufactured incandescent lamps in Japan in 1890. Though incandescent lamps are widely used worldwide because of their simple structure and low price, recently, the need to replace them with other light sources such as fluorescent lamps of equivalent brightness, yet with lower power consumption has been realized in order to mitigate climate change.

Thus, in April, 2008, Toshiba Group announced to stop the production of general incandescent lamps from around 2010. We will enforce the development of fluorescent lamps and LED (light-emitting diode) lights with high luminous efficiency and low environmental impact.

In particular, for LED lights, various products from generic to industrial illumination fields will be developed to meet various requirements and thus lead the global market.

Toshiba Group estimates that it can contribute to a reduction in global CO₂ emissions of around 25.1 million tons in the fiscal year 2025 by switching to high efficiency light sources such as LED lights.



Various LED lights: ① Downlight, ② Lamp, ③ Base light, ④ Guide light, ⑤ Spotlight

Toward Promoting CSR-oriented Management Worldwide

— Activities for Each Overseas Region

CSR-oriented Management based on the UN Global Compact

Toshiba Group joined the United Nations Global Compact in January 2004, pledging to adhere to universal principles covering human rights, labor, the environment, and anticorruption in the course of business.

Reflecting our participation in the UN Global Compact, the Toshiba Group Standards of Conduct (SOC) was revised. Education on the SOC is thoroughly conducted to ensure that all executives and employees of Toshiba Group worldwide share these principles and comply with them.

The Ten Principles of the UN Global Compact:

Human Rights

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

Labor Standards

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

Environment

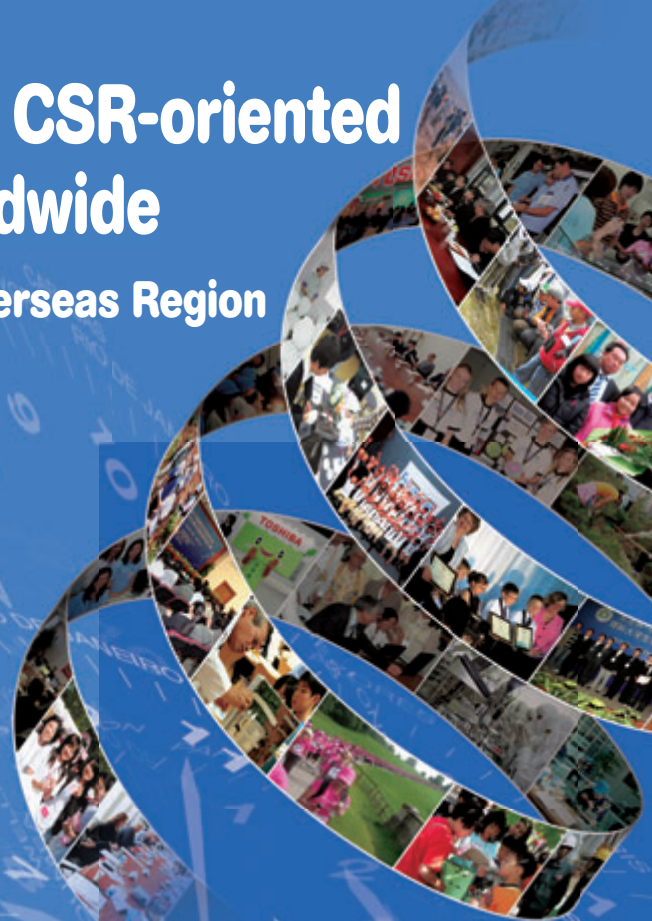
7. Businesses should support a precautionary approach to environmental challenges;
8. Undertake initiatives to promote greater environmental responsibility; and
9. Encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

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

Addressing the issues of various regions in the world

Toshiba Group, as a “corporate citizen of plant Earth,” aims to contribute to society through our business activities; based on an understanding of the culture and customs of each nation and region, and respect for diversity.



Case Study of Activities for Each Overseas Region

In the Americas p15

Contributing to a Better Global Environment, Building Greater Cooperation with American Society

In Europe p16

Working Toward Improving the Healthcare of People in Europe

In China p17

Contributing to the Development of the Chinese Society by Promoting Activities that Support Science Education

In Asia p18

Participating in Supplier's CSR Activities to Help Create a Sound Social Environment



Contributing to a Better Global Environment, Building Greater Cooperation with American Society

Overview

Helping Build a “Green Society” in Cooperation with the Obama Administration

Amid mounting concern from nations around the world toward the mitigation of global warming, the new administration of U.S. President Barack Obama has taken steps to improve energy efficiency and help mitigate the effects of climate change. In addition to its announced intention to create five million “green” jobs, the U.S. government has greatly accelerated efforts to tackle pressing environmental issues. In keeping with our company’s core philosophy to conduct itself as a “corporate citizen of planet Earth,” Toshiba Group is committed to working together with American society to help contribute to a better global environment.

To help guide us in our efforts, in March 2007, Toshiba America, Inc. invited experts from non-governmental organizations (NGOs) such as the National Recycling Coalition (NRC) and socially responsible investment (SRI) research organizations to discuss options. At this meeting it was suggested that we issue a corporate statement with “clear numeric targets.” To this end, in 2007 we developed the “Toshiba Group Environmental Vision 2050,” announcing our commitment to reducing our environmental impact and establishing clear guidelines that reflect our values and intentions. In 2008, we released the first volume of our environmental report, unveiling our pledge to devote ourselves to reducing greenhouse gas emissions.

Once again in this fiscal year, we held substantive discussions with representatives from environmental NGOs and SRI research organizations concerning expectations from Toshiba with regard to our environmental activities and commitment. We resolve to strengthen our cooperation with the people and government of the United States in order to continue and to further enhance our efforts to help build a true “green society.”

Toshiba in Americas

Consolidated Subsidiaries: 85 companies
(USA, Brazil, Canada, Mexico, Venezuela, etc.)
Number of Employees: Approx. 20,000

Case Study

2009 Environmental Dialogue with our Stakeholders

In February 2009, Toshiba once again invited representatives from environmental NGOs and SRI research organizations to convene our second environmental dialogue at the headquarters of Toshiba America, Inc. in New York.

At this meeting we received very favorable feedback and expectations from all participants concerning our Environmental Vision 2050, as well as our ongoing recycling efforts in the U.S., our environmental communications and the issuance of our corporate environmental report. Some of the encouraging comments we received included: “Toshiba’s activities represent major advancements beyond what was reported in the first dialogue,” “I understood very well the seriousness of your company’s commitment to resolve environmental problems,” and “I hope that the company further strives to address environmental challenges earnestly by making the most of its comprehensive strength, which features a broad range of businesses and a diverse product portfolio.”

At the same time, we also received feedback such as: “Focusing on stakeholders’ interests, the company should provide environmental information that is easier to understand,” “Tackling environmental problems as one of its business opportunities, the company needs to increase its competitiveness as a leader company in environmental initiatives,” and “I want the company to develop an approach of environmental labeling that consumers can easily understand.”

Based on this feedback, Masahiko Fukakushi, Chairman & CEO of Toshiba America, Inc., noted: “We will continue to hold discussions concerning our environmental activities with our stakeholders, strive to actively deliver pertinent information, and aim as always to conduct ourselves as a trusted corporate citizen of planet Earth.”

Opinion from the CSR consultant

Dialogues with Stakeholders Should be Linked to R&D and Product Development

BSR is pleased to partner with Toshiba and support their emphasis on the importance of stakeholders, as well as their regular substantive discussions with them. This type of dialogue not only provides the company with valuable information, but also greatly helps the stakeholders to understand the business activities of Toshiba Group. The environmental information that has been disclosed by the company is both comprehensive and detailed. I expect Toshiba to further increase the transparency of its environmental impact assessment process, as well as disclose more information about how these results can be incorporated into the company’s overall business strategies. It is my strong recommendation that the company continue such dialogue with its stakeholders and whenever possible apply what has been learned to its R&D and product development projects.

Kara Hartnett Hurst
Managing Director
East Coast
Business for Social Responsibility





Working Toward Improving the Healthcare of People in Europe

Overview

The Aging of Society and Healthcare Pose a Great Challenge to Europe

In Europe, where people of different cultures and histories live together, different nations or regions have various social problems. Of these, the most common and of greatest concern is that of the global environment – specifically climate change and use of hazardous chemicals. Europe takes the lead in addressing such problems.

In Europe, which imposes the most stringent environmental restrictions, Toshiba Group not only complies with laws and regulations, such as WEEE directives*1, RoHS directives*2 and REACH*3, but also provides environmentally conscious products and is now establishing a recycling system for end-of-life products.

The European Commission (EC) is now actively addressing medical care insurance as a major social problem in response to the aging of society and the rising costs of publicly subsidized medical care. In particular, the EC is promoting medical service innovation using state-of-the-art technology developed by private companies and calling for active health management by citizens themselves. In response to this movement, Toshiba Group has been developing medical image diagnostic system that helps early detection and diagnosis.

Toshiba in Europe, the Middle East and Africa

Consolidated Subsidiaries: 94 companies

(United Kingdom, France, Germany, Holland, Switzerland, Sweden, Spain, Poland, Belgium, Italy, Russia, etc.)

Number of Employees: Approx. 10,000

Case Study

Developing Medical Systems for Healthcare and Early Disease Detection

The Toshiba Group supplies Computed Tomography (CT), ultrasound systems, etc. on a global basis, including Europe. European people are strongly averse to X-ray exposure during health checkups, as evident in their very stringent attitude toward the management of chemicals in products. Overcoming such resistance is a major challenge faced by the medical community.

For instance, in order to minimize such concerns of the patients, Toshiba Group provides a CT system, which enables a heart image to be captured without sticking a needle into an artery. This system helps in the early detection of heart disease, such as myocardial infarction, which is a leading cause of death alongside cancer.

“Aquilion ONE™,” a CT launched in 2008, focuses on minimizing radiation exposure. CTs x-radiate during imaging, but Aquilion ONE™ has successfully reduced the radiation exposure level to a quarter of that of a conventional CT by allowing imaging of the entire area covering the heart and brain in as few as 0.35 seconds.

- *1 WEEE directives: EU directives for waste electrical and electronic equipment
- *2 RoHS directives: Use restrictions made by the EU on certain chemical substances in electrical and electronic equipment
- *3 REACH: Regulations on registration, evaluation, authorization and restrictions on chemicals

Opinion of a medical expert

I Henceforth Also Expect Medical Examinee-friendly Groundbreaking Technology

I have been engaged in joint research with Toshiba since 2002. When I saw the moving image of a heart imaged with “Aquilion ONE™,” I was surprised at its vividness and clarity. European people are very concerned about radiation exposure during health check-ups. Toshiba’s CT is a groundbreaking device that allows high-quality imaging of a wide area from the brain and heart and even the four limbs in a flash. I expect Toshiba to actively engage in PR activities to help people accept the device so that as many people as possible can benefit from such state-of-the-art image diagnostic technology. I also expect Toshiba to further develop technologies that really benefit medical examinees.

Prof. Dr. Med. Patrik Rogalla
Institute of Radiology
Charite Campus Mitte





Contributing to the Development of the Chinese Society by Promoting Activities that Support Science Education

Overview

Emphasizing Educational Support Activities to Realize a More Affluent Society

Of the nearly 200,000 Toshiba Group employees working all over the world, approximately 30,000 work in China. China, now experiencing a rapid growth, is one of the main bases where Toshiba can expand its operations. Realizing the region's significance, Toshiba Group is actively promoting activities to contribute to development of the Chinese society. The national commitment of China to maintain its high growth is reflected in the "Scientific Outlook on Development" and "Realization of Well-balanced Society" objectives. One of the keys to these goals is a higher quality education. Considering this, Toshiba Group has been proactively promoting educational activities in China.

For example, we founded 15 elementary and junior high schools (144 classes) from fiscal 2002 to fiscal 2007. In fiscal 2008, after the Sichuan earthquake, we re-built four tentative elementary schools (50 classes). The same fiscal year, we held a contest based on science and math contents for students aiming to become teachers at teacher-training universities.

Toshiba Group will continue to spread the importance of education, specifically science education, and support the development of next-generation human resources who can contribute to build a better society in China.

Toshiba in China

Consolidated Subsidiaries: 58 companies
Number of Employees: Approx. 30,000

Case Study

Help Students Aiming to Become Teachers through a Teaching Program Contest

At present, the Ministry of Education of the People's Republic of China is promoting "Independent Innovation," an important theme in the field of education. Toshiba Group fully supports this activity, as achieving this goal means realization of the CSR philosophy of "Support of Education" and "Development of Scientific Technology." As part of our support activities, in fiscal 2008, we held our "1st Toshiba Cup Contest" aimed at students specializing in science and math education at teacher-training universities in China.

This competition featured the best teaching plans by the students with regard to subjects such as mathematics, physics and chemistry. Under the teaching plan contest, the candidates created their original teaching program, provided simulated lessons, and were evaluated based on whether elementary and junior high school students were motivated and enthusiastic enough to learn or not.

More than 2,500 students from 12 universities all over China participated in the competition and only 36 advanced to the final. Following the selection, students at Huazhong Normal University, Center China Normal University and Northeast Normal University won the first prizes in mathematics, physics and chemistry respectively. Toshiba Group offered the nine winners having obtained the first, second and third prizes for each subject, as well as six professors a training trip to Japan. During this trip, they visited classrooms in Japanese schools and exchanged opinions with Chinese researchers working at Toshiba's Corporate Research & Development Center. We believe, we have provided them with the opportunity to experience advanced scientific technology during the training trip to Japan and help them grow as teachers.

Voice of a government official

We Further Expect Your Support for Our "New Teacher Development Program" toward Realization of the Concept of "Industry-University Collaboration"

2008 is the 30th anniversary year of the China-Japan Treaty of Peace and Friendship. Both the governments agreed on the full promotion of reciprocal relationship between the two countries, and collaboration and exchange in the field of education are also entering a new stage of development. Toshiba proposed to the Ministry of Education of the People's Republic of China to jointly hold a new program to train teaching skills of students specializing in science at teacher-training universities. This corresponds to the philosophy of the "New Teacher Development Program" and the "Industry-University Collaboration," which are priorities for the Ministry of Education.

This competition has been highly appreciated by Chinese teacher-training universities and the educational community. We will strive to develop better programs based on the successful experience of this first competition.

Liu Baoli

Deputy Director-General
 Dept. of International
 Cooperation and Exchanges
 Ministry of Education
 China (PRC)





Participating in Supplier's CSR Activities to Help Create a Sound Social Environment

Overview

Creating a Procurement Policy Calling for "Considerations to Human Rights, Labor and Safety"

Asia is not only an important market for Toshiba Group but also a region that we consider vital to promote the growth of our business, as we have many production sites and suppliers there. Asia is characteristic of various countries and regions with their own circumstances and conditions, including cultures, religions and levels of economic development. We, at Toshiba, feel that we should play a role in contributing to a better environment in which all nations can establish and develop a sound society by promoting the most necessary activities based on an understanding of their history, culture, customs and circumstances.

To this end, Toshiba Group has been promoting CSR management based on the "UN Global Compact" and "Toshiba Group Standards of Conduct" among its group companies in various parts of Asia.

In fiscal 2008, to extend these activities to our suppliers, based on the UN Global Compact, we revised our procurement policy, urging our suppliers for "Considerations to Human Rights, Labor and Safety." The Corporate Procurement Division along with the CSR Division conducted a field audit in order to ensure a thorough implementation of CSR management.

Toshiba Group is working to reinforce our structure for cooperation with suppliers in Asia to help create a sound social environment in the region.

Toshiba in Asia and Oceania Region

Consolidated Subsidiaries: 61 companies
(in Singapore, Thailand, Vietnam, Malaysia, Korea, Taiwan, the Philippines, India, Indonesia, Australia, etc.)
Employees: Approx. 20,000

Case Study

Performing a Field Audit at a Thai Supplier

We urge our suppliers to follow our revised procurement policy. Following the revision of the policy, we conducted our first audit in Thailand which has been an important manufacturing base since 1969 when our overseas subsidiary was founded over there. Toshiba Consumer Products (Thailand) Co., Ltd. (TPT) is Toshiba's largest manufacturing site in Thailand, which manufactures home appliances, such as refrigerators and washing machines. In November 2008, we conducted a field audit at one of TPT's suppliers. The selection of the supplier was based on certain conditions such as the supplier is a local company and handles chemical agents during the manufacturing process.

Auditors from Toshiba Group, including TPT staff, visited the supplier's site to verify how the processes were being carried out based on the results of the checklist provided to the supplier for self-assessment. Though no serious problems such as use of child or forced labor were found, we identified some problems including inadequate implementation of safety rules, such as not wearing protective goggles and safety shoes, and poor management of waste disposal sites and workplaces handling chemicals. Accordingly, we instructed the supplier to make improvements in those areas.

We will continue to promote CSR activities in the supplier chain by performing regular audits at supplier sites.

Voice of an employee involved in the audit at a local supplier

We Aim to Strengthen Our Relationship with Our Suppliers through Such Audits

Cooperation from our suppliers is vital in order to manufacture products of high quality at low costs. To achieve that, maintaining sound health and working conditions of the workers of our suppliers is also important.

Audits like this will increase our awareness on the human rights and labor conditions of not only sales people of the suppliers, with whom we are in daily contact, but also those of workers who manufacture products.

Sompis Srimakham

Manager
R/F Purchasing Section (PCR)
Toshiba Consumer Products
(Thailand) Co., Ltd.

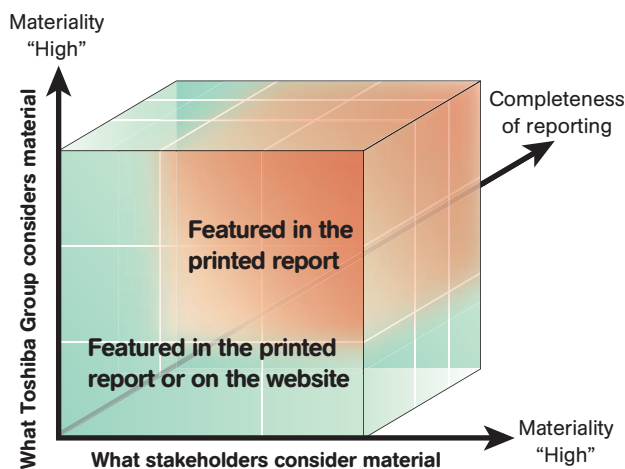


Addressing Our Stakeholders' Interests and Meeting Their Expectations

1 Understanding stakeholders' interests from various perspectives

In conducting our CSR activities, we emphasize our stakeholders' areas of interest and the issues we consider to be the most material in light of Toshiba Group's management philosophy and businesses. We also view communication of our CSR practices and performance to stakeholders as an important aspect of CSR.

Accordingly, our approach to CSR reporting is aligned with the three principles of the AA1000AP*. We determine the materiality of the items to be reported from two perspectives: what our stakeholders consider material based on dialogues with them and what we consider material. From 2006 onward, items that are highly material from both perspectives are reported in the printed report, while other less material items are reported on the website, in line with the principle of responsiveness.

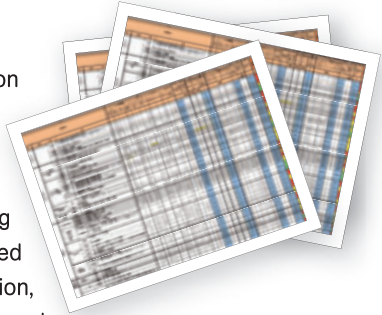


* AA1000AP is a series of principles, criteria and standards issued by AccountAbility, a British NPO, to help organizations build their accountability to stakeholders and improve their performance. The three principles of AA1000AP are as follows:

- Inclusivity
(Foundation Principle)
- Materiality
- Responsiveness

2 Selecting material issues every year, while applying our own process of determining materiality

To create a CSR report based on the three principles of the AA1000AP, Toshiba Group addresses "inclusivity," the foundation principle, by listing up items comprehensively based on a wide range of information, such as customer queries and opinions, newly emerging social challenges and the highly evaluated CSR reports of several global companies. Based on the correlation between the materiality of stakeholder interests and the strategic importance of our business, we then select the material items to be reported. This materiality is reflected not only in the CSR report but also in our daily business activities as well as in setting our KPIs (Key Performance Indicators)* for CSR management. To enrich the content of the CSR report, Toshiba Group seeks to expand the scope of information and apply greater precision in setting the standards in order to determine the degree of materiality. Accordingly, we have incorporated the items shown on the right (refer P20) as material. We endeavor to adhere to the principle of responsiveness through the issue of this CSR report, the Environmental Report and the Social Contributions Activities Report as well as by periodically updating our websites.



* For Toshiba Group's KPIs, refer to "Targets and Achievement" (P21 - 22).











CSR website image
<http://www.toshiba.co.jp/csr/en>

Social Contributions Activities Report
(To be issued in December 2009)

Environmental Report 2009
(To be issued in October 2009)



Toshiba Group's Responsibilities toward Major Stakeholders

Major Stakeholders	Key responsibilities	Reference Page
 <p>Customers</p> <p>Toshiba Group, with its wide range of products – home appliances, digital products, electronic devices and social infrastructure systems, has diverse customers, including individual and corporate customers, government and public bodies.</p>	<ul style="list-style-type: none"> ● Providing safe, secure products and services offering great value ● Providing appropriate product information ● Creating environmentally conscious products and services ● Enhancement of customer satisfaction ● Excellent customer relations and support ● Appropriate management of customer information ● Promotion of universal design 	<p>P23~26 P41</p> <p>NEW Newly reported</p> <ul style="list-style-type: none"> ● Reorganization of the home appliance call center
 <p>Employees</p> <p>About 200,000 people work for Toshiba Group at 538 companies (as of March 31, 2009). We have 120,000 employees in Japan and 80,000 overseas.</p>	<ul style="list-style-type: none"> ● Fair assessment and treatment ● Respect for human rights and diversity ● Optimizing human resources and development ● Support for diverse working styles ● Maintenance and enhancement of skills and capabilities ● Ensuring occupational health and safety 	<p>P27~30</p> <p>NEW Newly reported</p> <ul style="list-style-type: none"> ● Employment and fair evaluation and treatment
 <p>Suppliers</p> <p>Toshiba Group has 4,000 suppliers in Japan and 1,000 suppliers overseas. About 40% of the suppliers in Japan are subject to the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors (as of March 31, 2009).</p>	<ul style="list-style-type: none"> ● Fair selection of suppliers and fair trading with them ● Open trading opportunity ● Providing support for CSR-based management 	<p>P18 P31</p> <p>NEW Newly reported</p> <ul style="list-style-type: none"> ● CSR survey at Asian major suppliers
 <p>Local communities</p> <p>Toshiba Group has major business sites in over 30 countries worldwide. We respect their cultures, histories, and customs in the course of our business operation.</p>	<ul style="list-style-type: none"> ● Respect for different customs and cultures ● Engaging in corporate citizenship activities in local communities ● Prevention of accidents and disasters at business sites ● Support for neighboring communities in case of a disaster 	<p>P14~18 P32~34</p> <p>NEW Newly reported</p> <ul style="list-style-type: none"> ● Toshiba International Foundation ● Supporting activities of Forest Neighborhood Association <p>Note: The "Social Contributions Activities Report" contains detailed information</p>
 <p>Shareholders/ Investors</p> <p>Toshiba has 463,649 shareholders. Out of the 3.24 billion shares issued, the voting rights comprise 39.6% of financial institutions, 39.4% of individuals and others, and 14.9% of foreign corporations (as of March 31, 2009).</p>	<ul style="list-style-type: none"> ● Timely and appropriate disclosure ● Appropriate return of profits ● Maintenance and enhancement of corporate value ● Responding to the needs of SRI institutions 	<p>P38</p> <p>Note: The "Annual Report" contains detailed information</p>
 <p>NPOs/NGOs</p> <p>We cooperate with NPOs and NGOs in a wide range of areas, including the environment, human rights and social citizenship, etc. to capitalize on their strengths and always endeavor to engage in constructive dialogue with them.</p>	<ul style="list-style-type: none"> ● Support for solution of diverse global issues ● Collaboration in our priority areas of corporate citizenship 	<p>P32~34</p> <p>NEW Newly reported</p> <ul style="list-style-type: none"> ● Cooperation with NPOs to promote experiential science education <p>Note: The "Social Contributions Activities Report" contains detailed information</p>
 <p>Government/ Authorities</p> <p>Toshiba Group operates worldwide. Governments and public bodies of many countries are also our customers.</p>	<ul style="list-style-type: none"> ● Compliance with laws and regulations ● Tax payment ● Supporting government policies for improvement and solution of social issues 	<p>P37~38</p>
 <p>Global environment</p> <p>As a "corporate citizen of planet Earth," we are promoting business activities in harmony with the global environment.</p>	<ul style="list-style-type: none"> ● Mitigation of climate change ● Reduction of waste emissions ● Reduction of chemical emissions 	<p>P9~13 P43~48</p> <p>NEW Newly reported</p> <ul style="list-style-type: none"> ● Conservation of biodiversity <p>Note: The "Environmental Report" contains detailed information</p>

Toshiba Group Key Performance Indicators (KPIs)

Items	Major targets for FY2008	Major achievements in FY2008	
Materiality reporting	Responsibility toward Customers	Increase awareness on the Electrical Appliance and Material Safety Law and conduct audit on its compliance	Provided e-learning education on the Electrical Appliance and Material Safety Law to employees in overseas subsidiaries and in Japan (participation rate: more than 95%)
		Disclose information on accidents based on the Consumer Product Safety Law	Disclosed all the 71 serious product accidents disclosed by the Ministry of Economy, Trade and Industry on the Toshiba website
		Display standard design use periods and improve the inspection system	Dealt with products subject to the inspection and display systems and shipped the switched products
		Promote education and training for human resources in charge of quality assurance	Created a list of education programs to produce an entire picture of quality education provided (a total of 21 quality education courses)
		Achieve improvements based on the outcome of self-assessment of response quality of call centers	Provided common training through Call Center Enhancement Working Group (WG) activities to improve self-appraisal results
		Strengthen customer support skills worldwide	Extended manuals on "Basics of Dealing with Customers" and "Telephone Manual" to Southeast Asia and Europe
		Promote after-service CS surveys	Shared cases from CS survey through CS Improvement WG activities and deployed them horizontally
		Reinforce the development of Universal Design (UD) products (conduct education and share information Group-wide)	Provided employees with e-learning on UD, and business sites and product development teams with special UD training to promote the use of UD concept in the development process
		Promote initiatives to improve the quality of user manuals and their standardization	Improved instruction manuals based on the VOC survey results and promoted the use of PDCA cycle
	Materiality reporting	Responsibility toward Employees	Implement measures to enable employees to work efficiently according to priorities (publish a handbook featuring examples in each workplace)
Establish an environment in which employees can grow regardless of sex, nationality, age and physical disabilities Support work-life balance			Provided Diversity Education to accept and respect individual diversity, as a part of the training given employees at the time of promotion to managerial positions
			Provided support and growth opportunities to female employees (introduction of role models, information exchange meeting with managers who have female subordinates, and training before promotion to managerial positions)
			Provided support and growth opportunities to non-Japanese employees (provision of pre-assignment training and follow-up training, education to their superiors and mentors, and holding of information exchange meetings)
			Provided growth opportunities to people with disabilities (holding of information exchange meetings)
			Provided elderly people with greater opportunities to work (appropriate application of the employment extension system)
			Provided support for work-life balance (introduction of the "mutual understanding program" for employees on child-care leave and creation of a leaflets)
Promote the understanding of diversity through training programs, with the joint participation of both Japanese and overseas employees			Promoted not only the acquisition of knowledge and skills but also mutual understanding of different cultures within a highly diversified team
Obtain OHSAS18001 certification for consolidated manufacturing subsidiaries			Certification acquired by a total of 117 companies, including consolidated manufacturing subsidiaries
Promote the improvement of health management and mental healthcare of employees			Developed a healthcare and support tool to prevent metabolic syndrome, and provided mental health education at each business site
Responsibility toward Suppliers	Thoroughly promote the CSR of suppliers (revise the CSR Procurement Policy and raise awareness)	Revised and issued the CSR procurement policy and made the CSR guidebook available to trade partners	
	Strengthen audit systems to ensure compliance throughout group companies	Visited 138 group companies to provide guidance and instructions on legal compliance and introduced a procurement monitoring system	
Corporate Citizenship	Provide support for promoting science education	Supported the activities of the experiential science NPO – Real Science Institute in Japan and promoted science and math education in China	
	Promote the 1.5 Million Tree-planting Project (accumulated number targeted at 400,000)	An accumulated number of 595,000 trees	
	Promote corporate citizenship activities worldwide (increase the number of activities to 1,200)	Conducted 1,395 activity programs	
Management reporting	Corporate Governance	Ensure internal control in accordance with the Financial Instruments and Exchange Act and the Companies Act of Japan	Implemented internal control based on the Company Law and evaluated the internal control based on the Financial Instruments and Exchange Act (Japan)
	Responsibility toward Shareholders and Investors	Strengthen communication with investors worldwide, hold meetings regularly, and attract new investors	Reinforced and regularized communication with corporate investors in Japan and overseas, and developed a new communication method
		Strengthen the dissemination of information to analysts of securities firms targeting individual investors	Continued with the shareholder questionnaire survey and based on the survey results, executed IR activities (e.g. lectures on businesses of concern)
	Risk Compliance	Ensure fair competition worldwide and compliance with laws and regulations from consumers' perspective	Created a guideline in case of communication with peer companies and foreign civil officials, and provided education and training
		Inculcate Toshiba Group Standards of Conduct throughout the entire workforce	Conducted a questionnaire survey on employees and provided them with cases of compliance (12 cases/year)
		Promote compliance education	Created and distributed training materials according to position and currently creating e-learning materials in English (will complete in 2009)
	Information Security	Promote information security management	Revised the information security rules, and conducted self audits and training including at group companies
	Protection of Intellectual Property Rights	Reinforce the risk management of intellectual property and promote education	Conducted a pre-survey on intellectual property rights, implemented necessary actions, and provided employees with copyright education
	Environmental Management System	Inculcate the Environmental Vision 2050 and the Fourth Voluntary Plan	Actively released information about the "Environment Vision 2050" to various media. Achieved the overall eco-efficiency improvement goal
		Continue to strengthen the structure of regional headquarters and implement human resources development measures	Reinforced the organizational structure for environment activities in China, Asia and Oceania; and created a human resource development map
Environmentally Conscious Products	Increase the ratio of ECPs to net sales	Achieved the target	
	Expand development of Excellent ECPs	Achieved the target	
	Expand the ratio of products without the use of 15 specified hazardous substances	Achieved the target	
	Increase CO ₂ emission reduction through the Eco Products Approach (baseline: FY 2000)	Target not achieved yet	
Environmentally Conscious Business Processes	Promote climate change measures (increase the relative rate of reduction of CO ₂ emissions from energy use as compared to FY2000)	Target not achieved yet (note that the target is achieved when calculated with the average power coefficient between 2008 – 2012, as specified by the Federation of Electric Power Companies in its voluntary action plan, as seen in parentheses)	
	Expand the recycling quantity of end-of-use products (baseline: FY2001)	Achieved the target	
	Optimize the use of water resources (baseline: FY 2000)	Achieved the target	
	Reduce the release of chemicals into water and air	Target not achieved yet	
Environmental Communication	Issue Environmental Report. Continue to strengthen the dissemination of information via the environmental website	Issued the Environmental Report (which won the Award for Excellent Reporting at the 12th Environmental Communications Awards); renewed our environmental website	
	Promote environmental advertising using global mass media, participate in exhibitions in Japan and overseas and promote public relations	Held environmental exhibitions in Japan and overseas to promote the company as environmentally conscious, and actively engaged in other environmental PR activities	
Communication	Strengthen the dissemination of information on the websites (enhance disclosure quantitatively and qualitatively)	Enhanced the content of each disclosed item, and disclosed information on our websites (selected as best CSR website by Gomez Consulting, Japan)	

* Since qualitative assessment is involved, the

Achievement level: ◎ Achieved above target (*120% or above), ○ Achieved, △ Not achieved

Achievement level	Numeric value			Page No.	Targets and plans for FY2009
	Target	Result	Unit		
○	95	99.7	%	P23~24	Increase awareness on the Electrical Appliance and Material Safety Law and conduct audit on its compliance (increase the participation rate of educational course on the Law)
○	100	100	%		Disclose information of accidents based on the Consumer Products Safety Law (continue with 100% disclosure of information)
○	100*	100*	%		Display standard design use periods (100% execution) and improve the inspection system
○	100*	100*	%		Promote education and training for developing human resources in charge of quality assurance (provide educational course on quality management)
○	100*	100*	%	P25~26	Raise the level of self-audit concerning CS promotion
○	100*	100*	%		Improve the findings of self-assessment based on the "call center quality checklist"
○	100*	100*	%		Improve satisfaction level of after service for individual users (call center and repair service)
◎	100*	120*	%		Incorporate thoroughly the UD concept into the development process Promote participation of internal UD advisers (employees with disabilities) in product development
○	100*	100*	%		Enhance the contents of instruction manuals and FAQs on our websites and implement PDCA cycle
△	100*	60*	%	P27~30	Take initiatives to reduce overtime work hours (less than 2,000 work hours/yr)
△	100*	80*	%		Provide education on diversity to current managers and extend it to group companies
△	100*	80*	%		Provide support to the activities of female employees
△	100*	70*	%		Provide support to non-Japanese employees for their optimization
△	100*	70*	%		Provide support to the activities of employees with disabilities (achieve the statutory employment ratio of 1.8% for all applicable group companies)
△	100*	70*	%		Provide elderly people with greater opportunities to work
○	100*	100*	%		Provide support for work-life balance
○	100*	100*	%		Enhance "Toshiba value training" to produce desirable employee conduct
○	117	117	No. of companies		Establish a safe working environment (renew OHSAS18001 certifications and develop a global statistical standard on safety)
○	100*	100*	%		Continue to improve employee health management and promote their mental healthcare
○	100*	100*	%	P31	Continue to thoroughly promote CSR at suppliers (audit 6 high-risk suppliers)
○	100*	100*	%		Continue to reinforce the audit system for compliance at group companies
○	100*	100*	%	P32~34	Continue to reinforce the support for promoting science education
◎	400,000	595,000	No. of trees		Promote the 1.5 Million Tree-planting Project (accumulated number targeted at 700,000)
○	1,200	1,395	No. of programs	Promote corporate citizenship activities worldwide (employee participation rate: 75%)	
○	100*	100*	%	P37	Update corruption prevention measures and reinforce the corporate governance system
○	100*	100*	%	P38	Initiate measures to improve the financial position and provide explanation on our commitment to sustained growth based on Toshiba's "Action Programs to Improve Profitability"
○	100*	100*	%		
○	100*	100*	%	P39~40	Promote various compliance measures, including adoption of a Group-wide guideline
○	12	12	No. of cases		Call for thorough implementation of the Toshiba Group Standards of Conduct (provide education according to positions as well as Group-wide training)
○	100*	100*	%		Thoroughly implement safety measures at overseas group companies (disseminate information overseas on safety management)
○	100*	100*	%	P41	Continue to promote information security management
○	100*	100*	%	P42	Reinforce risk management of intellectual property and continue promoting education
○	1.74	1.87	Factor	P43~48	Create an environmental appeal based on the "Environment Vision 2050"
○	100*	100*	%		Continue to strengthen the structure of corporate regional headquarters and implement human resources development measures
○	40	43	%	P43~48	Increase the ratio of sales of ECPs to 50%
○	5	5	No. of products		Increase Excellent ECPs to 10 products
○	80	89	%		Thoroughly manage the specified 15 hazardous substances (rate of products without their use at 90%)
△	5.3	3	M tons		Increase CO2 emission reductions through the Eco Products approach (reduce CO2 emissions by 5.8 M tons)
△(○)	43	37 (48)	%	P43~48	Continue promoting climate change measures (reduce absolute CO2 emissions from energy use at 44% as compared to FY 1999 level)
○	158	173	%		Expand the quantity of recycling of end-of-use products (159%)
◎	8	25	%		Optimize use of water resources (reduction by 9%)
△	35	23	%		Reduce the release of chemicals into water and air (reduction by 35%)
◎	100*	120*	%	P43~48	Continue to issue the Environmental Report. Continue to strengthen the dissemination of environmental information via website
○	100*	100*	%		Continue with environmental advertising using mass media worldwide, continue to participate in exhibitions in Japan and overseas and promote public relations
◎	100*	120*	%		Continue to improve the dissemination of information from internal and external websites

target is set at 100%. Evaluation for remarkable progress: ◎(120% or above); for targets achieved: ○(100% or above but below 120%); and for targets not achieved: △(below 100%).



- Quality Improvement and Safety Assurance
- Customer Satisfaction and After Service Enhancement

life cycles from development and production through to final disposal.

In addition, we established the Toshiba Quality Education System to promote the “development of human resources to contribute to quality improvement” in all concerned divisions. We develop and promote education programs to improve awareness on quality management depending upon the requirements of each division, as well as to improve skills on reliability techniques and quality control methods.

Pursuing High Quality to Respond to Customer Trust

Ensuring high quality to maximize customer satisfaction

Based on Toshiba Group Quality Control Policy, we aim to provide our customers with safe and reliable products, services and systems, and are working to ensure superior quality as perceived by our customers. By increasing our sensitivity to potential risks and dealing with them swiftly, we strive to eliminate product accidents and provide unrivaled customer satisfaction.

Under the global quality control structure, the Chief Quality Officer is responsible for quality control throughout the Group, while Chief Quality Executives are in charge of quality control within in-house companies and group companies. The Chief Quality Officer convenes periodic meetings to develop policies and discuss quality control measures with the Chief Quality Executives who are responsible for providing guidance and conducting audits of factories, suppliers, maintenance and service companies and manufacturing outsourcees worldwide to enhance the quality level throughout product

Ensuring Product Safety

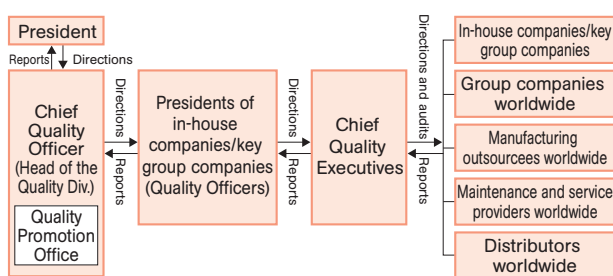
Ensuring product safety based on our basic policy

Based on Toshiba Group Basic Policy on Product Safety, we are committed to eliminating product accidents. In order to ensure customer safety, we comply with the prevailing safety-related laws and regulations and proactively disclose full information to customers.

Toshiba Group Basic Policy on Product Safety

- We comply with the applicable laws and regulations on product safety in Japan and overseas.
- We widely gather information on product accidents and disclose such information in a proactive manner.
- We swiftly report product accidents to the competent authorities in accordance with laws and regulations.
- In the event of a serious accidents attributable to any of our products, we swiftly institute a product recall and notify customers without delay.
- We issue alerts, as necessary, and employ warning labels to encourage safe use.
- We thoroughly analyze the causes of any product accident and strive to prevent recurrence.

Quality Promotion Structure



Toshiba Group Quality Control Policy

- We engage in quality assurance from the customers' point of view.
- We observe relevant laws and contracts and respect the rights of customers and third parties.
- We maintain quality systems aimed at achieving 100% quality.
- We ensure that all of our departments and all of our employees act on this Quality Control Policy.
- We aim for essential improvement by investigating the root causes of process failures.
- We protect personal data provided by customers.

Thorough compliance with safety-related laws and regulations

The Chief Quality Executive plays a central role in ensuring thorough compliance with product safety-related rules and regulations throughout the Group and also conducts periodic audits.

In fiscal 2008, we particularly worked on reinforcing our management system for ensuring compliance with the Electrical Appliances and Material Safety Law in Japan (hereinafter “the Law”), since the Law has an important bearing on the Group’s products. The Chief Quality Executives and the person in charge of the Law initiated a revision of the internal regulations and created common audit items related to the Law for the entire Group. We also verified the business notification status and compatibilities of the technical standards based on the Law. Furthermore, education through e-learning was provided to all concerned employees in Japan and working overseas (approx. 110,000 in total). An annual self-audit and audit by the Chief Quality Executive are also conducted to ensure compliance with the Law.

Proactive disclosure of information on product accidents

In the event that Toshiba product or service defects or accidents connected with their use occur, we promptly report the details to the competent authorities in accordance with prevailing laws and regulations. Also, in order to notify customers of such accidents as quickly as possible depending upon the severity of the damage, the frequency of occurrence, etc., we disclose product accident information to our customers via newspaper, websites, etc. On our corporate website, we post information on accidents involving our products as posted on the website of the Ministry of Economy, Trade and Industry (METI). We also proactively disclose information concerning serious accidents, even when it is unclear whether such accidents are attributable to Toshiba products or not.

Raising customer awareness on long-term use of home appliances



In order to prevent accidents attributable to the deterioration of home appliances over long-term use, in April 2008, the METI promoted consumer awareness on this issue by distributing nationwide cautionary circulars. To further raise awareness on this issue, Toshiba Group distributes cautionary flyers during repair visits, publicizes information on its website and has put in place a call center* to respond to inquiries from customers. In April 2009, the Consumer Products Safety Act was revised, and inspection and labeling system for long-term use products was enforced. While complying with the requirements under this system, Toshiba Group is also providing necessary information to the customers through its website as well as consultations through the call center*.

* An inquiry center for providing guidance on the long-term use of home appliances

Actively providing information to ensure safe use of products

Toshiba Elevator and Building Systems Corp. organizes nationwide safety campaigns to provide instructions concerning the correct use of elevators and escalators, mainly to children in kindergartens and elementary schools. This event has been continuing for over the last 30 years, thanks to the cooperation of local communities, including the children and guardians who participated in such events. Recently, the number of participants has been growing, owing to the growing concern in the safety of elevators and escalators. In fiscal 2008, the campaigns were held at 38 sites, with total 3502 participants comprising children and their guardians.



Elevator/Escalator safety campaign at a kindergarten

Dealing with Product Accidents

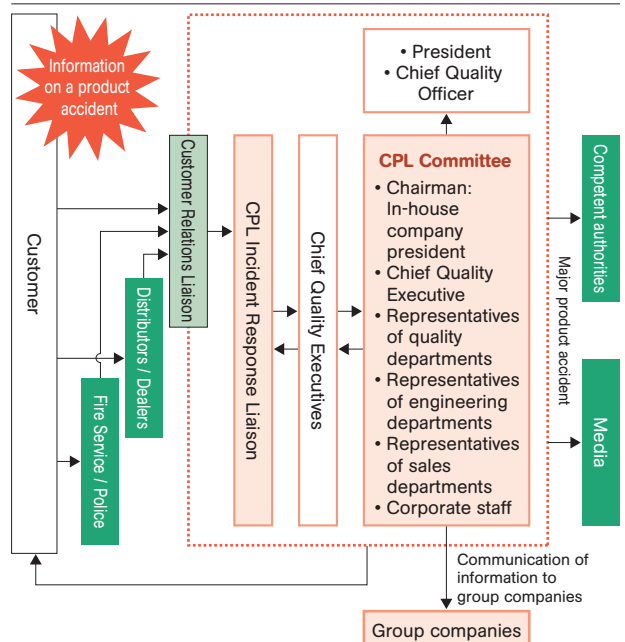
Providing information about product accidents

An employee who becomes aware of information concerning a Toshiba product accident must alert the concerned divisions in charge of dealing with safety issues concerning the product in question. The CPL Committee*, chaired by a senior executive, then acts upon the matter. In the event of an accident attributable to a product that is likely to recur, we inform customers of the danger and request that they cease using such product, promptly report to the competent authorities, and establish countermeasures as soon as possible. We are developing an information system to enable swift communication with quality assurance divisions and top management regarding information on product accidents obtained by repair and service staff as well as how such incidents are being handled by Toshiba.

In April 2008, we announced details of inspection and recall via newspapers and our website for home laundries (drum-type washer dryers) that had the possibilities of generating electric smoke or fire. In addition, for air conditioners, we once again notified of our inspection and recall via posters inside trains in the Tokyo area in August 2008 and Osaka in March 2009, for which previous announcements were made via newspaper and Toshiba website. For refrigerators, to prevent electric fires or smoke caused by long-term use and deterioration, we distributed flyers requesting customers to stop using products that had been used for more than 25 years since the purchase.

* CPL Committee: CPL is an abbreviation combining CL (contract liability) and PL (product liability). The CPL Committee, chaired by a senior executive, promptly determines on measures to deal with product accidents and quality issues.

Toshiba Group's Structure for Responses to Product Accidents





Reflecting VOC in Business Activities and Products

Improving our activities based on voice of customer

Toshiba Group, based on the CS*1 Promotion Policy, annually sets targets and measures and implements them to enhance customer satisfaction. We conduct VOC*2 survey to solicit customer opinions and also conduct CS promotion-related self-audits based on the suggestions from opinion leaders and external evaluation organizations to incorporate them into our business activities. We respond to the results of these activities and seek continuous improvement. During the CS promotion committee, held periodically and also attended by the CS senior executive officer, the CS activities of each company as well as the results of improvement activities are reported. Based on these, the officers in charge of CS promotion for the company are urged to take necessary measures.

The VOC survey is conducted by the entire Toshiba Group. In fiscal 2008, we incorporated the voices of more than 1700 corporate customers from 370 companies in enhancing our business operations, products and services, as well as providing information to customers. In addition, we are improving our website and instruction manuals based on the voice of individual customers.

* 1 CS: Customer Satisfaction

* 2 VOC: Voice Of Customer

Toshiba Group CS Promotion Policy

We make the voice of customers the starting point for all ideas and provide products, systems and services that deliver customer satisfaction.

1. We provide products, systems and services that are safe and reliable.
2. We respond to requests and inquiries from customers sincerely, rapidly and appropriately.
3. We value the voice of customers and endeavor to develop and improve products, systems and services to deliver customer satisfaction.
4. We provide appropriate information to customers.
5. We protect personal data provided by customers.

Reflecting customer opinions and expectations in our products

We share complaints, opinions and expectations for products and services obtained in the course of daily business operations, through phone calls websites, etc. among the divisions concerned, including senior executives, in order to utilize them to constantly improve the quality of products and services. As an example, an in-house company of Toshiba Corp., Digital Media Network Company has been executing opinions of customers to enhance the "Omakase Donpisha Kougashitsu" (automatic adjustment of the highest image quality) function and hard drive recording function, and to improve the REGZA Program Guide of our REGZA LCD TVs. In addition, part of the VOC is disclosed on our website as reference for the selection and use of the products.

Response and Support to Enhance Customer Satisfaction

Enhancing the quality of customer response through call centers

Toshiba Group has set up call centers on a product-wise basis at more than 160 sites worldwide, and in fiscal 2008, about 3,300 staff received around 17.5 million calls. Each call center sets up its own goals to enhance the quality of customer response and support. In Japan, the persons in charge of the call centers hold meetings to exchange information to develop and implement plans, including execution of telephone response skill training, CS awareness surveys for call center staff and self-check of response quality. In fiscal 2008, in order to improve the service quality of the branch offices and service station counters, practical training was conducted for each region in Japan. Additionally, from June 2008, the "Basics of Dealing with Customers" and "Telephone Manual" that were originally compiled for call centers in Southeast Asia and Oceania, have also been used in European call centers.

Establishment of a Customer Support and Training Center for medical equipment (Toshiba Medical Systems Corp.)



Toshiba Medical Systems Corp. (TMSC) established a Customer Support and Training Center (CSTC) as a part of its efforts to improve customer services in February 2009 in the Nasu headquarters, Japan. CSTC provides education and training for service engineers and user training worldwide in cooperation with its training center in Europe and training academy in the US. The inside of the CSTC has been built as a virtual hospital, with a training room for each product. Also, training for image transfer using LAN is offered. In addition, for worldwide customers who are planning to purchase TMSC products, the center also offers practical training programs.



Service training for X-ray CT equipment



Customer Support and Training Center (Japan)

Improving quality of repair and services

In Japan, Toshiba Group is striving to improve the quality of customer service by establishing a working group to share issues and seek improvements.

Toshiba TEC Business Solutions Corp., in charge of sales and maintenance services of equipment such as MFPs (Multi Functional Peripherals) and printers, has been conducting periodic company-wide campaign to improve customer satisfaction in service and maintenance activities since fiscal 2005. We conduct customer surveys to evaluate field engineers and use VOC to utilize findings in subsequent activities. Based on the VOC, we seek improvement by setting goals such as speedy visit time notification, timely visit and reduction of working time.

From fiscal 2008, to ensure timely visits, measures such as strengthening collaboration between the call centers and engineers have been taken.



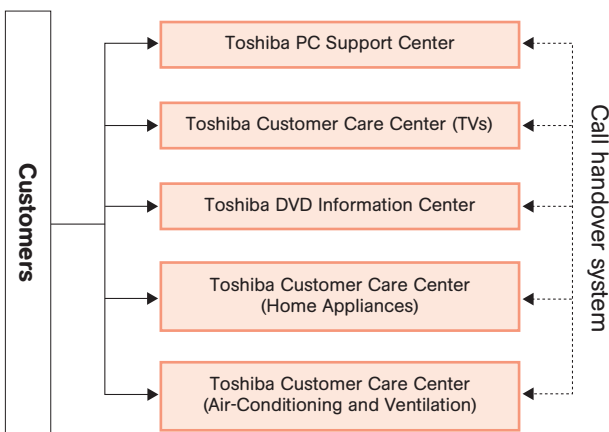
Commitment toward customers as printed on business cards

Reorganization of home appliance call center NEW

In May 2009, Toshiba Group restructured the home appliances call center for individual customers.

We have integrated the “instruction” and “repair” call centers into the “product-wise” call center. In other words, we aim to improve the system by “one-stop” response. Furthermore, we introduced the “call handover system” to avoid the burden of calling twice, by forwarding customer calls to the person in charge of the product. This enables the concerned call center to promptly call back the customer.

Major Call Centers for Individual Users



Promotion of Universal Design ▶

Toward realizing a comfortable society for everyone

Toshiba Group is promoting the development of a wide variety of safe and reliable products ranging from home appliances to industrial machinery. Toshiba “Universal Design (UD) Working Group (WG)” has developed “UD Philosophy,” “UD Vision” and “UD Guidelines” shared by the entire Group. In addition, in fiscal 2008, we provided an e-learning course on UD for 44,000 employees. Furthermore, with educational contents based on the requirement of each business site, we reinforced UD practices in each product development process.

CUD certification obtained with LCD indicator in elevators (Toshiba Elevator and Building Systems Corp.)

Toshiba Elevator and Building Systems Corp. (TELC) adopted LCD indicators instead of the conventional LED indicators to improve visibility for many people, regardless of individual differences in color sense, in the “New SPACEL-EX” elevators launched in April 2009. TELC became the first in the industry to obtain the Color Universal Design (CUD) certification*1. During the product development, the opinions of UD advisors*2 and customers, including elderly people and those with color weakness, were taken into consideration.



Visibility validation by CUDO

- *1 CUD certification: The certification given by an NPO Color Universal Design Organization (CUDO) through actual evaluation of people with color weakness.
- *2 UD advisors: Toshiba Group employees with disabilities who are highly concerned about UD. They participate in the UD product development through interviews, questionnaire surveys, product evaluations, etc.



Note: Display in English upon customer order in Japan only

LCD indicators in elevators with large characters and eye-catching colors

Direction indicator (scrolling display)

Door opening and closing (animation display)



Color Universal Design Mark



- Respect for Human Rights and Employment
- Respect of Diversity
- Promotion of Work Style Innovation
- Occupational Health and Safety

Respect for Human Rights and Prohibition of Discrimination

Respecting human rights

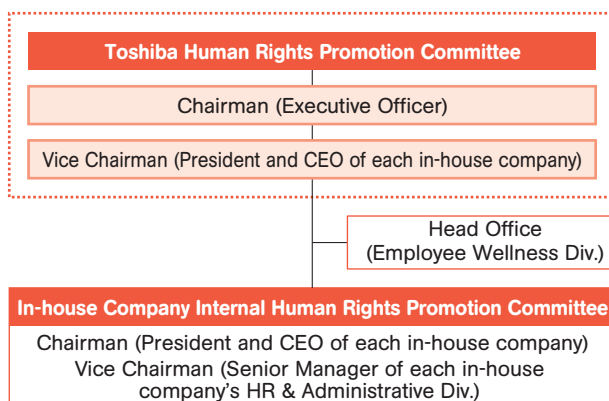
The Toshiba Group Standards of Conduct stipulates adherence to all relevant laws and regulations, respect for fundamental human rights, and prohibition of discriminatory treatment, child labor and forced labor. It requires that respect be accorded to diverse values, individuality, and privacy of individuals, prohibits discriminatory behavior based on race, religion, sex, nationality, physical disability, age, or sexual orientation, and prohibits physical abuse, sexual harassment, abuse of power, and any other actions that disregard the dignity and individuality of others.

In addition, while supporting the principles of the United Nations Global Compact that protect human rights, right to labor union activities and collective bargaining, Toshiba Group recognizes the union's right to association, the right to collective bargaining, and other rights based on the agreement with Toshiba Labor Union.

Conducting human rights training

In order to promote a diverse and creative working environment where people are respected, Human Rights

Toshiba Corp. Human Rights Promotion Committee Structure



Promotion Committee plays a key role in raising employee awareness through educational programs. We provide education on human rights to new recruits, to employees at the time of promotion, including promotion to managerial levels. In addition, in fiscal 2008, on the occasion of the 60th anniversary of the Universal Declaration of Human Rights, we encouraged all employees to review the meaning of the Declaration and to conduct self-check on their awareness on human rights.

Employment, Fair Evaluation and Treatment



Basic policy on human resources

Toshiba Group Human Resource Management Policy specifies human resources as the most valuable assets and stipulates the provision of opportunities to employees to realize their potential and encourage them to develop their capabilities and maximize their value.

Because of the economic crisis, the business performance of Toshiba has been swiftly deteriorating since last fall. Under these circumstances, we announced to execute "Action Programs to Improve Profitability"* at the time of the 4th quarterly earning announcement in January 2009. As we implement the Program, we are also working to provide job security based on our Human Resources Management Policy. The management and employees are working on the policy for stable employment in order to announce the shared awareness internally as well as externally.

In addition, in case of dispatched workers, Toshiba Group thoroughly ensure compliance with "Toshiba Group Worker Dispatching Act and Employment Security Act Guideline."

* For Toshiba Group "Action Programs to Improve Profitability," refer to the web page.

(<http://www.toshiba.co.jp/about/ir/en/library/pr/pr2008.htm>)

Breakdown of Toshiba Group Employees (as of the end of March 2009)

Regions	No. of Employees	Business domain	No. of Employees
Japan	126,322	Digital Products	47,757
North America	19,239	Electronic Devices	35,178
Europe (including Russia)	7,212	Social Infrastructure	74,172
Latin America	2,644	Home Appliances	26,956
China	21,199	Others	11,967
Asia and Oceania	22,780	Employees Common to the Group	3,423
Middle East	60	Total	199,456
Total	199,456		

Soliciting employee opinions

Since 2003, we have been conducting a survey of employee values and attitudes concerning company policies, attitudes toward and evaluation of workplaces and superiors, and attitudes toward personnel evaluation and treatment as part of our effort to solicit employees' opinions. In fiscal 2008, our 30 companies conducted the survey.

The results of the survey are discussed at meetings and utilized to improve the organizational environment.

Development of Global Human Resources

Cultivating global human resources

To attain sustained growth with profit, we believe that expanding our overseas businesses is important. Global human resources mean not only employees working in overseas subsidiaries and or those engaged in overseas businesses but also those who can carry out their work understanding different cultures and communicating well with people from different backgrounds. At Toshiba Group, we emphasize the cultivation of global human resources in any job irrespective of nationality or job location. In order to develop capabilities to think, understand different perspectives and accept diversity, we conduct "liberal arts*" education" and "innovation leader education."

* Liberal arts: Knowledge required for operating globally and developing the capabilities to think

Respect for Diversity

Division to promote diversity

The Toshiba Group Standards of Conduct specifies that we accord respect to diverse values and individuality as well as support realization of an environment where creativity and efficiency can be enhanced and work-life balance be achieved.

To this end, in April 2007, we upgraded the organization promoting gender equality to the Diversity Promotion Division. The Division is spearheading initiatives such as, work style innovation, by linking work-life balance with innovation, nurturing diversity and inclusion and reforming our corporate culture.

Creating a culture where diversity is respected



Toshiba Group is striving to create an organizational culture in which the individualities and values of employees worldwide are accepted and respected and where everyone can maximize his or her aptitude and capabilities. In fiscal 2008, we organized information-sharing meetings at 13 sites for managers who have woman subordinates. Similarly, we held 60 interviews with foreign nationalities and their managers. In addition, as a part of training for newly appointed managers, "diversity education" with a view to promoting respect for diverse values was conducted.

Supporting the activities of employees with disabilities

As of April 1, 2009, about 467 employees with disabilities are working in Toshiba, thus forming an employment ratio of 1.89%. In Japan, 160 out of 167 companies within the Group, which are subject to the Law for Employment Promotion, etc. of the Disabled, have met the employment ratio requirements of people with disabilities while the rest are striving to achieve it.

We are committed to improving the workplace environment in order to expand the opportunities for employees with disabilities at Toshiba Group.

Employment Ratio of People with Disabilities (special-purpose subsidiaries are included in Toshiba)

	June 2007	June 2008	April 2009
Toshiba Corp.	1.96%	1.91%	1.89%
Group Companies (in Japan)	1.97%	2.15%	2.22%

Supporting the activities of female employees

Toshiba Group has been developing a personnel system to fairly assess employees based on skills and achievements, regardless of age or sex, and over the years has developed human resources systems to ensure fair treatment.

Since October 2004, when we established a dedicated office, we have been working to increase the number of female recruits, implement training for female employees at managerial positions, and conduct awareness activities by distributing brochures and conducting lectures. Based on the result of the activities, we will continue to support the activities of female employees.

Breakdown of Regular Employees (based on gender and position)

	Toshiba			Toshiba Group (Consolidated subsidiaries in Japan)		
	Male	Female	Total	Male	Female	Total
Regular employees	29,511	3,753	33,264	102,304	14,291	116,595
Managers	5,695	170	5,865	20,283	294	20,577
Non-managerial employees	23,816	3,583	27,399	82,021	13,997	96,018

* As on end of March 2009, excluding employees on loan



Support for Diverse Work Styles

Supporting employee work and child-raising

Toshiba Group is working to improve systems that allow employees to flexibly select working styles according to their personal circumstances. Since the 1990s, Toshiba has supported work-life balance and developed supporting systems, based on employee suggestions, that exceed the legal requirements. For instance, we grant childcare leave until children reach the age of three even in cases where a spouse can provide childcare. Since fiscal 2005, we have been implementing such measures in accordance with the Next Generation Education and Support Promotion Act. Because those efforts were highly acclaimed, Toshiba won the “Nikkei Kosodate Child-Raising Supporting Award” in 2007 and “Japan Supporting Children and Families Recognition” in 2008.



The Next Generation Support Certification Label “Kurumin” in 2007

Diverse Working Style Options and their Usage (Toshiba Corp.)

System	Period	FY 2007	FY 2008
Childcare leave	Until the child is 3 years old, even if the spouse is not working	Male: 5 Female: 333	Male: 5 Female: 388
Family-care leave	Up to 365 days per person requiring nursing	Male: 3 Female: 8	Male: 9 Female: 9
Short-time shift	For childcare: Until the child finishes the third grade of elementary school For nursing care: Up to 3 years per person	Male: 5 Female: 397	Male: 3 Female: 362

System Amended in FY 2008

Category	System	Revised contents
Pregnancy protection care	Annual paid leave on hour basis, pregnancy protection leave	Reasons for use – “hospital visits due to pregnancy” and “treatment” were added.
Childcare support	Accumulated leave (Wide-plan leave)	Reasons for use – “care for a child in the third grade or below” was added.
Nursing support	Nursing leave	<ul style="list-style-type: none"> For children in the 3rd grade or below: 5 days per child For children in the 4th grade or above but younger than 18 years old: 5 days in total For children 18 years old or above: 5 days for the family in total (Before amendment, for children younger than 18 years old: 5 days in total; if there are two or more children, for preschool children: 5 days are added)

Promoting Work Style Innovation

Through work style innovation, we aim to create a corporate culture where innovation can thrive by concentrating and working efficiently according to priorities and securing time for physical and mental refreshment.

In fiscal 2007, a training program was developed to help employees of Toshiba Group in Japan acquire the skills to work more efficiently. In fiscal 2008, we created handbooks covering topics, such as “management know-how to concentrate and work efficiently” and “concept of work style innovation with examples of such efforts at various business sites.” These handbooks are also made available on the intranet.



Handbook on Work Style Innovation

Support for Employee Career Development

Respecting employee aspirations

We, at Toshiba Group, believe in the placement of the right person in the right job and, hence, understand that it is important to respect the aspirations of employees. To this end, we have systems in place, such as the Group open recruitment in which descriptions of vacant positions are announced and people with the necessary expertise are encouraged to apply. Similarly, we have the Group free agent system which enables employees to actively seek career development opportunities.

Actual Usage of the Systems

(Unit: No. of employees)

System	Eligibility	FY 2007	FY 2008
Toshiba Group open recruitment system	Regular employees of the eligible companies in the Group working for 3 years or more	85	58
Toshiba Group free agent system	Regular employees working for 5 years or more	31	7

Occupational Health and Safety

Prioritizing employee safety and health as top management issue

Placing the health and safety of our employees as a top-priority management issue and as a result of the various measures taken, the frequency of work-related accidents of Toshiba Group in Japan is far lower than the national average for manufacturing industry.

However, due to the recent increase of overseas sites, controlling the Group as a whole and the increasing activities of each site has become a challenging issue. Toshiba encourages all group companies, including those overseas, to ensure thorough awareness of and compliance with the Toshiba Group Occupational Health and Safety Management Policy and aims to establish a management system of each site by conducting surveys on occupational accidents in overseas group companies, including the concept of occupational accidents in different countries. In addition, since fiscal 2008, we have integrated the annual Toshiba Group Health and Safety Congress (last held on fiscal 2007 to promote awareness on health and safety issues) into Toshiba Group CSR Conference to extend the awareness at the global level. We also presented awards to overseas group companies for their outstanding health and safety efforts.

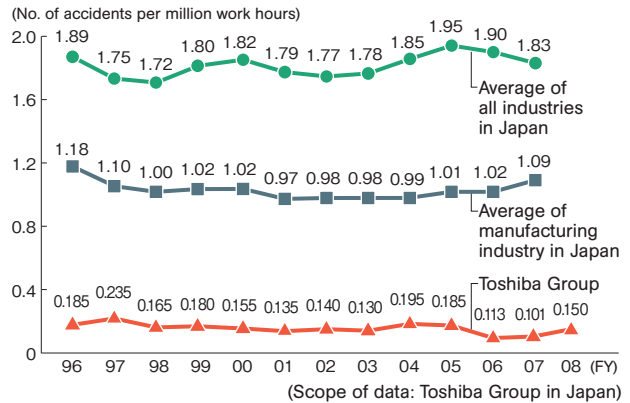
Emphasis on health and safety management by Toshiba Semiconductor (Thailand) Co., Ltd.

Toshiba Semiconductor (Thailand) Co., Ltd. has been committed to health and safety management in their business operations and has been quite ahead in obtaining the OHSAS18001 certification. For its outstanding health and safety activities, the company received the 2006 Prime Minister's Industry Award on Safety Management System as well as the Occupational Health and Safety Promotion Special Award in the 2008 Toshiba Group CSR Conference.

The following are some of the company's key measures for health and safety management.

1. Self-inspection from the viewpoint of health and safety by the person in charge of each workplace.
2. Employee health promotion activities during Safety Week (such as health events).
3. Improvement of the workplace environment by trend analysis of measurement of the workplace productivity.
4. Awareness activities for drivers and employees via risk analysis of the company buses.
5. Reporting and taking measures to prevent accidents not involving injuries.
6. Improvement of educational and training programs based on the result of risk assessments.
7. Safety inspection of the new facility before relocation.
8. Enforcement of the High-Place Work Safety Management Policy for subcontractors.
9. Special health check-ups for workers engaging in overtime for extended periods.

Rates of Occurrence of Accidents at Work



Acquisition of OHSAS18001 certification

Since fiscal 2007, Toshiba Group has been promoting the acquisition of OHSAS18001 certification, an international certification standard for the Occupational Health and Safety Management System, for all of its worldwide manufacturing consolidated subsidiaries. We were able to obtain the certification for all applicable consolidated subsidiaries (75 in Japan and 42 overseas including a few non-manufacturing consolidated subsidiaries) by the end of fiscal 2008 according to our planned schedule. We continue to improve the occupational health and safety management structure. We aim to maintain the certification, and promote the establishment of the management system in sites other than manufacturing consolidated subsidiaries.

Improving physical and mental health of employees

Toshiba Group strives to raise employees' awareness on the importance of physical and mental health so that they can realize their full potential.

For this purpose, we have introduced a system for management of information, including medical checkup results of employees, and continue guidance and education for all employees after such medical checkups. In addition, the industrial physicians, health nurses and clinical nurses who comprise the Occupational Health Project Team are in charge of improving the health management system. In order to manage employee mental health, we have introduced various measures ahead of the policy of Health, Labor and Welfare Ministry or other companies. Some of the measures include training of "listeners" for managerial ranks since 1977, establishment of external telephone hotline since 2000 (the first in Japan) and the convalescence support program to facilitate employees to gradually resume full-time work following a lengthy absence from work due to mental health problems and also to prevent relapse. In order to respond rapidly to the changing mental health status of employees, depending upon the change in the trends of working conditions and patterns, the Mental Health Project Team, which is a part of the Occupational Health Project, is in charge of promoting various measures that include developing educational materials for managerial employees, organizing convalescence support program, etc.

- **Fair Trading Practices**
- **CSR Promotion in Supply Chain**

Procurement Policies and System

Fair trading and Sound partnerships

We consider that promoting an improved working environment at suppliers and reducing their environmental impacts will contribute to enhance the levels of the value chain of the entire Toshiba Group. Toshiba established a dedicated organization for CSR promotion, namely, CSR Procurement Promotion Group in April 2007 and strives to promote fair trading and build sound partnerships.

In addition, we revised the Procurement Policy in May 2008, incorporating details of consideration for human rights and occupational health and safety explicitly in our guideline Supplier Expectations.

Supplier Expectations (Revised in May 2008 – an extract)

1. Compliance with Laws, Regulations and Social Customs
Compliance with relevant laws such as anti-trust laws, commercial laws, personal information protection laws, etc.
2. Considerations to Human Rights and Labor Safety and Health
Prohibition of forced labor, inhumane treatment, child labor, discrimination, etc.
Payment of appropriate wages, ensuring appropriate working hours and workers' freedom of association
Realization of a safe and clean working environment
3. Considerations to the Environment

Ensuring Fair Trading

Education and audit at group companies

In Japan, in fiscal 2008 also, we conducted education on the Act against Delay in Payment of Subcontract Proceeds, Etc. for all employees of group companies as well as audit for 138 group companies engaged in such transactions.

Whistleblowing system for suppliers and business partners

Since April 2006, we have set up a whistleblowing system for business partners, namely, Clean Partner Line. We have been notifying our business partners of this system and requesting them to make use of it to report any noncompliance and fair trading issues concerned with Toshiba Group employees so that such concerns can be promptly resolved.

CSR Promotion in Supply Chain

Promoting Suppliers' CSR

We urge our suppliers to promote their CSR and provide necessary support for the same. In June 2008, we held seminars, inviting the managers from 64 key suppliers to explain our management philosophy and procurement policy. In addition, in order to guide the suppliers in incorporating CSR into their operations, we developed the Toshiba Group Supply Chain CSR Implementation Guidebook* to introduce our policies on management of health and safety and the environment in four languages – Japanese, English, Chinese and Thai. The Guidebook is also available on our corporate website.

* The Toshiba version of the supplier CSR promotion guidebook complying with the Supply-Chain CSR Deployment Guidebook published by Japan Electronics and Information Technology Industries Association (JEITA)

Efforts Extended to Toshiba Group Suppliers (Cumulative data for FY 2007-2008)

(Unit: No. of supplier companies)

Topic	Seminars	Surveys	Field Audit	Support
Human rights and safety	3,373	2,065	245	756
Environment	8,115	4,010	1,988	1,913

Supplier CSR survey in Asia

Since fiscal 2006, Toshiba has conducted CSR surveys of suppliers. In fiscal 2007, we conducted questionnaire surveys on human rights and labor conditions as well as occupational health and safety in Asia, with no serious problem identified. Continuing with the efforts, in fiscal 2008, we conducted field audits for major business partners in Thailand on issues of worldwide concern such as human rights, occupational health and safety and environmental protection (refer to P18).

Green Procurement

Toshiba Group administers the use of specified chemical substances in its procurement items and evaluates suppliers' consideration of environmental aspects using the "supplier greenness" measure. In addition, we give preference to the procurement of environmentally conscious office equipment and supplies.



- Promotion of Science Education
- Promotion of Nature Conservation Activities
- Cooperation with NPOs and NGOs
- Contribution to Communities of Global Business Sites

Support toward Science Education Worldwide

Promoting science education globally

As a company that excels in technology, Toshiba Group is making efforts in promoting science and technology education for young people.

We have been promoting technology exhibitions and experiment classrooms at Toshiba Science Museum as well as the science and technology contests in North America over the years.

As part of these activities, we have been involved in the promotion of experiential science education in Japan since fiscal 2008. In recent years, in Japan, there has been a growing disinclination to study science coupled with a perceived decline in educational aspirations among young people. This has been a cause for concern to not only the government but also educators in the private sector. Hence, they are actively making efforts to improve the quality of science and math education.

Furthermore, Toshiba has started extending these activities to support science and math education to China by organizing contests in order to groom leaders for the future.

■ Cooperation with NPOs to promote experiential science education



We are supporting the activities of an NPO, an experiential science education institute, namely, Real Science Education Institute. The president of the NPO is a renowned Japanese mathematician Mr. Jin Akiyama.



Collaborating with Real Science Education Institute



Grooming instructors through "Real Meister Course"



Educational symposium held at the Tokyo University



Experiential science class at an elementary school

The institute is engaged in the development of experiential science educational programs, cultivation of instructors and providing educational support in order to foster human resources that can contribute to international society in the field of science.

Toshiba Group has been actively cooperating with the institute since its commencement in 2008. In addition to providing financial support, we also support their activities through employee volunteering.

In March 2009, we held a symposium in the Komaba Campus of the University of Tokyo targeting people involved in the education field, especially teachers at elementary and junior high schools. During the symposium, a panel discussion was held between Mr. Zeniya, the vice minister of the Ministry of Education, Culture, Sports, Science and Technology; Mr. Akiyama; and Mr. Nishida, the former President of Toshiba surrounding the topic "The issues of school education and the cultivation of human resources capable of succeeding in international society."

In addition, in May 2009, we held the Toshiba Experiential Science Class in Tokyo, in which Mr. Akiyama was invited as an instructor. About 1000 parents and children had the opportunity to learn about the fun with science.

■ Supporting students at teacher-training universities in China



In fiscal 2008, in cooperation with the Ministry of Education of China, Toshiba started a program contest of science and math education for students at teacher-training universities (refer to P17).



1st Toshiba Cup Contest for science students at Chinese teacher-training universities

■ Science and technology contest in North America

Toshiba holds the science and technology contest ExploraVision Awards in cooperation with the U.S. National Science Teachers Association. This contest was initiated in the early 1990s due to the sense of crisis over the declining interest among young people to become engineers in the United States, the leader of global science and technology. In the contest, teams comprising young people from kindergarteners to high school students in the United States and Canada propose ideas concerning scientific technologies that are likely to be put into application in a period of 20 years. In 2008, the 16th ExploraVision contest attracted 4,527 teams comprising approximately 14,000 participants.



Award ceremony held in Washington, DC



Learning opportunities at Toshiba Science Museum

The Toshiba Science Museum located in Kawasaki, Japan provides a venue for science trips and holds a wide range of experiential learning programs for elementary and junior high school students every Saturday.

In addition, the museum actively holds science classes on demand in which museum staff visit schools and other educational facilities to provide community-based science education. In fiscal 2008, such events were held in about 55 schools.



Experiment class to experience the fun of science

Experiential Learning Program at Toshiba Science Museum

Program	Contents
GEMS Explorer	Developed in the US and allows participants to explore the wonders of science through experiments, and predict, discover and experience for themselves
Atom Workshop	Class of manual creations and experiments, participated by parents and children, organized by a Kawasaki City (Japan) volunteer group
Galileo Workshop	Experiment class held in cooperation with NPO Galileo Workshop. The theme is "Fun of science to everybody!"
Science Class on Demand	Program in which Toshiba staff visit elementary schools, etc. and provide experiment-oriented classes that are rare in schools today

Organizing Home Appliance Disassembly Workshop

Toshiba Group holds Disassembly Workshop in cooperation with the "Seikatsu-Kobo" (living workshop) of the Setagaya Arts Center for elementary and junior high school students to enable them to have a better understanding of the inner mechanisms of home appliances. Volunteer employees from Toshiba participate in the workshop as "Disassembly Doctors." Children learn about the proper tool use from the Disassembly Doctors and disassemble familiar home appliances to learn about the parts, technologies and their recycling.

In fiscal 2009, we plan to hold the workshop nationwide, recruiting volunteer employees from each business site.



A Disassembly Doctor explaining to children

Voice of a Volunteer Employee

This kind of practical experience of disassembling home appliances will enable children to understand the inner mechanisms of the appliances. I hope that this workshop will change the way children look at the appliances they use in everyday life and will generate curiosity among them to identify the reasons behind their functioning.

Yasuko Chigira
Toshiba Design Center



Contributing to the international society



Established in 1989, Toshiba International Foundation has undertaken various activities to promote a better understanding of Japan through international exchanges.

In fiscal 2008, as a new event, it held the Toshiba Youth Conference for a Sustainable Future. The conference intends to cultivate global human resources who are capable of creating a better global environment by working with other people. The theme for the first year was "Efficient energy consumption for realizing a sustainable society," and 19 high school students and 11 teachers from the United States, Thailand and Japan participated in the event. During the conference, the participants presented on the environmental conditions unique to each country and deepened their mutual understanding. In addition, they learned about environmental advanced technology facilities and environmental technologies of traditional construction technologies, as well as the efforts of companies toward environmental protection in Japan. At the end of the conference, the participants presented on specific action plans for global environmental conservation. As a result of the event, they were able to understand the importance of working with one another and taking action of their own.



Toshiba Youth Conference for a Sustainable Future

Supporting education in developing countries

In order to help meet the needs of the many children who have limited educational opportunities, Toshiba Group provides educational infrastructure by building schools, donating equipment and fixtures to schools, and dispatching volunteers.

One of these efforts includes the construction of Toshiba Hope Elementary Schools, a project to build two schools per year in China in cooperation with the China Youth Development Foundation. For this activity, companies of Toshiba Group in China donate approximately 6 million yen each year as construction funds. Moreover, they nurture the schools by providing continuous support after they open, by donating stationeries and other items.

As of the end of fiscal 2008, a total of 15 schools had been constructed. Toshiba also contributed to temporary classroom construction project called "Earthquake Relief Hope School" in Sichuan province after the earthquake in 2008.



Assistance to schools after the Sichuan earthquake

Contribution to Nature Conservation and Social Welfare Activities

Promoting 1.5 Million Tree-planting Project and Supporting Pink Ribbon Campaign

■ Promoting 1.5 Million Tree-planting Project worldwide

We are promoting the Toshiba Group 1.5 Million Tree-planting Project, a global project aimed for completion in 2025, to mark the 150th anniversary of Toshiba Group. Through such "tree-planting" activities, we aim to contribute to the conservation of the natural environment, biodiversity and water sources; promote the cultivation of nature-loving people; and provide a rich natural environment for the future generation. In fiscal 2008, we undertook tree-planting activities in 12 sites in Japan and 6 overseas sites, contributing to 600,000 total accumulated planted trees.

In addition, we are working in cooperation with local governments. As a part of these efforts, we have entered into agreements for forest maintenance with 6 local governments, including Tokyo and Hyogo Prefecture by fiscal 2008.



Toshiba's "Explore the Forest Expedition"



Tree-planting in California, US

Supporting activities of Forest Neighborhood Association

NEW

Toshiba Group entered into a framework agreement to cooperate on forest maintenance activities with Aomori Prefecture (Japan) in May 2009. Based on this agreement, we aim to maintain the mountain forest and woodland of 10.5 hectares in Shichinohe Town and Misawa City in cooperation with Aomori Prefecture and use them as venues for environmental education of employees.

In addition, we will also use the mechanism* of the Forest Neighborhood Association as promoted by the environmental NPO Office Neighborhood Association (Chonakai in Japanese). We will use paper in the form of printed materials or copier paper made by paper manufacturing companies using tree thinning in Misawa City. In addition, we will contribute to a recycling society, not only by tree thinning but also through their reuse.

* A new forest thinning promotion mechanism managed by the environmental NPO Office Neighborhood Association to link companies with the forest, to promote the utilization of forest thinning materials

■ Pink Ribbon Campaign to encourage breast cancer screening

Toshiba Group supports the Pink Ribbon Campaign, encouraging early diagnosis and treatment of breast cancer. Though reportedly one in 20 Japanese women gets breast cancer, the screening rate of breast cancer remains low. We are supporting awareness activities nationwide to improve the screening rate, as much as possible.

In fiscal 2008, more than 300 Toshiba Group employees and their families participated in the walking events held in Japan. We also donate part of the proceeds of Toshiba's pink ribbon models comprising USB flash memory device and mineral water to the "Japanese Cancer Society's Smile to Eliminate Breast Cancer Fund." Overseas also, Toshiba Group employees participated in such walking events. We continue to contribute to activities supporting women's health in Japan as well as overseas, while continuing to develop mammography equipment, ultrasound and medical diagnostic imaging systems, such as CT scanners and MRI equipment.



Volunteer employees "Pink Ribbon Smile Walk" event, Japan



Employees of Toshiba TEC U.K. Imaging Systems Ltd. participated in the charity walk

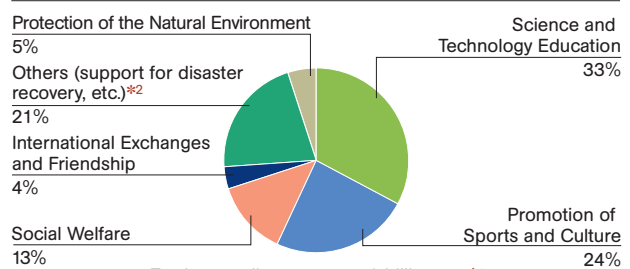
Promotional Structure and Achievements of Corporate Citizenship Activities

Promoting corporate citizenship activities worldwide

At Toshiba Group, the Social Contributions Coordinators of each company and operation site (233 in Japan and 140 overseas) are in charge of promoting such citizenship activities. The Corporate Citizenship Committee, an organization under the CSR Governance Committee is in charge of developing plans and conducting evaluation for these activities.

In 2008, more than 140,000 employees in 228 group companies participated in 1,395 social contribution activities. Based on the evaluation of the Corporate Citizenship Committee on nine evaluation criteria, including the purpose, participation of employees, uniqueness, continuity, impact on society and cooperation with other organizations, 14 outstanding activities were commended during the Toshiba Group CSR Conference in December.

Breakdown of Expenditure for Corporate Citizenship Activities (FY 2008)



*1 The expenditure includes cash contributions, corporate-initiated programs and products.

*2 Others include disaster recovery and building facilities (gyms, etc.) available for public use.

The Concept and Structure of CSR Management

CSR-oriented management with considerations to global supply chain

Toshiba Group, while promoting its business activities, considers the execution of CSR as one of its key management policies. The Toshiba Group CSR action policies, based on the Toshiba Group Standards of Conduct, urge employees worldwide to make CSR activities an integral part of their daily activities. We also request our suppliers worldwide to implement CSR in their business activities (see P18 and P31 for details).

The role of CSR Governance Committee

The Corporate Social Responsibility Division, which directly reports to the President, and its subordinate division, the CSR Implementation Office, promote Toshiba's CSR activities in cooperation with the other divisions concerned. The CSR Governance Committee, consisting of the Corporate Senior Executive Vice President, who heads the CSR Division, and the executives concerned, is also attended by the President. The committee is responsible for decision-making on Group's worldwide CSR policies. Based on the policies determined, the Corporate Environment Management Committee, the Risk Compliance Committee, Customer Satisfaction Promotion Committee, etc. (refer to the chart below) formulate and implement action plans for the themes corresponding to their responsibilities.

Each of the in-house companies, business sites and group companies worldwide implement CSR-oriented management activities under the instruction of their respective Chief CSR Officers. In addition, a corporate CSR meeting is held every month to review the CSR activities of the Group.

Activities in Fiscal 2008



Establishing KPIs based on common themes

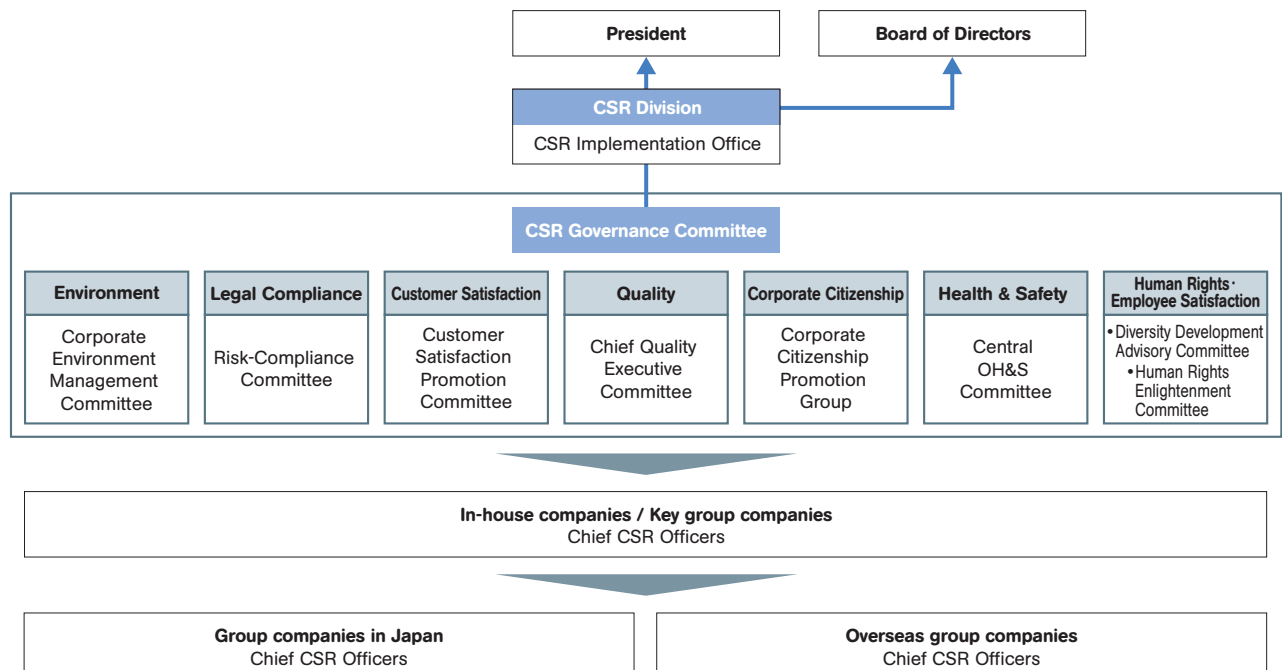
In fiscal 2008, we focused on 36 CSR items, considered as common themes for the entire Group, such as compliance, considerations to human rights and the environment, enhancement of employee satisfaction, etc. As a part of these efforts, we have acquired OHSAS18001 certifications (safety management systems), at 117 companies, including all the global consolidated manufacturing subsidiaries. In addition, in-house and key group companies have been determining their priority themes based on individual business characteristics and circumstances.

In March 2009, the CSR Governance Committee was held to discuss and determine Toshiba Group CSR Action Policies for fiscal 2009 as well as the three-year mid-term plan. Under this new mid-term plan, while continuing to implement the basic policies of fiscal 2008, we will specify KPIs (Key Performance Indicators) to indicate the progress of activities under each item; and establish quantitative targets where applicable (refer P21 & P22).

Fiscal 2009 Toshiba Group CSR Action Policies

1. Accord the highest priority to human life and safety and to compliance throughout the business
2. Inculcate CSR activities throughout Toshiba Group worldwide
3. Promote CSR-oriented management as a corporate citizen of planet Earth
4. Strengthen accountability to stakeholders

Toshiba Group's CSR Management Structure



With regard to priority themes of companies, we will establish “improvement in customer satisfaction” as a common theme and set targets in light of the circumstances of each business site or company.

CSR Inspection and Audit

Monitoring progress of company activities

To perform CSR activities in line with policies and plans, Toshiba Group reports on a quarterly basis to the President, and the CSR Implementation Office monitors the progress of the activities at the semiannual meeting with Chief CSR Officers of in-house companies and group companies, coinciding with the CSR Governance Committee.

Furthermore, as a part of management audit of in-house companies and key group companies worldwide performed annually by the Corporate Audit Division, from fiscal 2008, we also started monitoring the progress of their efforts with regard to the priority themes.

Enhancement of Employee Awareness

Conducting CSR education

We provide all employees with year-round education via e-learning, including Toshiba Group Standards of Conduct, human rights, environmental issues, enhancement of CS

awareness, export control, intellectual property protection, information security, etc. We have also been providing education on “engineering ethics” to engineers. According to job positions, we conduct CSR-related education for the senior management in December every year and for new employees as part of their training program in April every year. In fiscal 2008, CSR-related education was also provided to newly appointed section managers.

Toshiba Group CSR Conference in December

Toshiba Group has designated December as its CSR month since fiscal 2006 for the purpose of inculcating CSR activities throughout Toshiba Group worldwide. During this month, companies within the Group conduct self-assessment of their CSR activities regarding priority themes, and organize and contribute to various events, such as educational, training and social contributions activities. During the month, CSR Conference is also held.

Since fiscal 2008, Toshiba Group Health and Safety Congress was integrated into the CSR Conference which was attended by approximately 800 employees, including senior executives and labor union representatives. During the event, the president of Toshiba Information Equipment (Philippines), Inc. (TIP) presented on their efforts for SA8000*. Also, special awards were presented to companies for their outstanding achievements in areas, such as health and safety, environmental and social contributions.

* International accountability standard concerning decent working condition assessment made by the Social Accountability International (SAI)

Distribution of Economic Value to Stakeholders

In fiscal 2008, the distribution of economic value to suppliers decreased compared with the previous year in line with a 1,010.8 billion yen decrease in consolidated net sales. Moreover, the dividend to shareholders also decreased as a result of the seven yen per share

decrease in the annual cash dividends of Toshiba Corp. Similarly, distribution to government/authorities also decreased significantly, owing to operating loss before income taxes of 279.3 billion yen.

Stakeholders	Amount distributed (billion yen)		Calculation method
	FY2008	FY2007	
Suppliers	5,459.4	5,983.3	Cost of sales (excluding labor costs); and selling, general and administrative costs (excluding labor costs)
Employees	1,445.3	1,446.7	Labor costs included in the cost of sales and selling, general and administrative expenses
Shareholders	50.3	46.4	“Dividends paid” on the cash flow statement
Creditors	33.7	39.8	“Interest” included in costs and expenses on the income statement
Government/Authorities	54.3	113.4	Income taxes
Society	3.0	4.0	Expenditure for corporate citizenship activities* (See P32)
Environment	60.8	51.3	Environment-related expenditure*. Equals environmental costs in environmental accounting. For details, please see the following website: http://www.toshiba.co.jp/env/en/
Within company	▲379.2	87.1	Amount of net income minus dividends paid

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

Toshiba's Governance System

Management with enhanced flexibility and transparency

The basic policy and objective of Toshiba's corporate governance is to enhance management efficiency and transparency while maximizing corporate value from shareholders' perspective. Based on this approach, Toshiba made the transition to a system of a company with committees in June 2003 to enhance management flexibility, supervision and transparency. Of the 14 board of directors, 7 are non-executive directors, comprising 4 outside directors, the chairman of the board of directors and 2 full-time Audit Committee members. Each committee has a majority of outside directors; and the Nomination and Compensation Committees are both chaired by outside directors.

Toshiba's Internal Control System

Strengthening internal control throughout Toshiba Group

Toshiba established the Toshiba Group Standards of Conduct in May 1990 to govern business activities in accordance with the Basic Commitment of Toshiba Group. In response to the Companies Act of Japan, enforced in May 2006, the basic policies on internal control system were determined in April 2006 by the board of directors.

Accordingly, Toshiba requested all group companies in Japan to adopt basic policies on internal control system by resolutions of their respective boards of directors, in order to reinforce Group-wide internal control system. Toshiba supported group companies by providing established

models of basic policies and principal rules covering internal control systems.

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

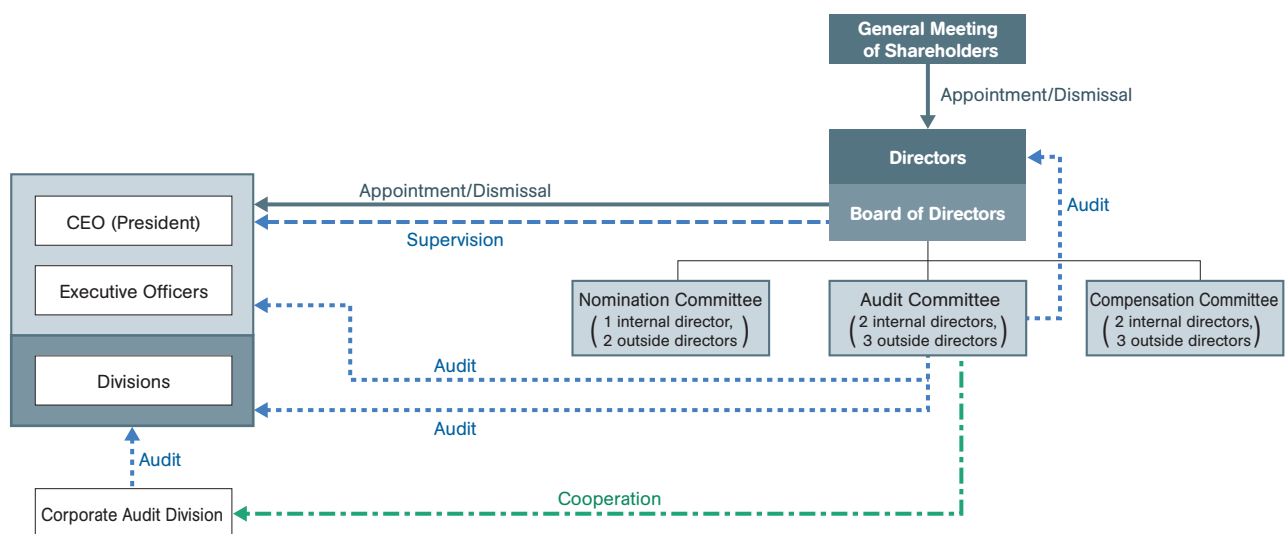
Compensation for Directors and Executive Officers

Compensation system facilitating directors and executive officers to perform their duties

Toshiba has adopted its compensation system, designed effectively to facilitate the execution of duties of directors and executive officers. Directors receive fixed amounts of compensation according to their duties and their status as full-time or part-time directors. Executive officers receive basic compensation based on their ranks and service compensation calculated according to their duties; 40% to 50% of the service compensation fluctuates from zero to double depending upon the year-end performance of the division for which the executive officer is responsible or that of Toshiba Corporation.

In June 2006, Toshiba abolished the system of granting retirement benefits to directors and executive officers.

Corporate Governance Structure



Timely and Appropriate Disclosure

Based on timely, appropriate and fair disclosure

The principle behind Toshiba's Investor Relations (IR) activities is to "disclose corporate information, such as corporate strategies and financial data, in a timely and appropriate manner in order to obtain the understanding and earn the trust of shareholders and investors" in accordance with the Toshiba Group Standards of Conduct. In fiscal 2008, our business performance deteriorated significantly owing to a sharp downturn in the market demand, plummeting semiconductor prices, sharp appreciation of the yen, etc. in the wake of rapidly weakening real economies, due to the full-blown global financial crisis in the latter half of the fiscal year.

In January 2009, the former President announced "Toshiba Group's Action Programs to Improve Profitability" under which Group-wide efforts are being made. The program aims to develop the profit making system that enables the Group to generate profit even without higher sales and to establish a strong business foundation that will position Toshiba to quickly seize business opportunities when the market starts to recover. Accordingly it calls for Group-wide measures for structural reform and improvement of unprofitable businesses, focusing on the reduction of fixed costs. In consideration of investor concerns, we voluntarily disclosed information to stock exchanges regarding our business moves, including via press conferences, such as basic agreement concerning the purchase of part of the manufacturing facility from memory-chip joint venture, the production-cut plan of the semiconductor business due to a sharp decline in semiconductor prices, basic agreement regarding the acquisition of the hard disk drive business, etc. In order to promote our CSR Management as incorporated in our corporate philosophy, we believe that one of our important IR responsibilities involves reinforcing our corporate structure to fulfill our obligations to inform and explain the management of the concerns of our shareholders and investors as well as any changes in them.

Dialogue with Shareholders

Soliciting shareholders' opinions through periodic questionnaire

Since 2007, Toshiba has been conducting shareholder surveys, and in December 2008, we randomly selected our shareholders and requested for their cooperation. As a result, more than 4,000 responses were received. Since many have asked us through their responses to conduct the questionnaire survey on a periodic basis, we decided to continue the survey and utilize it as a means of mutual communication with our shareholders.

Other examples of shareholder responses in fiscal 2008 include their favorable evaluation regarding Shareholder Newsletter, as expressed through comments such as "It is good and easy to understand," "It reflects Toshiba's concern toward us," etc. This ensures that our shareholders have been

making use of the newsletter. Due to the favorable response for the newsletter in the fiscal 2007 survey, its issuance has been increased to as many as five times a year from fiscal 2008. Furthermore, following our revision for business forecasts in September 2008, we issued an extra edition in the form of a postcard to directly inform the shareholders of our sharply worsening business performance and the causes behind it.

The results of shareholder survey, etc. indicated that next-generation businesses, such as power systems, semiconductor and fuel cell businesses, had been chosen as noteworthy business areas. In order to improve the understanding of businesses we are focusing on, a Toshiba's general manager in charge of the business strategy of SCiB™ (a new type of rechargeable battery), conducted a lecture at a seminar for individual investors hosted by an IR supporting company in December 2008. A video broadcast of the same was made available on our website. Also, we started posting the "Anatomy of Technology" (available only in Japanese) on the IR Library page of our website, which clearly explains our outstanding technologies and the latest results of our research work. As such, we are working to achieve enhanced two-way communication with our shareholders using various approaches.

IR Activities

Providing opportunities for direct dialogue with investors worldwide

Our IR activities for institutional investors and analysts are conducted mainly at the time of announcement of quarterly results via analyst meetings and as well as individual meetings and interviews. The President and other executive officers take periodic opportunities to meet and communicate with shareholders and investors, while our IR team continues interviews both in Japan and overseas.

In fiscal 2008, the number of dialogues between our IR team and institutional investors and analysts, though slightly less than that in the last fiscal year has exceeded 1,000 (about 70% in Japan and 30% in overseas as in the previous year). In fiscal 2008, we added Asia to the round of periodic meetings held in the U.S. and Europe. The same year, we had more opportunities to meet and communicate individually with investors in Japan and gave several telephone interviews with them, more than the previous year. We have been strengthening communication with investors, while considering their time constraints.

Providing briefings on our businesses

We organized briefings for our businesses with high investor interests. In fiscal 2008, we organized meetings to focus on the semiconductor and medical systems businesses.

We will continue to offer opportunities that will help our investors deepen their understanding of our business activities by holding such briefings.

Risk Management and Compliance Policies and Structure

Addressing priority themes

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

We consider thorough adherence to the Toshiba Group Standards of Conduct (SOC) – standards that provide us with guidance in our business activities – to be the foundation of compliance. We are inculcating the SOC, also ensuring that our subsidiaries worldwide adopt it thoroughly.

Every year, priority themes on compliance are set in light of business circumstances and promoted. By implementing a Plan-Do-Check-Action (PDCA) cycle of self-assessment, not only at each in-house company but also at group companies worldwide, we are stepping up our efforts to ensure compliance. Since fiscal 2008, we have established new guidelines and implemented a stricter mechanism for ensuring compliance for our priority issues, such as compliance with antitrust laws and with rules and regulations related to respective businesses, prevention of bribery, etc. In particular, we formulated a new guideline for compliance with antitrust laws and prevention of bribery, adopted by our subsidiaries worldwide. Our other efforts to ensure thorough compliance include conducting comprehensive education programs according to characteristic needs of different countries.

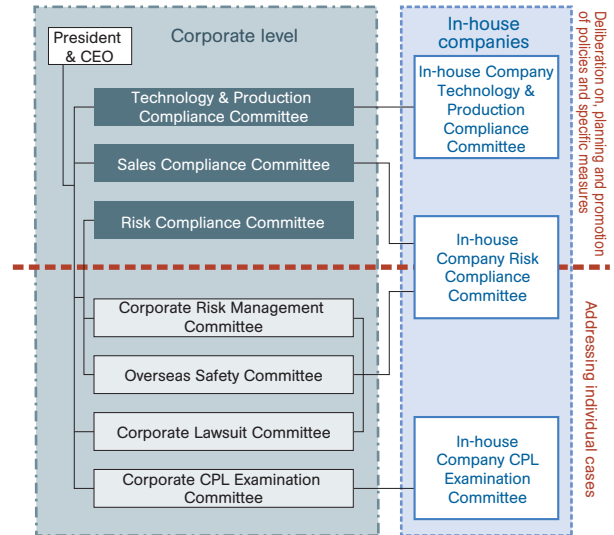
Any violation of compliance is handled conscientiously, including appropriate and timely disclosure as well as the imposition of disciplinary sanctions on the offenders.

With cases of noncompliance in the past, such as the New Tokyo International Airport Authority incident, we have been making efforts to ensure compliance with laws and regulations related to fair competition in public procurement. In 2008, a cease and desist order was imposed upon eight manufacturers of heavy electrical equipment, excluding Toshiba, by the Japan Fair Trade Commission in accordance with the Antimonopoly Act on charges that nine manufacturers, including Toshiba, had been involved in a bid-rigging case for electric equipment construction in relation to sewage disposal facilities ordered by Sapporo City by fiscal 2005. Toshiba's involvement was also confirmed and as a result, Toshiba was ordered to suspend part of its business in April 2009, according to the Construction Industry Law. Learning from this incident, we will further strive to adopt more rigorous measures to conform to laws and regulations and confirm that we do not accept illegal orders, in order to regain our trust. It is again a matter of profound regret to us that we received a serious warning from authorities due to non-compliance with the High-Pressure Gas Safety Law that occurred at our business site, Yokkaichi Operations (Japan). In the wake of this incident, the headquarters and business sites immediately responded by investigating thoroughly into the matter, following which we adopted compliance measures to prevent the recurrence of such problem.

Toshiba's Risk-Compliance Committee, chaired by the CRO*, and acting in cooperation with the divisions concerned, determines and implements measures to deal with major risks, avert the emergence of new risks, and prevent recurrence. In-house companies and group companies worldwide have implemented similar risk compliance management structures.

* CRO: Chief Risk-Compliance Management Officer

Risk Management and Compliance Management Structure



Risk Management and Compliance Education



Enhancing education worldwide

Education on the Toshiba Group Standards of Conduct plays a pivotal role in ensuring compliance. Apart from providing new employees, managers, etc. with education appropriate to their responsibilities, we hold seminars for directors and executive officers, with lawyers and other specialists invited as speakers. Also, we provide e-learning for all employees on a continuous basis.

In fiscal 2008, we particularly focused on providing education on priority theme such as compliance with antitrust laws for all employees worldwide.

For providing compliance education according to different work positions, we have also strengthened our efforts to adopt measures for risks specific to the country overseas, by commencing education program for newly appointed section managers as well as risk compliance education for those employees who will be assigned as new managers at our overseas subsidiaries.

Inspection and Audit of Compliance

Maintaining awareness of employees

The Legal Affairs Division periodically communicates with the Corporate Audit Division in order to confirm the state of implementation with respect to the various compliance measures. Based on the actual state of implementation, steps are taken to enhance the effectiveness of management audits and the audit results are reflected in compliance measures. Every year Toshiba conducts an intranet-based employee survey on the Toshiba Group Standards of Conduct (SOC). The results are used in formulating measures for raising awareness on compliance. According to the results of the fiscal 2008 survey, 97.1% (97.3% for fiscal 2007) of respondents replied that they comply with or generally abide by the SOC. While the survey results indicate that overall employee awareness on compliance is high, we will continue to implement further measures to maintain this level.

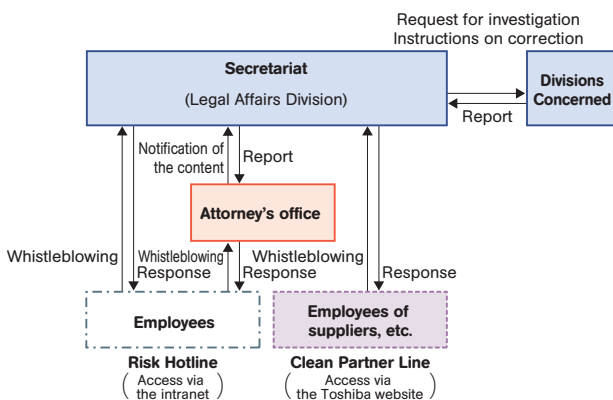
Whistleblower System for employees and suppliers

Extending whistleblower system to group companies

In January 2000, Toshiba introduced a whistleblower system, namely, "Risk Hotline." Using this system, employees can report their concerns or seek advice via the intranet or phone so that internal risk information is directly obtained in advance and any breach of compliance is prevented at an early stage. Furthermore, group companies worldwide have also introduced such systems.

In April 2006, Toshiba introduced "Clean Partner Line," a whistleblower system for suppliers and other business partners to enable them to report their issues concerning Toshiba. This is also adopted by group companies in Japan. Due care is exercised so that whistleblowers do not suffer any disadvantage for the reason of reporting using such system.

Toshiba's Whistleblower System



Risk Management through Business Continuity Plan

Dealing with influenza pandemic

Failure to respond appropriately to large-scale disasters, such as earthquakes, typhoons, floods, etc. could result in the long-term closure of operations, triggering significant financial losses and having a major impact on stakeholders. In addition to measures to ensure the safety of employees and their families, support recovery of devastated areas, and maintain business sites and factories in the event of natural or other disasters, Toshiba established a Business Continuity Plan (BCP) in fiscal 2006 covering those businesses that have large social and economic impacts in order to minimize any interruption in the supply of products and services. Ever since, we have been continually updating the BCP. In order to manage risks, we are working to develop safety measures to deal with influenza pandemic, update BCP and reinforce our management.

Export Control

Commitment to security export control and compliance with relevant laws

Security export control is aimed at preventing the proliferation of weapons of mass-destruction and other sensitive items to countries and regions of security concern or terrorist organizations. In order to maintain international peace and security, export transactions of goods and technology that have potential weapons of mass-destruction (WMD)/conventional weapons applications are regulated under laws and regulations.

Toshiba Group maintains a basic policy of not engaging in any transactions that could undermine international peace and security. To this end, it complies with all applicable export control laws and regulations of the countries and regions in which it operates. In Japan, the Foreign Exchange and Foreign Trade Law governs the nation's export control. Toshiba Group also complies with U.S. export control laws and regulations with respect to transactions involving goods and technology of U.S.-origin.

In accordance with this policy, companies in the Toshiba Group have established export control programs. Based on these programs, they determine control status of individual goods and technology; conduct strict transaction screenings; perform periodical in-house company/group company audits and provide education for all executives and employees as well as instructions and support to affiliated companies.

In fiscal 2008, following the introduction of conventional arms "catch-all" regulations in Japan, Toshiba provided export control education through an e-learning system. Furthermore, export control workshops have been held since 2006 as a part of Toshiba's efforts to enhance awareness and promote information sharing with and among the overseas group companies. The first three workshops were held in South East Asia and China. The most recent workshop was held in Europe in 2008.

Policy and Structure of Information Security and Management

Appropriate management of all information

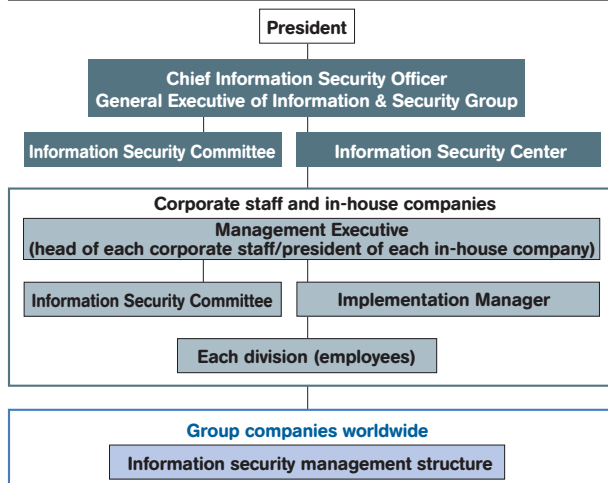
Toshiba regards "all information, such as its customer information, management information, technical and production information, business information as its important assets. In view of this, Toshiba has a fundamental policy "to manage and protect such information asset properly with top priority on compliance." To implement such policy, Toshiba also continuously and effectively responds to changes in the laws and regulations as well as in the social environment, and reviews its internal rules concerning information security. In fiscal 2007, Toshiba established and amended rules that mandate the stricter supervision of outsourcees, and in fiscal 2008, confirmed the implementation status of the same.

Improving information security structure through inspection and audit ✔

Toshiba considers the autonomous implementation of a PDCA cycle by each division as vital for the appropriate management of personal data and other confidential information. Therefore, every Toshiba division conducts an annual self-audit in terms of compliance with internal rules, for the purpose of formulating their own improvement plan. The Toshiba Information Security Center, which supervises Toshiba Group's protection and management of information, monitors the results of these self-audits and the related improvement activities, provides guidance and support if necessary, and reports to the Chief Information Security Officer. In fiscal 2008, all divisions at Toshiba Corp., Japan conducted self-audit by the end of January and are working to improve the nonconformities.

In addition, these self-audits are applied throughout Toshiba Group worldwide. In fiscal 2008, about 235 group companies in Japan and 192 overseas group companies conducted self-audits, helping further to improve the information security level at each company.

Toshiba Group Information Security Management Structure



Providing information security education every year

To ensure compliance with these internal rules, Toshiba provides education on information security and the protection of personal data to all executives, employees and temporary staff on an annual basis. In fiscal 2008, nearly 160,000 Toshiba Group employees, including about 30,000 Toshiba Corp. employees, received education through e-learning or other educational programs.

Protection of Confidential Information

Ensuring protection of confidential information

In accordance with the revised Unfair Competition Prevention Act that came into effect in November 2005, Toshiba reinforces efforts to ensure the protection of not only confidential information pertaining to Toshiba but also that of its customers, obtained through contracts.

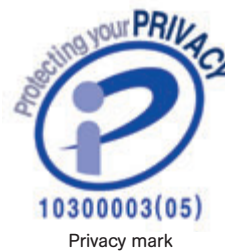
For management of confidential information, Toshiba has established internal rules specifying methods of handling information and measures to prevent leakage of information. All employees receive education on these matters and are required to obtain pledges concerning confidentiality.

Protection of Personal Data

Recognizing the importance of personal data protection

Toshiba was quick to recognize the importance of the protection of personal data. Following the establishment of its Privacy Policy in December 1999, Toshiba established the Toshiba Personal Data Protection Program in compliance with JIS Q 15001 in 2000 and obtained the Privacy Mark certification from the Japan Information Processing Development Corporation (JIPDEC) in 2001. In addition, in April 2009, Toshiba obtained the fifth Privacy Mark certification conforming to 2006 JIS rules, as a part of its ongoing improvement measures.

We have systems in place to deal swiftly with any eventuality and ensure prompt disclosure.



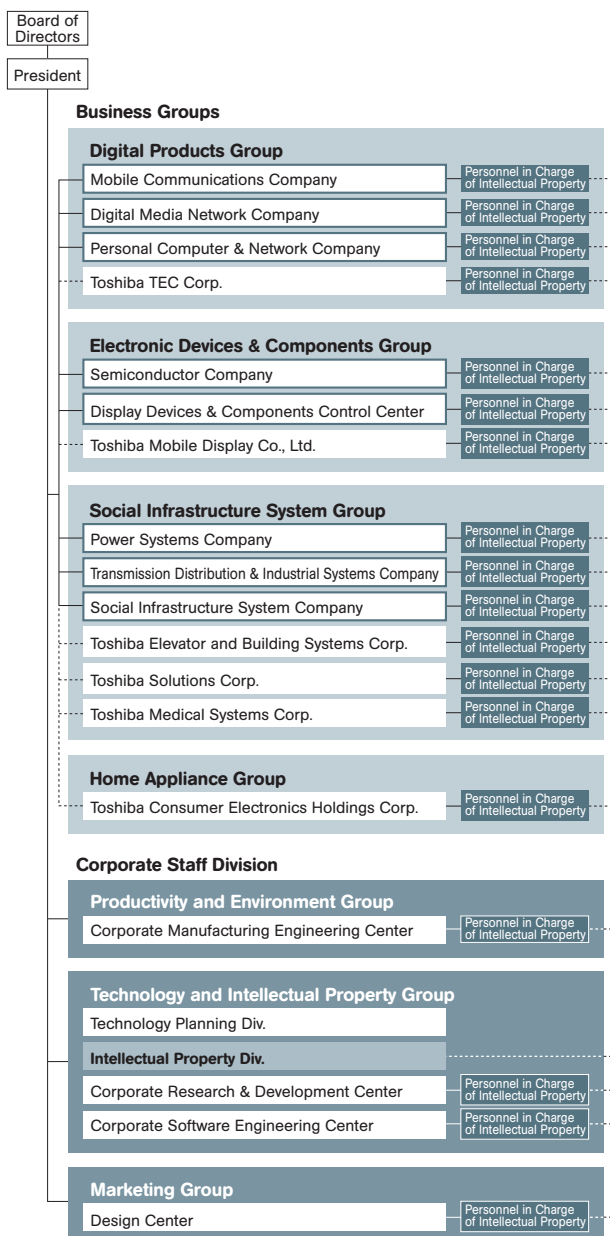
Basic Policy on Intellectual Property

Protecting our rights and respecting the rights of others

Toshiba Group's policy on intellectual property rights is to observe laws and regulations associated with them, to protect the results of intellectual activities with the rights and make extensive use of those rights, and to respect the legitimate intellectual property rights of third parties. This policy is stipulated in the Toshiba Group Standards of Conduct.

In addition to the Corporate Intellectual Property Division, the in-house companies and key group companies have respective personnel in charge of protection of intellectual property rights.

Toshiba Group Intellectual Property Management Structure



Risk Management Concerning Intellectual Property

Risk management measures to avoid infringement of third party rights

In the course of business, we are likely to be at risk of infringing the intellectual property rights of third parties or facing lawsuits for violating their patents. To reduce or eliminate such risk, Toshiba investigates third party patents and other intellectual property rights related to its business in advance and implements the necessary measures to avoid any infringement of third party rights.

Striving to eliminate counterfeit products NEW

Failure to take action against counterfeits of Toshiba products would pose not only the risk of damage to Toshiba's brand value and public confidence, but also the risk of purchasing counterfeit products that do not meet the quality expectations of customers who mistake them for genuine products. Accordingly, to ensure that customers can purchase Toshiba products with confidence and peace of mind, we are striving to eliminate such counterfeit products that infringe Toshiba's intellectual property rights, in cooperation with public agencies. In the event that counterfeit products are discovered in the overseas market, we will take constructive and systematic countermeasures by directly visiting the local government official in order to exchange opinions about necessary measures. In China, the "TOSHIBA" and "Toshiba" (in Chinese characters) have been recognized as well-known trademarks. In recent years, various counterfeit products have been discovered and skillful counterfeiting cases are increasing. By utilizing the "well-known trademark" recognition, we will continue reinforcing preventive measures to achieve a fundamental solution to the problem of counterfeits products, which is expected to become larger and more complex in the future.

Conducting survey and education on copyright issues

In order to prevent unauthorized use of copyrighted software, we conduct periodic surveys on appropriate software management within group companies in Japan. With the prevalence of the internet, opportunities to browse through third party copyright works have been increasing, enabling anybody to easily copy them. Under such circumstances, there is an increasing need to prevent the unauthorized use of copyright works. In view of this, we provide periodic education on copyright to all executives and employees, including those of group companies in Japan.

Toshiba Group's Basic Policy for the Environment

Environmental Vision 2050

Toshiba Group has formulated the "Environmental Vision 2050" to pursue the realization of "People leading rich lifestyles in harmony with the Earth." To achieve the Vision, we have set Factor 10, (a factor indicating the degree of eco-efficiency) as a target to improve our overall eco-efficiency. We are working to achieve a reduction of environmental impacts from three perspectives: mitigation of climate change, efficient use of resources and management of chemicals. We have also established Voluntary Environmental Plans, specific action plans to reduce environmental impacts from our products and business processes.

Aiming to achieve Factor 10 by 2050

The following are the challenges to be met in order to achieve Factor 10:

- (1) In order to achieve the common global goal to reduce CO₂ emissions by half by 2050, the environmental impacts generated by Toshiba Group should also be halved.
- (2) As the world population will increase by a factor of 1.5 according to the values predicted by the United Nations, the environmental impacts generated by individuals should be decreased to 1/1.5.
- (3) The value to be produced should be increased by a factor of 3.4, because GDP per capita is expected to increase by 3.4 times the global average; based on a report provided by the International Energy Agency.

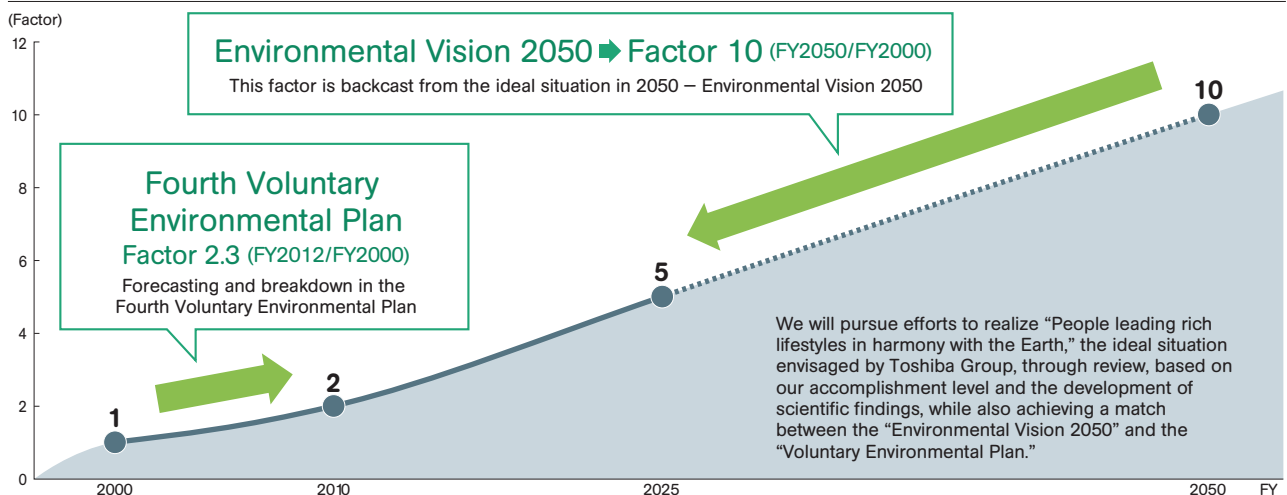
By solving these challenges, eco-efficiency will be increased tenfold (2 x 1.5 x 3.4), resulting in Factor 10.

Environmental Vision 2050

Toshiba Group practices environmental management that promotes harmony with the Earth, contributing to the creation of a richer lifestyle for society.



Aiming to Achieve the Factor 10



Efforts to preserve biodiversity

NEW

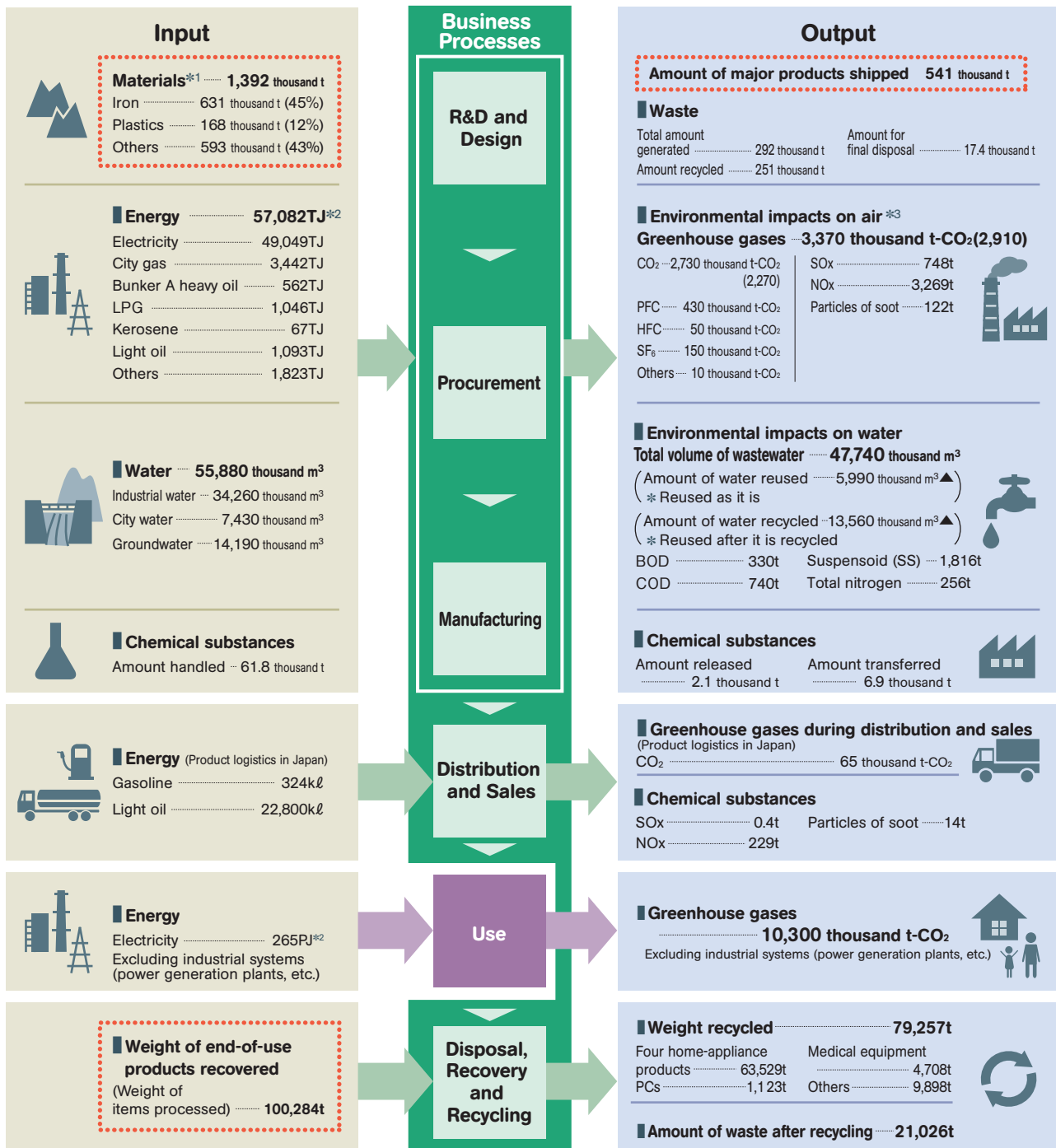
In recent years, there has been a growing interest among companies to preserve biodiversity. At Toshiba Group, our initiatives to preserve biodiversity include the 1.5 Million Tree-planting Project (see P34); creation of space to nurture biodiversity by utilizing the treated industrial wastewater; nature trails; etc.

Furthermore, in order to assess the environmental impacts resulting from use of resources and emissions as a result of business activities, we need to consider the impacts on human health, the available resources, biodiversity, the production of organic substances via photosynthesis, etc. In this way, we also consider the indirect impacts of our business activities on biodiversity.

Outline of Toshiba Group's Environmental Impacts

The following material flow chart shows the input data of the consumption of energy, water and chemical substances and the output data of the environmental impacts and waste released into the atmosphere and public water, as well as the

data concerning the input of materials and raw materials and the amount of major products shipped. (Scope of data: 538 companies based on actual results in FY2008)



The data related to environmental impacts as verified by Bureau Veritas* Japan Co., Ltd. (only review for overseas data) have been extracted from Environmental Report 2009. *<http://www.bureauveritas.com>

- *1 Material inputs according to resources, including composite materials, are calculated based on the Estimation Method for Material Inputs using Input-Output Table (EMIoT), a method developed by Toshiba. Detailed information on material inputs for each resource is available on the website.
- *2 TJ=10¹²J, PJ=10¹⁵J. Joule is a unit of work done or energy expended as heat or as electricity. 1J=approx. 0.239 calorie
- *3 For the power factor, 4.07t-CO₂/10-thousand kWh is used. The figures enclosed in parentheses are those calculated using the power factor, 2.97t-CO₂/10-thousand kWh, as average during the period from fiscal 2008 to fiscal 2012, which is set by the Federation of Electric Power Companies of Japan as a target for the voluntary action plan.

Materials shipped as products, recycled and discharged as waste are highlighted.

Targets and Results of Environmental Activities

Since the First Voluntary Environmental Plan formulated in fiscal 1993, Toshiba Group has expanded the scope step by step to cover more sites and business processes while setting increasingly ambitious targets and introducing more target items with each successive plan. We are currently pushing ahead with the Fourth Voluntary Environmental Plan, which will continue up to fiscal 2012.

Overall Eco-efficiency

As an index for the improvement of its environmental management, Toshiba Group uses a factor, an indicator for the degree of improvement of eco-efficiency. The overall eco-efficiency is calculated by combining product eco-efficiency and business process eco-efficiency.

The target values of the factor under the Fourth Voluntary Environmental Plan are set as factor 2 for fiscal 2010 and the factor 2.3 for fiscal 2012 respectively, as compared with the base year fiscal 2000, by forecasting them based on actual values, with the aim of achieving Factor 10 in 2050.

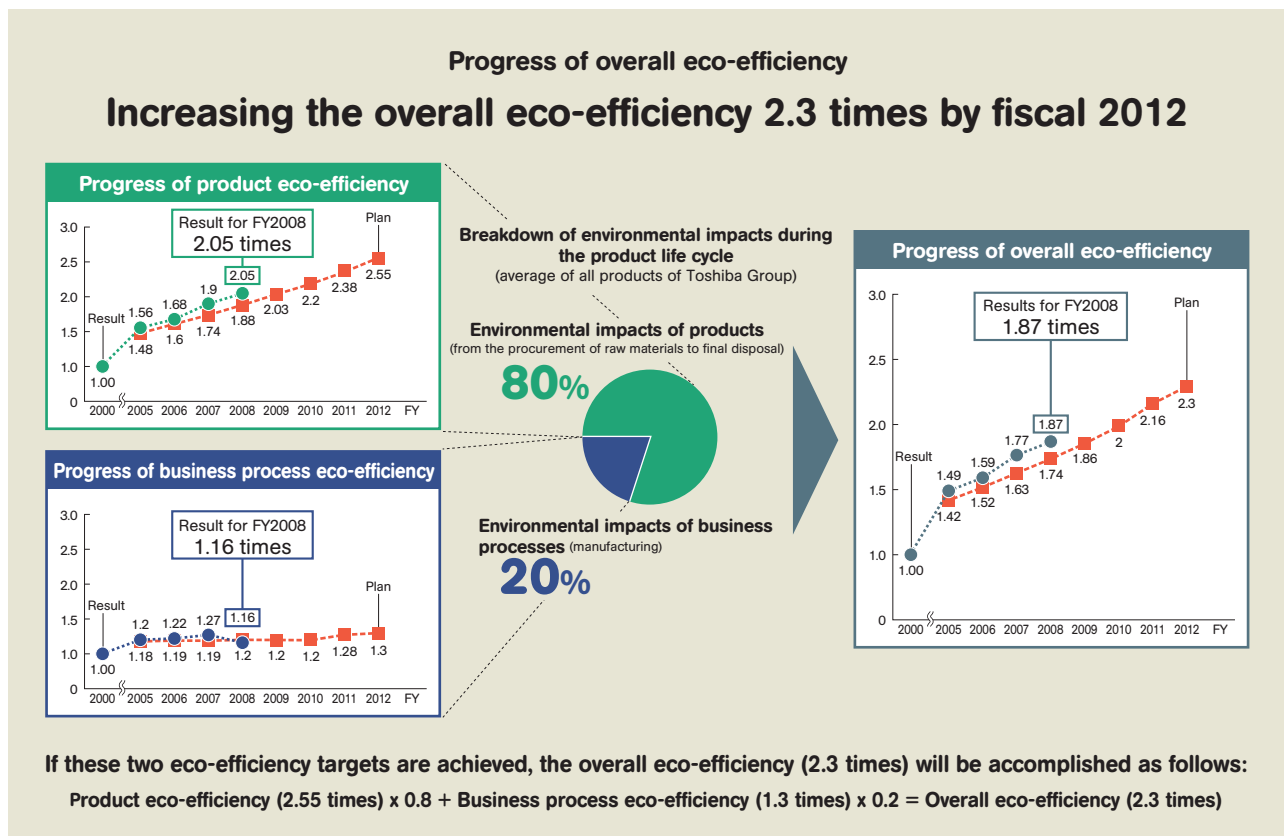
In FY2008, the product eco-efficiency increased by 2.05 times over the FY2000 level (target: 1.88 times), whereas business process eco-efficiency decreased by 1.16 times over the FY2000 level (target: 1.20 times). Accordingly, the overall eco-efficiency exceeded the target level by 1.87 times over the FY2000 level (target: 1.74 times). The reasons for the non-

achievement of the business process factor target include the worsened power-generation-derived emission intensity because of significant increase in thermal power generation, due in turn to the underutilization of nuclear power plants and decrease in hydroelectric power generation caused by drought conditions; and the significant decline in sales due to the economic slowdown.

Progress on the Fourth Voluntary Environmental Plan

The Fourth Voluntary Environmental Plan announced in March 2005 includes concrete targets for enhancement of product eco-efficiency and business process innovation to achieve Environmental Vision 2010, notably the doubling of overall eco-efficiency in fiscal 2010 compared with fiscal 2000.

In March 2008, we extended the time frame of the Fourth Voluntary Environmental Plan, along with the expansion in its scope, up to fiscal 2012 in line with the end of the first commitment period of the Kyoto Protocol. The targets have been revised up accordingly. In extending the Fourth Voluntary Environmental Plan, we have set targets based on the goals of our Environmental Vision 2050 announced in 2007. The overarching goal is a tenfold improvement in overall eco-efficiency by fiscal 2050 compared with fiscal 2000. Also, we included three new target items – the number of Excellent ECPs, CO₂ emissions reduction effect by our “eco products approach,” and relative reduction of water intake. As for items related to mitigation of climate change, we have revised the targets upward.



In fiscal 2008, however, the targets for some items could not be achieved, significantly owing to decline in production. In the meantime, we will redouble our efforts to achieve the targets by the last fiscal year of the Plan.

Case Study | Improvement in business processes

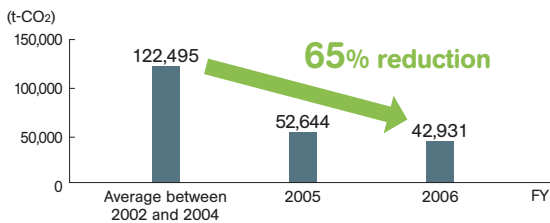
Toshiba Group is striving to reduce the environmental impacts generated in its business activities from three perspectives: the mitigation of climate change, management of chemical substances and efficient use of resources.

Case study for measures against climate change

Fuchu Complex, one of Toshiba's operation sites, achieved a reduction in greenhouse gas emissions by 65% due to the development of new testing equipment which does not use SF₆ (sulfur hexafluoride with a global warming coefficient as much as 23,900 times that of CO₂) to replace the conventional testing equipment for vacuum interrupters using SF₆. In recognition of this achievement, the Fuchu Complex was given a rating of AAA* by the Tokyo Metropolitan government as an excellent operation site.

* High rating included within the top 1% among 1,049 operation sites

Changes in greenhouse gas emissions from Fuchu Complex



Case Study | Excellent ECPs

Toshiba Group has established new standards for Excellent ECPs, with the aim of creating more environmentally conscious products, with improved factors and industry-leading eco-products with excellent environmental performance. The Group approved five products in fiscal 2008.



Approved as Excellent ECPs in FY2008



Notebook PC (dynabook NX)

Factor 6.40
(Value factor 3.08 x Environmental impact reduction factor 2.08)



Bulb-type LED lamp (Midget Reflection Lamp Type, and Beam Reflection Lamp Type)

Factor 14.2
(Value factor 1.49 x Environmental impact reduction factor 9.56)



LCD TV (REGZA C8000 series)

Factor 6.60
(Value factor 2.63 x Environmental impact reduction factor 2.51)



Washing machine with dryer (TW-4000VFL)

Factor 4.07
(Value factor 1.63 x Environmental impact reduction factor 2.50)



X-ray CT scanner (Aquilion ONE™)

Factor 7.09
(Value factor 4.24 x Environmental impact reduction factor 1.67)

Excellent ECP

[1] Factor ≥ 5 or 4*; [2] Environmental Impact Reduction Factor > 1; [3] Industry-leading major environmental performance

* Digital equipment and components: 5

Home appliances and social infrastructure systems: 4

Fourth Voluntary Environmental Plan: Fiscal 2008 Target Achievement Level

Enhancement of Product Eco-efficiency		FY2008	Evaluation ^{#4}	FY2010	FY2012
Provision of Environmentally Conscious Products (ECPs)	Indicator				
	Ratio of ECPs to net sales	43%	○	60%	80%
	Number of Excellent ECPs	5 products	○	15 products	25 products
	15 substance groups contained in products ^{#1} (complete abolition ratio)	89%	○	Complete abolition	Complete abolition
CO ₂ emissions reduction effect by the Eco Products Approach		3-million t	△	6.3-million t	7.3-million t
Business Process Innovation					
Mitigation of Climate Change	Reduction of energy-originated CO ₂ emissions (compared with FY1990) ^{#2}	37(48)%	△(○)	45%	47%
	[Rate to net production output] Manufacturing sites in Japan	38(53)%	△(○)	45%	47%
	Reduction of greenhouse gas emissions (other than CO ₂) [Total emissions]	55%	○	36%	38%
	Reduction of CO ₂ emissions associated with product logistics in Japan [Rate to net production output]	44%	○	40%	44%
Management of Chemicals	Reduction of total emissions of chemicals to air and water [Total emissions]	23%	△	50%	54%
Efficient Use of Resources	Reduction in the total amount of waste generated [Rate to net production output]	28%	○	20%	24%
	Sites achieving zero emissions of waste ^{#3}	51%	△	100%	100%
	Increase in the amount of recycling of end-of-use products (compared with FY2001)	173%	○	160%	180%
	Water intake [Rate to net production]	25%	○	9%	10%

Note: Unless otherwise specified, the targets are based on comparison with FY2000 and cover manufacturing and non-manufacturing sites worldwide. Net production output means: Nominal output (Japan + overseas)/Corporate goods price index (electrical equipment) announced by the Bank of Japan for each year (the index for 1990 is 1), and is used for the purpose of evaluating activities.

*1 15 substance groups subject to restriction: [1] bis (tributyl tin) oxide (TBTO), [2] tributyl tins (TBTs), triphenyl tins (TPTs), [3] polychlorinated biphenyls (PCBs), [4] polychlorinated naphthalenes (PCNs with 3 or more chlorines), [5] short-chain chlorinated paraffins, [6] asbestos, [7] azo colorants, [8] ozone-depleting substances, [9] radioactive substances, [10] cadmium and its compounds, [11] hexavalent chromium compounds, [12] lead and its compounds, [13] mercury and its compounds, [14] polybrominated biphenyls (PBBs), and [15] polybrominated diphenyl ethers (PBDEs). (Detailed definitions and specific applications to be excluded are specified separately.)

*2 For the power factor, 4.07t-CO₂/10-thousand kWh is used. The figures enclosed in parentheses are those calculated using the power factor, 2.97t-CO₂/10-thousand kWh, as an average during the period from fiscal 2008 to fiscal 2012, which is set by the Federation of Electric Power Companies of Japan as a target for the voluntary action plan.

*3 Toshiba Group's definition of zero emissions of waste is that the amount of waste for landfill after treatment is equivalent to less than 0.5% of the total amount of by-products and other items generated (total amount of waste discharged) as a result of business activities.

*4 Evaluation: ○ Targets achieved, △ Progress made but yet to be achieved.

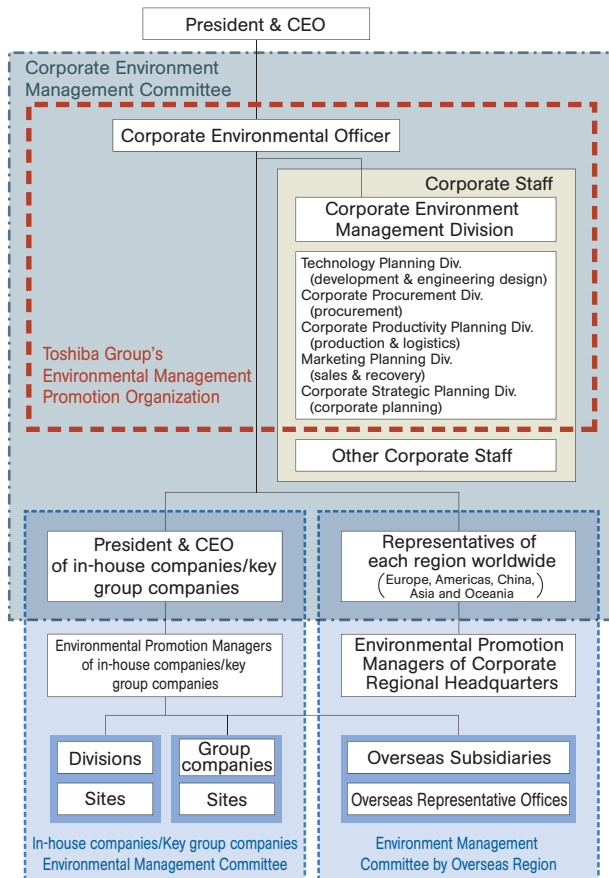
Environmental Management

Environmental management structure

At Toshiba Group, we promote environmental management for the entire Group worldwide. The Group-wide environmental management is carried out under the supervision of the Corporate Environmental Officer by providing instructions and guidance to the heads of in-house companies and presidents of key group companies.

The Corporate Environment Management Committee is Toshiba Group's supreme decision-making body on environmental management. It is chaired by the Corporate Environmental Officer and held twice a year, with the participation of executive officers, the environmental management managers of each in-house company and the environmental promotion managers of overseas corporate regional headquarters. The main planning and framing related to the detailed policies on environmental management are carried out at the Toshiba Group's Environmental Management Promotion Organization under the Corporate Environment Management Division, which reports directly to the Corporate Environmental Officer. Since the Corporate Management Planning Division also joined the committee in fiscal 2009, our environmental management has been positioned as an even more important aspect of corporate management.

Toshiba Group Environmental Management Structure



In addition, Environmental Management Committee meetings are held at in-house companies, key group companies, and corporate regional headquarters worldwide in an endeavor to promote our environmental management.

Environmental management audit system

In its efforts to support the environment, Toshiba Group has been conducting EASTER*1, Toshiba's comprehensive environmental audit system based on its own criteria since fiscal 1989. In addition to the environmental management audit system for all the companies and key group companies, a series of audits have been performed throughout Toshiba Group for both manufacturing and non-manufacturing sites, based on the principles of "three totalities" (all areas, all facilities and all employees) and "three actuals" (actual site, actual product and actual fact).

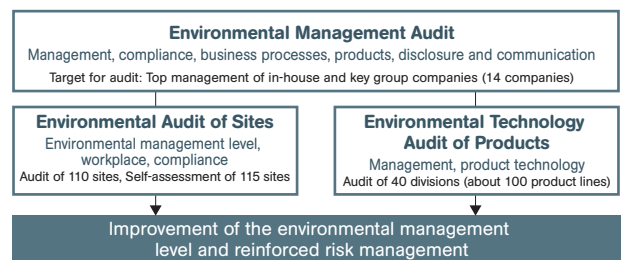
In fiscal 2006, Toshiba Group started implementation of New EASTER by integrating previous audit systems. Since then, a series of audits have been performed, also covering non-manufacturing sites and affiliates outside the scope of consolidation.

Those sites that have low environmental impacts and are not within the scope of on-site audits conduct self-assessment based on the same criteria as applied for audits.

In fiscal 2007, we started application of New EASTER to sites overseas using the same criteria as in Japan. Also, as a measure for human resources development, we launched a region-based local auditor qualification system for local employees at overseas sites. Through environmental audits, Toshiba Group is endeavoring to ensure compliance and strengthen risk management while promoting environmental activities.

*1 Environmental Audit System in TOSHIBA on basis of Eco-Responsibility

EASTER System



History of EASTER

- 1989** Started the first environmental audit
- ...
- 1993** Started implementation of EASTER
- ...
- 1995** Obtained the ISO 14001 certification for the first time
Independently implemented an environmental technology audit of products
- ...
- 1997** Completed ISO 14001 certification acquisition by manufacturing sites in Japan
- ...
- 2003** Expanded the scope of EASTER to cover overseas business sites
- ...
- 2004** Started environmental management audit
- ...
- 2006** Expanded the scope of EASTER to cover non-manufacturing sites

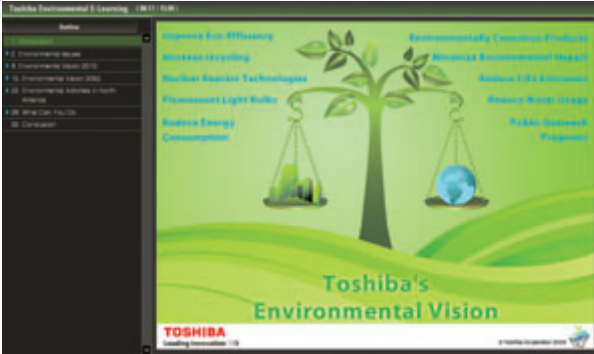


On-site audit

Environmental education



Toshiba Group provides a wide variety of environmental education for employees, which serves the needs of different job functions. In fiscal 2008, we extended environmental e-learning to overseas group companies as a part of the environmental education program aimed at all employees. This e-learning, while imparting education on Toshiba Group's environmental management, also offers different educational contents depending on the environmental requirements and measures of various regions.



Environmental e-learning (USA)

Environmental advertisement

Series advertising of "The Little Prince" (in Japan)

With the catch phrase "Energy and Ecology for the Earth," we placed environmental advertisements in TV commercials, newspapers, etc. to communicate our initiatives toward mitigation of climate change.

Also, we issued an eco booklet, "The Little Prince," and distributed its copies during various events, factory tours, etc. in order to help children to think about environmental conservation.



Advertisement of "The Little Prince"

Eco booklet for children

Exhibitions

We proactively display our products at various exhibitions worldwide, to allow as many people as possible to understand our environmental efforts.

March 2009	5th Eco-Products International Fair (Philippines)
February 2009	18th Toshiba Group Environmental Exhibition (Toshiba headquarters, Japan)
January 2009	CES 2009 (USA) (the largest global consumer electronics show)
December 2008	Eco Products 2008 (Japan)
October 2008	CEATEC JAPAN 2008 (Japan) (IT & Electronics Comprehensive Exhibition, one of the largest of its kind in Asia)
August 2008	IFA 2008 in Berlin (Germany) (one of the world's largest consumer electronics trade shows)



5th Eco-Products International Fair (Philippines)

Display of environmental technologies at the G-8 Hokkaido Toyako Summit



During the 34th summit of the major industrialized nations (G-8 Hokkaido Toyako Summit, Japan) held in July 2008, important issues, mainly concerning climate change were discussed.

Toshiba Group participated in various events during the summit and introduced its environmentally conscious product to the leaders of the participating countries, and mass media from around the world.

● G-8 Toyako Summit (Hokkaido, Japan) July 7-July 9, 2008

Displayed our LED lighting equipment, home-use fuel cells, air conditioners, notebook PCs, etc. at three exhibition sites – "Environmental showcase," "Zero-emission house" and "Green IT pavilion"



Zero-emission house

● Integrated Exhibition of the Environment 2008 (Hokkaido) June 19-June 21, 2008

Exhibited our CO₂ absorption agent, CDM project and LED lighting

● Eco & Energy Exhibition in commemoration of G-8 ministerial conference on energy problems (Aomori Pref., Japan) June 7-June 8, 2008

Exhibited our nuclear power generation system, etc. which can help mitigate climate change

● Environmental Fair in Kobe (Hyogo Pref., Japan) May 23-May 26, 2008

Displayed our LED lighting, LCD TV, notebook PC, nuclear power generation system, etc.

For details of our environmental activities, see the Toshiba Group Environmental Report 2009 (scheduled to be published in October 2009).



A Third-Party Review of the CSR Report

Two-way Communication Using the CSR Report

A CSR report is a communication tool that generally tends to provide one-way communication due to the nature of the medium. However, this is not the case for the CSR Report 2009; I have expressed my opinions at the beginning of the editing phase of the report and received responses to them in this report. This is a unique attempt to achieve a two-way communication in a single report. Also worth noting is the fact that Toshiba Group has issued an official response to my comments concerning the economic crisis and CSR as its policy in the “CEO Commitment,” which is vital as the starting point of social responsibility.

Materiality Reports and KPIs

The CSR Report 2009 features the classification of reports into “Materiality reporting” and “Management reporting.” Calling a report a “materiality report” does not simply mean a change in name, but also that Toshiba Group prioritizes the activities which deserve more attention. I recommend that Toshiba Group examine the relationship between “Materiality” and “Management” to further reinforce the foundation of the CSR management. KPIs in CSR reports are evolving year by year. I expect that both Materiality and KPIs will evolve in such a manner that they are reported in an integrated and consistent manner.

Contribution to Society and the Environment through Business

In the recent concept of CSR, there is a global tendency to anticipate contributions to society and the environment through business. In the special feature section of this report, the contribution made by each business domain in the environmental front has been featured in detail, in line with the global expectations. How a company contributes to society and the environment through its business operations represents the key responsibility. I expect Toshiba Group to include such business activities in developing its CSR goals and pursue them systematically. Likewise, I expect to see further development of connection between the business activities and the CSR activities that Toshiba Group is actively expanding in each region around the world. Finally, the number of social and environmental problems that one company can address is quite limited. I strongly recommend that Toshiba Group play a key role in proposing a new CSR vision to the society that can generate greater momentum.

國部克彦

Prof. Katsuhiko Kokubu

Professor of Social and Environmental Accounting
Graduate School of Business Administration
Kobe University

Toshiba's Response to Third-Party Review

Toshiba Group verifies the appropriateness of items to be addressed in the CSR management through various communications with its stakeholders.

Prior to editing this report, we received comments from two intellectuals (from Japan as well as overseas) concerning the urgent challenges to be addressed from a global perspective. Advice from experts is important for us to improve our CSR management and we hope to continue this effort.

With regard to “materiality,” we will not only verify changes in the society and stakeholders’ concerns

every year using our own indicators but also set up KPIs based on such verification to implement the PDCA cycle in CSR management (See page 19).

As a “corporate citizen of planet Earth,” as exemplified in the special feature of this report, Toshiba Group will address social issues, including global environmental issues, through our business activities. In addition, we will continue to strive to implement CSR-based management, aiming to be a company trusted by people worldwide.

Evaluation of CSR by External Parties

Fiscal 2008

Item	Evaluation	Evaluated Entity
General CSR Activities-Related (including Socially Responsible Investing)		
Corporate Sustainability Assessment by SAM, a Swiss SRI organization	"Gold Class"	Toshiba Group
Member of Dow Jones Sustainability Index (DJSI)	Selected for 9 consecutive years since 2000	Toshiba Group
Corporate Social Performance Survey by Public Resource Center (Japan)	A (Highest rank)	Toshiba Group
Included in Morningstar SRI Stock Index	150 companies selected in total	Toshiba Group
Corporate Responsibility Rating by Oekom, a German rating agency (among 12 IT companies)	Ranked "Prime"	Toshiba Group
Intangible Value Assessment by Innovest (US)	AA	Toshiba Group
Corporate Integrity & Transparency Survey by Integrex (Japan)	1st Place	Toshiba Group
Included in JCGI Index by Japan Corporate Governance Research Institute, Inc.	1st Place	Toshiba Group
Toyo Kezai's Environmental and Sustainability Report Awards (Toshiba Group CSR Report 2008)	Third Prize	Toshiba Group
CSR Website by Gomez Consulting Co. Ltd. (surveyed: 856 Japanese manufacturing companies)	Gomez Best of CSR Site	Toshiba Group
IR-Related		
IR Website by Gomez Consulting Co. Ltd. (surveyed: 3,834 Japanese companies)	3rd Place	Toshiba Group
Daiwa Investor Relations Co. Ltd. (surveyed: 1,935 Japanese companies)	Internet IR Best Company Award (7th award for 4 consecutive years)	Toshiba Group
Ranking Survey of Excellent Websites by Nikko Investor Relations Co. Ltd. (surveyed: listed 3,920 Japanese companies)	1st Place	Toshiba Group
Customer-Related		
The 13th Customer Satisfaction Survey by Nikkei Computer-Client PC Section	1st Place (for 3 consecutive years)	Toshiba Corp.
Employee-Related		
The 1st "Japan Supporting Children and Families Recognition"	Prime Minister's Award	Toshiba Group
Environment-Related		
The 12th Environmental Management Level Survey by Nikkei Inc.	2nd Place (manufacturing section)	Toshiba Group
The 12th Environmental Communication Awards (Toshiba Group Environmental Report 2008)	Environment Minister's Award for Climate Change Mitigation Measures Award of Excellence for Environmental Reporting	Toshiba Group
Environment Efficiency Award 2008 - Japan Environment Efficiency Forum Chairman's Award (Product-related Activity Section)	High-efficiency lighting devices to replace incandescent lamps	Toshiba Lighting & Technology Corp.
The 19th Energy Conservation Grand Prize, the "Economy, Trade and Industry Minister's Prize"	"Super Power Eco Cube Series" (ROA-AP1125HS/AUI-AP1125H), air conditioner series for offices and stores, and all 15 other types Toshiba Carrier Corp.	Toshiba Carrier Corp.
The 19th Energy Conservation Grand Prize, the "Chairman Prize of Energy Conservation Center of Japan"	Toshiba room air conditioners, "Daiseikai" (RAS-402PDR) and all four other types	Toshiba Carrier Corp.
The 19th Energy Conservation Grand Prize, the "Chairman Prize of Energy Conservation Center of Japan"	Bulb-shaped LED lamps (E-CORE (LED lamp) LEL-BR9N-F), and four other types	Toshiba Lighting & Technology Corp.
Recognition of excellent implementation cases of energy saving in 2008 – the Economy, Trade and Industry Bureau Manager's Award	Significant reduction of freezing energy for air-conditioning clean rooms	Oita Operations, Toshiba Corp.
Recognition of excellent implementation cases of energy saving in 2008 – the Economy, Trade and Industry Bureau Manager's Award	Reduction of pure water heating load by efficient use of a heat exchanger	Iwate Toshiba Electronics Co., Ltd.
The Mayor of Osaka Prize at the Electrical Construction Equipment and Materials Fair	High-efficiency dimming LED downlight (E-CORE60)	Toshiba Lighting & Technology Corp.
The 3R Promotion Council Chairman's Award	Business site-wide commitment to 3R promotion activities	Ome Complex, Toshiba Corp.
Tokyo Metropolitan Planning System for Measures against Global Warming	Ranked "AAA" (excellent business site)	Fuchu Complex, Toshiba Corp.
E3 Award (Excellence in Ecology and Economy Award)	Overall environment protection activities	Toshiba Information Equipment (Philippines), Inc. (Philippines)
Outstanding Energy Efficiency Award	Energy-saving activities	Toshiba Information Equipment (Philippines), Inc. (Philippines)
Green Rating Award	Wastewater management	Toshiba Information Equipment (Philippines), Inc. (Philippines)
Corporate & School Partnership (CASP) Program	Communication with elementary school on the environment	AFPD Pte Ltd. (Singapore)
Ministry of the Environment & Water Resources, Singapore	Management of water supply	AFPD Pte Ltd. (Singapore)
2008 Hangzhou Economic Development Zone Energy Saving Award	Energy-saving activities	Toshiba Information Equipment (Hangzhou) Co., Ltd. (China)
Ontario Waste Minimization Award: Business Silver	Efficient use of resources	Toshiba of Canada, Ltd. (Canada)
Montreal Protocol Exemplary Project Recognition	Protecting the ozone layer	Toshiba Semiconductor (Thailand) Co., Ltd. (Thailand)
The Honor Certificate of Energy Award for Good Governance Project Year 2008	Energy-saving activities	Toshiba Hokuto Electronic Devices (Thailand) Co., Ltd. (Thailand)
TCEQ 2008 Public Drinking Water Recognition Program for Exception Compliance with the Total Coliform Rule Requirements	Contribution to maintaining citizens' health through a factory drainage treatment system	Toshiba International Corp. (USA)

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■ **Inquiry page on Toshiba website (general inquiries)**
URL <http://www.toshiba.co.jp/csr/en/contact/>

The CSR Report is available on the Toshiba website
URL <http://www.toshiba.co.jp/csr/en>

Production and printing of the Toshiba Group CSR Report 2009 reflect the following considerations:

Paper



Use of FSC-certified Paper

Paper certified by Forest Stewardship Council (FSC) is used, which is made from wood from FSC-certified forests.



Use of Forest Thinning Support Paper

Printed on paper made with wood from forest thinning. "Morino Chonai-Kai" (Forest Neighborhood Association) - Supporting sound forest management.



A-(2)-060002

Use of paper made from domestic wood

In the Kyoto Protocol, Japan set a target of reducing greenhouse gas emissions by 6%, 3.9 %, of which namely about two-thirds will be achieved by CO₂ absorption by forests. Active consumption of domestic wood leads to the growth of healthy forests, which will absorb considerable CO₂. While expressing our gratitude towards forests, we print this brochure using paper made from domestic wood to contribute to the further absorption of CO₂ by domestic forests.

Printing



Waterless Printing

Waterless printing, a printing process that eliminates the use of water, is adopted, taking advantage of the characteristics of printing plates made of ink-shedding material.



Non-VOC Ink

100% vegetable ink containing no volatile organic compounds (VOCs) is used.

Color Universal Design



Color Universal Design-certified

We sought to design the CSR Report using colors and patterns that are easy to distinguish regardless of the difference in color vision among people. Following a monitoring check, the CSR Report gained a color universal design certification from the Color Universal Design Organization (CUDO), an NPO in Japan.