

Corporate Governance as the Foundation of Business Activities

TOSHIBA TEC Corporation makes efforts to ensure management transparency, reinforce management monitoring and internal control functions.

Aiming to Improve Corporate Values

TOSHIBA TEC Corporation is committed to taking measures to improve management efficiency and transparency, as well as to reinforce the functions for the Board of Directors and (Board of) Corporate Auditors, while recognizing corporate governance as an essential management policy, which meets the expectations of stakeholders and continuously improves corporate values.

In terms of the corporate body, when introducing the executive officer system under the corporate auditor system, with the intention of separating "functions related to supervision and decision making" from other functions, as well as rightsizing the number of directors, TOSHIBA TEC Corporation focuses on improvements in promptness and mobility in decision making. In addition, two outside directors and two outside corporate auditors are assigned to ensure management transparency, and a one-year director's term is determined to specify management responsibilities and promptly respond to changes in the management environment.

The TOSHIBA TEC Group strives to enhance the internal control systems in terms of operating effectiveness and efficiency, reliability of financial reporting, compliance with laws and regulations related to its business activities, and safeguarding of assets.

Regarding risk compliance, the "Group Standards Of Conduct" are established as the group common standards, for each employee to thoroughly comply with such standards of conduct as well as to act

based on all applicable laws and regulations, social customs and ethics. A "Risk Compliance Committee" is formed. The Group works together to thoroughly ensure compliance under the control of this Committee.

For management monitoring, directors supervise task enforcement, corporate auditors audit tasks, and accounting auditors perform accounting audits, while the "Corporate Audit Group" under the direct control of the president and CEO is established to perform internal audits.

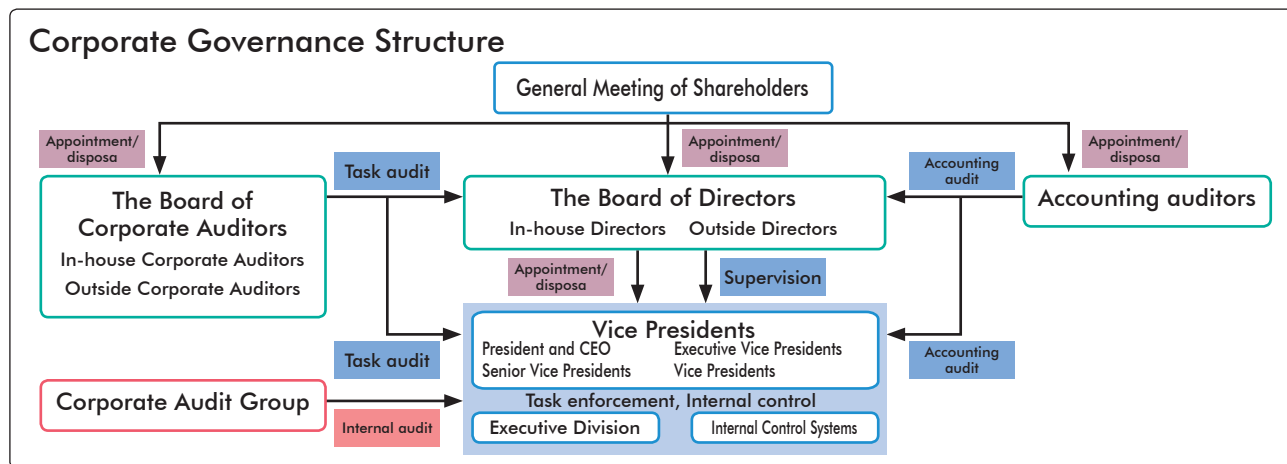
In fiscal 2008, a variety of measures were taken, with emphasis on establishing and operating the internal control systems to ensure the reliability of financial information, enhancing the compliance system regarding laws and regulations such as the antimonopoly law, reinforcing information security and personal data protection, and thoroughly ensuring compliance awareness.

Internal audit

As the internal audit division, the Corporate Audit Group performs audits, evaluations and provides proposals on the effectiveness of the Risk Compliance Structure and internal control systems. Each responsible division performs audits on environmental control, information security and security export control, in cooperation with the Corporate Audit Group.

Major Divisions Responsible for Internal Audit and Operations

Responsible division	Details
Corporate Audit Group	Management audit, task audit, compliance audit, etc.
Corporate Quality & Environmental Group	Environmental management and control results
Corporate IT & Information Systems Group	Management structure for information security and information system
Corporate Export Control Group	Security export control



CSR Promotion Structure

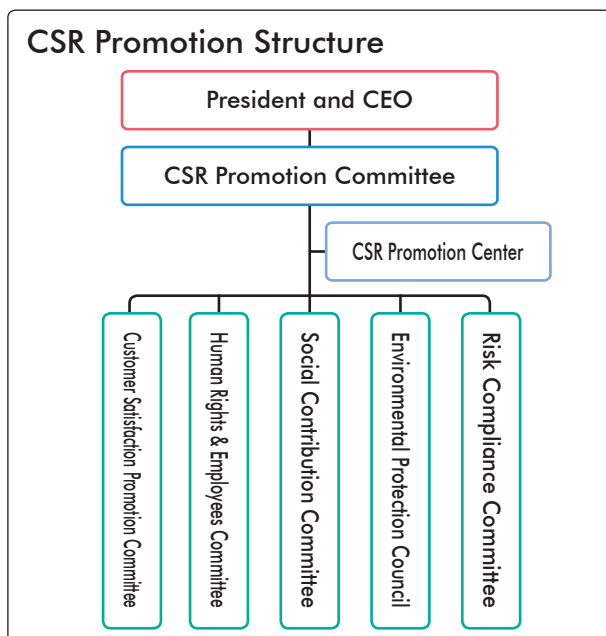
Business operations are conducted with CSR situated as the core for management.

CSR Management

TOSHIBA TEC Corporation organizes CSR-related activities including "Customer Satisfaction," "Human Rights & Employees," "Philanthropy" and "Environmental Protection" as well as maintains the promotion structure, to thoroughly position CSR within corporate management, while centering the CSR Promotion Center on the premise of "Compliance" to abide by corporate ethics, laws and regulations.

In particular, appointing the president and CEO as a chairperson, the CSR Promotion Committee is formed. The Committee devises and provides direction for important issues regarding basic policies and plans for CSR promotion activities. Various action committees such as Customer Satisfaction, Human Rights & Employees, Philanthropy, Environmental Protection and Risk Compliance are allocated under the umbrella of the CSR Promotion Committee. Each committee devises and implements activity policies and plans.

We consider prerequisites for corporate sustainable development are to make continuous efforts to conduct faithful and transparent management, take the global environment into account, and contribute to local communities, in compliance with corporate ethics, laws and regulations.




TOSHIBA TEC Group Standards Of Conduct

In the TOSHIBA TEC Group's Corporate Philosophy, the basic policy requires the TOSHIBA TEC Group to conduct business activities on a global basis, in compliance with all applicable laws and regulations, and the highest standards of ethical business conduct, in order to fulfill all its corporate social responsibilities for customer satisfaction, respect for human rights, philanthropy and protection of the global environment. In order to achieve this basic policy, the TOSHIBA TEC Group also defines these "TOSHIBA TEC Group Standards Of Conduct (SOC)," which clarify a sense of values and a guide to general standards of conduct, which all its Group company directors and employees should share.

SOC is defined as the action policy for the TOSHIBA TEC Group to contribute to society, gain public trust and respect. It is being exercised on a daily basis throughout the TOSHIBA TEC Group.

The "TOSHIBA TEC Group Standards Of Conduct" translated into 13 languages (English, German, French, Chinese, Dutch, Spanish, Portuguese, Swedish, Italian, Polish, Korean, Malay and Indonesian) and adopted by the TOSHIBA TEC Group companies are being exercised as SOC in each company outside Japan.

 For the full text of the TOSHIBA TEC Group SOC, visit the following website:
 URL: <http://www.toshibatec.co.jp/company/action.html>

TOSHIBA TEC Group Standards Of Conduct

Chapter 1 SOC for Business Activities

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

Chapter 2 SOC for Corporate and Individual Relationships

15. Human Resources
16. Corporate Information and Company Assets

Chapter 3 SOC for Community Relations

17. Community Relations
18. Political Contributions

Thoroughly ensuring high ethics and law-abiding spirit prevents misconducts. In the event of misconduct, the TOSHIBA TEC Group takes proper and prompt action.

Risk Compliance Management

The TOSHIBA TEC Group appoints each president and CEO as a CRO¹ in order to propagate and thoroughly implement the "TOSHIBA TEC Group Standards Of Conduct" while promoting the measures of Risk Compliance Management. Top management exercises the initiative to devise and promote various measures, as well as take actions involving emergency situations.

Appointing the CRO as a chairperson, TOSHIBA TEC Corporation organizes the Risk Compliance Committee², to maintain a Group-wide structure, devise and promote measures toward the advancement of Risk Compliance as well as TOSHIBA TEC measures.

A system, which encourages every employee to actively and directly report and provide risk compliance-related issues to the "CRO" or "outside attorneys," is introduced and implemented. A whistleblower system "TOSHIBA TEC Partner Hotline" for suppliers is also set up to encourage suppliers to report such matters on the TOSHIBA TEC website.

*1: CRO: Chief Risk-Compliance Management Officer

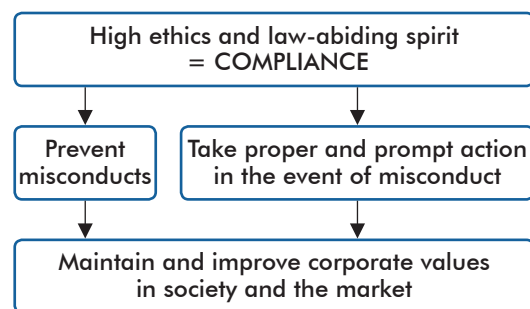
*2: Risk Compliance Committee: It devises corporate-wide measures and controls measures regarding Risk Compliance, reinforces and promotes maintenance of the Risk Compliance Structure.

WEB TOSHIBA TEC Partner Hotline
URL <http://www.toshibatec.co.jp/contacts/partnerline/indexj.html>

Compliance Education

To thoroughly ensure a law-abiding spirit and awareness toward compliance, the TOSHIBA TEC Group periodically provides various educational seminars to employees. Employees who work outside Japan also receive education to manage global business expansion. For the Group companies outside Japan, compliance education reflecting regional characteristics is provided.

In addition, seminars regarding "information security," "protection of personal data," "export control program" and "environmental education" are provided to each employee.

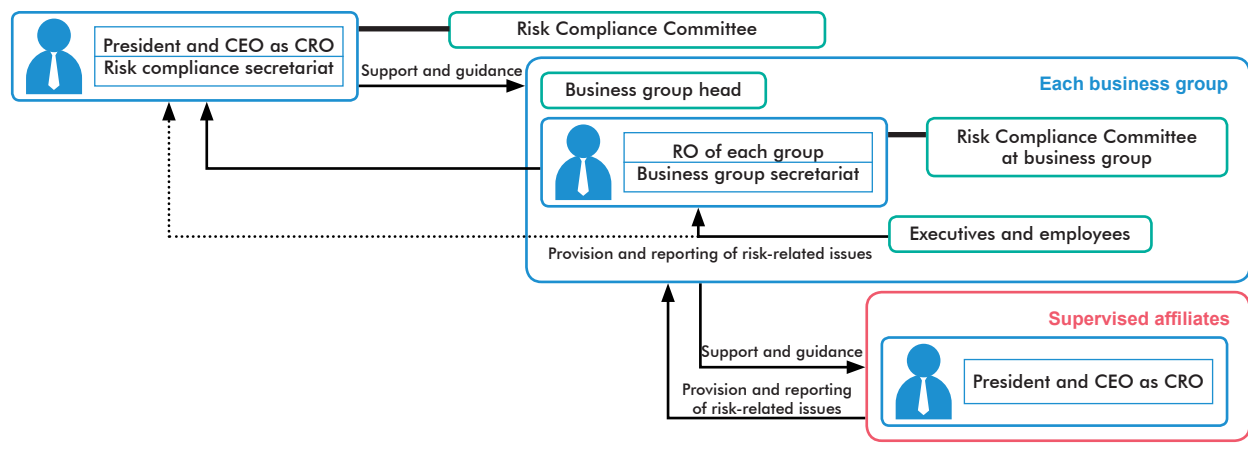


Examples of Compliance Education

- Education on TOSHIBA TEC Group Standards Of Conduct
- Education on marketing risk and compliance
- Education for employees assigned abroad and on extended business trips
- Ethics education for engineers
- PL seminars provided by U.S. attorneys
- Chinese legal work seminars



Risk Compliance Management System



Information Security

1) Information Security

TOSHIBA TEC Corporation reviews its internal rules concerning information security and continues improvements in self-audits among each division, in response to changes in the social environment.

e-Learning is used to learn rules to prevent accidents and ensure information security while handling information. Education is provided to directors, employees, employees dispatched from cooperation companies. In 2008, TOSHIBA TEC Corporation made efforts to reinforce security, such as establishing the standard of treatment regarding "Information Requiring Tight Control."

Similar measures are taken at each TOSHIBA TEC Group company, thus, the Group makes a concerted effort to maintain and improve information security.

2) Information Security Measures

A firewall has been set up between the Internet and the corporate intranet, to prevent unauthorized access from the Internet into the corporate intranet, as well as to protect information leaks.

All possible measures are taken to ensure client computers receive updates of viruses by incorporating anti-virus software, to prevent virus infections.

The server is housed in a safe data center, to manage important information and information systems, and take anti-risk measures including disasters. Furthermore, by limiting available information, controlling usage of records and encrypting confidential information including personal data, security is enhanced.

Security Export Control

Policy regarding Export Control

Recently, the nonproliferation of weapons of mass destruction and conventional weapons in countries, regions or to terrorists, which threaten security, is a critical issue in an international society.

The TOSHIBA TEC Group maintains a basic policy, it will not engage in any transaction, which could potentially undermine international peace and security. Under this basic policy, the TOSHIBA TEC Group complies with all applicable export control laws and regulations in countries and regions where it operates (the Foreign Exchange and Foreign Trade Control Law in Japan). The Group also complies with U.S. export control laws and regulations with respect to transactions involving U.S. origin cargos and technologies.

Based on this basic policy the TOSHIBA TEC Group has established the "Export Control Program" and built an export control system, while carrying out strict export control.

Export Control System

In TOSHIBA TEC Corporation's export control system, the representative director is assigned to a chief export control officer, and the Corporate Export Control Group, which controls general operations of the TOSHIBA TEC Export Control Program is allocated under the chief export control officer. General managers of business groups and corporate staff divisions conduct export control as export control management officers.

Under this system, the following items are implemented to realize strict export control.

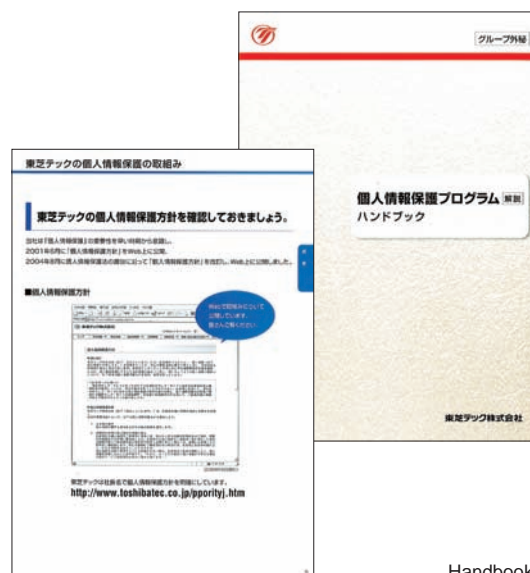
- Cargo/technology relevance judgment
- Transaction screenings
- Export control audits
- Export control education
- Guidance and support for supervised group companies

Protection of Personal Data

The TOSHIBA TEC Group provides a variety of in-house specifications, which define the management system and proper handling of personal data to comply with all applicable laws and regulations, as well as to take all possible measures to prevent personal data leaks. The Group also strives to thoroughly protect personal data, while providing education to employees and improving measures to physically control portable electronic devices.

In particular, "Privacy Policy" is posted on the website, along with the "Personal Data Protection Program" which defines the handling of personal data and in-house management structure.

In addition, handbooks are distributed to all employees giving clear explanations of this program, while education is provided to allow employees to enhance their sensitivity for protecting personal data. Thus, every employee is required to thoroughly protect personal data within the realm of expanding business activities.



Handbook