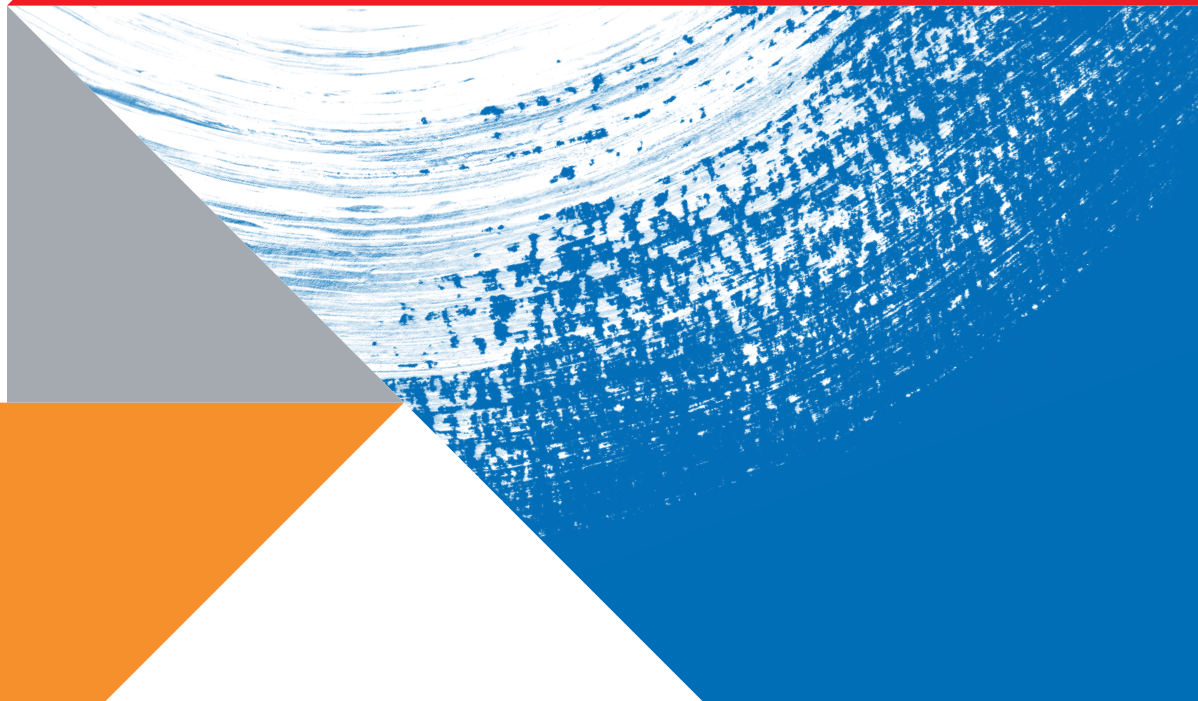
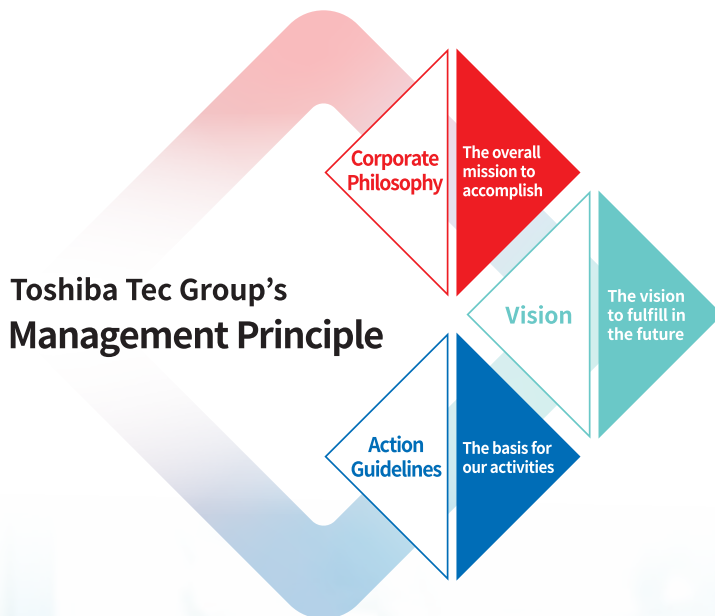


**TOSHIBA**

**Toshiba Tec Group  
Integrated Report 2023**



# Toshiba Tec Group's Management Principle



## Corporate Philosophy

### Create with You

-Keeping our customers in mind  
all the time and everywhere-

## Vision

### Impress the world

Delight our everyday life

Discover your inspiration

## Action Guidelines

1. With our customers and partners, we will provide new values in a timely manner.
2. With other group employees, we will develop a professional team which seeks new challenges.
3. With communities, we will help to realize a society where people can enjoy active lives.
4. With everyone, we will strive for a future that looks after the environment.
5. With our shareholders' expectations in mind, we will carry out sound and transparent management.



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### Editorial Policy in Issuing the Integrated Report

Gathering the information on Toshiba Tec Group's corporate activities, we have created this report collectively and multilaterally with a focus on financial and non-financial information, which is of importance for our stakeholders.

We are committed to disclosing information and communicating with all stakeholders including shareholders and investors, to help them gain a better understanding of our efforts to achieve the sustainable growth of our group. Financial and ESG information that cannot be included in this report is available on our website.

#### Reporting Organization

In principle, Toshiba Tec Corporation and its consolidated subsidiaries

#### Reporting Period

This report not only focuses on the activities in fiscal 2022 (from April 2022 to March 2023) but also includes some activities continuing from the past as well as more recent ones.

#### Reference Guidelines

- Global Reporting Initiative (GRI)
- Ministry of the Environment "Environmental Report Guidelines" (FY2018 Edition)
- Ministry of the Environment "Environmental Accounting Guidelines" (FY2005 Edition)
- ISO 26000 (Guidance on Social Responsibility)

### Website



#### INVESTOR RELATIONS

<https://www.toshibatec.com/company/ir/>



#### INTEGRATED REPORT

[https://www.toshibatec.com/company/ir/material/integrated\\_report.html](https://www.toshibatec.com/company/ir/material/integrated_report.html)

# VALUE CREATION MODEL OF TOSHIBA TEC GROUP

INPUT			
Management Capital			
<b>Intellectual Capital</b> R&D cost <b>24.5 billion yen</b>	<b>Manufacturing Capital</b> Capital investment <b>8.3 billion yen</b> <small>* Includes property, plant, and equipment only</small>	<b>Human Capital</b> Employees <b>18,906</b>	<b>Capital Ties</b> Consolidated subsidiaries Japan <b>8</b> companies Overseas <b>59</b> companies

- Resolution of social issues**
- ✓ Reduction of waste loss
  - ✓ Reduction of CO<sub>2</sub>
  - ✓ Reduction of paper consumption
  - ✓ Response to labor shortage
  - ✓ Optimization of store · office
  - ✓ Reduction of sales opportunity loss

**Strategy of Toshiba Tec Group**

<b>Retail Solutions</b> ▶ P17	<b>Workplace Solutions</b> ▶ P19
<b>Auto-ID Solutions</b> ▶ P21	<b>Inkjet Solutions</b> ▶ P22

Expand data business by leveraging high market share, proprietary technology, and unique products

**Corporate Philosophy of Toshiba Tec Group**

**Create with You**  
 -Keeping our customers in mind all the time and everywhere-



# OUTPUT

FY2022 Results

Net sales

**510.8** billion yen

Operating profit

**16.1** billion yen

Ordinary profit

**13.1** billion yen

Loss attributable to owners of parent

**13.7** billion yen

Solve not only customer issues but also social issues lying at the bottom of customer issues

- Create new value through co-creation
- Create new value through data utilization
- Protect privacy and personal information



Toshiba Tec's initiatives for SDGs



# HISTORY

Since its establishment, Toshiba Tec has accurately recognized the needs changing with the times and created new value ahead of the times. We keep moving forward together with stakeholders in a flexible and meaningful way based on our accumulated achievements and know-how.

From  
1950

## Building a foundation based on a principle of “autonomy and independence” Full-scale overseas expansion in the late 1960s

Having become independent from Toshiba, we started to open up new fields one after another under the principle of “autonomy and independence.” We established three pillars of our business, which are office equipment, lighting fixtures, and home appliances. Accordingly, we built our foundation that leads to the following significant development. In the late 1960s, in search of global markets, we expanded into markets in North America, Europe, and Southeast Asia.



**1955**  
FO-1013  
desk light type 7



**1963**  
VC-37HD  
magic vacuum cleaner



**1957**  
Mechanical cash register  
in the early days



**1964**  
Tostec BC-401 compact electric  
adding machine

From  
1970

## Dawn of the age of POS system Becoming the world leader in the field of printer business

We were among the first to develop electronic cash registers in the office equipment industry and took the lead over competitors while the industry was shifting to digitization. In the 1980s, we advanced into new fields such as printers and POS systems and became one of the world's top groups in the printer OEM business in only three years. We successfully developed the world's first wireless POS system in the POS business.



**1971**  
Maconick BRC-30B  
electronic cash register



**1973**  
Microcomputer chip-  
incorporated BRC-32CF-GS  
electronic accounting machine



**1979**  
M-800  
POS system with barcode scanner



**1986**  
Vocofax PN-3000

1950

- 1950** Established Tokyo Electric Appliances Co., Ltd.
- 1952** Renamed as Tokyo Electric Co., Ltd.

1960

- 1962** Opened Mishima Plant.
- 1969** Established Tec America, Inc., the first overseas subsidiary.

1970

- 1972** Established TEC Electronics Business Machine Co., Ltd. (1977 Renamed as TEC Electronics Corporation.)

1980

- 1985** Acquired a Singaporean company, SEMICON INDUSTRIES PRIVATE LTD. and started overseas production. (Current Toshiba Tec Singapore Pte Ltd.)

### Lighting Business

Released desk light type 7

Our lighting fixtures used and appreciated in Olympic facilities

Took over the production of facility lighting fixtures from Toshiba Electric Appliances

Released Super Ballast electronic ballast

### Home Appliances Business

Released Blue Star shaver and cleaner

Launched magic vacuum cleaner

Developed a toaster oven

Started sales of small motors

Broke into the space business with small precision motors for satellites

### Retail Solutions Business

Entered the cash register business

Released Tostec compact electric adding machine

Launched Maconick electronic cash register

**First in the world**  
Released microcomputer chip-incorporated BRC-32CF-GS electronic accounting machine

Launched a POS system with barcode scanner

**First in the industry**  
Released a vertical type stationary scanner

**First in the world**  
Developed a wireless POS system

### Workplace Solutions Business

Developed a postal savings office accounting machine for the Ministry of Posts and Telecommunications

Entered the printer OEM business on a full-scale basis

Held the world's top market share in the dot printer business

From 1990

## Establishing a stable foundation through changes in business structure

We pushed forward changes in business structure to generate stable profits in the Heisei depression (from 1991 to 2002). By working on establishing an organizational and operating structure that can flexibly respond to the market environment of the new times, we successfully brought operating results back into the black. In the 2000s, we exerted ourselves to establish a strong business structure while undergoing structural transformation into a profitable group under the slogan of change and creation.



**1993**  
B-470 Series  
barcode printer



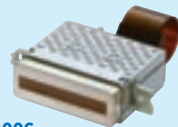
**1999**  
FANTASIA22 digital  
full-color MFP



**2006**  
WILLPOS-Self SS-1000  
self-checkout system



**2006**  
OrderExpress wireless  
ordering system



**2006**  
CF1 inkjet print head

From 2010

## Aiming to become a solution partner who solves the issues of customer sites starting with retail stores and offices

While accelerating overseas business expansion, we built a global system that covers approx. 100 countries and regions. With our long-cultivated core technologies, we aim to become a solution partner that solves issues faced by customers worldwide by utilizing products and services that are one step ahead of the times.



**2013**  
IS-910T vertical type object  
recognition scanner



**2016**  
Semi-Self semi-self-checkout system



**2014**  
Smart Receipt electronic  
receipt service

**2017**  
Hybrid MFP Loops  
LP50 Series  
paper reusing system



**2019**  
Pipit (Beep) Cart  
shopping cart  
self-checkout system



**2021**  
UF-3000  
RFID handheld reader

1990

- 1990** Started activities of Toshiba Tec Philanthropy Fund.
- 1994** Merged with TEC Electronics Corporation and renamed as TEC Corporation.
- 1999** Took over copier business from Toshiba Corporation and were renamed as Toshiba Tec Corporation.

Transferred the lighting business to Toshiba Lighting & Technology

Won the top share in the vacuum cleaner market

Entered the barcode printer business

2000

- 2001** Started the production of photocopiers in our new plant in Shenzhen, China (Toshiba Tec Information Systems (Shenzhen) Co., Ltd.).
- 2004** Set out a new corporate philosophy "Our Five Commitments."
- 2005** Integrated Tokyo area offices into Osaki Office (Shinagawa-ward).
- 2006** Formed the Inkjet Business Group.

Transferred the home appliances business to Toshiba Home Appliances Manufacturing

First in the world

Conducted demonstration experiment of EXPRESS POS as a means of settlement  
Released self-checkout system

Won the top share in the Chinese MFP market

2010

- 2012** Acquired the retail store solution (RSS) business from International Business Machines Corporation (IBM).
- 2018** Loops Series won Excellence Award at the 1st EcoPro Awards and Eco Mark Award 2018 Excellence Award.
- 2018** Established TD Payment Corporation.

Launched Smart Receipt electronic receipt service

Launched Loops paper reusing system

2020

- 2021** Renamed the Printing Solutions Business Group as the Workplace Solutions Business Group.
- 2021** Revised the Toshiba Tec Group Corporate Philosophy and established the Group's Vision and Action Guidelines.
- 2022** Further promoted the development of ELERA, a global retail platform.
- 2023** Revised the Toshiba Tec Group Human Rights Policy

Released a Semi-Self semi-self-checkout system

Released a hybrid MFP paper reusing system

Rolled out the Pipit (Beep) Cart shopping cart self-checkout system

\* Smart Receipt is a registered trademark of Toshiba Tec Corporation.

\* ELERA is a registered trademark of Toshiba Tec Corporation or its group companies

## MESSAGE FROM THE CEO

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# Aiming to become a global top solutions partner



**Hironobu Nishikori**

President and  
Chief Executive Officer  
Toshiba Tec Corporation

Today, we face environmental change and complex social challenges on a global scale. They include the impact of climate change due to increasing greenhouse gas emissions, as well as inflation, shortages of goods, and logistics disruptions caused by geopolitical conflicts. Even in these uncertain times, we share our corporate philosophy of “Create with You - Keeping our customers in mind all the time and everywhere-.” All of us in the Toshiba Tec Group strive to transform ourselves and to achieve sustainable growth with a forward-looking approach. In doing so, we aim to provide new value to the retail and offices worldwide as “a global top solutions partner.”

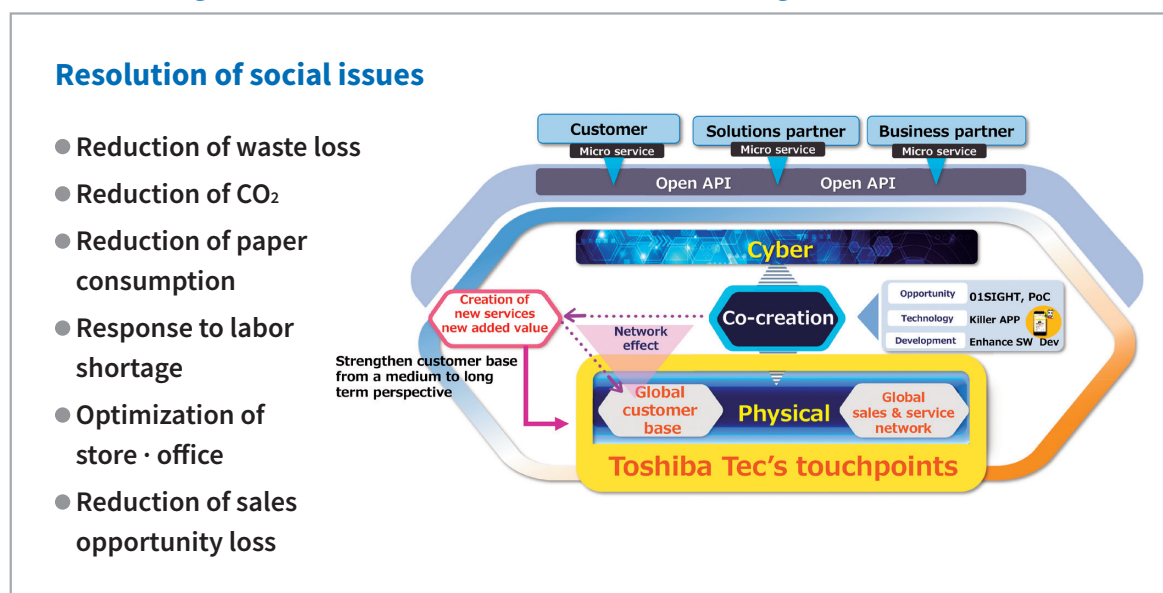
To this end, recognizing the importance of conformity between our global business development and international human rights standards, we announced the Toshiba Tec Group Human Rights Policy to indicate our clear stance and initiatives, and we are working on human rights due diligence. At the same time, we are also focusing on securing and developing talented employees in a systematic manner to achieve sustainable growth. Further, we are proactively addressing climate change through ongoing initiatives to realize a carbon-neutral value chain and accelerated efforts toward sustainability.

These initiatives have been positioned as our Materiality (key issues) identified in our Management Principle, and we are contributing to society through our efforts to achieve these goals.

# FY2023–FY2025 Mid-Term Business Plan (MTBP)

In the FY2023 -FY2025 Mid-Term Business Plan (MTBP) announced in May 2023, we positioned “Business Transformation” through the strengthening of existing businesses and the creation of new business and “Corporate Transformation” through strengthening human resources and the corporate culture change as our priority policies. Specifically, we aim to establish Co-Creation Ecosystem together with our customers and partners, with their solutions know-how, and to accelerate innovation creation by taking maximum advantage of our physical assets, based on our world-leading customer base and sales and service network in Retail and Workplace Solutions Business, as global touchpoints and integrating our physical assets with cyber technology.

## Toshiba Tec's growth model of “New value creation through co-creation with partners”



**To become a global top solutions partner by generating new value through co-creation with the aim of contributing to the resolution of social issues**

### Financial Target

	FY2023 Plan (130 yen/USD, 140 yen/EUR)	FY2024 Plan (120 yen/USD, 130 yen/EUR)	FY2025 Plan (120 yen/USD, 130 yen/EUR)
Net sales	520.0 billion yen	515.0 billion yen	520.0 billion yen
Operating profit	18.0 billion yen	27.0 billion yen	39.0 billion yen
ROS	3.5%	5.2%	7.5%
Current net profit	7.0 billion yen	13.0 billion yen	21.0 billion yen
Cash flows from operating activities	29.5 billion yen	35.4 billion yen	53.0 billion yen
Return on invested capital (ROIC*)	9.5%	13.4%	17.5%

\* ROIC = Operating profit after tax (operating profit/ loss x (1 - tax rate)) ÷ Invested capital (average interest-bearing debt + net assets)



# MESSAGE FROM THE CEO

## Business strategy

### Retail Solutions Business

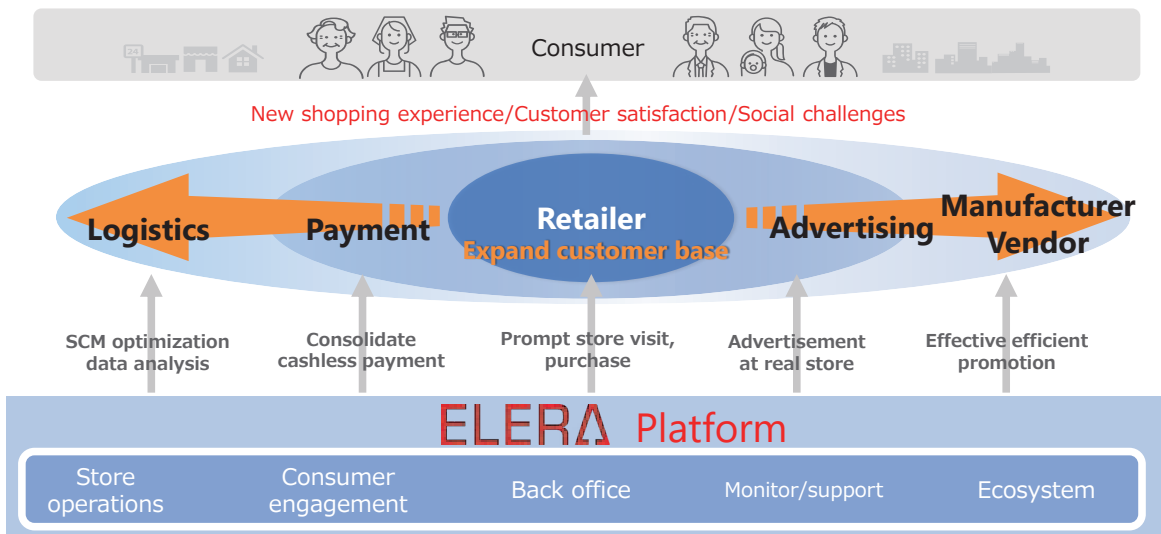
In the Retail Solutions Business, we need to be flexible in our responses to a wide range of environmental changes, such as consumers' diversifying lifestyles and purchasing and payment methods, as well as changes in consumer behavior since the COVID-19 pandemic. For this reason, we must transform ourselves to offer more advanced data solutions, and we are working to strengthen our platform development capabilities.

To accelerate these efforts, we established an Innovation & Incubation Center in Dallas, the United States in fiscal 2022, and we are committed to reinforcing our digital workforce on a global basis. Further, we will accelerate the expansion of new businesses, including the global expansion of ELERA™ Commerce Platform, and play a central role in distribution innovation worldwide, in our efforts to contribute to solutions to social issues.



Photo Credit : Robert Tsai Photography.  
Innovation & Incubation Center

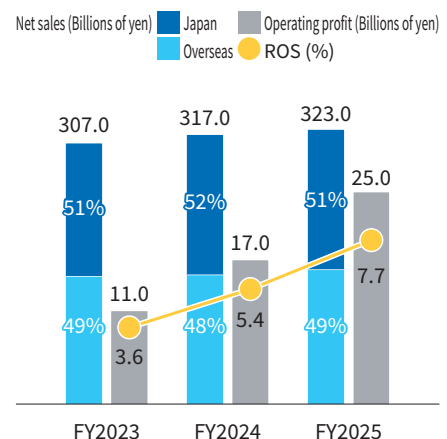
## ELERA Evolution



### FY2023 Mid-term Business Plan Financial Target by Segment (Retail Solutions)

	FY2023	FY2024	FY2025
Operating profit	11.0 billion yen	17.0 billion yen	25.0 billion yen
ROS (%) (Japan, Overseas)	3.6% (4.8%, 2.3%)	5.4% (6.0%, 4.6%)	7.7% (8.1%, 7.3%)

- Expand new businesses with **ELERA** at the core
- Enhance profitability by expanding recurring businesses



## Workplace Solutions Business

The environment surrounding the Workplace Solutions Business has changed significantly since the COVID-19 pandemic, and workstyles that are not confined to a specific location are being adopted. Instead of confining the use of our MFPs to office situations, we will offer new value by strengthening their linking functions to accommodate diverse services, such as cloud services and applications, and a variety of work styles, to make the MFPs more comfortable to use. Through a joint venture established with Ricoh Company, Ltd., Toshiba Tec will expand its lineup of high-value-added products, DX that is closely aligned to customers' business growth, and proprietary solutions that connect offices and frontline operations, in an effort to accelerate our focus on growth areas and the transformation of the value we offer.

### Strengthening profitability of Workplace Solutions Business

#### Accelerate focus on growth areas and transformation of value provided through collaboration

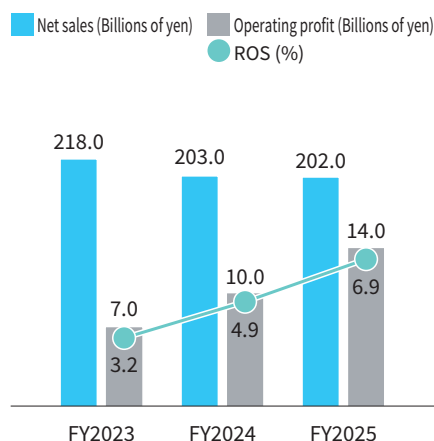
- **Accelerate business in growth areas (Utilize new products generated by integrated technologies of the two companies)**
  - Expansion of DX・Workflow/Data management solutions
  - Enhancement of Toshiba Tec's unique solutions integrating barcode printers and RFID to MFP
  - Expansion of quick and detailed customization support by utilizing global sales network & development bases



### FY2023 Mid-term Business Plan Financial Target by Segment (Workplace Solutions)

	FY2023	FY2024	FY2025
Operating profit	7.0 billion yen	10.0 billion yen	14.0 billion yen
ROS (%)	3.2%	4.9%	6.9%

- Enhance profitability by expanding document solutions
- Enhance underlying profitability of core business



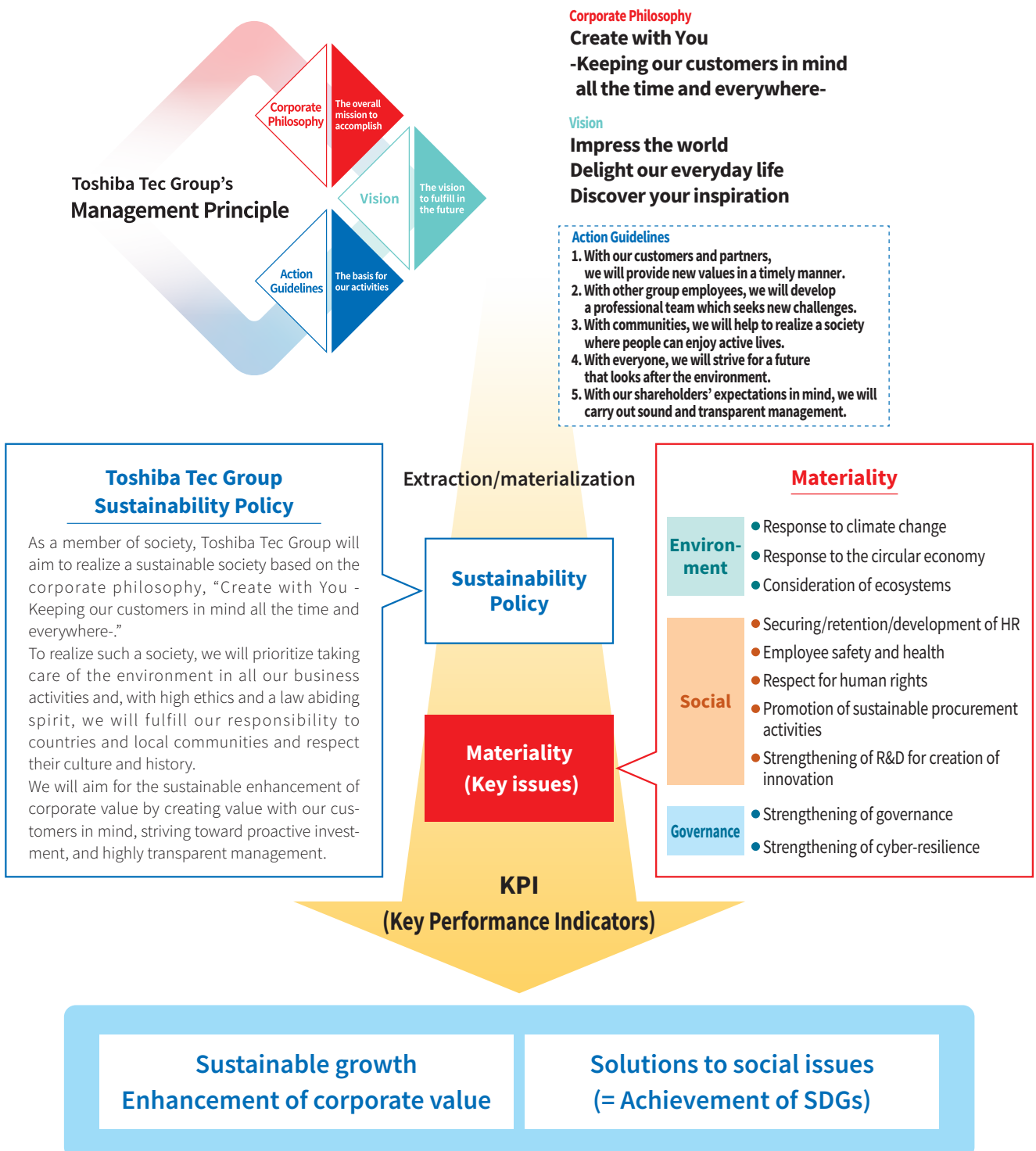
# MATERIALITY OF TOSHIBA TEC

## REVIEW PROCESS

Toshiba Tec Group will contribute to solutions to social issues by achieving KPIs (numerical targets) which are set for the Materiality (key issues) identified in our Management Principle.
















Based on our Management Principle, which consists of our Corporate Philosophy, Vision, and Action Guidelines, we have developed the Sustainability Policy and the Materiality (key issues) extracted and materialized from Action Guidelines.

Toshiba Tec Group will realize further sustainable growth and enhancement of corporate value by addressing the Materiality. We will also contribute to the achievement of the SDGs by addressing solutions to social issues.



# FY2022 RESULTS AND FY2023-FY2025 TARGETS

To achieve sustainable growth over the medium to long term, we will strive to contribute to achieving the SDGs by reviewing each KPI in the Mid-term business plan (FY2023-FY2025) and optimizing target figures.

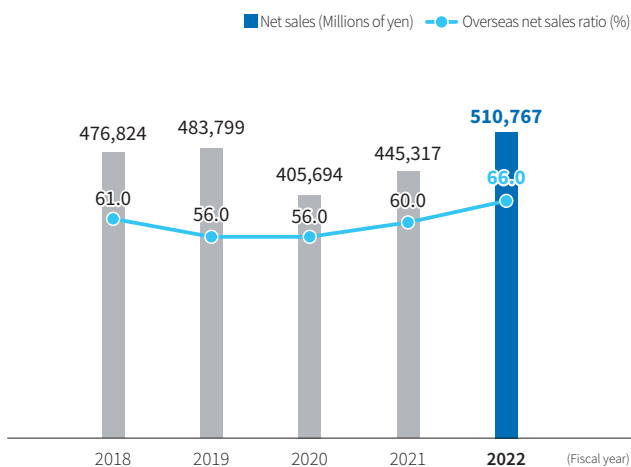
ESG	Materiality	Category (KPI)	FY2022 End Results	FY2023 End Target	FY2024 End Target	FY2025 End Target	Relevant SDGs
<b>Environment</b>  P25	Response to climate change	Total GHG emissions in business activities (thousand t-CO <sub>2</sub> )	40.2	39.8	35.2	29.6	   
	Response to the circular economy	Total waste emission intensity in business activities	7.1% improvement from 5-year average intensity*1	1% improvement from 5-year average intensity	1% improvement from 5-year average intensity	1% improvement from 5-year average intensity	
	Consideration of ecosystems	Total chemical substances emission intensity in business activities	10.1% improvement from 5-year average intensity*1	1% improvement from 5-year average intensity	1% improvement from 5-year average intensity	1% improvement from 5-year average intensity	
		Received water volume intensity in business activities	1.0% improvement from 5-year average intensity*1	1% improvement from 5-year average intensity	1% improvement from 5-year average intensity	1% improvement from 5-year average intensity	
<b>Social</b>  P36	Securing/retention/development of HR	Ratio of female managers	3.1%	4.5%	6%	7%	       
		Ratio of new female graduates employed*2	23.8%	25%	28%	30%	
		Rate of male employees taking childcare leave	24%	More than the previous fiscal year	More than the previous fiscal year	More than the previous fiscal year	
		Rate of attendance of training programs by position	99%	100%	100%	100%	
	Employee safety and health	No fatal accidents	0% (No accidents)	0% (No accidents)	0% (No accidents)	0% (No accidents)	
		Number of employees with metabolic syndrome	32.9%	Fewer than the previous fiscal year	Fewer than the previous fiscal year	Fewer than the previous fiscal year (28.6%)	
	Respect for human rights	Communication of top management message about human rights	Once (Dec.)	Once (Dec.)	Once (Dec.)	Once (Dec.)	
		Harassment education	Once-yearly e-learning program (Taken by 100%) Harassment survey	Once-yearly e-learning program (Taken by 100%) Harassment survey	Once-yearly e-learning program (Taken by 100%) Harassment survey	Once-yearly e-learning program (Taken by 100%) Harassment survey	
		Appropriate responses to human rights risks	100% of whistleblowing cases dealt with	100% of whistleblowing cases dealt with	100% of whistleblowing cases dealt with	100% of whistleblowing cases dealt with	
		Human rights due diligence initiatives	Conducted initial evaluation of impacts on human rights	Analysis of priority of human rights risks and development of fact-finding survey plan	Implementation of fact-finding survey and measures for correction, prevention and mitigation	Monitoring and improvement of remedy and redress	
	Promotion of sustainable procurement activities	Rate of receipt of procurement policy endorsements (= Rate of signing of Basic Transaction Agreements)	100%	100%	100%	100%	
		Number of suppliers completing supplier sustainability survey	332 companies	340 companies	340 companies	340 companies	
		Number of education sessions about sustainable procurement	Internal education sessions held: Once each	Internal education sessions held: Once each	Internal education sessions held: Once each	Internal education sessions held: Once each	
	Strengthening of R&D for creation of innovation	Number of AI personnel (Number of employees who have passed JDLA Deep Learning for General exam - cumulative)	79	105	130	150	
<b>Governance</b>  P46	Strengthening of governance	Rate of attendance of Standards of Conduct education (e-Learning)	100%	100%	100%	100%	
		Positive evaluation in Board of Directors Effectiveness Evaluation Survey	84.2%	Higher than the previous fiscal year	Higher than the previous fiscal year	Higher than the previous fiscal year	
		Ongoing implementation of voluntary monitoring program for internal control systems targeting all Group companies	Once	Once	Once	Once	
	Strengthening of cyber-resilience	Self-evaluation of degree of cyber security maturity	3.45	Higher than the previous fiscal year (Achieve 3.5, then maintain at 3.5 or higher)	Higher than the previous fiscal year (Achieve 3.5, then maintain at 3.5 or higher)	Higher than the previous fiscal year (Achieve 3.5, then maintain at 3.5 or higher)	

\*1 After the decline in efficiency caused by the fall in production value due to COVID-19 in FY2020, efficiency improved by a large margin in FY2022 with the recovery of production value.

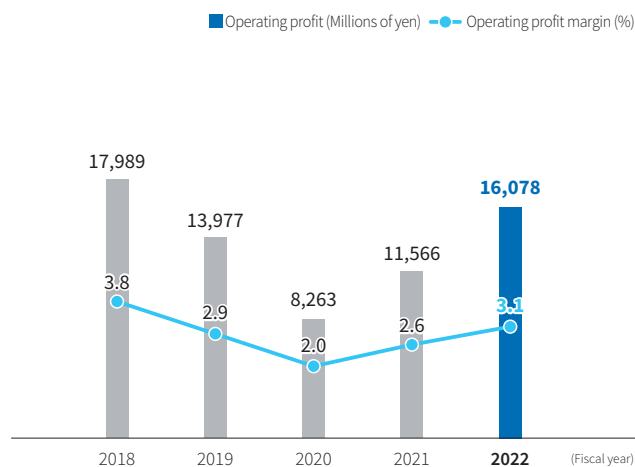
\*2 Recorded based on fiscal year of activities (FY2022 result: new recruits joining in April 2023)

# FINANCIAL HIGHLIGHTS (CONSOLIDATED)

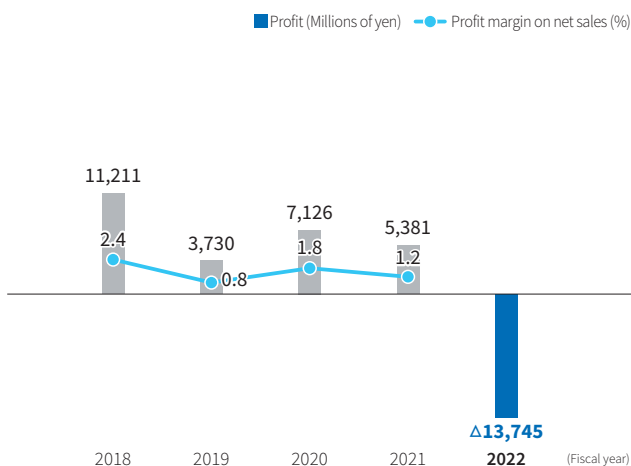
## Net sales and overseas net sales ratio



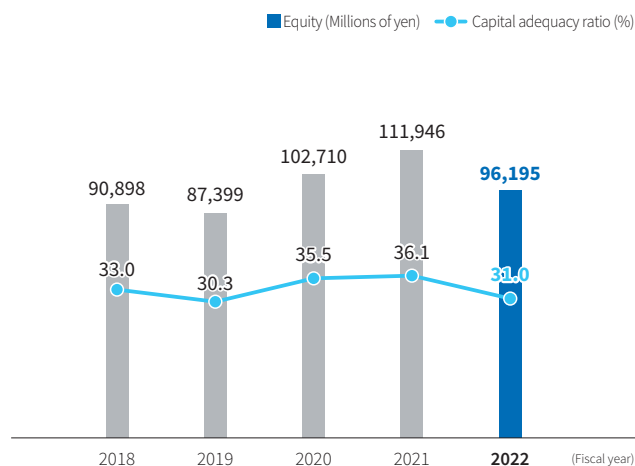
## Operating profit and operating profit margin



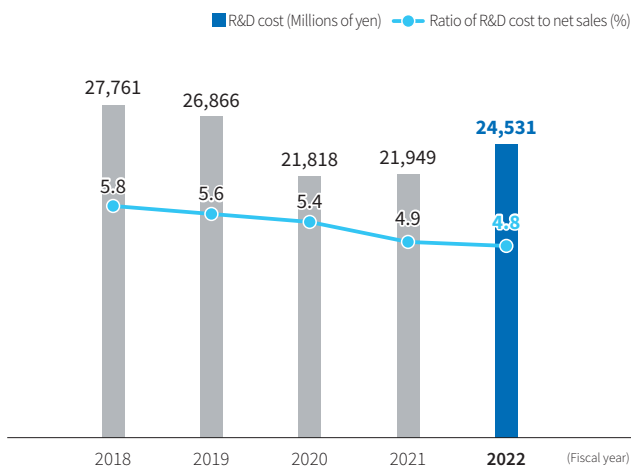
## Profit and profit margin on net sales



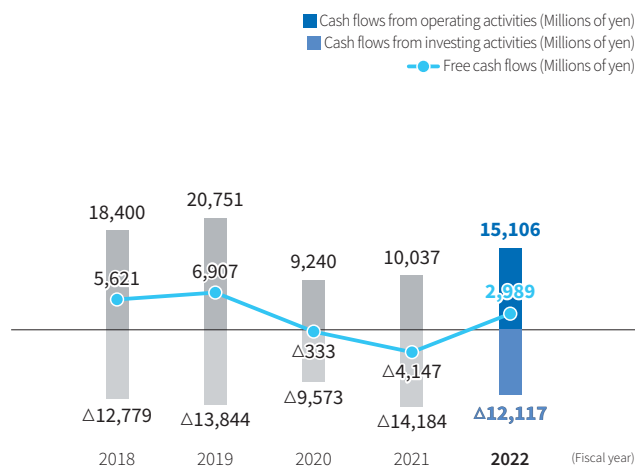
## Equity and capital adequacy ratio



## R&D cost and ratio of R&D cost to net sales



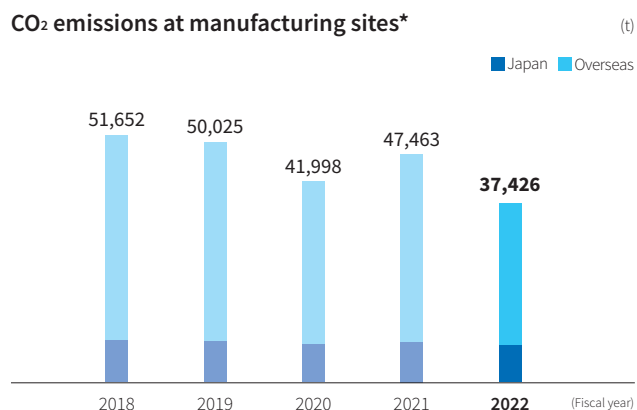
## Cash Flows





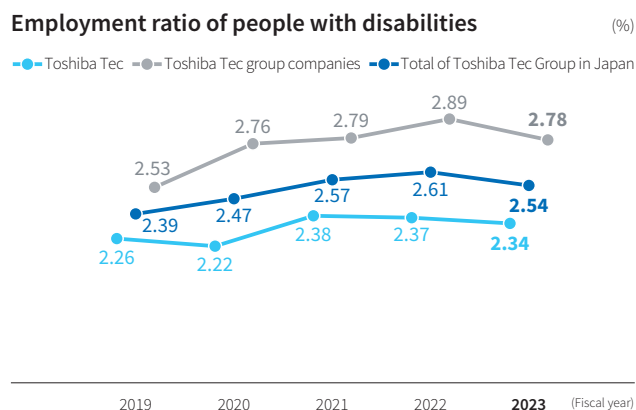
# NON-FINANCIAL HIGHLIGHTS (CONSOLIDATED)

## CO<sub>2</sub> emissions at manufacturing sites\*



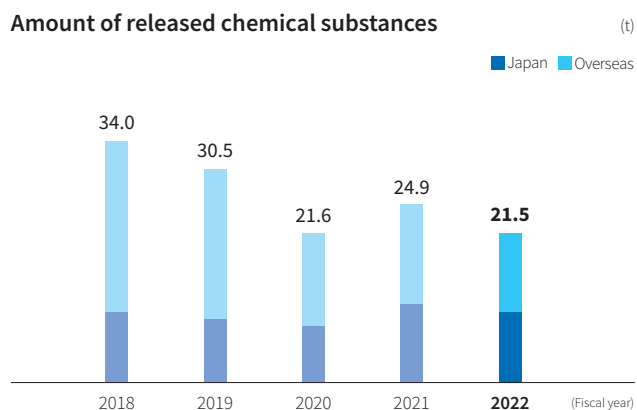
We continue to reduce CO<sub>2</sub> emissions through the systematic implementation of measures such as switching to LED lighting and upgrading to energy-saving equipment mainly at overseas sites by effectively using subsidy systems. Our multifaceted emission reduction initiatives also include the greening of rooftops and installation of solar panels.

## Employment ratio of people with disabilities



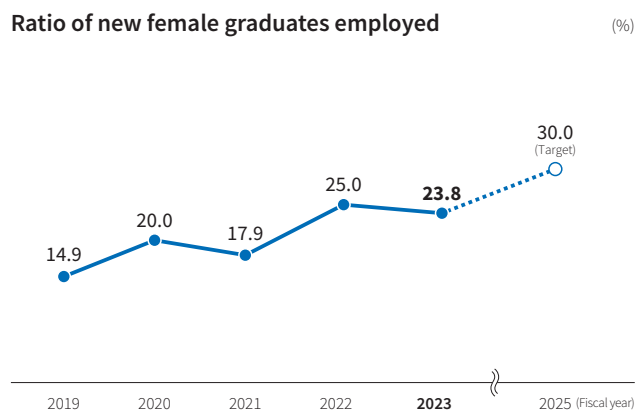
Toshiba Tec became eligible for the special exception for a business group for calculating the employment rate of persons with disabilities in April 2015, and Toshiba Tec Group's employment rate of persons with disabilities was 2.54% as of April 2023. We are also actively promoting the employment of people with disabilities and activities to support them.

## Amount of released chemical substances



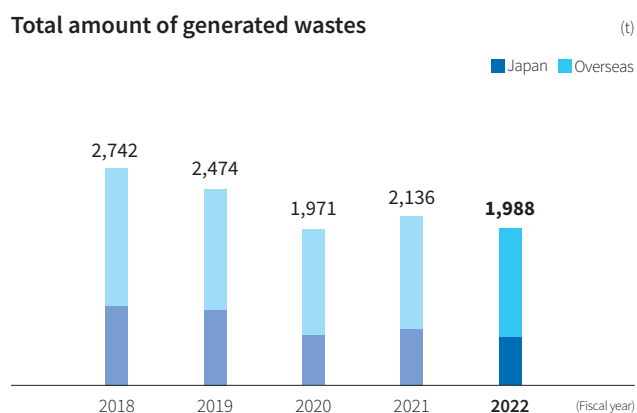
We strive to reduce amount of released chemical substances, which are classified into "reduction substances" into the atmosphere and water that directly affect the environment. We will continue to reduce amount of released chemical substances by introducing manufacturing equipment with low released chemical substances and reviewing the processes.

## Ratio of new female graduates employed



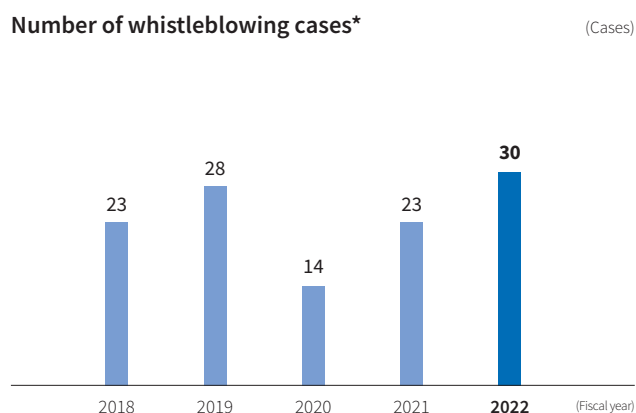
The ratio of new female graduates employed in April 2023 was 23.8% (compared to the target of 27.0%). To achieve the target of 30% in the ratio of new female graduates employed in 2025, we have been showcasing at the company briefing sessions a variety of in-house systems for promoting the advancement of female employees, as well as providing through the Company website, etc. the relevant information such as actual results in the ratios of female employees and female managers.

## Total amount of generated wastes



To efficiently use resources, we work on the reduction of the total amount of generated wastes. We also visit recycling bases in Japan, directly assess the processing status, and are striving to improve communication with them to increase recycling rates. We will continue working on the efficient use of resources in the future.

## Number of whistleblowing cases\*



Toshiba Tec is striving to disseminate information regarding the whistleblowing system by continuously offering education on the topic using e-learning courses targeting all employees and displaying information regarding the contact site on the notice boards in the offices.

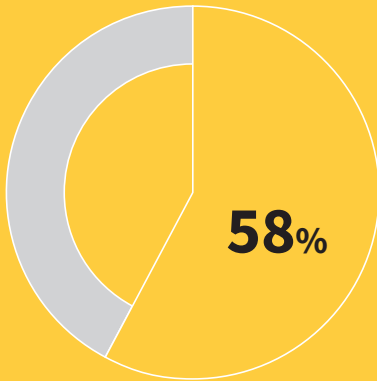
\* The figures are the total number of cases received by the internal secretariat, law firm, Corporate Human Resources & Administration Group at Toshiba Tec, and contact site at Toshiba Corporation.

The CO<sub>2</sub> emissions factor of electricity in Japan was calculated using receiving end power data from the Electric Power Council for a Low Carbon Society, and the CO<sub>2</sub> emissions factor of electricity in each country was calculated using receiving end power of WRI/WBCSD GHG Protocol data in FY2009.

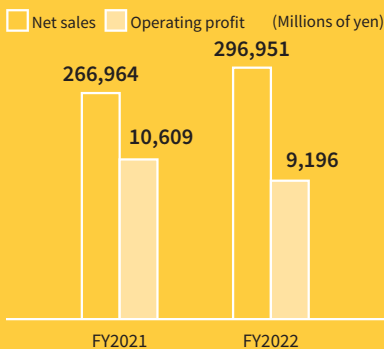
## SEGMENT OVERVIEW

# Retail Solutions Business

### Net sales breakdown



### Net sales and operating profit



### Main business

Development, manufacture, sale, and maintenance of POS systems for Japan and overseas markets, Auto-ID systems for the Japanese market, and related products.

The Retail Solutions Business Group handles POS systems for domestic and overseas markets, Auto-ID systems for domestic market, and related products. Amid a severe business environment in which the impact of the spread of COVID-19 and intensifying competition with peers continue, the business group has worked on various initiatives under the basic policy of “Aim at becoming a global top solutions partner in the distribution industry.” These initiatives include expanding its solution business with its global retail platform, “ELERA,” and strategic partnerships, concentrated investment in growth fields (data services, next generation stores, payment, and Supply Chain Management (SCM)), and the expansion of service business in overseas markets.

Although the investment appetite of retail and restaurant businesses is recovering, sales of POS systems for the domestic market fell due to an ongoing harsh business environment including factors such as restrictions on component supply and inflation. However, we did see signs of recovery in sales as a result of focusing our efforts on expanding sales of payment terminals, self-ordering systems, Smart Receipt, etc. with an awareness of COVID-19 prevention efforts, as well as revising sales prices.

Sales of POS systems for overseas markets increased as a result of the impact of currency fluctuations and increased sales in the Americas.

Sales of Auto-ID systems for the domestic market increased in part due to an increase in sales of barcode printers to specific customers.

As a result, net sales of the Retail Solutions Business Group were ¥296,951 million (up 11% year on year). Operating profit of the business group was ¥9,196 million (down 13% year on year) due to a deterioration in profits of POS systems for the domestic market negatively impacted by higher costs due to depreciation of the yen, a tight supply-demand balance of components, and price hikes.



# Workplace Solutions Business

The Workplace Solutions Business Group handles multifunction peripherals (MFPs) for domestic and overseas markets, Auto-ID systems for overseas markets, inkjet heads for domestic and overseas markets, and related products. Amid a severe business environment due to the ongoing impact of the spread of COVID-19, a tight supply-demand balance in components and international transportation, inflation, reduced printing volume through post-COVID work style reforms and the digitalization of offices, as well as intensifying competition with peers, the business group focused efforts under the theme “Strengthen our ability to respond to market fluctuations” in order to achieve our targets. At the same time, we worked on strengthening solutions such as Document Management System (DMS), as well as our Auto-ID and cloud service businesses as part of efforts to expand our business in growing sectors.

Sales of MFPs rose amid ongoing product supply shortages impacted by tight supply-demand balance of international transportation although the impact of component shortages eased. This sales increase was due to focusing our efforts on changing transportation methods and routes, sales price revisions, etc., in addition to strong sales in the Americas, Europe, Asia and other overseas regions, as well as the impact of foreign currency.

Sales of Auto-ID systems for overseas markets increased as a result of increased sales in the Americas, Europe, Asia and other overseas regions, as well as the impact of foreign currency.

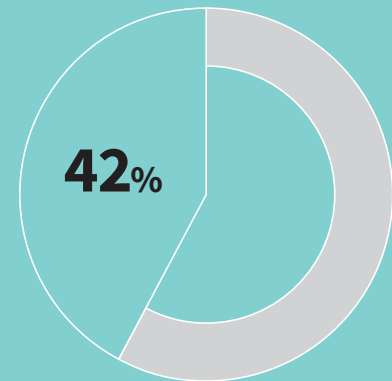
Sales of inkjet heads decreased due to a decrease in sales to domestic customers despite increased sales to overseas customers.

As a result, net sales in the Workplace Solutions Business Group were ¥217,672 million (up 20% year on year). Operating profit for the business group significantly improved to ¥6,882 million (an increase of ¥5,924 million year on year) due mainly to the increase in net sales and thorough reduction of fixed costs in line with a recovery in product supply volume, revised sales prices, etc., despite being affected by tight supply-demand balance and soaring prices in components and international cargo transportation.

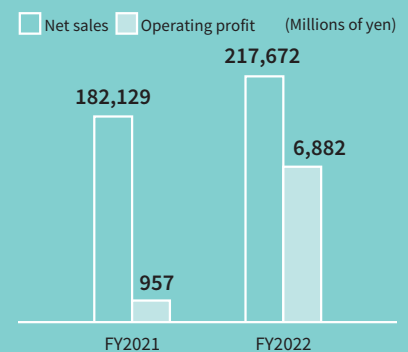
(Note) An Auto-ID system is a system that uses hardware and software devices to recognize and manage data content by automatically scanning barcode and RFID tag data.



## Net sales breakdown



## Net sales and operating profit



## Main business

Development, manufacture, sale, and maintenance of MFPs for Japan and overseas markets, Auto-ID systems for overseas markets, inkjet print heads for Japan and overseas markets, and related products.

# SOLUTION 1

## Retail Solutions

### We assist in the development of an ideal store that makes customers and retailers smile

In recent years, the retail industry has faced various challenges due to consumers' diversifying lifestyles and different purchasing and payment methods, as well as the changes in society's awareness of the environment.

Toshiba Tec will assist in the development of ideal stores through proposals based on voice of customer, by enhancing sales and service structures and by providing new value through co-creation with our partners, so that both customers and retailers can enjoy their stores more as pleasure experience.



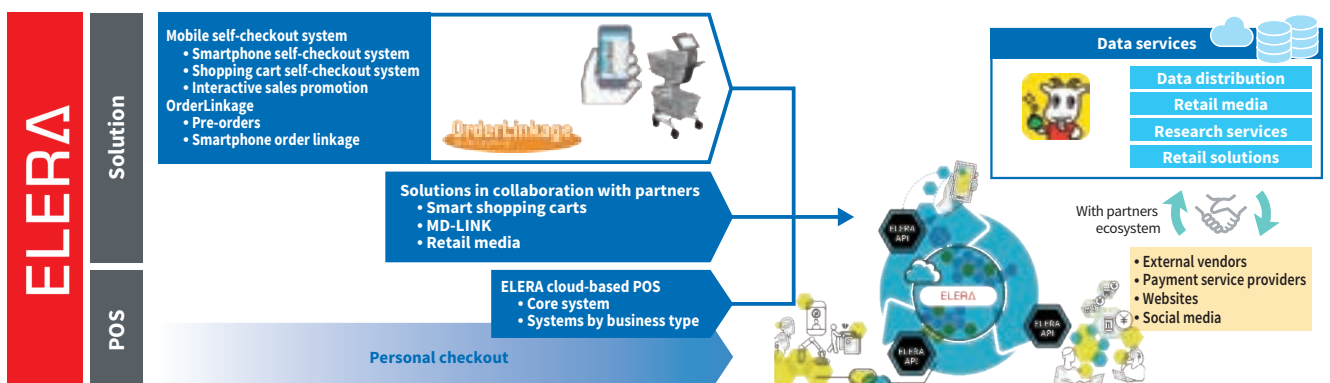
### Development of global ELERA™ Commerce Platform for retail through Japan-U.S. collaboration

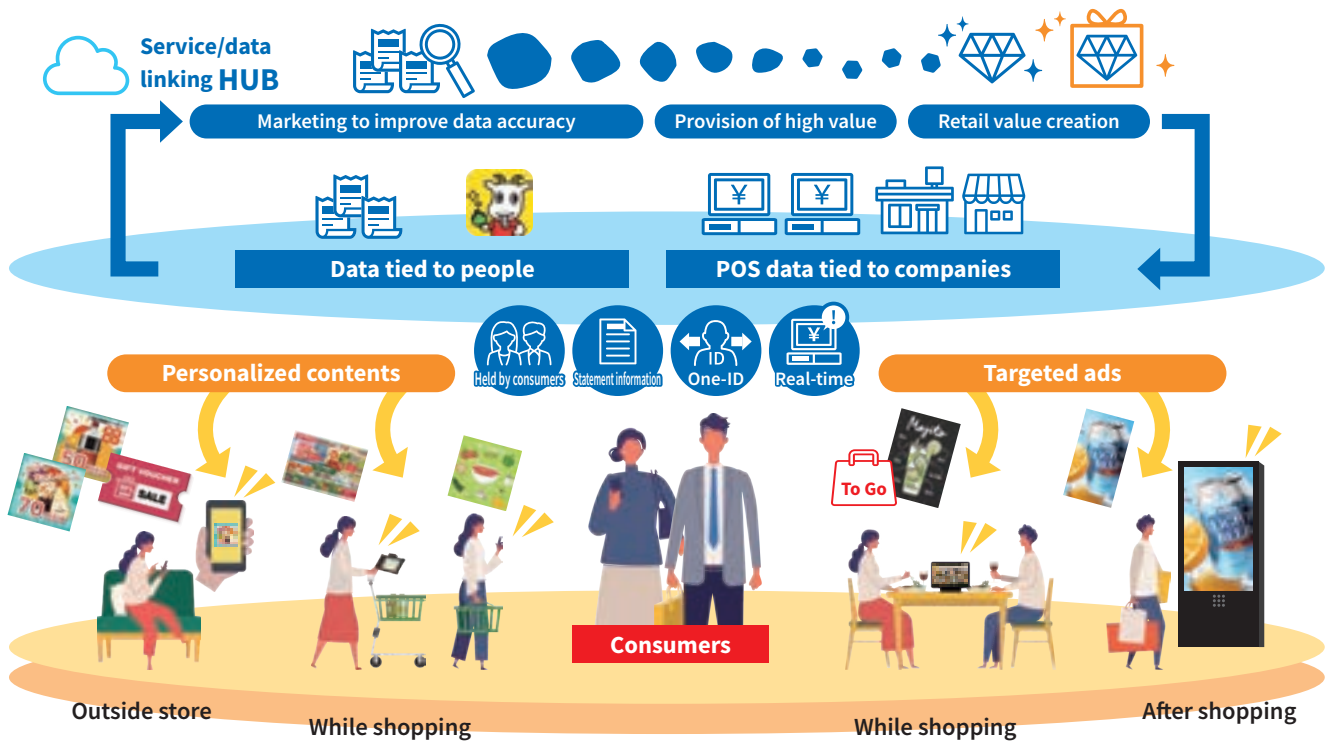
Toshiba Tec aims to be the global top solutions partner in retail industry. Under this management policy, we are pressing forward with the development of the global ELERA™ Commerce Platform subscription-based retail solution through co-creation with strategic partners in a global development collaboration with mainly Japan and the United States.

As the global COVID-19 pandemic has been subsiding, the retail industry is required to respond to changing and diversifying consumer needs and to improve management efficiency in response to rising costs. As restructuring and alliances across industries and business categories become more active, the retail industry is also required to create new business models that respond to changes in the business environment.

ELERA, developed by Toshiba Tec, is the foundation for a wide variety services leveraging massive volumes of purchasing data. Linking these services and making use of high value-added data will enable us to achieve all manner of solutions to the challenges faced by each store, as well as promoting the digital transformation (DX) of the retail industry.

ELERA offers a personal checkout solution to meet the needs of non-face-to-face transactions and combating labor shortages, and we will create new checkouts with new layouts aimed at improved operations.





## Creation of new value through effective use of data, based on Smart Receipt and Coupon Deli

Through Toshiba Tec's customer base, service network, and collaborations with partners, we aim to create new value as a data service. In retail media, we provide targeted ads and personalized contents by making use of consumers' data. We analyze purchase history and personal preference data of consumers and provide optimal ad experience to customers through cooperation with advertisers and brands. Collected data will be anonymized and aggregated, and provided to markets in need of high-quality data sets to meet customers' needs. In the marketing research service, we focus on collection of research data and development of analysis methods of such data, and thereby provide customers with market insights and competitive strategies. As retail solutions, we provide retail stores with solutions that make use of data analysis related to stock management and demand projections as well as purchase history and personal preference data of consumers. Through Smart Receipt and Coupon Deli, Toshiba Tec maintains extensive direct contact points with retail stores and consumers. We make maximum use of these contact points in each solution to make daily life of everyone smarter, including sellers, buyers, and producers.



—Envisioned form of the Smart Receipt business as a data service—

**Make daily life of everyone smarter, including sellers, buyers, and producers!**



Realize management that can see customers more clearly!  
Provide services that support their purchasing experience!



Have good shopping experience for themselves!  
Enjoy a safe, secure, and convenient social infrastructure!



More direct marketing is made possible!  
Determine optimal solutions and alternatives with a high degree of certainty in real time!

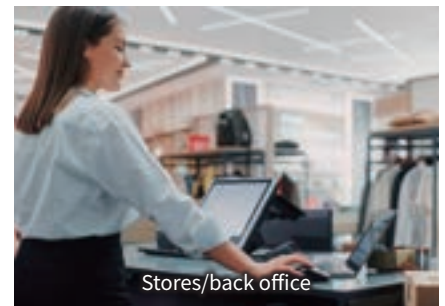
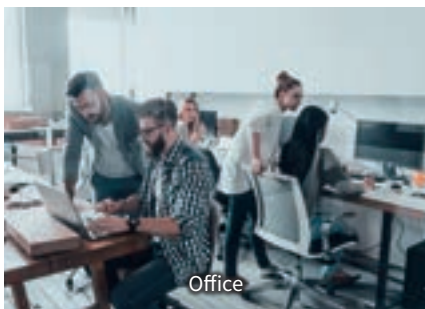


# SOLUTION 2

## Workplace Solutions

### Supporting work style reforms in offices and various workplaces

Toshiba Tec's MFPs help bring improvements to a variety of industries and operations, not just offices, based on customers' needs. Through connections to cloud and mobile services, data can be accessed at anytime from anywhere to improve operation efficiencies.



### Offering solutions tailored to the workplace

Today, DX is required in all industries and business types. Toshiba Tec's MFPs offer solutions to those needs, helping our customers to improve the efficiency of their operations.

The effective use of paper and electronic information leads to future value not only in offices, but also in other workplaces such as factories. Connecting to Document Management Systems (DMS) enables the digitization of paper documents, automates data transfer into workflows, and connects to external systems.

Many logistics and factory workplaces have large volumes of handwritten ledgers and information on paper media. In the case where these information needs to be captured into the internal system the text can be read using AI-OCR solutions which will be automatically transferred into operational apps and core systems by scanning, OCR and using Robotic Process Automation (RPA).

Moreover, special paper can be used for printing to make POP displays in store and for notices to be posted on office or factory bulletin boards. Printing can also be performed on water-resistant paper which eliminates the process of laminating and greatly reduces time spent for such tasks.

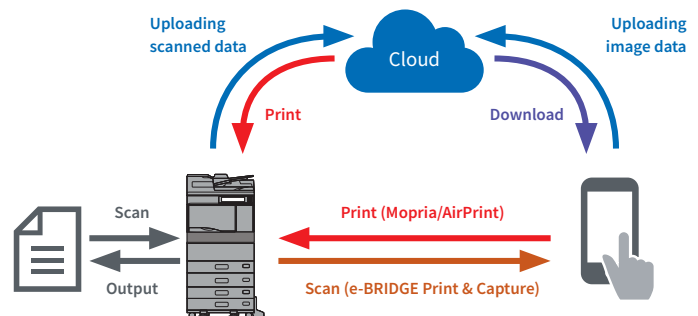




## Contributing to operational efficiency improvements

Today, with the acceleration of mobile and remote work, businesses need operational environments that are equivalent to the office environment anytime anywhere. Toshiba Tec's MFPs can be connected to a variety of cloud services, making it possible to perform operations such as printing data stored on the cloud and storing scanned data onto the cloud.

Using AirPrint, Mopria, and other mobile printing services, data can be accessed at anytime from anywhere, contributing to greater operational efficiency.



## Safer and more secure

The digitization of information handled in business requires strong information security to ensure that information is not leaked. Toshiba Tec MFPs features individual-based authentication that can restrict use of functions and data access.

With special storage additionally installed, you can prevent information leaks should the drive be stolen from the MFP, because in such a case the data will be automatically invalidated.

We also provide a cloud-based environment globally for device management, enabling MFPs to be connected to the cloud so that they can be used in a stable manner helped by remote monitoring and diagnosis systems.

In addition to its CSR efforts, Toshiba Tec is also making efforts to contribute to the SDGs (Sustainable Development Goals) through its businesses and corporate activities.



# SOLUTION 3

## Auto-ID Solutions

### Supporting greater operational efficiency with a wide variety of barcode printer lineup

For a product to reach a user, it takes many companies, including manufacturers, wholesalers, logistics operators, and retail stores. The key to increasing profitability by minimizing risks arising from a mismatch between supply and demand, such as stock-outs and excess inventories, is information exchange beyond boundaries of those companies. Using Auto-ID technology such as barcodes, RFID, and images, Toshiba Tec provides strong support for setting up a Supply Chain Management (SCM) system in a wide range of areas.



### Offer optimum solutions by effectively using RFID

The key for building an optimum SCM is the development of a mechanism to share the latest information in real time using Auto-ID technology such as barcodes, two-dimensional codes, and RFIDs.

Toshiba Tec boasts a solid track record in POS systems and barcode systems. By fully leveraging this advantage, we offer optimum solutions by making use of RFID in fields ranging from improving the efficiency of inventory operation to obtaining meticulous marketing data and support the business process improvement of customers regardless of industry or business format.



#### Global services

##### Significant improvements in on-site operations with automated labeling system solutions

Barcode labels are used in various business situations, such as product labels and shipping labels. This solution automates on-site label printing and affixing tasks, greatly improving on-site operations. Installation and adoption of this product is quick, offering high quality prints at high speed 30 labels per minute, and accommodates a variety of label sizes.





# 4 SOLUTION

## Inkjet Solutions

### Meeting printing requirements on various fields

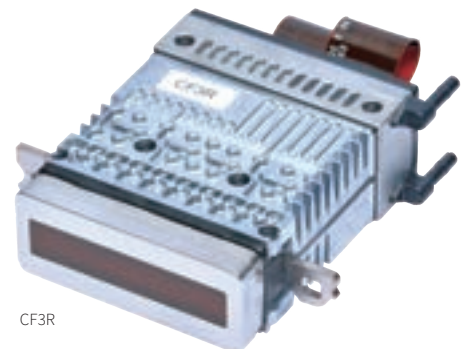
Inkjet technology enables not only printing of conventional documents and graphics but also high-quality printing on an expanded variation of materials and shapes. Toshiba Tec responds to printing requirements in various fields with its high quality and reliable inkjet solutions and supports customers' new value creation.



### The only inkjet print head in the industry that recirculates fluid near the nozzle and realizes resolution of 300 npi per row\*

In the inkjet market, it is considered difficult for a fluid to be jetted with an inkjet head if the size of the dyes and pigments used as ingredients of ink is large or if the fluid in which dyes and pigments are contained has high viscosity. However, our CF3R recirculates fluid inside the print head and achieves stable jetting and eco-friendliness with its high capability of jetting and controlling even these kinds of highly-challenging fluids. Not only does a single print head print one color at a resolution of 600 npi but also two colors at a resolution of 300 npi each, which helps to make printers smaller. For this reason, our CF3R can be used in a broad range of applications and daily purposes.

\* npi is the abbreviation for nozzles per inch.



#### ► Inkjet Solutions

Toshiba Tec team directly communicates with customers, confirms requests, and presents proposals for solutions. In offering inkjet solutions to customers starting up or expanding a business, we will pursue business support in sync with the customer, providing not only inkjet print heads but also peripheral devices including ink recirculation systems and technical support.

### Applications in the industrial field

Toshiba Tec's inkjet print head technology can be applied to various industrial fields from outdoor billboards to product labels/ packages and corrugated boxes with increasing demand in line with the development of logistics.



Graphics: Billboards



Logistics materials: Corrugated boxes



Packaging materials: Labels/packages

# R&D ACTIVITIES

Under the basic philosophy of providing timely products and services with reliable quality and functions as well as high user-friendliness, creating value with our customer in mind through our superior proprietary technology and in collaboration with the world's best partners, the research and development/design divisions of the group companies are closely cooperating with each other to aggressively work on advanced technology development, element technology development, and product development.

Total R&D costs for the fiscal year under review amounted to 24,531 million yen. R&D activities by reporting segment are as follows.

## Retail Solutions Business

R&D cost **13,842** million yen

In the Retail Solutions Business, we aim to be a global top solutions partner in the distribution industry. Under this management policy, we engage in joint research and development of ELERA subscription-based global retail platform through co-creation with strategic partners in Japan and overseas. In addition, we carry out research and development of POS systems, ordering systems, and image scanners. R&D cost amounted to 13,842 million yen, with main achievements as follows.

### ● Launch of SS-NEX series for self-checkout

We developed the "SS-NEX" series of self-checkout machines that allow consumers to register and pay for products themselves, and launched a self-checkout machine dedicated to cashless payment in September 2022, followed by a self-checkout machine that can handle both cash and cashless payments in December 2022. By adding a sub-scanner to the scanner installed on conventional machines, we improved barcode scanning accuracy. Moreover, by redesigning the bagging area, we reduced the workload from product registration to bagging.

### ● Release of CT-6100 series as a new multi-functional payment terminal

In December 2022, we released the CT-6100 series as a new multi-functional payment terminal. Featuring the same rich functionality, operability, and compatibility with our POS system as the CT-5100, CT-6100 also integrates a PIN pad and non-contact reader/writer. A single machine supports the reading of magnetic cards, contact IC, touch payment, electronic money, and barcodes; thus saving space around the cash register.

### ● Release of SkipOrder as a mobile ordering system for food courts

In June 2022, we released SkipOrder as a mobile ordering system for food courts and other facilities operated by multiple tenants enabling the receiving of orders and payments by multiple tenants all together. By allowing consumers to place orders and make payments via smartphone, tenants are relieved of the burden of directly interacting with customers and no longer need to manage food paging buzzers.

### ● Release of ELERA™ Produce Recognition as a freshness imaging recognition application

In July 2022, we released ELERA™ Produce Recognition as an application enabling easy recognition of products without barcodes (e.g. fresh produce). This product, which utilizes computer vision and AI, was developed for the North American market. A self-checkout equipped with image recognition AI shortens transaction time and minimizes loss associated with misrecognition of products. By automating the recognition process of fresh foods, we are improving the level of convenience for consumers and encouraging the use of self-checkouts.

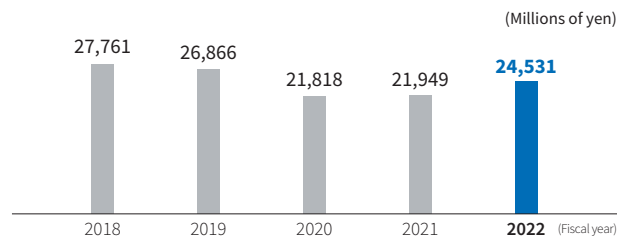
### ● Release of a next-generation POS application, ELERA™ Point-of-Sale

In May 2022, we released a POS application, ELERA™ Point-of-Sale for North American specialty stores. Adopting micro service architecture allows the speedy development of new use cases. We provide tools that enable customers to develop the functions they need on their own, which will help them deploy their business faster.



Total R&D costs in the fiscal year under review:

**24,531** million yen



## Workplace Solutions Business

R&D cost **10,688** million yen

In the Workplace Solutions Business, we conduct research and development of digital MFPs, Auto-ID systems, printers and other electrophotographic technologies, optical design, document feeder device, print controller, image-forming technologies, cloud-related technologies, as well as inkjet print heads technologies. R&D cost amounted to 10,688 million yen, with main achievements as follows.

### ● Development of e-STUDIO series high-speed range A3 MFPs

We have developed the e-STUDIO series for high-speed range A3 full-featured MFPs for release in fiscal 2023. The new series features a higher copy/print speed of 90 pages per minute for the black & white model, while the color model adopts a motion sensor to recover from energy-saving mode in a short period of time. Moreover, for all models of the new series, not only have we improved the performance of basic functions, including the increased capacity of the Dual-sided Scan Document Feeder with Double Feed Detection and the external Large Capacity Feeder, but we have also added fault prediction and strengthened security.

### ● Addition of new functions and cloud storage service to e-STUDIO series for A3 MFPs

With remote work and mobile work becoming increasingly commonplace, there are more opportunities for people to use cloud-based services. As such, in order to meet our customers' request of being able to view documents received via fax at their home or other remote location, we decided to enhance our e-STUDIO series for A3 MFPs launched in 2022 by developing a function to save the received fax through first converting it to data then allocating and storing it by sender phone number, as well as an option to link with our cloud storage service, "Collastorage." These enhanced features were added to the e-STUDIO series in February 2023.

### ● Development of a voice guidance function for e-STUDIO series MFPs

We have developed "e-BRIDGE Plus for Voice Guidance," an application that enables operation of multifunctional digital copiers through voice-guided operation navigation and simple panel operation instructions, thereby eliminating the need to rely on vision. Seeking an operation method both easy to use and compatible with devices commonly used by the visually impaired, we developed this product with the aim of creating a more straightforward and friendly UI, and were awarded the Good Design Award for 2022.

### ● Development of cloud printing solution for small and medium-sized businesses

In order to offer cloud office environments for small and medium-sized businesses who find it difficult to secure IT administrators, as well as respond to the diversification of work styles, we have leveraged our technologies related to network, cloud, mobile, and security accumulated through development of digital MFPs to develop e-BRIDGE Global Print, a cloud-based print service enabling simple and convenient "location-free printing" without needing to be aware of time or the outputting MFP. The e-BRIDGE Global Print service was launched in the North American market in July 2022.

### ● Enhanced support for printing on environmentally-friendly special paper

In order to realize a sustainable society, we drew upon the know-how we possess of special paper printing on our digital MFPs, and succeeded at printing on LIMEX paper and clear files, which offer excellent water resistance and durability due to being primarily made of limestone, which has low impact on the environment during the manufacturing stage.

### ● Commercialized color label printer with excellent weather resistance

We commercialized the BC400P, a high-speed, high-quality, and highly durable industrial color label printer, which is in strong demand from overseas markets, and launched it in the European market in April 2023. The new product uses pigmented ink with excellent weather resistance, and achieves high-speed printing of up to 4 inches wide at a high resolution of 1200 dpi and 300 mm/sec.

Note: LIMEX is a registered trademark of TBM Co., Ltd.

## Environment

# ENVIRONMENT

With everyone, we will strive for a future that looks after the environment.

We put concern for the environment as a priority in all our business activities so as to protect people's safety and health as well as the world's natural resources.



## Toshiba Tec's Environmental Policy

Toshiba Tec Group formulated the Basic Policy for the Environment based on the corporate philosophy, "Create with You -Keeping our customers in mind all the time and everywhere-."

### ► Toshiba Tec Group's Basic Policy for the Environment

Toshiba Tec Group holds environmental initiatives to be one of its top priority tasks in corporate management, guided by the "Management Policy of the Toshiba Tec Group." We will strive to create enriched value and ensure harmony with the world for people around the globe now and in the future. Through our environmental management that aims to achieve a decarbonized society, a resource circulating society, and a society in harmony with nature, we, as a solution partner which solves problems at customer sites including retail stores and offices, will contribute to the realization of a sustainable society and the achievement of the SDGs, such as response to climate change, sustainable consumption and production, and turn on the promise of a new day.

#### Promoting environmental management harmonized with business operations

- Toshiba Tec Group assesses the impacts of its business activities and products and services on the environment (including biodiversity), sets environmental impact reduction targets, and implements environmental activities.
- Toshiba Tec Group continuously improves its environmental management through audits and activity reviews.
- Toshiba Tec Group complies with all laws and regulations, industry guidelines it has endorsed, and its own standards on the environment.
- Toshiba Tec Group further raises employees' environmental awareness, and the company as a whole makes efforts for environmental protection.
- Toshiba Tec Group operates globally and promotes environmental activities throughout the Group accordingly.

#### Reducing environmental impacts through business activities and offering environmentally-conscious products and services

- Toshiba Tec Group recognizes that natural resources are finite, and it implements vigorous environmental measures to promote their effective, practical use in terms of both business activities as well as products and services.
- Toshiba Tec Group develops and provides environmentally-conscious products and services that contribute to reducing environmental impacts throughout their life cycle.
- In all phases of activities, including the design, procurement, manufacturing, logistics, sales, and disposal phases, Toshiba Tec Group implements measures to decrease environmental impacts, such as those for response to climate change, efficient use of resources, and management of chemical substances.
- Toshiba Tec Group considers what value and meaning it can provide to society and strives to develop environmental technologies for the future in order to contribute to realizing a sustainable society.

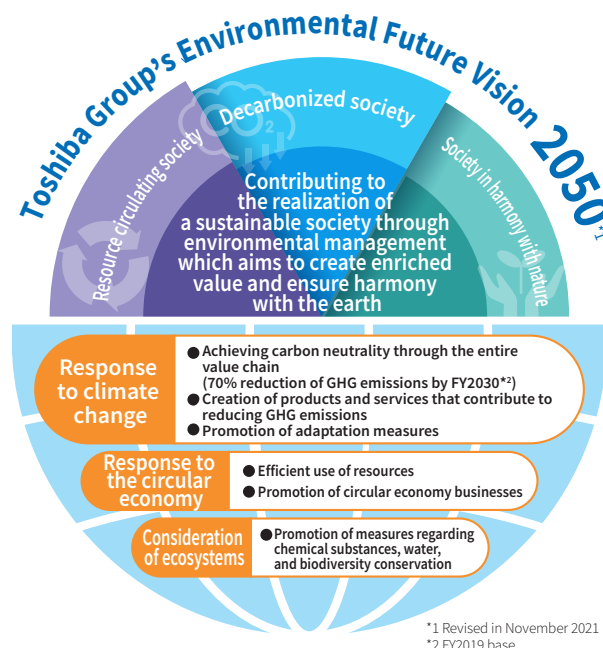
#### Working together with stakeholders

- Toshiba Tec Group actively communicates with stakeholders, such as local communities and society, and promotes environmental activities in collaboration with them.

Revised in April 2021

## Toshiba Group’s Environmental Future Vision 2050

As a member of the Toshiba Group, Toshiba Tec Group has set Environmental Future Vision 2050. With the goal of “contributing to the realization of a sustainable society through environmental management which aims to create enriched value and ensure harmony with the earth,” Environmental Future Vision 2050 aims to realize a sustainable society—in other words, a decarbonized society, a resource-circulating society, and a society in harmony with nature. To realize our vision in 2050, we will promote the implementation of initiatives in three areas, namely, “response to climate change,” “response to the circular economy,” and “consideration of ecosystems,” as important pillars of environmental management; strive to integrate business activities with environmental activities; and contribute to the realization of a sustainable society and the achievement of the SDGs, such as climate change mitigation and sustainable consumption and production.



\*1 Revised in November 2021  
\*2 FY2019 base

## The 7th Environmental Action Plan

Based on Toshiba Group’s Environmental Future Vision 2050, Toshiba Tec Group has formulated the 7th Environmental Action Plan, which consists of “response to climate change,” “response to the circular economy,” “consideration of ecosystems,” and “enhancement of the basis of environmental management” and covers the period from FY2021 to FY2023. We set targets for each fiscal year and promote relevant activities. We achieved all targets for FY2022.

Activity area	Activity content	Indicator	FY2022 Target	FY2023 Target	FY2022 Result	
Response to climate change	Business activities	Total amount of GHG emissions (thousand t-CO <sub>2</sub> )* <sup>1</sup> (↓)	42.4	39.8	40.2	
		Amount of CO <sub>2</sub> emissions from energy use per unit consumption (t-CO <sub>2</sub> /million yen) (↓)	3,810	3,500	3,800	
	Products & services	GHG reduction amount during product use (thousand t-CO <sub>2</sub> )* <sup>2</sup> (↑)	669	657	701	
Response to the circular economy	Business activities	Amount of wastes (t)* <sup>3</sup> (↓)	790	785	497	
		Amount of generated wastes per unit consumption (t/ million) (↓)	1% improvement in the average per unit consumption in 5 years		7.1% improvement in the average per unit consumption in 5 years	
	Products & services	Amount of plastic resources recycled (t)* <sup>4</sup> (↑)	502	544	562	
		Amount of resources saved (thousand t)* <sup>5</sup> (↑)	21.9	20.5	22.0	
Consideration of ecosystems	Management of chemical substances	Business activities	Amount of released chemical substances per unit consumption (kg/million yen) (↓)		1% improvement in the average per unit consumption in 5 years	10.1% improvement in the average per unit consumption in 5 years
		Products & services	Specified chemical substances contained in products		Management in compliance with environmental laws and regulations in each country	Implemented as planned
	Water resource management	Business activities	Volume of received water per unit consumption (m <sup>3</sup> /million yen) (↓)		1% improvement in the average per unit consumption in 5 years	1.0% improvement in the average per unit consumption in 5 years
			Activities in line with the Post-2020 Global Biodiversity Framework		Initiatives at all manufacturing sites by setting five activity targets according to the new international goals	Implemented at all manufacturing sites
Enhancement of the basis of environmental management	Environmental communication	Implementation of Global Environmental Action (GEA)		Initiatives at all manufacturing sites by setting a recommended activity theme for each fiscal year	Implemented at all manufacturing sites	
	Environmental risk & compliance	Environmental risk management and development of human resources in charge of the environment		Strengthening of environmental compliance systems at all manufacturing sites by developing environmental auditors	1 auditor overseas	

\*1 For calculation of CO<sub>2</sub> emissions from electricity, emission factors provided by each electric power company are used

\*2 Obtained by deducting total GHG emissions of shipped products during product lifetime from total GHG emissions of assumed substitute products during product lifetime

\*3 Obtained by deducting the amount of valuable wastes from the total amount of generated wastes

\*4 The amount of recycled plastics and bioplastics used (including packaging materials)

\*5 Obtained by deducting total material input of shipped products from total material input of assumed substitute products

## Environmental Audit

### Toshiba Group’s Comprehensive Environmental Audit System

Since FY1993, we have been conducting environmental audits in accordance with the comprehensive Environmental Audit System established by Toshiba to improve environmental management. Based on this audit system, we conduct corporate-wide environmental management audits, environmental audits of manufacturing and non-manufacturing sites, and environmental technology audits of products at business groups on an annual basis. In FY2022, self-audit and remote audit were introduced in response to the COVID-19 pandemic. In addition, we implemented training for all auditors to enhance the compliance system and develop human resources.



## Information disclosure based on the TCFD recommendations

The impact of climate change is intensifying every year, society's interest in this issue is on the rise, triggering demands that companies step up their actions. The Task Force on Climate-related Financial Disclosures (TCFD), which was established by the Financial Stability Board, published its final report in 2017 that urged companies to disclose information on their climate-related risks and opportunities. Toshiba Tec Group aims to proactively disclose information on climate change in the four areas (Governance, Strategy, Risk Management, and Metrics and Targets) specified by the TCFD.

Toshiba Group has endorsed the TCFD recommendations and are a member of the TCFD Consortium, which aims to promote actions by organizations in Japan in support of the TCFD recommendations.

### ► Governance

At Toshiba Tec Group, matters on climate change and other important environmental issues are reported from the Corporate Environmental Officer to the President at Management Committee meetings then reflected in the Group's management strategy, if they are important and relevant to risks and opportunities that affect corporate management.

Prior to the deliberation and decision-making by the Management Committee meetings, policies, strategies, and measures related to the environment, including climate change, are discussed at the Corporate Environmental Conference chaired by the President (Chief Environmental Management Officer). The conference takes place semiannually, with the participation of each business group's Environmental Management Officer, the Environmental Promotion Officer, the Corporate Staff Group Manager, and the Strategic Environmental Management Division.

### ► Strategy

#### ■ Setting Scenarios

In scenario analysis, we set up the following two scenarios:

##### ● 1.5°C scenario:

For mainly transition risks and opportunities, we use the NZE2050 scenarios created by the International Energy Agency (IEA), assuming a world where the temperature increases by 1.5°C. This scenario predicts increase in costs due to carbon tax, energy saving related regulations, the introduction of renewable energy, etc., as well as increase in business opportunities due to growing demand for energy technologies to realize decarbonization and energy-saving products and services.

##### ● 4°C scenario

For mainly physical risks and opportunities, we use the RCP8.5 scenario by the Intergovernmental Panel on Climate Change (IPCC), assuming a world where the temperature increases by 4°C. Although this scenario does not predict a greater impact of regulations and technology than the 1.5°C scenario, the impact of physical damage such as greater risk of natural disasters like typhoons and flooding caused by unusual weather may increase.

#### ■ Analysis method

##### ● Scope:

We perform scenario analysis for both our Retail Solutions Business Groups and Workplace Solutions Business Groups in order to identify the risks and opportunities specific to each business. Not stopping at the initiatives of our own company, the analysis covers the entire value chain including the upstream (suppliers) and downstream (customers, users).

##### ● Time frames:

Three time frames are set (short-, medium -, and long-terms). Short-term covers 0 to 3 years later, medium-term covers 4 to 10 years later (up to FY2030), and long-term covers 11 to 30 years later (up to FY2050).

##### ● Analysis steps:

We conduct scenario analysis in line with the steps, "Risk importance assessment," "Definition of scenario groups," "Business impact assessment," and "Definition of countermeasures" based on the TCFD recommendations. In the latest scenario analysis, we will conduct analysis in the business areas listed in the "Scope" above, evaluate the level of importance, and proceed to consider countermeasures for those of high importance and priority.

■ Analysis results

The main results of the latest scenario analysis of risks and opportunities by business are as follows.

● Risks and Opportunities in the Retail Solutions Business

Type	Risks or Opportunities	Time frames	Response		
Risks	Transition Risks	Policy and Legal	<ul style="list-style-type: none"> <li>● Increase in company energy costs due to the introduction of carbon tax and the emissions trading system.</li> <li>● Increase in costs due to the introduction of renewable energy at our sites and introduction/changeover of energy-saving equipments.</li> </ul>	Short-to medium-term	<ul style="list-style-type: none"> <li>● Planned introduction of renewable energy at our sites.</li> <li>● Planned introduction and renewal of energy-saving equipments at our sites.</li> <li>● Investigate trends in policies and legal (carbon taxes, emissions trading schemes, etc.) in each country and review investment plans for renewable energy and energy conservation to reduce energy cost increases in the company.</li> </ul>
			<ul style="list-style-type: none"> <li>● Additional condition of introducing renewable energy at the time of selecting suppliers and partner collaboration.</li> </ul>		<ul style="list-style-type: none"> <li>● Consider the criteria for introducing renewable energy at the time of selecting suppliers and partner collaboration.</li> </ul>
			<ul style="list-style-type: none"> <li>● Increase in POS products development costs associated with achieving the efficiency standards of the European Ecodesign Directive (ErP Directive) and other countries' stricter energy-saving performance regulations.</li> <li>● Increase in POS products development costs due to compliance with stricter environmental regulations in various countries, including the adoption of EU taxonomy.</li> </ul>	Medium-term	<ul style="list-style-type: none"> <li>● Survey of trends in energy-saving technologies in POS products, development of elemental technologies, and human resource development.</li> <li>● Trend survey and adoption study of key units and components with high energy-saving performance.</li> <li>● Establish a POS products recycle systems.</li> <li>● Improve development efficiency and cost reduction measures.</li> <li>● Research policy and legal trends for POS products in target countries and review development plans for POS products.</li> </ul>
		<ul style="list-style-type: none"> <li>● Increase in costs to comply with tighter disclosure requirements such as the EU Corporate Sustainability Reporting Directive (CSRD).</li> </ul>		<ul style="list-style-type: none"> <li>● Consideration of adequate disclosure content, budgetary measures, and appropriate disclosure.</li> </ul>	
		Technology	<ul style="list-style-type: none"> <li>● Lost sales opportunities for POS products due to slow development of energy-saving technologies in response to rapidly growing demand for decarbonization-related products and services.</li> </ul>	Medium-term	<ul style="list-style-type: none"> <li>● Survey of trends in energy-saving technologies in POS products, development of elemental technologies, and human resource development.</li> <li>● Trend survey and adoption study of key units and components with high energy-saving performance.</li> <li>● Review development and sales plans for POS products suitable for energy-saving technology trends.</li> </ul>
			<ul style="list-style-type: none"> <li>● Loss of sales opportunities due to lack of energy saving and renewable energy benefits to customers from solutions to the rapidly growing demand for decarbonization-related products and services</li> </ul>		<ul style="list-style-type: none"> <li>● Study and proposal of energy-saving by solutions</li> <li>● Feasibility study of renewable energy by solutions.</li> </ul>
	Market	<ul style="list-style-type: none"> <li>● Loss of sales opportunities when standards for POS products and solutions required by the market and customers are not met.</li> </ul>	Medium-term	<ul style="list-style-type: none"> <li>● Survey of market trends and customer requirements for energy saving in POS products.</li> <li>● Review development plans and sales plans for POS products suitable for market trends and customer requests.</li> <li>● Consideration of effective energy conservation advocacy.</li> </ul>	
		<ul style="list-style-type: none"> <li>● Increase in costs due to price shift to procurement goods and logistics costs as a result of accelerated decarbonization efforts by procurement/logistics suppliers.</li> </ul>		<ul style="list-style-type: none"> <li>● Procurement/logistics suppliers survey and request for cooperation to reduce increased energy costs.</li> <li>● Find new suppliers for multiple procurement/logistics transactions.</li> </ul>	
		<ul style="list-style-type: none"> <li>● Increased business risk due to loss of market and customer confidence in the Retail Solutions Business as a result of delays in addressing climate change.</li> <li>● Increased business risk due to lower evaluation of the Retail Solutions Business as a result of lack of disclosure of information on climate change response.</li> </ul>	Medium-term	<ul style="list-style-type: none"> <li>● Planned implementation of climate change measures in light of external requirements.</li> <li>● Consideration of adequate disclosure content, budgetary measures, and appropriate disclosure.</li> </ul>	
	Physical Risks	Acute	<ul style="list-style-type: none"> <li>● Impact of the severity and increase in extreme weather events (cyclones, floods, etc.) on our own sites.                             <ul style="list-style-type: none"> <li>— Suspension of operations due to buildings and equipments damage, increased costs for countermeasures.</li> <li>— Delays in operations due to difficulties in getting employees to and from work.</li> <li>— Increased expenses due to damage incurred to employees and houses.</li> </ul> </li> </ul>	Long-term	<ul style="list-style-type: none"> <li>● Formulate BCP measures in regions and at each site where there is assumed to be a risk of large-scale extreme weather events.</li> <li>● Confirm BCP measures in assessments at the time of construction of new sites.</li> </ul>
			<ul style="list-style-type: none"> <li>● Impact of the severity and increase in extreme weather events (cyclones, floods, etc.) on suppliers and logistics providers.                             <ul style="list-style-type: none"> <li>— Delays in production and sales caused by unavailability of parts due to damage to suppliers.</li> <li>— Damage to logistics providers, delays in production and sales due to logistics stoppages.</li> <li>— Loss of trust due to maintenance and service outages and delays to customers.</li> </ul> </li> </ul>		
		Chronic	<ul style="list-style-type: none"> <li>● Impacts on our own sites due to the severity and increase in heavy rainfall and precipitation, rising average temperatures, rising sea levels, etc.                             <ul style="list-style-type: none"> <li>— Increase in buildings repair costs for stronger leakproof measures, etc.</li> <li>— Increase in energy costs for air-conditionings.</li> <li>— Suspension of operations due to submergence or flooding, increased costs for countermeasures.</li> <li>— Increase in costs for health management of employees.</li> </ul> </li> </ul>	Long-term	<ul style="list-style-type: none"> <li>● Predict heavy rainfall and precipitation at the locations of our sites and formulate countermeasures.</li> <li>● Predict temperature rise at the locations of our sites and formulate countermeasures.</li> <li>● Predict sea level rise at the locations of our sites and formulate countermeasures.</li> </ul>
Opportunities	Products & Services, Market	<ul style="list-style-type: none"> <li>● Increased demand for energy-saving products in the Retail Solutions Business                             <ul style="list-style-type: none"> <li>— Increase in revenues from expanded sales of energy-saving POS products to new markets.</li> </ul> </li> </ul>	Medium-term	<ul style="list-style-type: none"> <li>● Survey of trends in energy-saving technologies in POS products, development of elemental technologies, and human resource development.</li> <li>● Trend survey and adoption study of key units and components with high energy-saving performance.</li> <li>● Consider sales strategy for energy-saving POS products.</li> </ul>	
		<ul style="list-style-type: none"> <li>● Increase in demand for services in the Retail Solutions Business that contribute to customers' activities to reduce environmental burden.                             <ul style="list-style-type: none"> <li>— Increase in retail media (ad serving service) revenue due to expansion of smart receipts.</li> <li>— Increase in data service revenues such as data sales revenues due to more data collected via ID-POS in line with expansion of smart receipts.</li> </ul> </li> </ul>			<ul style="list-style-type: none"> <li>● Consider sales strategy for securing more smart receipt orders.</li> <li>● Data service platform enhancements.</li> </ul>
		<ul style="list-style-type: none"> <li>● Higher demand for products and services that contribute to preventing an increase in food waste due to shortened food consumption periods.                             <ul style="list-style-type: none"> <li>— Increase in revenue of POS panel data sales to restaurants.</li> <li>— Contribution to prevention of waste loss and increased revenue thereof through restaurant visit forecasting and menu trend analysis.</li> <li>— Increased revenue through contribution to prevention of increased food waste loss at mass retailers.</li> </ul> </li> </ul>			<ul style="list-style-type: none"> <li>● Development of products and services and consideration of partner collaboration for service expansion.</li> <li>● Data service platform enhancements.</li> </ul>



## ● Risks and Opportunities in the Workplace Solutions Business

Type		Risks or Opportunities	Time frames	Response	
Risks	Transition Risks	<ul style="list-style-type: none"> <li>● Increase in company energy costs due to the introduction of carbon tax and the emissions trading system.</li> <li>● Increase in costs due to the introduction of renewable energy at our sites and introduction/changeover of energy-saving equipments.</li> </ul>	Short- to medium-term	<ul style="list-style-type: none"> <li>● Planned introduction of renewable energy at our sites.</li> <li>● Planned introduction and renewal of energy-saving equipments at our sites.</li> <li>● Investigate trends in policies and legal (carbon taxes, emissions trading schemes, etc.) in each country and review investment plans for renewable energy and energy conservation to reduce energy cost increases in the company.</li> </ul>	
			Medium-term	<ul style="list-style-type: none"> <li>● Consider the criteria for introducing renewable energy at the time of selecting suppliers.</li> </ul>	
		Policy and Legal	<ul style="list-style-type: none"> <li>● Additional condition of introducing renewable energy at the time of selecting suppliers.</li> <li>● Increase in MFP/Auto-ID products development costs associated with achieving the efficiency standards of the European Ecodesign Directive (ErP Directive) and other countries' stricter energy-saving performance regulations.</li> </ul>	Short- to medium-term	<ul style="list-style-type: none"> <li>● Survey of trends in energy-saving technologies in MFP/Auto-ID products, ongoing development of elemental technologies, and human resource development.</li> <li>● Trend survey and adoption study of key units and components with high energy-saving performance.</li> <li>● Establish products recycle/reuse systems.</li> <li>● Establish systems for collecting empty toner cartridges.</li> <li>● Consider extending the life of products and components (consumption period)</li> <li>● Installation of equipments reduce various chemical substances used in the manufacturing process.</li> <li>● Improve development efficiency and cost reduction measures.</li> <li>● Research policies and legal trends for MFP/Auto-ID products in target countries and review development plans for MFP/Auto-ID products</li> </ul>
				Medium-term	<ul style="list-style-type: none"> <li>● Increase in MFP/Auto-ID products development costs due to compliance with stricter environmental regulations in various countries, including the adoption of EU taxonomy.</li> </ul>
		Technology	<ul style="list-style-type: none"> <li>● Increase in costs to comply with tighter disclosure requirements such as the EU Corporate Sustainability Reporting Directive (CSRD).</li> <li>● Lost sales opportunities for MFP/Auto-ID/Inkjet Head products due to slow development of energy-saving technologies in response to rapidly growing demand for decarbonization-related products and services.</li> <li>● Loss of sales opportunities due to lack of energy saving and renewable energy benefits to customers from solutions to the rapidly growing demand for decarbonization-related products and services</li> <li>● Decrease in revenue due to delayed response to advances in maintenance technologies for products that do not require visits.</li> </ul>	Short- to medium-term	<ul style="list-style-type: none"> <li>● Consideration of adequate disclosure content, budgetary measures, and appropriate disclosure.</li> </ul>
	Medium-term			<ul style="list-style-type: none"> <li>● Survey of trends in energy-saving technologies in MFP/Auto-ID/Inkjet Head products, development of elemental technologies, and human resource development.</li> <li>● Trend survey and adoption study of key units and components with high energy-saving performance.</li> <li>● Review development and sales plans for MFP/Auto-ID/Inkjet Head products suitable for energy-saving technology trends</li> </ul>	
				<ul style="list-style-type: none"> <li>● Study and proposal of energy saving by solution</li> <li>● Feasibility study of renewable energy by solution</li> </ul>	
	Market	<ul style="list-style-type: none"> <li>● Loss of sales opportunities when standards for MFP/Auto-ID products, and solutions required by the market and customers are not met.</li> <li>● Loss of sales opportunities when efficiency standards required for Inkjet Head products to be incorporated into customer products are not achieved.</li> <li>● Loss of sales opportunities due to delays in responding to the shift to electronic and other methods as opportunities for printing on paper decline.</li> <li>● Increase in costs due to price shift to procurement goods and logistics costs as a result of accelerated decarbonization efforts by procurement/logistics suppliers.</li> </ul>	Medium-term	<ul style="list-style-type: none"> <li>● Survey of market trends and customer requirements for energy saving in MFP/Auto-ID products.</li> <li>● Review development plans and sales plans for MFP/Auto-ID products suitable for market trends and customer requirements.</li> <li>● Consideration of effective energy conservation advocacy.</li> <li>● Research on market trends and customer requirements for energy conservation for products incorporating Inkjet Head products</li> <li>● Review development plans and sales plans for Inkjet Head products suitable for market trends and customer requirements.</li> <li>● Mass production of Inkjet Head products with low power consumption per nozzle</li> </ul>	
				<ul style="list-style-type: none"> <li>● Consideration of expansion of inkjet printing business domain.</li> </ul>	
			Medium-term	<ul style="list-style-type: none"> <li>● Procurement/logistics suppliers survey and request for cooperation to reduce increased energy costs.</li> <li>● Find new suppliers for multiple procurement/logistics transactions.</li> </ul>	
				<ul style="list-style-type: none"> <li>● Planned implementation of climate change measures in light of external requirements.</li> <li>● Consideration of adequate disclosure content, budgetary measures, and appropriate disclosure.</li> </ul>	
	Physical Risks	Acute	<ul style="list-style-type: none"> <li>● Increased business risk due to loss of market and customer confidence in the Workplace Solutions Business as a result of delays in addressing climate change.</li> <li>● Increased business risk due to lower evaluation of the Workplace Solutions Business as a result of lack of disclosure of information on climate change response.</li> <li>● Impact of the severity and increase in extreme weather events (cyclones, floods, wildfires due to droughts, heavy snowfall, etc.) on our sites.                             <ul style="list-style-type: none"> <li>— Suspension of operations due to buildings and equipments damage, increased costs for countermeasures.</li> <li>— Delays in operations due to difficulties in getting employees to and from work.</li> <li>— Increased expenses due to damage incurred to employees and houses.</li> </ul> </li> <li>● Impact of the severity and increase in extreme weather events (cyclones, floods, wildfires caused by droughts, heavy snowfall, etc.) on suppliers and logistics providers.                             <ul style="list-style-type: none"> <li>— Delays in production and sales caused by unavailability of parts due to damage to suppliers.</li> <li>— Damage to logistics providers, delays in production and sales due to logistics stoppages.</li> <li>— Loss of trust due to maintenance and service outages and delays to customers.</li> </ul> </li> </ul>	Long-term	<ul style="list-style-type: none"> <li>● Formulate BCP measures in regions and at each site where there is assumed to be a risk of large-scale extreme weather events.</li> <li>● Confirm BCP measures in assessments at the time of construction of new sites.</li> </ul>
<ul style="list-style-type: none"> <li>● Survey location/BCP measures of suppliers and logistics providers, as well as cooperation requests.</li> <li>● Arrange for availability of multiple suppliers and logistics providers.</li> </ul>					
Chronic		<ul style="list-style-type: none"> <li>● Impacts on our own sites due to the severity and increase in heavy rainfall and precipitation, rising average temperatures, rising sea levels, etc.                             <ul style="list-style-type: none"> <li>— Increase in buildings repair costs for stronger leakproof measures, etc.</li> <li>— Increase in energy costs for air-conditionings.</li> <li>— Suspension of operations due to submergence or flooding, increased costs for countermeasures.</li> <li>— Increase in costs for health management of employees.</li> </ul> </li> </ul>	Long-term	<ul style="list-style-type: none"> <li>● Predict heavy rainfall and precipitation at the locations of our sites and formulate countermeasures.</li> <li>● Predict temperature rise at the locations of our sites and formulate countermeasures.</li> <li>● Predict sea level rise at the locations of our sites and formulate countermeasures.</li> </ul>	
Opportunities	Products & Services, Market	<ul style="list-style-type: none"> <li>● Increased demand for energy-saving products in the Workplace Solutions Business                             <ul style="list-style-type: none"> <li>— Increase in revenue due to sales expansion of Eco-MFP (paper recycling) and liner-less label (mount-less label) printers, etc.</li> <li>— Increase in revenue due to expanded sales of refurbished (used) MFP products.</li> <li>— Increase in revenue due to sales expansion of Inkjet Head products that contribute to low power consumption and reduction of environmental impact.</li> </ul> </li> <li>● Increase in demand for services in the Workplace Solutions Business that contribute to customers' activities to reduce environmental burden.                             <ul style="list-style-type: none"> <li>— Increase in revenue due to expanded sales of Eco-MFP (paper recycling) and MPS/MDS (customer printing cost optimization) solutions.</li> <li>— Increased revenue through sales expansion due to providing Inkjet Head solution services.</li> </ul> </li> </ul>	Short- to medium-term	<ul style="list-style-type: none"> <li>● Survey of trends in energy-saving technologies in MFP/Auto-ID/Inkjet Head products, development of elemental technologies, and human resource development.</li> <li>● Trend survey and adoption study of key units and components with high energy-saving performance.</li> <li>● Consider sales strategy of energy-saving MFP/Auto-ID products.</li> <li>● Consider product design for MFP/Auto-ID products that are easy to reuse, and the construction of reusable sites/lines.</li> <li>● Consider mass production of inkjet products with low power consumption, resource conservation through replacement with Inkjet Head systems, and sales strategies.</li> </ul>	
			Medium-term	<ul style="list-style-type: none"> <li>● Consider development and effects of new eco solutions/services</li> <li>● Consider development and effects of energy-saving Inkjet Head solutions, and the commercialization thereof.</li> </ul>	

■ Response Measures

The measures to address the risks and opportunities identified and evaluated in the above scenario analysis will be incorporated as part of future medium-term business plans in each business area, and progress will be managed on a regular basis. Response to climate change has also been set as a priority item in our Toshiba Group’s Environmental Future Vision 2050. In addition, since most of the GHG emissions in the entire value chain of Toshiba Tec Group are generated during the use of our products and

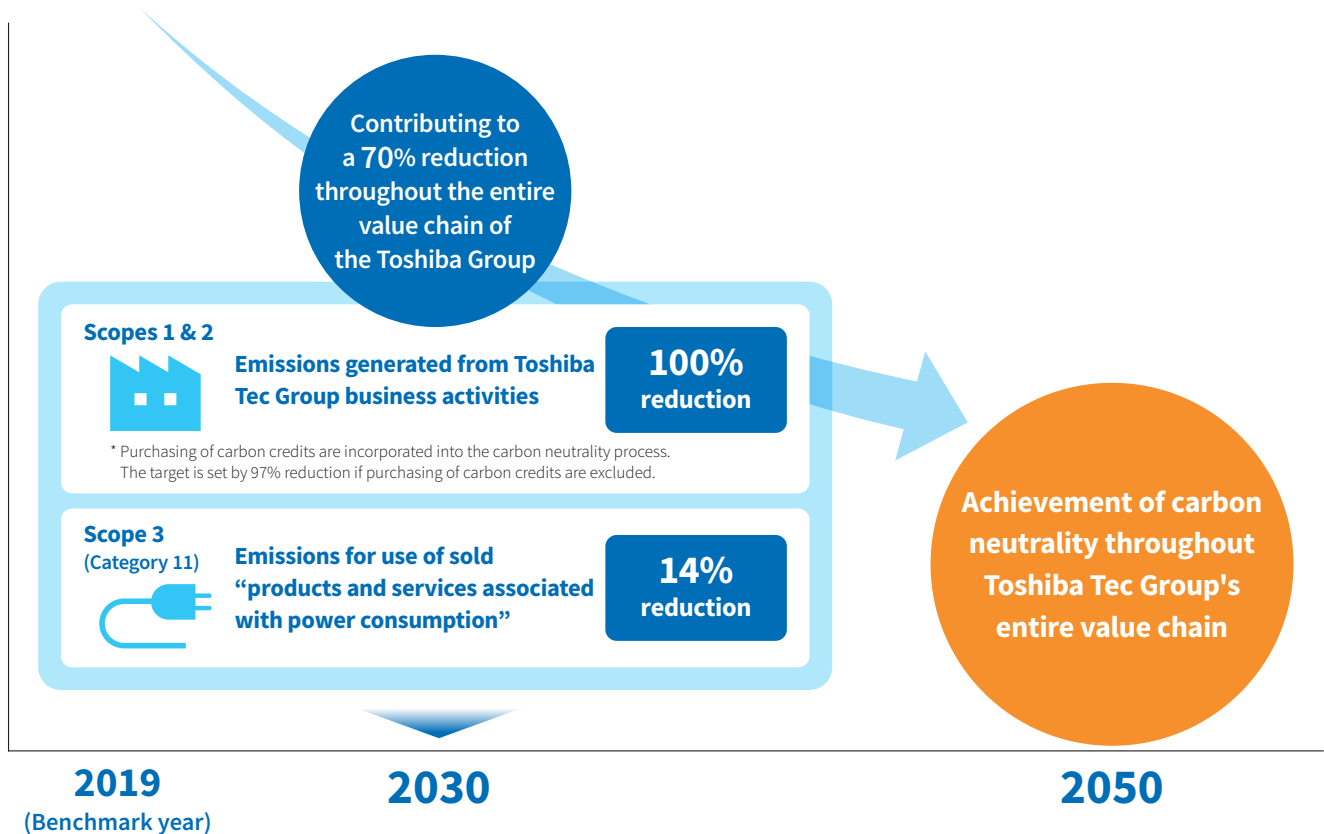
services, we will take appropriate measures such as improving the energy-saving performance of our products and services and expanding businesses that are compatible with a decarbonized society. We will continue to incorporate the results of scenario analysis into Toshiba Tec Group’s business strategies to ensure sustainable corporate management while appropriately responding to the risks and opportunities of climate change.

► Risk Management

Toshiba Tec Group’s risk management related to climate change is integrated into the company-wide risk management process. For each matter that could majorly impact the Group’s management, including climate change-related risk, the Business Risk Review Committee conducts risk assessment, and then those considered to be of particularly high concern from the perspective of business risk are discussed at Management Committee meetings. Moreover, all risks and opportunities evaluated and identified as relating to climate change are shared through the Corporate Environmental Conference and managed under the above-mentioned promotion system.

► Indicators and Targets

Toshiba Tec Group is aiming to achieve carbon neutrality by FY2050 throughout the value chain. Also, as milestones, we have set the below targets and are striving to achieve them by FY2030.



Reduce the total of Scope 1\*<sup>1</sup> and Scope 2\*<sup>2</sup> (GHG emissions generated from Toshiba Tec Group business activities) by 100% by FY2030.

\* Purchasing of carbon credits are incorporated into the carbon neutrality process. The target is set by 97% reduction if purchasing of carbon credits are excluded.

Reduce GHG emissions for use of sold “products and services associated with power consumption”\*<sup>3</sup> sold in Scope 3\*<sup>4</sup> by 14% by FY2030.

\*1 Direct GHG emissions via the use of fuel at Toshiba Tec Group

\*2 Indirect GHG emissions via the use of power and heat purchased by Toshiba Tec Group

\*3 Retail and printing products, etc.

\*4 Indirect GHG emissions other than Scopes 1 & 2 that arise from Toshiba Tec Group’s value chain (raw material procurement, logistics, sale, disposal, etc.)

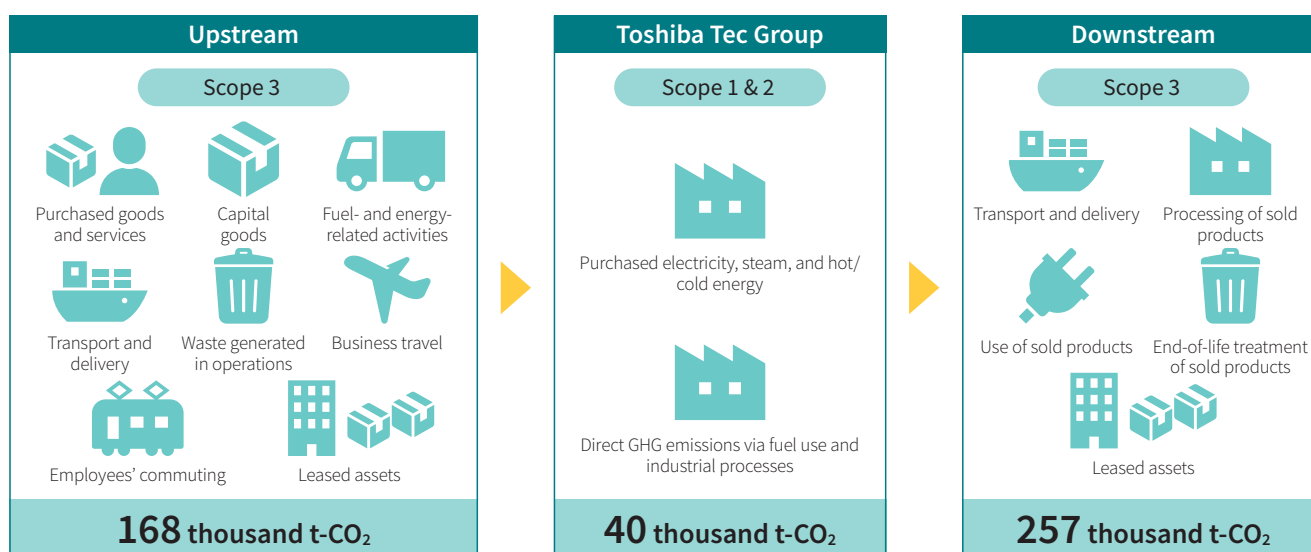
## Promoting environmental management harmonized with business operations

### ► GHG Emissions in the Supply Chain

As climate change becomes an increasingly serious issue, companies must manage not only their own greenhouse gas (GHG)<sup>\*1</sup> emissions but also emissions generated across their entire value chain. Based on the GHG Protocol<sup>\*2</sup>, which provides international standards for calculating GHG emissions, and the Ministry of the Environment's Basic Guidelines for Calculating GHG Emissions throughout the Value Chain, Toshiba Tec Group calculates indirect GHG emissions generated outside the scope of its own business activities (Scope 3) in addition to its own emissions (Scope 1 & 2) in accordance with Toshiba Group's Policy. Toshiba Tec Group will continue working effectively throughout product lifecycles by quantitatively analyzing emissions per category as described above.

\*1 CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>

\*2 The Greenhouse Gas Protocol (GHG Protocol): Guidelines for calculating and reporting GHG emissions formulated by companies, NGOs, and government organizations around the world under the leadership of the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD)



Classification	Category	FY2021 calculation results (thousand t-CO <sub>2</sub> )	FY2022 calculation results (thousand t-CO <sub>2</sub> )	Percent change in emissions	Remarks
Up-stream	1 Purchased goods and services	102.3	105.3	103%	
	2 Capital goods	42.7	50.4	118%	
	3 Fuel- and energy-related activities not included in Scope 1 & 2	10.7	6.6	62%	
	4 Transport and delivery (upstream)	2.3	2.3	100%	
	5 Waste generated in operations	0.2	0.2	82%	
	6 Business travel	1.6	2.8	170%	
	7 Employees' commuting	0.8	0.9	112%	
	8 Leased assets (upstream)	-	-	-	This category does not apply to Toshiba Tec Group's business.
Toshiba Tec Group	9 Direct emissions (Scope 1)	3.1	2.7	88%	
	10 Indirect emissions from energy use (Scope 2)	45.5	37.6	83%	The figures include contribution based on green certificates.
Down-stream	11 Transport and delivery (downstream)	-	-	-	This category does not apply to Toshiba Tec Group's business.
	12 Processing of sold products	-	-	-	This category does not apply to Toshiba Tec Group's business.
	13 Use of sold products	252.6	252.4	100%	
	14 End-of-life treatment of sold products	4.2	4.1	98%	
	15 Leased assets (downstream)	-	-	-	This category does not apply to Toshiba Tec Group's business.
	16 Franchising	-	-	-	This category does not apply to Toshiba Tec Group's business.
	17 Investment	-	-	-	This category does not apply to Toshiba Tec Group's business.
<b>Total</b>		<b>466.1</b>	<b>465.3</b>	<b>100%</b>	

### ► Acquisition of SBT Certification

For its targets for FY2030<sup>\*3</sup>, Toshiba Group has acquired the Science Based Targets (SBT)<sup>\*4</sup> certification. In addition, new reduction targets have been submitted to the SBT Initiative in accordance with the updated SBT certification criteria.

\*3 Targets for FY2030 set before the revision of the Environmental Future Vision 2050 (i.e. before November 2021)

\*4 Science Based Targets are scientifically grounded GHG reduction targets set by companies on a medium- to long-term basis in order to restrain the global average temperature increase to well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius. The targets are certified by the SBT initiative. Toshiba Group acquired the certification based on the targets for FY2030 set before the revision of the Environmental Future Vision 2050 (before November 2021)

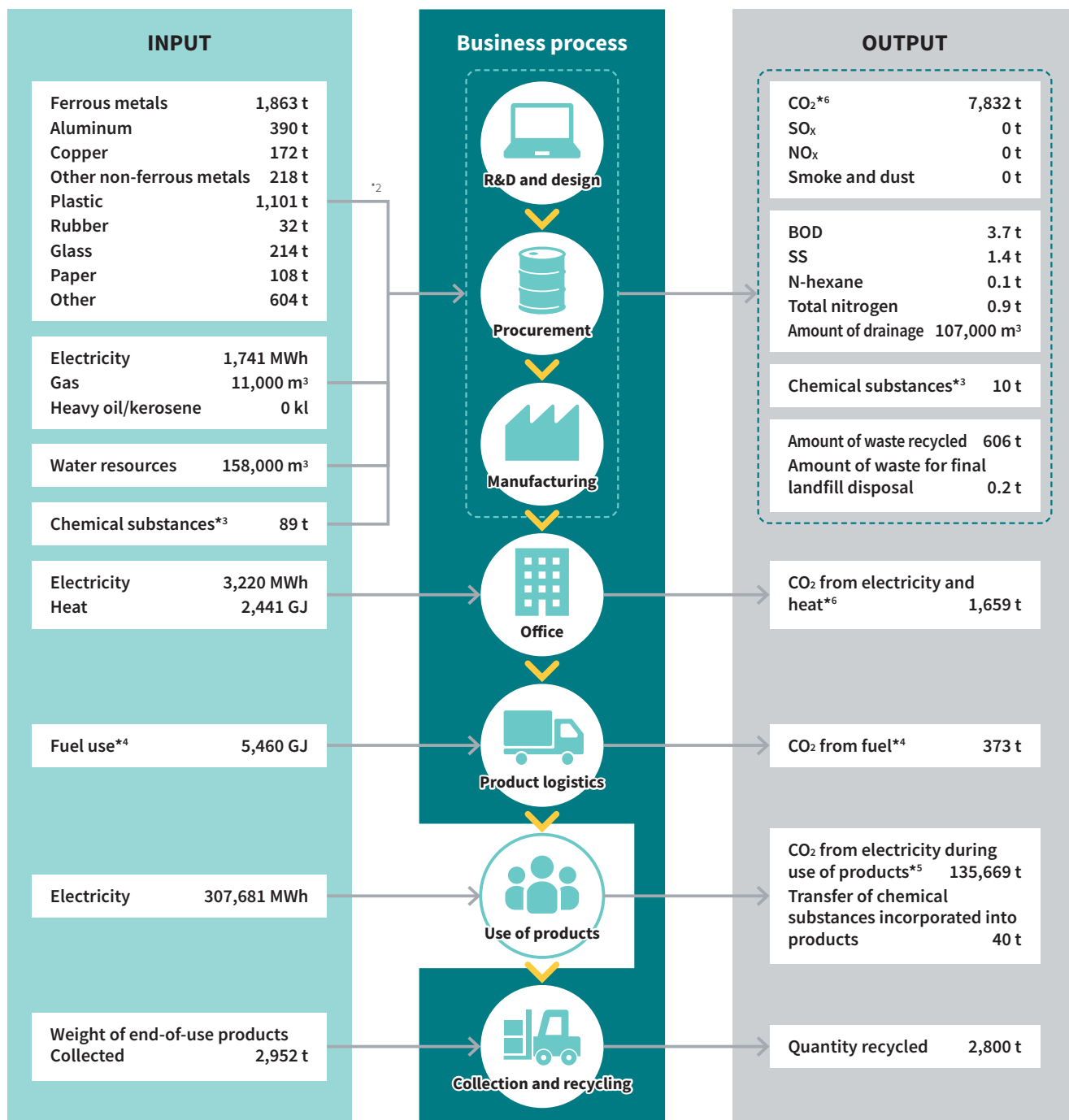


### ► Environmental Impact throughout the Life Cycle in FY2022

We reduce the environmental impact in our manufacturing processes and develop environmentally conscious products to understand, analyze, and reduce the impact at each stage of the product life cycle.

We procure raw materials and components from suppliers, and manufacture and ship our products. We transport finished products to distributors or warehouses via outsourced forwarding agents. Then, we collect end-of-use products from customers, wherever possible, for reuse and recycling. At the manufacturing stage, CO<sub>2</sub> emissions from total energy consumption at plants and offices were 7,832 t-CO<sub>2</sub> and 1,659 t-CO<sub>2</sub> respectively. Release of chemical substances into the atmosphere and water were 10 tons. The amount of waste recycled was 606 tons and the amount of waste landfilled was 0.2 tons. CO<sub>2</sub> emissions from major products shipped in FY2022 throughout their product life is estimated to be 135,669 t-CO<sub>2</sub>.

### ■ Environmental impact in FY2022\*1



\*1 Target data tabulated: Toshiba Tec

\*2 Inputs of materials and parts: Calculated based on material procurement data using the Toshiba Group's proprietary method

\*3 Target chemical substances: 551 types specified by Toshiba

\*4 Product logistics: CO<sub>2</sub> emissions from outsourced transportation

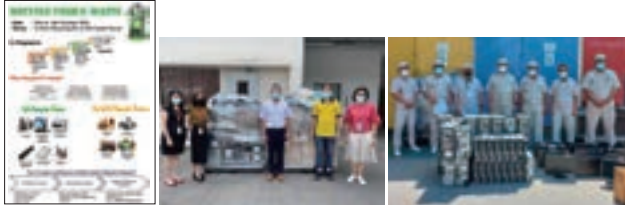
\*5 CO<sub>2</sub> during use of products: CO<sub>2</sub> emissions from major products shipped in FY2022 throughout their product life

\*6 CO<sub>2</sub> emission factor used for calculation is 0.531 t-CO<sub>2</sub>/thousand kWh



## ▶ Global Environmental Action

Based on the 7th Environmental Action Plan, we have established activities under five themes of “Energy,” “Resources,” “Chemical Substances,” “Water,” and “Nature,” and are rolling out globally environmental contribution activities by setting recommended themes each year. In FY2022, a total of 111 activities were conducted under the recommended theme of “Resources.”



Collection and Recycling of E-waste (end-of-use electric appliances)  
Toshiba America Business Solutions, Inc. Toner Products Division, Toshiba Tec Singapore Pte Ltd., and P.T. Tec Indonesia



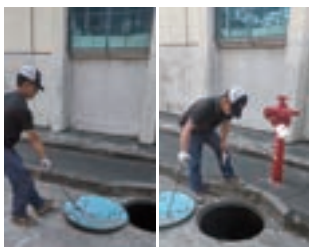
Recovery and reuse of shipping pallets  
Introduction and education for sales representatives on effective use of resources and waste reduction activities  
Toshiba Tec Europe Imaging Systems S.A.



Reuse of plastic bottles and component packaging plastic cases  
Contribution to local communities by collecting and donating pull tabs and PET bottles  
P.T. Tec Indonesia  
Toshiba Tec Shizuoka Business Center



Employee training to promote efficient water resource utilization  
Toshiba Tec Malaysia Manufacturing Sdn. Bhd.



Reducing water resource loss through strengthened daily inspections  
Toshiba Tec Information Systems (Shenzhen) Co., Ltd.

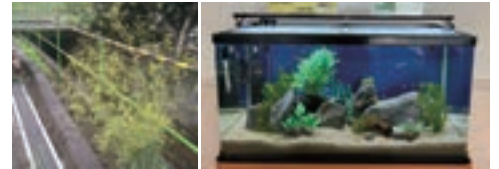
## ▶ Approaches to Biodiversity Conservation Activities

Based on the Toshiba Group’s Policy, we roll out activities under five activity themes, which are grounded on six targets highly relevant to our business activities and selected from the Post-2020 Global Biodiversity Framework.

\* We set themes based on the targets discussed in the draft 0.2 version of the Post-2020 Global Biodiversity Framework.

### Toshiba Tec Shizuoka Business Center (Mishima and Ohito)

With the aim of preserving and nurturing rare species and endangered species, we have been engaged in growing *Mishimasaiko* (*Bupleurum Root*) and in breeding black Japanese rice fish in both the Mishima and Ohito Business Centers.



### Toshiba America Business Solutions, Inc. Toner Products Division

Together with the city of Mitchell and boy scout, the company created a vegetative floating island to take the phosphorus and nitrogen out of Lake Mitchell. This is also anticipated to eliminate the excessive amounts of algae in the lake by improving water quality.



### Toshiba Tec Europe Imaging Systems S.A.

The company is introducing our activities to the companies in city of Dieppe, where the Business Center is located, in order to help promote local biodiversity preservation activities.



### Toshiba Tec Information Systems (Shenzhen) Co., Ltd.

The company regularly conducts surveys of the growth and habitation of organisms in the city. In FY2022, it conducted a survey into the status of birds and mangroves at Futian Mangrove Nature Reserve in Shenzhen city.



### Toshiba Tec Singapore Pte Ltd.

The company regularly maintains plants and flower beds within its premises to create an environment attractive to migratory birds, bees and butterflies.



### P.T. Tec Indonesia

Employees, their families, and local residents all joined in the Beach Cleaning activity. Collecting 900 kg of plastic garbage, etc., this activity contributed to the coastal conservation of Batam.



### Toshiba Tec Malaysia Manufacturing Sdn. Bhd.

The company recommenced beach cleaning activity to conserve and nurture green turtles, which are a rare species, and keep the habitat with Penang State government staff members.





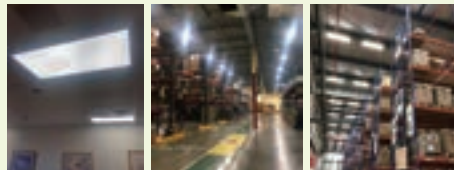
► Topics

Topics

**Response to Climate Change**

**Switching to LED lighting**

Every year, we change lightings to LED lightings at all manufacturing sites in a planned manner, thereby promoting energy-saving.



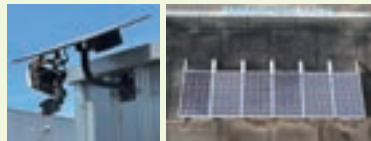
**Green roofs**

As an initiative to mitigate the climate change, the company expanded green roofs, which helps to curb the temperature rise in the building as well as CO<sub>2</sub> emissions.



**Introduction of solar panels**

In order to realize power supply through solar power generation, multiple sites have introduced solar power panels on a small scale.



**Reductions in water resource consumption**

Hand-washing activities aimed at preventing the spread of COVID-19 and increased use of air conditioning equipment due to higher average temperatures are resulting in increased water resource consumption. We promote activities to reduce overall water resource usage, including



switching to water saving faucets and offering water-saving training.



► **Green Procurement**

As our environmental effort at the stage of raw materials procurement, we are committed to green procurement with an aim to procure materials with a lower environmental impact.

■ **Suppliers' activities for environmental conservation**

We prioritize suppliers who perform proactive activities for environmental conservation. We have prepared the Guidelines for Green Procurement in Japanese, English, and Chinese to check the status of implementation of suppliers.

■ **Data utilization**

We request our suppliers to provide data on chemical substances contained in the material to be supplied, and use the information management system for chemical substances contained in products to aggregate the data. We utilize the collected data to develop ECPs.

■ **Control of environment-related substances in items for procurement**

We request our suppliers to comply with environment-related laws, regulations, and control standards, such as RoHS and REACH that are originally established in Europe but now, widely implemented in the rest of the world. We also request them to provide parts and raw materials with a lower environmental impact.

**Control of environment-related substances**

1. Familiarize all related divisions and suppliers with control of environment-related substances
2. Fulfill the requirements for control of environment-related substances
3. Complete the survey on the status of use of environment-related substances
4. Obtain information necessary to complete the above survey
5. Perform sample tests or obtain sample test results from suppliers if necessary
6. Investigate suppliers' control systems
7. Stay updated on which chemical substances will be prohibited

► **Collection and Recycling**

We are committed to collecting and recycling end-of-use products on a global basis.

■ **Japan**

We collect end-of-use products at our sales sites and perform process checks on recycling contractors to increase the collection and recycling rates.

■ **Overseas**

In Asia, Europe, Australia, and North America, we implement the end-of-use MFP and toner cartridge collection and recycling program in collaboration with other companies.

# Environmental Accounting

We adopt environmental accounting to quantitatively understand the environmental conservation costs and benefits, and utilize the quantitative data as guidelines for our business activities. For environmental conservation costs on a consolidated basis in fiscal 2022, total capital investments were 40 million yen and total expenses were 650 million yen. Total environmental benefits were 1.89 billion yen.

Target sites: Toshiba Tec Head Office, Shizuoka Business Center, 1 domestic and 6 overseas manufacturing group companies  
 Target period: April 1, 2022 to March 31, 2023  
 Note: Some figures are estimates.

## Environmental conservation costs

(Unit: Millions of yen)

Category	Description	Investments		Costs		Changes in costs from FY2021	
		Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
(1) Business area costs	Reduction of environmental impacts (i) to (iii)	38.1	22.8	165.7	101.9	20.8	12.9
(i) Pollution prevention costs	Prevention of air, water, and soil pollution, etc.	3.7	0.0	31.1	9.7	-1.0	-0.3
(ii) Global environmental conservation costs	Global warming prevention, ozone layer protection, etc.	29.7	18.1	91.4	69.2	24.3	15.4
(iii) Resource recycling costs	Recycling of waste, etc.	4.7	4.7	43.2	23.0	-2.5	-2.1
(2) Upstream/downstream costs	Green procurement, collection/recycling of end-of-use products, etc.	0.0	0.0	123.5	123.5	-1.9	-1.9
(3) Administration costs	Establishment of EMS, environmental education, tree planting/clean-up activities, etc.	0.0	0.0	238.4	219.8	-7.6	-13.2
(4) R&D costs	Technical development for ECPs, etc.	0.0	0.0	118.4	118.4	-2.8	-2.8
(5) Social costs	Donations and support to groups/organizations, etc.	0.0	0.0	1.3	0.0	1.2	0.0
(6) Environmental damage restoration costs	Recovery of soil pollution, etc.	0.0	0.0	0.1	0.1	0.0	0.0
<b>Total</b>		<b>38.1</b>	<b>22.8</b>	<b>647.3</b>	<b>563.6</b>	<b>9.6</b>	<b>-5.1</b>

## Environmental conservation benefits

(Unit: Millions of yen)

Category	Description	Amounts	Calculation method
A Actual benefits	Reduced charges for electricity and water, etc.	-275	The amount of money, such as electricity charges and waste disposal costs, that was saved compared with the previous fiscal year plus earnings from the sale of objects with value.
B Assumed benefits	Reduced environmental impacts on water and atmosphere in monetary value	777	The amount of money was calculated by multiplying the cadmium equivalent value of each substance obtained from environmental standards and the American Conference of Governmental Industrial Hygienists Threshold Limit Value (ACGIH-TLV) by damage compensation for cadmium pollution. This method of calculation provides a means of showing reductions in environmental impacts on the atmosphere, hydrosphere and soil and makes it possible to compare the environmental impacts of different substances using the same standard by converting the impacts into monetary values.
C Customer benefits	Benefits of impacts reduced during product use in monetary value	1,383	Environmental impact reduction benefits during product use are evaluated in physical quantity units and monetary units. Energy-saving benefits are calculated by using the following equation: Benefits (yen) = Z [(electricity consumption per year of the former model — electricity consumption per year of the new model) × number of units sold per year × benchmark unit price of electricity charge]
<b>Total amount</b>		<b>1,885</b>	

### A Actual benefits

Item	Reduction of environmental impact*	Benefits measured in monetary values (millions of yen)
Energy	53,800 GJ	-261
Waste	147.8t	8
Water	-22,700 m <sup>3</sup>	-22
<b>Total amount</b>		<b>-275</b>

### B Assumed benefits

Item	Reduction of environmental impact*	Benefits measured in monetary values (millions of yen)
Benefits from reduction of chemical substances emissions	11.6t	777

### C Customer benefits

Item	Reduction of environmental impact*	Benefits measured in monetary values (millions of yen)	
Benefits from reduction of environmental impact during product use	Electricity	51,210,000 kWh	1,383
	Paper rolls	914t	0
<b>Total amount</b>		<b>1,383</b>	

\* The reduction of environmental impact indicates the differences between FY2021 and FY2022. Negative figures show an increase in environmental impact beyond the benefits from reduction due to increased production, etc.

# Environmental Communication

## Information Disclosure

### Recognitions and commendations from external parties

Toshiba Tec was selected again, following the previous year, as a constituent of the Somo Sustainability Index, which is independently developed by Somo Asset Management Co., Ltd. The constituents of the index will be referenced in the company's Somo Sustainable Asset Management. Somo Sustainable Asset Management is an ESG asset management product for pension funds and institutional investors, which was launched in August 2012 by Somo Asset Management Co., Ltd. and invests in a wide range of companies highly recognized for environmental, social, and governance (ESG) initiatives. Toshiba Tec has been selected for six consecutive years in recognition of its ESG initiatives.



## Communication and Development of Environmental Awareness

### Environmental education

We annually provide e-learning training on general knowledge and trends in the environmental as well as the overall environmental management of Toshiba Tec Group for all employees.

### Addition of participative content to the Smart Receipt app

Our electronic receipt system, "Smart Receipt," is a service that contributes to the reduction of paper receipts and environmental conservation. An "eco tree to be grown by all" has been added to the application to visualize the contribution to the environment based on usage. As this eco tree grows, users can get a sense of their contribution to environmental conservation.



Social

# SOCIAL

We work on human capital-oriented management and CSR through supply chains. We put customer satisfaction and solving social issues first when developing and providing products and solution proposals.



## Respect for Human Rights

We comply with universal principles regarding human rights and labor practices worldwide, and respect human rights through sound business activities.

### ► Policy on Respect for Human Rights

Toshiba Tec Group has designated “Respect for Human Rights” as Article 1 in the Toshiba Tec Group Standards of Conduct and declares that it will conduct its corporate activities with due consideration for human rights. In March 2023, Toshiba Tec Group revised the Toshiba Tec Group Human Rights Policy to further clarify its stance and commitment to human rights by specifying policies related to the scope of application, governance structure, remedies and corrections, education, and information disclosure. With the globalization of business, various human rights issues have become more prominent social problems than ever before. Amid this, companies that are expanding their business globally are increasingly required to disclose information on their human rights initiatives, and are being asked to address human rights issues related to their corporate activities. We understand that corporate activities may have an impact on human rights and the need to comply with international standards on business and human rights. We will fulfill our responsibilities as a company by respecting the human rights of all stakeholders involved in Toshiba Tec Group’s corporate activities and by conducting human rights due diligence.

 **Toshiba Tec Group Human Rights Policy**  
[https://www.toshibatec.com/company/csr/society/pdf/human-rights-policy\\_en.pdf](https://www.toshibatec.com/company/csr/society/pdf/human-rights-policy_en.pdf)

### ► Education and Enlightenment on Respect for Human Rights

With the aim of establishing a discrimination-free organization that provides job satisfaction, we encourage our employees to foster awareness of human rights. We provide rank-based human rights education for new employees, appointed managers, and so on.

#### Topics

##### Elimination of Harassment

Our Group Standards of Conduct, “Respect for Human Rights,” stipulates that we shall respect basic human rights, individuality and privacy, and embrace a diverse set of values among individuals, and refrain from human rights violations such as physical violence, sexual harassment, abuse of power (workplace bullying or harassment), and discriminatory remarks and actions against race, religion, gender, nationality, physical or mental disability, age, or sexual orientation. As such, we are continuing our efforts to foster awareness within the company to create a comfortable workplace where all executives and employees respect each other. Based on our strong stance that we will never tolerate any act of harassment, we are thoroughly implementing ongoing countermeasure e-learning, company-wide questionnaires, and rank-based education, mainly during “Workplace Harassment Elimination Month”. We aim to create a workplace environment with “excitement” and a sense of job satisfaction, where all employees feel respected as a human being, acknowledged, and welcomed.



# Human Resource Development

We have fair personnel systems in place to help diverse employees play active roles by fully demonstrating their abilities, as well as make efforts to develop and deploy human resources.

## ▶ Human Resource Utilization and Development

Topics

We define “respecting the individuality of each employee, striving to promote each one’s abilities, and implementing a fair and appropriate system of evaluation and rewards” as part of our corporate philosophy, and aim to continue systematically securing and developing competent and competitive human resources to form a strong professional team that will continue to tirelessly seek new challenges for the growth and development of Toshiba Tec.

### ■ The kind of people Toshiba Tec seeks

In our aim to become a global top solutions partner, Toshiba Tec has established an image of the kind of human resources we seek. Under the theme of “People are Our Assets,” we are promoting measures to support the growth of our employees.

By introducing various career support measures in conjunction with “career design,” we will strengthen the development of career-autonomous human resources who can think independently about their own careers.

### External transfer (rental transfer)

We launched an external transfer system from the second half of fiscal 2019 as a human resource development program for creating new businesses with a view to nurturing human resources and next-generation leaders capable of triggering innovation and organizational change. Under the system, employees are given the opportunity to work on-site at startup companies for half a year, thereby experiencing the speed in startup businesses and acquiring the perspective of looking at the whole organization from a bird’s-eye view. By having first-hand experience in creating new value, they are expected to obtain a new set of eyes to acknowledge their own capability apart from Toshiba Tec as well as the company Toshiba Tec itself. During the transfer, employees receive monthly support from external mentors who have experienced new businesses, as opportunities for dialogue to deepen what they learn and notice. Sixteen employees were transferred under the system by fiscal 2022.

### ■ Training program/education system

We provide training programs to establish a shared base for our employees and systems that can respond to individual needs and career characteristics.

	Training program by position	Training program by professional capacity	Executive development program	Others
	This is a mandatory program that is carried out at each milestone to move up the career ladder, such as at the time of joining a company or being newly appointed as a leader. It is intended to enable employees to acquire the minimum knowledge and skills required in each position so that they can fulfill the role required by that position.	This program is intended to enable employees to acquire the occupational knowledge and skills required for their respective careers.	This is a selective program to develop executive candidates, future leadership candidates and global human resources.	There are programs to provide compliance training, so that our employees develop a shared awareness of compliance, and to support personal capacity development and skill improvement.
Managers	<ul style="list-style-type: none"> <li>Career program for employees aged 30</li> <li>One-on-one program</li> <li>Follow-up program for managers</li> <li>Program for newly appointed executives</li> <li>Program for newly appointed managers</li> </ul>	<ul style="list-style-type: none"> <li>Sales and marketing program by position</li> <li>Technology/human resource development program</li> <li>Production IE program</li> <li>Staff training program</li> </ul>	<ul style="list-style-type: none"> <li>Selective executive development program</li> <li>Selective global human resource development program</li> <li>External transfer system</li> </ul>	<ul style="list-style-type: none"> <li>Personal development support program</li> <li>Compliance program (e.g. export control/intellectual property/information security)</li> <li>Language program (e.g. school-type English training/on-line English training)</li> <li>Mentor/elder program</li> </ul>
Specialists	<ul style="list-style-type: none"> <li>S1 program</li> </ul>			
Non-managerial employees	<ul style="list-style-type: none"> <li>S2 program</li> <li>Program for employees in the third year</li> <li>Toshiba Tec Group program for new employees</li> </ul>			

### ■ Career development support program

As part of our Human Resource Utilization and Development system, we have adopted the Career Design Program (CDP) since 2011 to create an individual 3-year development plan based on the CDP, and annually conduct interviews and reviews in order to ensure that employees continue to grow as professionals. Moreover, we provide an opportunity for employees to develop their own careers. For example, our Internal Job Posting System helps each employee apply for personnel transfer in order to fill a

vacant post announced by a division. We also introduced a one-on-one interview system in fiscal 2021, where employees and their supervisors regularly meet one on one to foster mutual understanding, and thereby build a relationship of trust. The system is designed to help employees develop their career together with supervisors by making it easy for employees to share their own desired career from time to time.



## Promotion of Diversity Management

We believe that the utilization of diverse human resources, regardless of gender, age and nationality, leads to increased innovation and vitality, which allows us to more readily adapt to unexpected issues or changes in the market, thereby increasing our global competitiveness. Based on commitments made by our executives, we aim to achieve our Human Resources Strategic Vision by considering diversity management as an essential part of our management strategy. The Strategic Vision states that human resources and organizational strength contributing to the creation of customer value are to be enhanced and every one of us shall respect one another as professionals in order to create a strong and trusting relationship between all business areas. Accordingly, we are committed to increasing creativity and productivity through work-style reform, helping create diverse, autonomous human resources who can bring about growth and change, and fostering an organizational culture in which employees will feel motivated to aim for the next level.



### ► Initiatives for Women's Participation and Advancement

With an eye toward increasing the number of female employees who can achieve their desired career goals and work with enthusiasm, we are promoting initiatives to achieve the goals that have been set out in the action plan based on the Act on Promotion of Women's Participation and Advancement in the Workplace, by fiscal 2025.

Starting in fiscal 2022, as part of our diversity promotion efforts, we have launched a project to promote women's participation and advancement in the workplace and are working to raise awareness within the company.

Various events were held for all employees to understand diversity in their daily lives, including an introduction of our diversity promotion status, a seminar on support systems for balancing work and family, and a roundtable discussion with male employees who have taken maternity leave.

#### Ratios of female employees and female managers (Toshiba Tec) (%)

	FY2020	FY2021	FY2022
Ratio of female employees	13.9	14.3	14.8
Ratio of female managers	2.3	2.8	3.1

\* Data as of March 31

#### Progress in action plan based on Act on the Promotion of Women's Participation & Advancement in the Workplace (%)

	New graduates in FY2021	New graduates in FY2022	New graduates in FY2023	(Target) New graduates in FY2025
Ratio of new female graduates employed	17.9	25.0	23.8	30.0

### ■ Recruitment activities to hire female employees

Since fiscal 2017, we have been holding a company briefing session for female students and an exchange with female employees with the aim of helping new female graduates develop a clear image of working at Toshiba Tec and increasing the ratio of new female graduates employed. The company briefing session features a variety of initiatives to promote women, systems to support work and life balance, and showcases the successful examples of female employees. In the exchange with female employees, we introduce their career paths. In addition, we will continue to provide information on our website, such as the ratio of female employees and female managers, as well as internal systems that can be utilized in accordance with life events, in order to make it easier for people to imagine how they would like to work at Toshiba Tec.

### ► Promoting Recruitment, Participation and Advancement of Non-Japanese Employees

Toshiba Tec Group actively recruits non-Japanese employees. In addition to the recruitment of foreign nationals who have studied in Japan, we have been carrying out the Global Recruitment Program in an effort to directly recruit students graduating from universities overseas since fiscal 2010. After joining Toshiba Tec Group, they play active roles in various fields such as sales, development and design.

#### Number of non-Japanese employees

(Persons)

	April 2021	April 2022	April 2023
Toshiba Tec	20	21	23
Domestic group companies	6	6	6
Total of Toshiba Tec Group in Japan	26	27	29

### ► Promoting the Employment of People with Disabilities

We are actively hiring people with disabilities and improving workplace environments to bring their capabilities into full play.

#### Employment ratio of people with disabilities

(%)

	April 2021	April 2022	April 2023
Toshiba Tec	2.38	2.37	2.34
Domestic group companies	2.79	2.89	2.78
Total of Toshiba Tec Group in Japan	2.57	2.61	2.54

\* Toshiba Tec is eligible for the special exception for a business group for calculating employment rate of persons with disabilities.

### ► Work Style Innovation (WSI)

We are working on activities to accelerate work-life balance under the unique name of Work Style Innovation (WSI). WSI refers to a campaign aimed at creating a virtuous cycle, where employees work in an efficient and lively manner as well as making the most of their private lives to rejuvenate and improve themselves so that they can add higher value to their work.

### ■ Streamlining and arranging considerate working hours

We are working on correcting long working hours, in order to allow the participation and advancement of diverse human resources, and to promote WSI. Each employee promotes activities to increase productivity by changing their working styles and methods.

## Key systems and measures concerning working hours

System/measure	Overview
Flexible work system	Flex work
Long leave system	Employees can take a maximum of 20 days off as accumulated leave for clear and meaningful objectives, such as self-development, social contribution activities, treatment of non-occupational injuries/diseases (including infertility), childrearing, nursing care, etc.
Family Week initiatives and no overtime day	In order to accelerate WSI and create time for employees to spend with their families, employees are encouraged to leave work at a specific time on at least two days during Japan's Family Week in November. In principle, no work is allowed on holidays. For employees posted away from their families, the Company supports travel expenses and recommends taking annual paid holidays for visits home.
System for monitoring working conditions	<ul style="list-style-type: none"> <li>● A system is in place to help employees monitor working conditions on their own and managers monitor their subordinates' working conditions to prevent work hours from exceeding the standard upper limit set by the Company.</li> <li>● Use of a system that shuts down the personal computer at a specified time (PC shutdown system) fosters awareness to carry out tasks within a limited amount of time.</li> </ul>
Improving the work environment	Work from home
Bonus system	This system was introduced to reward time-conscious employees who produce remarkable results by carrying out tasks efficiently.

### ■ Supporting employees in balancing work with childcare/nursing care

We are improving and expanding a variety of support systems and enhancing their flexibility in order to help all employees work with enthusiasm and fulfillment to carry out their responsibilities at work while living healthy and prosperous lives that enable them to have time for childrearing, nursing care and other personal matters.

### ■ Creating an environment in which employees can continue to work with peace of mind

Since July 2015, we have implemented the Mutual Understanding Program for Childbirth and Childcare to help employees prepare for life events such as childbirth and child rearing at ease and continue to work for a long time after these events. This program is intended to develop an easy-to-work environment where supervisors and employees have periodic interviews to deepen mutual understanding during the period before and after maternity/childcare leave.

After the launch of the program, we had the first male employee take childcare leave in 2015. Since then, more and more male employees have applied for this program, with 17 male employees taking childcare leave in fiscal 2022.

#### Rate of male employees taking childcare leave (Toshiba Tec) (%)

	FY2020	FY2021	FY2022
Rate of male employees taking childcare leave	6	17	24

### ■ Employee awareness survey

We conduct an employee awareness survey (the TEAM Survey) to solicit the opinions of employees. With the purpose of improving employee engagement, we understand their awareness and measure the performance of the organization to identify problems and the gap

in recognition, to bring improvements in management style and corporate culture. Based on the survey results, we hold dialogue with employees where the company president and other top management members can confirm all employees' opinions and thoughts in order to deeply assess the true issues to understand the awareness level, then formulate and execute the optimal action plan.

### ■ Fostering a corporate culture that provides job satisfaction

In order to instill a culture throughout the company where diverse individuals can think outside the box and take on challenges together to pursue an ideal vision, we are implementing measures to foster a corporate culture that provides job satisfaction. We consider it important that every employee thinks independently and proactively, engages in honest discussions instead of keeping a polite face, and takes action, thereby expanding companywide team activities across the hierarchy to address business challenges through vertical and horizontal collaboration. Executives and each business group held a number of meetings to engage in serious talks for team building in a relaxed atmosphere. We aim for a corporate culture that allows the management team and employees to have frank discussions on substantive matters, develop understanding together, and take action to achieve their visions.



A meeting scene

In fiscal 2020, we also introduced a program called "Self-Biz" as one of the systems to enhance independence of employees and another called "T-POT (Peer Bonus)," in which employees express gratitude to each other.

In fiscal 2021, the company-wide one-on-one interview system was introduced as a communication tool to support growth of employees and maximize performance of the organization. Our attempts also included a "10-percent Thinking Time" as a scheme to allow employees to spend 10% of their working hours on what they want to work on, apart from their regular duties, with the aim of promoting independent initiatives of employees.

### ▶ Promoting Active Participation of Senior Employees

With the aim of developing a system to help senior employees work with enthusiasm regardless of their age, in fiscal 2017, we have introduced a Senior Expert System that clarifies the expertise and roles expected of them for commensurate pay, as well as a new training program (Career 30 Program) that helps raise their awareness.

We will encourage senior employees to participate more actively in the workplace by improving the system and program and by merging their own awareness with that of their workplace colleagues, thus deepening mutual understanding.

## Labor Relations

We have many opportunities to encourage labor-management dialogue for smooth labor relations and corporate business activities. Labor and management have agreed that business plans and performance, and major organizational reforms must be periodically explained to the labor union, and that changes in labor conditions must be discussed between labor and management in advance.



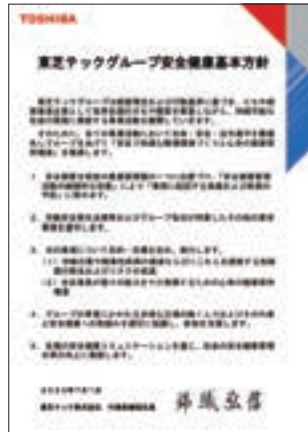
Labor-management business briefing

# Health and Safety

By placing safety control and healthcare as a top priority issue for management, we are striving to create a safe and comfortable work environment with a focus on the safety and health of employees.

## ► Basic Policy on Health and Safety

The Toshiba Tec Group formulated the “Toshiba Tec Group Basic Policy on Health and Safety” in 2004, with the intention that the top management declares their commitment to health and safety and all employees share the same commitment.

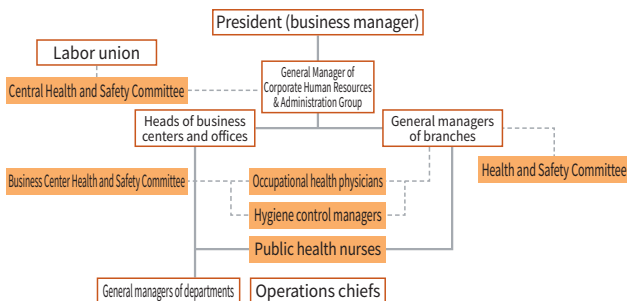


## ► Safety Control and Healthcare System

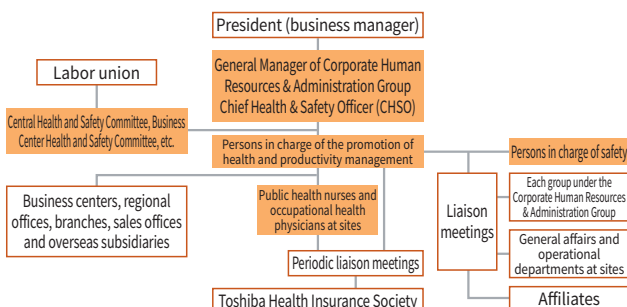
The safety control and healthcare system and the health and productivity management system of Toshiba Tec are set out as described in the chart below.

Each business center or office has not only fulfilled the statutory requirements such as appointment of dedicated staff members and holding of meetings of its Health and Safety Committee, but also set up health-and-safety liaison meetings between the head office and regional offices and branches (Operational Department Managers Liaison Meetings and the Head Office Health and Safety Committee), to proactively strengthen the collaboration within the company-wide safety control and healthcare system. In addition, Central Health and Safety Committee meetings are held twice a year (in July and March) to discuss and exchange opinions with the labor union, aimed at raising the level of safety control and healthcare from employees' perspective.

### Safety control and healthcare system



### Health and productivity management system



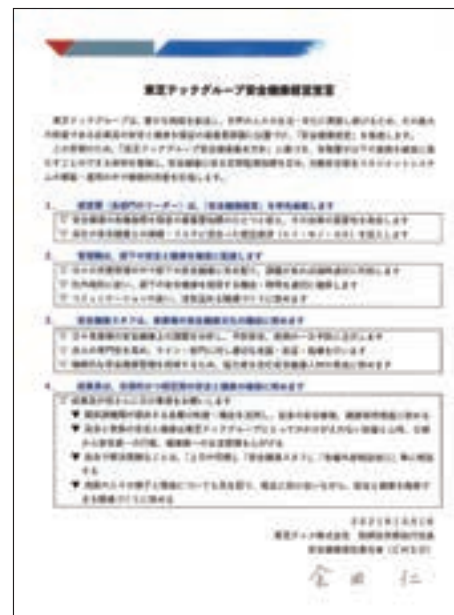
## ► Health and Safety Management Declaration

In order for the Toshiba Tec Group to resolve social issues and contribute to the further development of society, we must push ahead with work-style reform, enhancing our working environment and streamlining operations, among others, for better satisfaction of employees and improved productivity.

To accomplish work-style reform, individual employees need to be able to demonstrate their full capabilities, more than anything. To do so, they also need to be able to work in a safe and healthy manner and live a satisfied life. For this reason, we must have a health and safety activity that helps energize employees.



In order to improve existing safety control and healthcare activities and clearly state that the Group will promote the management that places top priority on the safety control and healthcare of employees, the Toshiba Tec Group appointed an officer in charge of the Corporate Human Resources & Administration Group as Chief Health & Safety Officer (CHSO) in October 2021, formulated the Health and Safety Management Declaration, which has clarified roles to be played in health and safety management by the management team, managers, persons in charge of health and safety, and employees, and published it under the name of CHSO.



## ▶ Promoting Occupational Health & Safety Management System

Toshiba Tec's Shizuoka Business Center and six of our overseas manufacturing group companies have obtained ISO 45001 certification. These management systems are operated to improve health and safety issues related to each workplace and operation, create safe and comfortable workplace environments, and maintain and promote the health of employees.

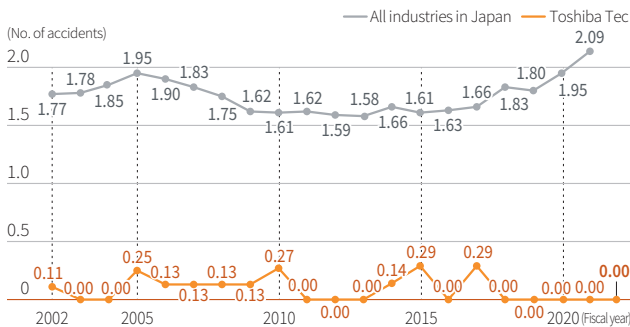


OHSAS 18001-accredited consolidated subsidiaries by region as of April 1, 2023

## ▶ Preventing Industrial Accidents

Toshiba Tec has a lower lost workday incidence rate than the average of all industries in Japan. We strive to prevent industrial accidents by systematically mitigating risks through risk assessment to identify risks that may cause accidents, reviewing operation processes, renovating equipment, and providing training to employees, among other initiatives.

### Lost workday incidence rate (per million work-hours)



## ▶ Developing Awareness of Health and Safety

As a measure to raise safety awareness of employees, Chief Health & Safety Officer (CHSO) delivers messages by taking the opportunity of Nationwide Safety Week (July 1 to 7), Occupational Health Week (October 1 to 7) and Year-End/New-Year Zero Accident Campaign (December 15 to January 15), every year.

## ▶ Ensuring Health Management

We implement various approaches to help all employees raise awareness of health and maintain physical and mental wellbeing. We have introduced a system which unifies information on the results of medical checkups and post-checkup care as the basis for healthcare of employees, and utilize them for various purposes, including health guidance and education.

To prevent disorders due to labor overload stemming from working extremely long hours, we require all employees who worked over a certain number of hours per month to have interviews with a physician for guidance, thus maintaining and promoting their health.

We attach particular importance to the following six topics.

- (1) Promotion of health practices (improvement of health literacy)
- (2) Invigoration of individuals and workplace (mental health measures)
- (3) Prevention of disorders due to smoking
- (4) Prevention of infectious diseases
- (5) Enhancement of measures to prevent lifestyle-related diseases (brain and heart disease)
- (6) Enhancement of safety control and healthcare

## ▶ Selected under the 2023 Certified Health & Productivity Management Outstanding Organizations Recognition Program (Large Enterprise Category)

Toshiba Tec Corporation was selected by the Nippon Kenko Kaigi as one of the organizations certified under the "2023 Certified Health & Productivity Management Outstanding Organizations Recognition Program" due to its initiatives for healthcare.



\* Nippon Kenko Kaigi: A meeting body organized by economic associations and other private-sector organizations with the support of the Ministry of Economy, Trade and Industry

## Topics

### Training program by age

We have provided a training program by age since fiscal 2015 to encourage each and every employee to acknowledge changes in their physical condition according to age and learn how to cope with them. This program aims to prevent poor health condition by helping them promote physical and mental health practices autonomously. In fiscal 2022, we provided this training online to all eligible employees at the head office, Shizuoka Business Center, and regional offices/branches/sales offices.

<Details>

- Scope: Regular employees
- Method: Provided by age groups of 30, 40 and 50-years-old employees
- Time: 60-minute online lecture

### Mental health education program

With a focus on disease prevention and health promotion, we provide a mental health program annually for all employees of Toshiba Tec and its domestic group companies. It is intended to encourage each and every employee to acquire the correct knowledge of mental health issues and how to cope with mental and physical disorders, as well as to put these mechanisms into practice.

### Prevention of lifestyle-related diseases (brain and heart disease)

We implemented training and support measures to improve health promotion and healthcare for employees posted away from home. This program aims to prevent them from developing brain or heart disease which may lead to extended leave or sudden death, because they tend to receive less support from their families, and therefore are more susceptible to such medical conditions which may cause major work loss.

(Implementation of Healthcare Education Program when Posted Away from Home, distribution of Healthcare Guidebook)



## Promotion of CSR Procurement

We work on CSR through supply chains in order to continue to develop together with suppliers and build better partnerships, as well as to promote CSR including suppliers.

In terms of the composition ratio of Toshiba Tec Group's procurement by business sector, Retail Solutions Business (including Overseas Retail Solutions Business) accounts for 62%, Workplace Solutions Business for 29%, Original Design Manufacturing Business for 8%, and others (Inkjet Business, etc.) for 1%.

### ► Procurement Policy

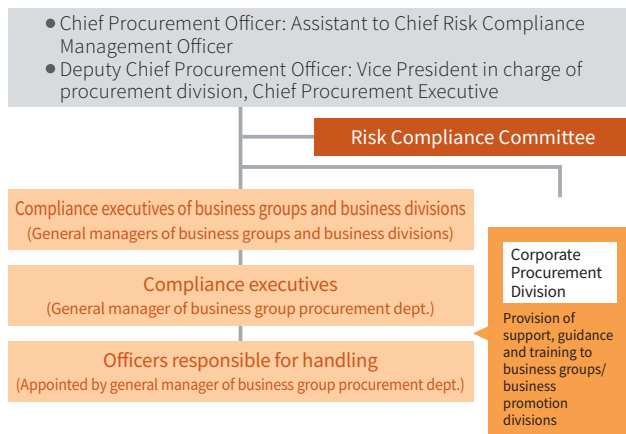
As a member of Toshiba Group, we strive to build sound partnerships with suppliers through procurement activities based on the Toshiba Tec Group Procurement Policy.

We request suppliers to take into account human rights, labor, health and safety along with the environment. When selecting new suppliers, we promote transactions with suppliers that are committed to focusing on consideration for CSR.

The Toshiba Tec Group Procurement Policy was established in August 2007 for the purpose of helping suppliers, who play a key role in production and service provision for its group companies, understand the policy much better, and encouraging them to cooperate for CSR promotion. Since then, we have been requesting suppliers to put the policy in practice while amending it according to social situations. In October 2014, we expressly stated that suppliers shall conduct activities in accordance with the United Nations Global Compact (UNGC) and the Responsible Business Alliance (RBA)\* Codes of Conduct, both of which Toshiba has pledged to follow, and thoroughly informed our domestic and overseas suppliers of the activities.

\* The name changed from EICC to RBA in 2017.

### Material procurement compliance management system




### ► Compliance in Procurement

We have established a system to ensure compliance concerning procurement, which is connected with the procurement department under the system of Toshiba, and enhance procurement compliance. Information related to compliance concerning procurement is thoroughly shared with Toshiba Tec and its group companies through this system. Moreover, measures are thoroughly explained by persons in charge of procurement planning at the Procurement Planning Office of the Corporate Strategic Production & Procurement Group, through group company procurement department managers. In addition, we conduct the monitoring of subcontracted transactions of all procurement departments including those of group companies on a monthly basis to ensure compliance with the Subcontract Act. Since fiscal 2007, we have been annually providing e-learning on the Subcontract Act for employees (including company presidents and

officers) of our domestic group companies. In fiscal 2022, a total of 6,688 employees, including six domestic group companies, participated in the e-learning program on the Subcontract Act. We actively participate in training sessions (web-based seminars) on the Subcontract Act organized by supervisory or other authorities. Furthermore, with the aim of promoting and strengthening the SDGs and ESG from a procurement perspective, we are participating in the Toshiba Group's procurement due diligence survey of suppliers in the supply chain, and in fiscal 2022, we surveyed 332 major suppliers.

### ► Participation in Business Partnership Commitment Portal

We completed the registration in the portal "Business Partnership Commitment," sponsored by the Cabinet Office and the Small and Medium Enterprise Agency, in December 2021. The Business Partnership Commitment was founded through discussion and designed by the "Conference for Promotion of Partnerships to Open up Future," whose members included the chairperson of the Japan Business Federation (Keidanren), chairperson of the Japan Chamber of Commerce and Industry, chairperson of the Japanese Trade Union Confederation and ministers of related ministries (Cabinet Office, Ministry of Economy, Trade and Industry, Ministry of Health, Labour and Welfare, Ministry of Agriculture, Forestry and Fisheries, and Ministry of Land, Infrastructure, Transport and Tourism), and its portal is now sponsored by the Cabinet Office and the Small and Medium Enterprise Agency. The Business Partnership Commitment is intended for a representative of a company to declare the creation of a new partnership by promoting collaboration and harmonious relationship with business partners in its supply chain and also with business operators who intend to create new value. Toshiba Tec has declared (1) building a harmonious relationship with the entire supply chain and engaging in a new type of collaboration beyond boundaries of corporate size, group, etc.; and (2) compliance with desirable trade practices between parent business operators and subcontractors, or the promotion standards in accordance with the Act on the Promotion of Subcontracting Small and Medium-sized Enterprises. With our declaration posted on the portal, we are committed to putting the declaration into practice, and continue aiming to further enhance our corporate value.

 Business Partnership Commitment Portal  
<https://www.biz-partnership.jp/index.html>

### ► Addressing Conflict Minerals Issue

Section 1502 on conflict minerals of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") was enacted in January 2013. Companies listed on U.S. stock exchanges are required to report on the use of conflict minerals mined in the Democratic Republic of the Congo and its adjoining countries. Toshiba Group is not a listed company. However, as part of the supply chains of listed companies, it is investigating and reporting to its customers.


Prior to the enactment of the Act, Toshiba Group organized an internal system to address the conflict minerals issue, and established the Toshiba Group's Conflict Mineral Policy, uploading it



on its website in October 2011. In response to the expanding risks associated with minerals sourcing in recent years, which involve not only the DRC and surrounding countries but also other conflict areas and high-risk areas, human rights violation in general including child labor, and corruption, we reviewed the Toshiba Group's Conflict Mineral Policy in September 2020 and commenced activities in conformance to the Responsible Minerals Sourcing Policy. In June 2013, we started a survey of overseas manufacturing subsidiaries and suppliers to the Shizuoka Business Center, which may be using 3TG\*, regarding the use of conflict minerals and

smeltery information using the Conflict Minerals Reporting Template (CMRT). We conducted the survey in fiscal 2022 as well, and identified 349 vendors who are part of the smelters recognized by the Responsible Minerals Initiative (RMI). We confirmed that 233 of them are Responsible Minerals Assurance Process (RMAP)-conformant smelters.

\* 3TG stands for the initial letters of four conflict minerals: tin, tantalum, tungsten and gold.

 **Toshiba Group Responsible Minerals Sourcing Policy**  
[https://www.global.toshiba/ww/sustainability/corporate/performance/social/procurement.html#responsible\\_minerals](https://www.global.toshiba/ww/sustainability/corporate/performance/social/procurement.html#responsible_minerals)

## Enhancement of Customer Satisfaction

We perform our business activities while giving top priority to providing products and services that please customers with safe and reliable quality. To achieve this, each and every employee always thinks and behaves from a customer point of view.

### ► Voice of the Customer

Toshiba Tec's action guidelines are to find the nature of problems that customers really want to solve by taking the voice of the customer (VoC) seriously, and to provide in a timely manner high quality, performance products and services which are definitely convenient, by developing ideas through value creation with our customers in mind and using our own proprietary technology in cooperation with the world's leading partners. Based on these guidelines, we work on activities to satisfy customers, in other words, to improve the quality of our products and services. In addition, as a leading retail manufacturer that offers consistent services from product planning to development, manufacturing, distribution and maintenance, we aim to be a company that is always there for our customers. We give feedback on VoC that we receive via communication with our staff in charge of sales and maintenance to the ones in charge of product planning and development to provide quality products with high functionality. Moreover, we create new services and products through demonstration experiments in cooperation with customers.

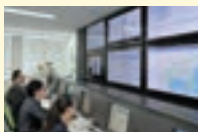
### Topics

#### Maintenance service

Maintenance services are considered to be a bridge to help customers feel comfortable using Toshiba Tec products. Toshiba Tec Solution Services Corporation, which is in charge of maintenance services in Japan, has 120 local business sites in place nationwide to provide after-sales services such as failure recovery. With the aim of enhancing customer satisfaction, we monitor the networks and systems of our customers under contract 24 hours a day, 365 days a year, via six system support centers nationwide, back up our customers by providing operational support in a smooth and precise manner, and utilize customer opinions and requests to improve services and operations, in collaboration with local engineers.



Customer support (maintenance)



System support center

### ► Activities as a Global Company

We uphold a global quality assurance system. We also share and utilize information on market quality through a worldwide service

network in cooperation with manufacturing sites and sales subsidiaries. We develop products on a global scale by giving top priority to compliance with laws, regulations and standards in each country.

### Topics

#### Activities to improve manufacturing quality

We regularly hold meetings with manufacturing subsidiaries in Japan, China, Singapore, Indonesia and Malaysia to develop mutual understanding of our manufacturing policy, share information, and carry out other activities to improve manufacturing quality.

#### Mishima EMC Center

The Mishima EMC Center (anechoic chamber) at the Shizuoka Business Center has received ISO 17025\*, the International Standard for Laboratories. We comply with standards in each country and provide products in a timely manner based on reliable EMC measurements through the product life cycle.



Appearance



10-meter anechoic chamber


\* ISO 17025: International Standard for Laboratory Quality Management, Equipment and Technologies. Once a site has been certified, its high measurement reliability is confirmed and measurement data is available as official data worldwide.

### ► Commitment to Safety and Security

We train specialists in product safety, reliability and risk assessment, and work on technical research to ensure quality that customers feel comfortable with, based on the Basic Policy on Product Safety. In order to ensure that our customers feel comfortable using our products and services, we implement risk assessments to prevent potential risks of failures and accidents, the possibility of which we have predicted, and then provide products and services that have passed through evaluation and verification processes. According to customer information provided by the maintenance service division, we also endeavor to ensure a higher operational level of safety by understanding customers' operating environments and conditions.



Safety review

 **Basic Policy on Product Safety**  
<https://www.toshibatec.co.jp/company/csr/customer/safetypolicy.html>

## Social Contribution Activities

Toshiba Tec Group stipulates “community relations” in its Standards of Conduct. We conduct a variety of community-rooted activities, pivoting on “next generation development,” “social welfare,” and “environmental protection” with the aim of creating a better society based on a profound understanding of the history, culture and customs of each country or region in which we operate as a member of the global community.

### ► Standards of Conduct

#### ■ 19. Community Relations

##### 1. Toshiba Tec Group Corporate Policy

Toshiba Tec Group Companies shall:

- (1) contribute to and cooperate with all local communities in which Toshiba Tec Group operates in order to perform their duties as a member of these communities and engage and collaborate with a wide range of stakeholders such as NPOs/NGOs, administrative organizations, and international bodies;
- (2) support directors and employees in undertaking voluntary activities and give full consideration to each individual’s desire to exercise his or her civil rights;
- (3) make appropriate donations in each country and region where Toshiba Tec Group operates, after considering the contribution to each community, and reasons for and public nature of making donations; and
- (4) try to improve the brand image in all aspects of their relationships with communities.

### ► Toshiba Tec Philanthropy Fund

In 1992, with the aim of contributing to society as a good corporate citizen, we established the Toshiba Tec Philanthropy Fund, which is made up of contributions from employee salaries and bonuses. We annually use this fund to promote local welfare activities, support children who will lead the next generation, and promote environmental conservation. In the event of a large-scale disaster, we make donations for recovery efforts.

In fiscal 2022, as part of our support for efforts against wide-area disasters, local contributions, and next-generation development,

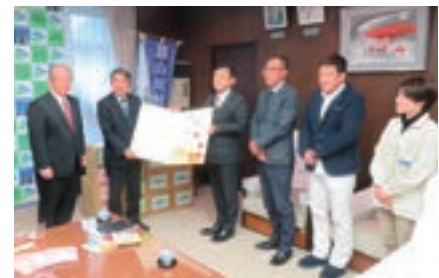
we donated through corporate matching to (1) the Japanese Red Cross Society’s fundraising, and donated (2) fixtures and equipment, picture books and educational toys, etc. to public facilities, kindergartens, nursery schools, after-school children’s clubs, and other facilities in the areas where our head office, Shizuoka Business Center, and Tohoku, Kita-Kanto, and Chubu branches are located. We also donated to (3) NPOs.



Donations of desks to libraries in Shinagawa Ward, Tokyo



Donations of picture books and other materials to kindergartens in Mishima City, Shizuoka Prefecture



Donations of picture books and other materials to kindergartens in Izunokuni City, Shizuoka Prefecture



Donations of displays to Sendai Civic Hall in Miyagi Prefecture



Donations of books to Saitama City, Saitama Prefecture



Donations of peace-of-mind kits, etc. to Nagoya City, Aichi Prefecture

### ► Toshiba Group’s Volunteer Days

Building on the aims of the International Volunteer Day set by the United Nations on December 5, Toshiba Group has designated December as its annual Sustainability Month. From fiscal 2014, we annually carry out Toshiba Group’s Volunteer Days activities as well as social contribution activities, including clean-up, collection, donation, fundraising, welfare activities, and disaster relief at each business site.

Topics

**Second Collaboration with Kindergarten**

We participated for the second time in a corporate collaboration project for Shogakukan's "Kindergarten," an intellectual and educational lifestyle learning magazine for young children.

The first time was in the May issue of Kindergarten, which was released on April 1, 2021, with a paper craft supplement for the self-checkout system. At the 63rd Japan Magazine Advertising Awards, sponsored by the Japan Magazine Advertising Association, Toshiba Tec won three awards: the Minister of Economy, Trade and Industry Award, the highest award (Grand Prix); the Gold Award in the Tie-up Advertising Category; and the Silver Award, a special award from the Japan Magazine Advertising Awards Steering Committee.

For the second time, we again demonstrated our close partnership cultivated with the editorial department of Shogakukan's "Kindergarten," by jointly planning a project with the aim of bringing excitement and smiles to society, life, family and friends during happy moments together. As a result, we featured a cart-type self-checkout paper craft in the April/May 2023 issue. We focused on making the craft look as close to the real product as possible by shaping the cart and a sensor that makes real scanning sound.



**Naming rights acquired for two Izu Hakone Railway stations**

Toshiba Tec was founded in 1950 in Ohito, and has grown by expanding its area of activities from Izu to the rest of Japan and the world, including the opening of its Mishima Plant in 1962.

Recently, we signed a sponsor agreement with IZUHAKONE RAILWAY CO., LTD. for naming rights (supplementary station naming rights), and added "Create with You" the supplementary title of both Mishima-Hirokoji and Ohito Stations.



**► Environmental Protection**

We actively work on activities for environmental protection, such as biodiversity conservation, local clean-up and tree planting, in collaboration with local residents.



Clean-up & beautification activity



Coastal cleaning activities (Toshiba Tec Europe Imaging Systems S.A.)

**► Welfare**

**■ Voluntary read-to-children activities**

At Shizuoka Business Center, we started donating picture books using the Toshiba Tec Philanthropy Fund in fiscal 2010. Donations have continued since to coincide with the Company's founding anniversary day every year in partnership with Mishima City and Izunokuni City, presenting kindergartens and nursery schools in the two cities with picture books. In fiscal 2022, we donated picture books to about 60 facilities in both cities, including kindergartens/nursery schools and after-school childcare clubs, bringing the number of such books donated so far to around 5,500. In fiscal 2011, we also began voluntary read-to-children activities after looking for something we can do for local communities and seeking to have children enjoy something with a smile.



Reading to kindergarten children

**■ Food Drive**

We organize a Food Drive, a program for donating redundant food brought from home, at the head office, Shizuoka Business Center and each business site, donating collected food to neighboring food banks.



Food collected from the food drive

**■ Donations to NPOs and welfare-related organizations**

We collect clothing, calendars, diaries, old stamps, etc. from employees, and actively donate them to NPOs and welfare-related organizations.



Secondhand clothing donation to NPOs

**■ Regional volunteer activities**

We also participate proactively in regional volunteer activities. The activities we have participated include snow-removing work for elderly households and assistance in guiding participants in a peace memorial ceremony in Hiroshima, both activities closely linked to regional characteristics.



Volunteers removing snow

**■ Blood donation activities**

We engage in blood donation activities every year at the head office, regional offices/branches/sales offices, business centers, and overseas subsidiaries, helping those requiring blood transfusion through blood centers in the countries concerned.





## Governance

# GOVERNANCE

We will thoroughly ensure internal control while improving the efficiency and transparency of management, and give top priority to human life, safety and compliance in practicing CSR management.



## Corporate Governance

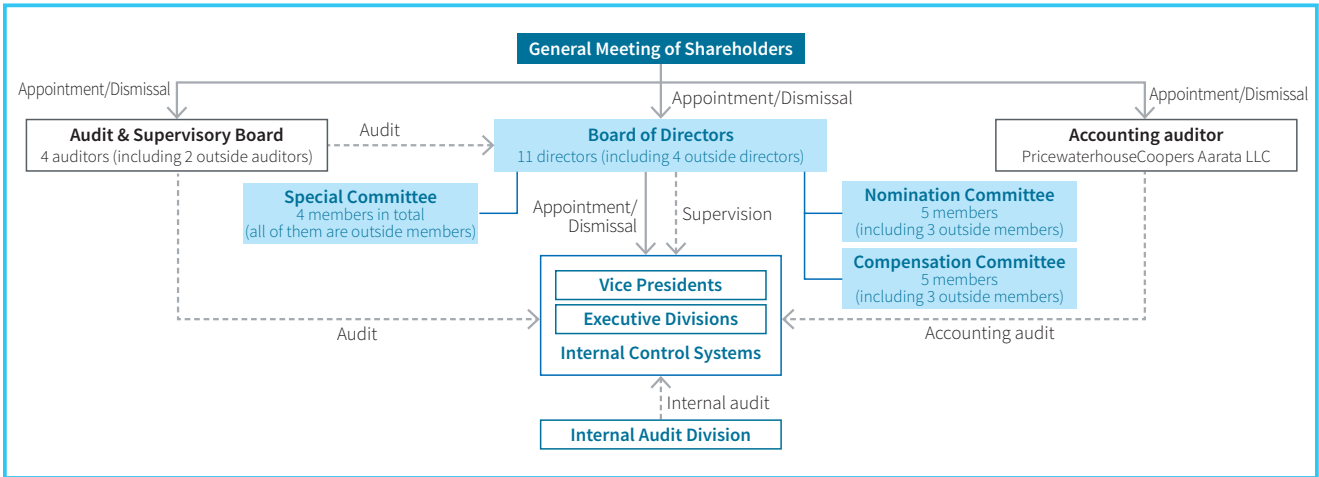
We recognize corporate governance as an essential management policy that enables us to meet the expectations of stakeholders and continuously improve corporate value. We are committed to taking measures to improve the efficiency and transparency of management, as well as to reinforce the functions of the Board of Directors and the Audit & Supervisory Board and its members.

### ► Corporate Governance System

We have introduced the executive officer system (embodied by vice presidents) as a company with Audit & Supervisory Board Members to separate “functions related to supervision and decision-making” from “functions related to task enforcement.” We are also making efforts to improve the promptness and mobility of decision-making by optimizing the number of directors. In addition, we have assigned four independent outside directors and two outside auditors to ensure the transparency of management, as well as set the term of the directors to one year so as to clarify the management responsibility and promptly respond to changes in the management environment. Moreover, the Board of Directors of the Company has established the Special Committee consisting of four outside directors as its advisory body to deliberate and discuss important transactions and acts in which interests of controlling shareholders

and minority shareholders are in conflict. The Board has also established the Nomination Committee and the Compensation Committee consisting of five directors (of which, three are outside directors) and chaired by an outside director, as advisory bodies to strengthen the independence and objectivity of functions of the Board of Directors and the accountability thereof in relation to the nomination of candidates for director and auditor, appointment and dismissal of representative directors, etc., and compensation for directors and vice presidents. With regard to management supervision, directors supervise business execution, auditors conduct audits, the accounting auditor conducts accounting audits, and the Internal Audit Group conducts internal audits. We also strive to enhance the internal control systems in terms of the effectiveness and efficiency of business operation, reliability of financial reporting, compliance with the laws and regulations of contracting business activities, and safeguarding of assets.

### ■ Corporate governance system



# Compliance

Toshiba Tec Group works on compliance activities while thoroughly observing laws and regulations, internal rules, and social customs on a global basis.

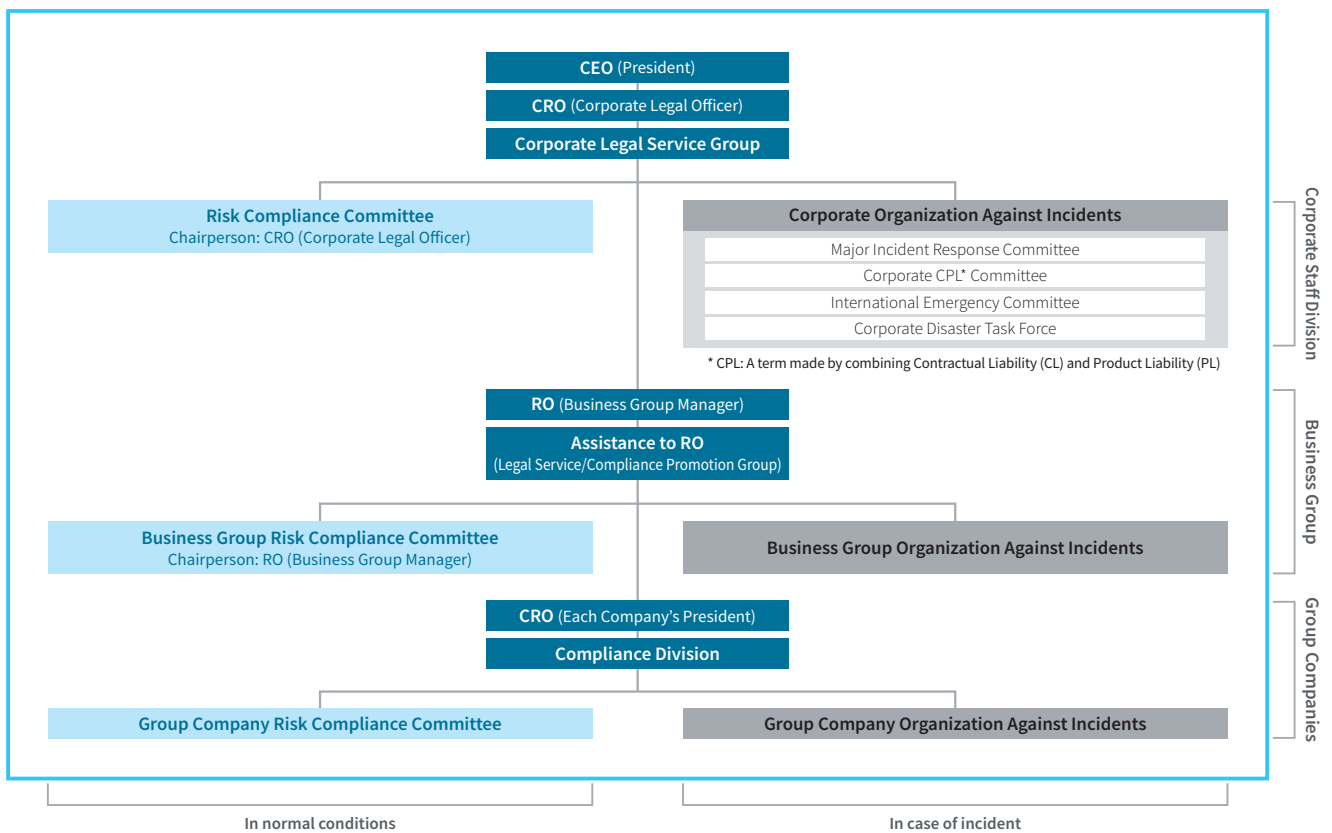
## ► Risk Compliance Promotion System

We appoint each company president and CEO as a CRO\* in order to propagate and thoroughly implement the Toshiba Tec Group Standards of Conduct as well as advance the risk compliance measures. The top management leads the initiative to devise and promote various strategies in response to emergency situations.

We organize the Risk Compliance Committee under the leadership of the CRO to maintain the risk compliance system of the entire Toshiba Tec Group, and devise and promote the advancement of risk compliance.

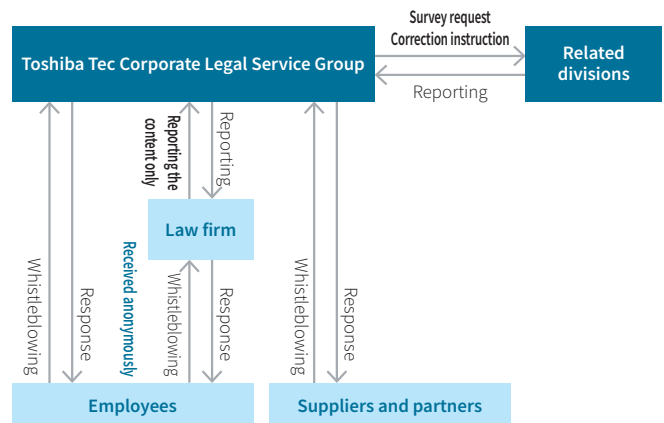
\* CRO: Chief Risk Compliance Management Officer


## ■ Risk compliance system



## ■ Internal reporting system

We have established an internal reporting system as a way of consulting/reporting on illegal, dishonest and unethical behavior, as well as internal rules which enable executives and employees to provide information to the CRO or outside attorneys. We give maximum consideration to ensuring the anonymity of whistleblowers, thoroughly managing information and protecting them from suffering any detrimental consequences, such as dismissal, as a result of their whistleblowing. Any report received (at the Legal Service Group) will be immediately brought to the CRO, who will be kept updated and hear the result. In addition, the Toshiba Tec Partner Hotline has been introduced and operated so that business partners can provide information through the website.



 Toshiba Tec Partner Hotline  
<https://www.toshibatec.co.jp/contacts/partnerline/>



## ▶ Fostering Compliance-conscious Culture

To foster high ethics and law-abiding awareness in each employee, we fully disseminate our Group Standards of Conduct and provide compliance education on a variety of themes and workplace meetings on CSR.

### ■ Dissemination of Toshiba Tec Group Standards of Conduct

We prepared Toshiba Tec Group Standards of Conduct in 13 languages and distributed brochures to every employee of Toshiba Tec and its domestic and overseas group companies. We also provide e-learning-based education to ensure thorough dissemination of information.

### ■ Compliance education

We provide every executive and employee with e-learning while also holding educational seminars intended for specific employees, such as legal education for business groups and education for employees to be stationed abroad.

## Topics

### e-learning programs for every executive and employee

- Standards of Conduct
- Subcontract Act
- Antitrust Law
- Anti-Bribery
- Timely Disclosure
- Accounting Compliance
- Harassment
- Mental Health
- Work-style Innovation (WSI)
- Customer Satisfaction
- Environment
- Information Security and Personal Data Protection
- Electrical Safety Law
- Export Control
- Engineering Ethics
- Product Security, etc.



### ■ Workplace meetings on CSR

To create a positive workplace atmosphere through discussions, we develop compliance awareness in each employee, establish this as the corporate culture, and hold CSR meetings in each workplace.

In these meetings, the managers and their subordinates discuss various issues which may occur in the workplace and share opinions. The goal of the meetings is to create a frank and open-minded work environment as well as to prevent compliance violations.

## ▶ Information Security

We recognize all information including sales and technical data handled while carrying out our tasks as important property, and have established a basic policy to prevent and protect against inappropriate disclosure, leakage or improper use of such information. We define this policy in the Information Security section of the Toshiba Tec Standards of Conduct so that all executives and employees are fully informed. We also established a system and rules for information security management, and revise them in response to the changes in the social environment. The Shizuoka Business Center (Mishima and Ohito), where the design, development, and quality assurance sections are located, obtained the ISO/IEC 27001:2005 certification in fiscal 2007 and 2012, and updated to the ISO/IEC 27001:2013 certification in fiscal 2014. In addition, in fiscal 2022, the e-BRIDGE SKY Suite system will be certified in accordance with ISO/IEC 27017:2015, the security management standard for cloud services.

In terms of technical measures, we are strengthening measures to protect the public server, in order to prevent cyber-attacks and other forms of unauthorized access from the outside, which are becoming more and more sophisticated year by year, as well as to avoid information leakage. We are also enhancing the monitoring of internal systems to enable a quick response in the event of a computer virus infection. Each division continuously makes improvements by voluntarily auditing the status of compliance with the internal rules. We provide education to all employees, including executives, employees, and employees dispatched from affiliated companies, in order to prevent accidents in handling information and widely disseminate the information security measures.

## ▶ Security Export Control

Export control is aimed at preventing the proliferation of weapons of mass destruction and other sensitive items at countries and regions of security concern or terrorist organizations. Export transactions of goods and technology that have potential weapons of mass-destruction (WMD)/conventional weapons applications are restricted under laws and regulations. Our basic policies of export control are as follows: We shall comply with all applicable export control laws and regulations in each country and region of operation (the Foreign Exchange and Foreign Trade Control Law in Japan), and with those of the United States if we are engaged in transactions involving U.S. origin cargos and technologies. We shall refrain from any transactions that may undermine the maintenance of global peace and security. Pursuant to these basic policies, we have established the Export Control Program and built an export control system. Accordingly, we make cargo/technology relevance judgments and strict transaction screenings for determining the need for export permission, conduct periodic export control audits, and provide education and support to our group companies.

## ▶ Intellectual Property

The Toshiba Tec Group Standards of Conduct specifies “Compliance with all applicable laws and regulations associated with intellectual property rights,” “Protection and extensive use of the results of intellectual activities under the intellectual property rights,” and “Respect for the legitimate intellectual property rights of third parties,” as the Toshiba Tec Group’s policy for intellectual property rights. We also work to develop and proactively use our intellectual properties to contribute to the further achievement of our retail and Workplace Solutions Business Groups. As part of our approach, we hold an event called Invention Challenge to collect ideas from every Toshiba Tec Group employee regardless of the organization and motivate greater invention and creation.

## ▶ Internal Control System

Toshiba Tec has set out an internal control policy that also covers group companies, and each business group and subsidiary implements this policy according to its actual situation. We have been using the Toshiba Tec Self-Monitoring Program since fiscal 2018 to check the building and operating of internal control systems and to ensure the fair and appropriate business operation. Each business group and subsidiary utilizes this program to look at the state of their internal control and make necessary improvements. We provide guidance and support as needed based on the state of their internal control as perceived through the program, and work towards better governance of the Group as a whole.

## Shareholder/Investor Relations

We will enhance the information disclosure system for proactive disclosure in order to contribute to the benefits of the shareholders and investors.

### ■ General Meeting of Shareholders

We consider the general meeting of shareholders as an important occasion to directly communicate with shareholders and, in principle, we hold our general meetings of shareholders on days other than when many other companies hold their meetings. We send meeting notices to our shareholders at least three weeks prior to the meeting date and are also trying to provide them electronically as soon as possible on the websites of Tokyo Stock Exchange (TSE) and the Company. Furthermore, we have introduced the Internet polling system and the TSE Electronic Voting Platform so that the shareholders can exercise their voting rights properly and smoothly. For foreign institutional investors, we post the English version of the simplified meeting notice (without attachments) on the TSE website and an Electronic Voting Platform for their proper and smooth voting.

### ■ Investor relations library website

We post information, such as financial settlement information, timely disclosure data, financial statements, quarterly reports, business reports and stock information, on the Investor Relations website. We provide our information to allow investors to exhaustively obtain the information in chronological order.



Investor Relations

<https://www.toshibatec.com/company/ir/>

### ■ Business report

We create business reports after announcing the second-quarter and annual financial statements, and post them on our website. In the business reports, many diagrams and photos are provided along with text information including those on new products, services, and business forecasts, to help shareholders understand the latest updates on Toshiba Tec.



### ■ Investor relations for institutional investors

We hold financial results briefing sessions three times a year after announcing financial results (Q2, Q3 and full-year results). Our Chief Financial Officer (CFO) provides an overview of financial statements to institutional investors and analysts. In addition, the CEO, CFO, and officers in charge of business groups attend the sessions to hold briefing on management policies.

\* From fiscal 2023, we plan to hold these briefing sessions every quarter.

# SENIOR MANAGEMENT (as of June 30, 2023)

## Directors and Audit & Supervisory Board Members

<b>President and Chief Executive Officer</b>	<b>Hironobu Nishikori</b>	● Member, Nomination Committee ● Member, Compensation Committee
<b>Executive Vice President and Director</b>	<b>Masami Uchiyama</b>	Assistant to the President, In Charge of Corporate Strategic Planning, In Charge of IT & Information Systems, In Charge of Production & Procurement Strategy, Corporate Chief Sustainability Officer
<b>Senior Vice President and Director</b>	<b>Masashi Yuzawa</b>	Assistant to the President, Deputy Managing Director of Retail Solutions Business Group President of Toshiba Global Commerce Solutions Holdings Corporation, Chairman of Toshiba Global Commerce Solutions, Inc.
<b>Senior Vice President and Director</b>	<b>Yasuki Ohnishi</b>	Managing Director of Retail Solutions Business Group
<b>Senior Vice President and Director</b>	<b>Junichi Takei</b>	● Member, Nomination Committee ● Member, Compensation Committee In Charge of Human Resources & Administration Group, In Charge of Legal Service, Chief Risk Compliance Management Officer (CRO) General Manager of Corporate Strategic Digital Transformation Group, Corporate Marketing Officer
<b>Senior Vice President and Director</b>	<b>Naofumi Tani</b>	Chief Finance Officer (CFO), In Charge of Internal Control Promotion, General Manager of Corporate Finance & Accounting Group
<b>Director</b>	<b>Takamasa Mihara</b>	
<b>Outside Director</b>	<b>Michio Kuwahara</b>	★ Chairperson, Special Committee ★ Chairperson, Nomination Committee
<b>Outside Director</b>	<b>Shin Nagase</b>	● Member, Special Committee ● Member, Nomination Committee ● Member, Compensation Committee
<b>Outside Director</b>	<b>Hiroataka Morishita</b>	★ Chairperson, Compensation Committee ● Member, Special Committee
<b>Outside Director</b>	<b>Miho Aoki</b>	● Member, Special Committee ● Member, Nomination Committee ● Member, Compensation Committee
<b>Audit &amp; Supervisory Board Member</b>	<b>Kouki Tomisawa</b>	
<b>Audit &amp; Supervisory Board Member</b>	<b>Naohiro Yamaguchi</b>	
<b>Outside Audit &amp; Supervisory Board Member</b>	<b>Yoshihiro Umeha</b>	
<b>Outside Audit &amp; Supervisory Board Member</b>	<b>Kanako Osawa</b>	

## Executive Officers (not concurrently serving as Directors)

<b>Vice President</b>	<b>Hiroyuki Koyama</b>	Chief Digital Officer, In Charge of Platform Development Center, General Manager of Corporate Office of the Chief Digital Officer
<b>Vice President</b>	<b>Sachio Koyama</b>	General Manager of Original Design Manufacturing Business Group
<b>Vice President</b>	<b>Kohji Taira</b>	General Manager of Corporate Strategic New Business Development Group
<b>Vice President</b>	<b>Tetsuya Nakamura</b>	General Manager of Inkjet Business Group
<b>Vice President</b>	<b>Yutaka Chiyo</b>	General Manager of Solutions Planning, Development Division, Retail Solutions Business Group
<b>Vice President</b>	<b>Kazuki Taira</b>	In Charge of Intellectual Property, General Manager of Corporate Strategic Technology Planning Group
<b>Vice President</b>	<b>Shiro Shimokawa</b>	Managing Director of Workplace Solutions Business Group

(Reference) Principal areas of expertise and experience of Directors and Audit & Supervisory Board Members (skills matrix)

Name	Position	Principal areas of expertise and experience					Committees to be appointed (★: Appointed as Chairperson)		
		Corporate management	Risk / Compliance	Accounting / Audit	Global experience	IT technology / DX	Special Committee	Nomination Committee	Compensation Committee
Hironobu Nishikori	President and Chief Executive Officer	●	●		●	●		●	●
Masami Uchiyama	Executive Vice President and Director	●				●			
Masashi Yuzawa	Senior Vice President and Director	●			●	●			
Yasuki Ohnishi	Senior Vice President and Director	●				●			
Junichi Takei	Senior Vice President and Director	●				●		●	●
Naofumi Tani	Senior Vice President and Director	●		●	●				
Takamasa Mihara	Director	●	●		●				
Michio Kuwahara	Outside Director	●		●	●		★	★	
Shin Nagase	Outside Director	●	●		●		●	●	●
Hiroataka Morishita	Outside Director	●			●		●		★
Miho Aoki	Outside Director	●			●		●	●	●
Kouki Tomisawa	Audit & Supervisory Board Member			●					
Naohiro Yamaguchi	Audit & Supervisory Board Member	●		●	●				
Yoshihiro Umeha	Outside Audit & Supervisory Board Member	●		●	●				
Kanako Osawa	Outside Audit & Supervisory Board Member		●	●	●				

Note: The above matrix does not reflect the entirety of insight and experience of each Director.

# FINANCIAL INFORMATION



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## Financial Highlights Years ended March 31

	2019	2020	2021	2022	2023
<b>Operating Result (Millions of yen)</b>					
Net sales	476,824	483,799	405,694	445,317	510,767
Ordinary profit	16,471	11,559	7,193	10,197	13,149
Profit (loss) attributable to owners of parent	11,211	3,730	7,126	5,381	(13,745)
<b>Cash flows (Millions of yen)</b>					
Cash flows from operating activities	18,400	20,751	9,240	10,037	15,106
Cash flows from investing activities	(12,779)	(13,844)	(9,573)	(14,184)	(12,117)
Cash flows from financing activities	(8,129)	(7,051)	(4,309)	(5,496)	(8,103)
<b>Financial Position (Millions of yen)</b>					
Total assets	275,055	288,473	289,313	310,256	310,692
Net assets	100,758	96,384	109,862	117,662	102,206
Cash and cash equivalents	55,498	53,302	51,753	46,709	43,815
<b>Per share data (Yen)</b>					
Basic earnings (loss) per share	204.00	67.84	129.55	97.68	(248.37)
Net assets per share	1,653.94	1,589.48	1,867.01	2,023.35	1,738.02
<b>Financial data</b>					
Capital adequacy ratio (%)	33.0	30.3	35.5	36.1	31.0
Return on equity (%)	12.9	4.2	7.5	5.0	(13.2)
Price earnings ratio (times)	15.1	50.1	31.3	50.3	—

Notes: - The Company carried out a share consolidation at a ratio of one for every five shares of common stock, effective on October 1, 2018.

Accordingly, the figures for basic earnings per share and net assets per share have been calculated assuming that the share consolidation was executed at the beginning of the fiscal year ended March 31, 2019.

- Price earnings ratio for the fiscal year ended March 31, 2023 is not shown because loss attributable to owners of parent was recorded for the fiscal year.

# FINANCIAL INFORMATION

## Consolidated Balance Sheet as of March 31, 2023 and 2022

(Millions of yen)

	2022	2023
<b>ASSETS</b>		
Current assets		
Cash and deposits	38,645	42,687
Group deposits paid	8,073	1,137
Notes and accounts receivable - trade, and contract assets	70,846	74,293
Merchandise and finished goods	34,806	37,616
Work in process	5,635	5,967
Raw materials and supplies	14,047	11,884
Other	23,363	28,173
Allowance for doubtful accounts	(1,414)	(1,185)
Total current assets	194,004	200,575
Non-current assets		
Property, plant and equipment:		
Buildings and structures	25,712	26,785
Accumulated depreciation	(19,523)	(20,658)
Buildings and structures, net	6,189	6,126
Machinery, equipment and vehicles	53,582	58,582
Accumulated depreciation	(43,902)	(48,046)
Machinery, equipment and vehicles, net	9,680	10,536
Tools, furniture and fixtures	40,322	40,468
Accumulated depreciation	(35,760)	(35,528)
Tools, furniture and fixtures, net	4,562	4,940
Land	1,272	1,275
Leased assets	37,285	46,756
Accumulated depreciation	(17,456)	(25,504)
Leased assets, net	19,829	21,252
Construction in progress	2,231	1,041
Total property, plant and equipment	43,764	45,173
Intangible assets:		
Goodwill	1,026	557
Customer relationship assets	301	213
Other	9,894	10,315
Total intangible assets	11,223	11,086
Investments and other assets:		
Investment securities	11,214	11,103
Retirement benefit asset	9,534	8,748
Deferred tax assets	28,006	21,134
Other	12,595	13,279
Allowance for doubtful accounts	(87)	(408)
Total investments and other assets	61,264	53,857
Total non-current assets	116,252	110,117
<b>Total assets</b>	<b>310,256</b>	<b>310,692</b>

(Millions of yen)

	2022	2023
<b>LIABILITIES</b>		
Current liabilities		
Notes and accounts payable - trade	53,341	54,167
Short-term borrowings	859	1,779
Lease liabilities	6,464	6,652
Accounts payable - other	22,578	28,159
Income taxes payable	2,846	5,177
Unearned revenue	17,188	19,317
Other	33,735	35,292
Total current liabilities	137,014	150,546
Non-current liabilities		
Long-term borrowings	1,043	2,581
Lease liabilities	17,121	15,804
Retirement benefit liability	29,565	28,722
Other	7,848	10,832
Total non-current liabilities	55,579	57,940
<b>Total liabilities</b>	<b>192,594</b>	<b>208,486</b>
<b>NET ASSETS</b>		
Shareholders' equity		
Share capital	39,970	39,970
Capital surplus	854	902
Retained earnings	55,977	40,017
Treasury shares	(4,733)	(4,695)
Total shareholders' equity	92,068	76,195
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,626	1,525
Deferred gains or losses on hedges	12	(40)
Foreign currency translation adjustment	15,819	18,131
Minimum pension liability adjustments	(694)	(212)
Remeasurements of defined benefit plans	3,114	595
Total accumulated other comprehensive income	19,877	19,999
Share acquisition rights	48	43
Non-controlling interests	5,667	5,966
<b>Total net assets</b>	<b>117,662</b>	<b>102,206</b>
<b>Total liabilities and net assets</b>	<b>310,256</b>	<b>310,692</b>

# FINANCIAL INFORMATION

## Consolidated Statement of Income

Years ended March 31, 2023 and 2022

(Millions of yen)

	2022	2023
Net sales	445,317	510,767
Cost of sales	269,369	311,115
Gross profit	175,948	199,651
Selling, general and administrative expenses	164,381	183,572
Operating profit	11,566	16,078
Non-operating income:		
Interest income	375	332
Dividend income	46	76
Gain on valuation of derivatives	413	86
Other	331	509
Total non-operating income	1,167	1,005
Non-operating expenses:		
Interest expenses	488	584
Foreign exchange losses	691	1,487
Loss on sale and retirement of non-current assets	39	107
Commission expenses	233	405
Other	1,082	1,349
Total non-operating expenses	2,536	3,934
Ordinary profit	10,197	13,149
Extraordinary income:		
Gain on sale of investment securities	286	45
Total extraordinary income	286	45
Extraordinary losses:		
Impairment loss of non-current assets	23	—
Loss on sale of investment securities	1	—
Loss on valuation of investment securities	—	819
Restructuring cost	1,333	371
Loss on reversal of foreign currency translation adjustment due to liquidation of overseas subsidiaries	—	392
Loss on litigation	—	6,900
Total extraordinary losses	1,359	8,484
Profit before income taxes	9,124	4,710
Income taxes – current	4,462	8,141
Income taxes – deferred	1,234	9,848
Total income taxes	5,696	17,989
Profit (loss)	3,428	(13,279)
Profit (loss) attributable to non-controlling interests	(1,953)	466
Profit (loss) attributable to owners of parent	5,381	(13,745)



## Consolidated Statement of Cash Flows

Years ended March 31, 2023 and 2022

(Millions of yen)

	2022	2023
<b>Cash flows from operating activities</b>		
Profit before income taxes	9,124	4,710
Depreciation and amortization	15,469	16,755
Loss (gain) on sale of investment securities	(284)	(45)
Impairment loss of non-current assets	23	—
Loss (gain) on valuation of investment securities	—	819
Restructuring cost	1,333	371
Loss on reversal of foreign currency translation adjustment due to liquidation of overseas subsidiaries	—	392
Loss on litigation	—	6,900
Interest and dividend income	(422)	(408)
Interest expenses	488	584
Loss (gain) on sale and retirement of non-current assets	39	107
Increase (decrease) in allowance for doubtful accounts	(67)	(22)
Increase (decrease) in retirement benefit liability	(3,210)	(3,967)
Decrease (increase) in trade receivables	1,179	1,620
Decrease (increase) in inventories	(8,813)	1,991
Increase (decrease) in trade payables	(1,314)	(4,710)
Other, net	187	9
Subtotal	13,733	25,108
Interest and dividends received	435	404
Interest paid	(501)	(520)
Payment for extra retirement payments	(843)	(958)
Payments for loss on litigation	—	(3,500)
Income taxes paid	(4,810)	(6,251)
Income taxes refund	2,023	824
Net cash provided by (used in) operating activities	10,037	15,106
<b>Cash flows from investing activities</b>		
Payments into time deposits	—	(0)
Proceeds from withdrawal of time deposits	477	—
Purchase of property, plant and equipment	(6,846)	(8,331)
Proceeds from sale of property, plant and equipment	201	239
Purchase of intangible assets	(2,619)	(2,673)
Purchase of investment securities	(6,255)	(950)
Proceeds from sale of investment securities	358	80
Net decrease (increase) in short-term loans receivable	11	3
Long-term loan advances	(0)	(0)
Proceeds from collection of long-term loans receivable	4	4
Payments for acquisition of businesses	(29)	—
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(531)
Other, net	511	42
Net cash provided by (used in) investing activities	(14,184)	(12,117)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(598)	388
Repayments of finance lease liabilities	(4,793)	(7,679)
Proceeds from long-term borrowings	825	2,541
Repayments of long-term borrowings	(76)	(559)
Purchase of treasury shares	(12)	(6)
Proceeds from sale of treasury shares	1,439	—
Dividends paid	(2,200)	(2,213)
Dividends paid to non-controlling interests	(79)	(574)
Net cash provided by (used in) financing activities	(5,496)	(8,103)
Effect of exchange rate change on cash and cash equivalents	4,601	2,219
Net increase (decrease) in cash and cash equivalents	(5,043)	(2,894)
Cash and cash equivalents at beginning of period	51,753	46,709
Cash and cash equivalents at end of period	46,709	43,815

# GLOBAL NETWORK

Through our global service locations, Toshiba Tec offers a wide range of products and solutions that can meet the different needs of our customers in various parts of the world, thus contributing to the maximization of our customers' profits. We offer a one-stop solution to support your global business development by establishing the best possible system to assist you in each phase, from planning, installation to maintenance.

12 Toshiba America Business Solutions, Inc. (Plant)



13 Toshiba Global Commerce Solutions, Inc.



24 Toshiba Tec Europe Imaging Systems S.A.



Manufacturing bases

## Japan

- 1 Toshiba Tec Solution Services Corporation
- 2 Tec Information Systems Corporation
- 3 TD Payment Corporation
- 4 TER Corporation
- 5 Toshiba Global Commerce Solutions Holdings Corporation
- 6 Toshiba Tec Document Processing Systems Co., Ltd.
- 7 Tec Precision Co., Ltd.
- 8 T.T. Business Service, Co., Ltd.
- 9 Toshiba Tec Shizuoka Business Center (Mishima)
- 10 Toshiba Tec Shizuoka Business Center (Ohito)

## Americas

- 11 Toshiba America Business Solutions, Inc.
- 12 Toshiba America Business Solutions, Inc. (Plant)
- 13 Toshiba Global Commerce Solutions, Inc.
- 14 Toshiba Global Commerce Solutions (Canada) Ltd.
- 15 Toshiba Global Commerce Solutions Mexico, S. de R.L. de C.V.
- 16 Toshiba Global Commerce Solutions (Colombia), S.A.S.
- 17 Toshiba Global Commerce Solutions for Retail (Brazil), Ltd.
- 18 Toshiba Global Commerce Solutions Chile SpA
- 19 Toshiba Tec Canada Business Solutions Inc.



**9** Toshiba Tec Shizuoka Business Center (Mishima)



**10** Toshiba Tec Shizuoka Business Center (Ohito)



**44** Toshiba Tec Information Systems (Shenzhen) Co., Ltd.



**40 40** Toshiba Tec Singapore Pte Ltd



**41** Toshiba Tec Malaysia Manufacturing Sdn. Bhd.



**46** P.T. Tec Indonesia



## Europe

- 20** Toshiba Tec U.K. Imaging Systems Limited
- 21** Toshiba Tec Germany Imaging Systems GmbH
- 22** Toshiba Tec France Imaging Systems S.A.
- 23** Toshiba Tec Nordic AB
- 24** Toshiba Tec Europe Imaging Systems S.A.
- 25** Toshiba Tec Italia Imaging Systems S.P.A.
- 26** Toshiba Tec Switzerland AG
- 27** Toshiba Tec Poland S.A.
- 28** Toshiba Global Commerce Solutions (U.K.) Limited
- 29** Toshiba Global Commerce Solutions (Spain), S.L.
- 30** Toshiba Global Commerce Solutions (France), SAS
- 31** Toshiba Global Commerce Solutions (Italy) S.r.l.
- 32** Toshiba Global Commerce Solutions (Benelux) NV
- 33** Toshiba Global Commerce Solutions (Netherlands) B.V.
- 34** Toshiba Global Commerce Solutions (Germany), GmbH
- 35** Toshiba Global Commerce Solutions (Austria), GmbH
- 36** Toshiba Global Commerce Solutions (Nordic), AB
- 37** Toshiba Global Commerce Solutions (Denmark) ApS
- 38** Toshiba Global Commerce Solutions (Poland), sp. z o.o.
- 39** POS Perakende Otomasyon Sistemleri Ticaret ve Sanayi A.S.

## Asia / Oceania / Middle East / Africa

- 40 40** Toshiba Tec Singapore Pte Ltd
- 41** Toshiba Tec Malaysia Manufacturing Sdn. Bhd.
- 42** Toshiba Tec Malaysia Sdn. Bhd.
- 43** Toshiba Tec (H.K.) Logistics & Procurement Ltd.
- 44** Toshiba Tec Information Systems (Shenzhen) Co., Ltd.
- 45** Toshiba Tec Information Systems (Shenzhen) Co., Ltd., China Business Headquarters
- 46** P.T. Tec Indonesia
- 47** Toshiba Tec (Thailand) Co., Ltd.
- 48** Toshiba (Australia) Pty., Ltd.
- 49** Toshiba Global Commerce Solutions (Thailand) Company Limited
- 50** Toshiba Global Commerce (Beijing) Co., Ltd.
- 51** Toshiba Global Commerce Solutions Korea, Co., Ltd.
- 52** Toshiba Global Commerce Solutions (Taiwan), Co., Ltd.
- 53** Toshiba Global Commerce Solutions (Hong Kong), Co., Limited
- 54** Toshiba Global Commerce Solutions (Philippines), Inc.
- 55** Toshiba Global Commerce Solutions (Singapore), Pte. Ltd.
- 56** Toshiba Global Commerce Solutions (Australia) Pty. Ltd.
- 57** Toshiba Global Commerce Solutions (South Africa) Proprietary Limited
- 58** Toshiba Global Commerce Solutions Gulf FZ-LLC

(as of March 2023)

# STOCK INFORMATION

## Stock Overview (as of March 31, 2023)

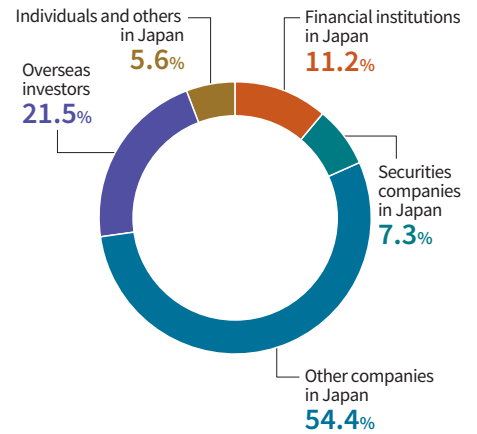
- 1) Total number of shares authorized to be issued: 200,000,000 shares
- 2) Total number of outstanding shares (excluding 2,281,668 shares of treasury stock): 55,347,472 shares
- 3) Number of shareholders: 7,562

### 4) Major shareholders

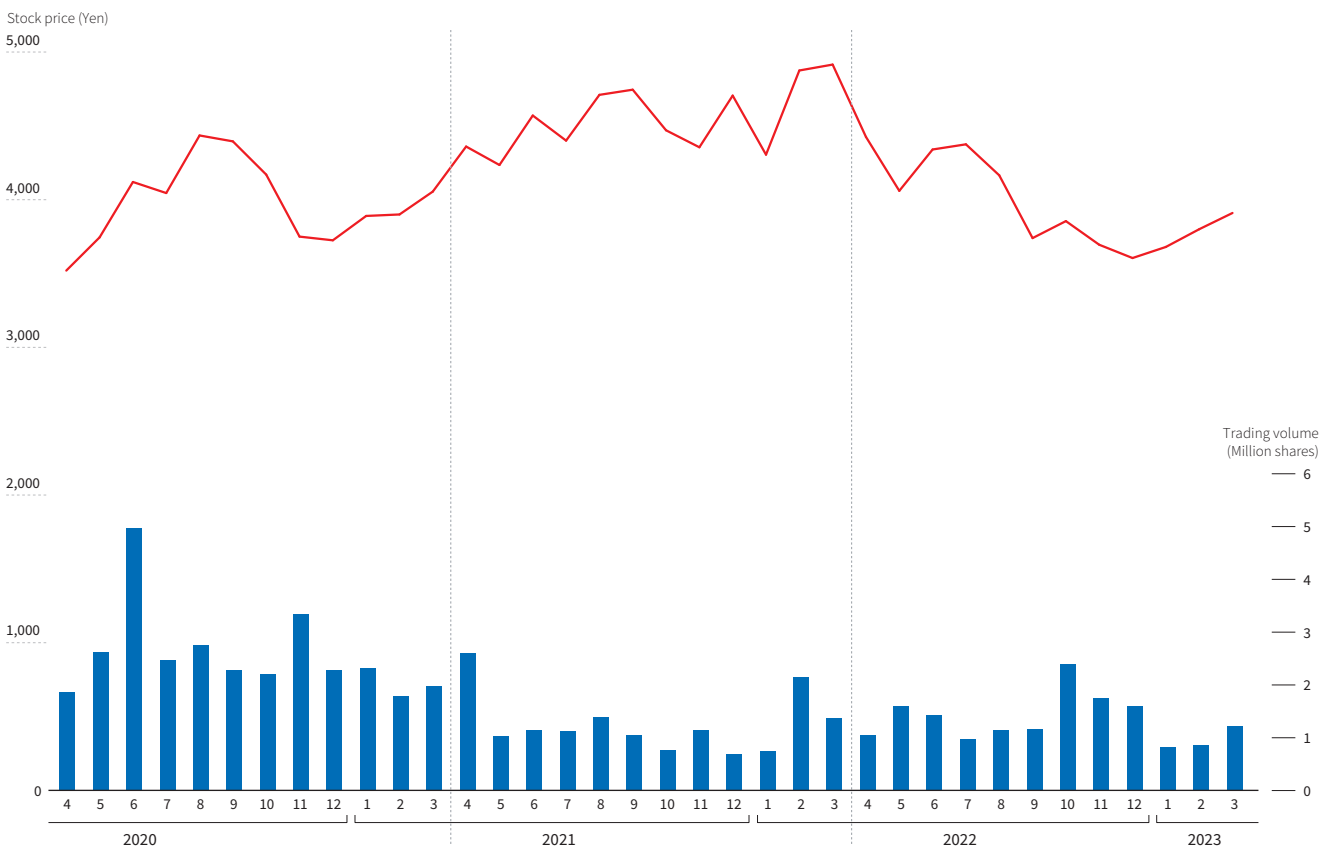
Shareholder	Number of shares held (Thousand shares)	Shareholding ratio (%)
Toshiba Corporation	28,827	52.1
The Master Trust Bank of Japan, Ltd. (Trust account)	3,764	6.8
Morgan Stanley MUFG Securities Co., Ltd.	3,059	5.5
Custody Bank of Japan, Ltd. (Trust account)	1,195	2.2
State Street Bank and Trust Company 510312	1,038	1.9
Digital Garage, Inc.	1,009	1.8
Goldman Sachs International	978	1.8
State Street Bank and Trust Company 510311	821	1.5
Toshiba Tec Employees Shareholding Association	732	1.3
The Dai-ichi Life Insurance Company, Limited	728	1.3

Note: Treasury stock is excluded from the total number of outstanding shares in the calculation of shareholding ratio.

### Breakdown by Shareholder



## Stock Price and Trading Volume Trends





# CORPORATE DATA

## Corporate Overview (as of March 31, 2023)

<b>Company name</b>	Toshiba Tec Corporation
<b>Head office</b>	Gate City Ohsaki West Tower, 1-11-1, Osaki, Shinagawa-ku, Tokyo 141-8562, Japan
<b>Established</b>	February 21, 1950
<b>Share capital</b>	39,970 million yen
<b>Employees</b>	Consolidated: 18,906
<b>Toshiba Tec Group</b>	Consolidated: 67 companies



## Subsidiaries and Affiliates (as of March 31, 2023)

### Japan

- Toshiba Tec Solution Services Corporation
- Tec Information Systems Corporation
- Toshiba Global Commerce Solutions Holdings Corporation

### Overseas

- Toshiba America Business Solutions, Inc.
- Toshiba Global Commerce Solutions, Inc.
- Toshiba Tec Information Systems (Shenzhen) Co., Ltd.
- Toshiba Tec (H.K.) Logistics & Procurement Ltd.
- Toshiba Tec Singapore Pte Ltd
- Toshiba Tec Germany Imaging Systems GmbH
- PT. Tec Indonesia
- Toshiba Tec France Imaging Systems S.A.
- Toshiba Global Commerce Solutions Mexico, S. de R.L. de C.V.
- Toshiba Tec Malaysia Manufacturing Sdn. Bhd.
- Toshiba Tec U.K. Imaging Systems Limited
- Toshiba Tec Canada Business Solutions Inc.
- Toshiba Global Commerce Solutions (Italy) S.r.l.
- Toshiba (Australia) Pty., Ltd.
- Toshiba Global Commerce Solutions (Canada) Ltd.
- Toshiba Global Commerce Solutions (Netherlands) B.V.

Our consolidated subsidiaries consist of the 19 listed above and 48 other companies.

- 
- This report has not been audited by an audit corporation.
  - Forward-looking statements included in this report are based on information that Toshiba Tec has obtained at present and certain assumptions that we deem reasonable, and we do not guarantee that any of such statements will be realized. Actual performance may differ materially from any forward-looking statements due to various factors.
  - In case any corrections or revisions are made to this report, the revised version of this Integrated Report will be published on our website.

## **Toshiba Tec Corporation**

Contact:

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