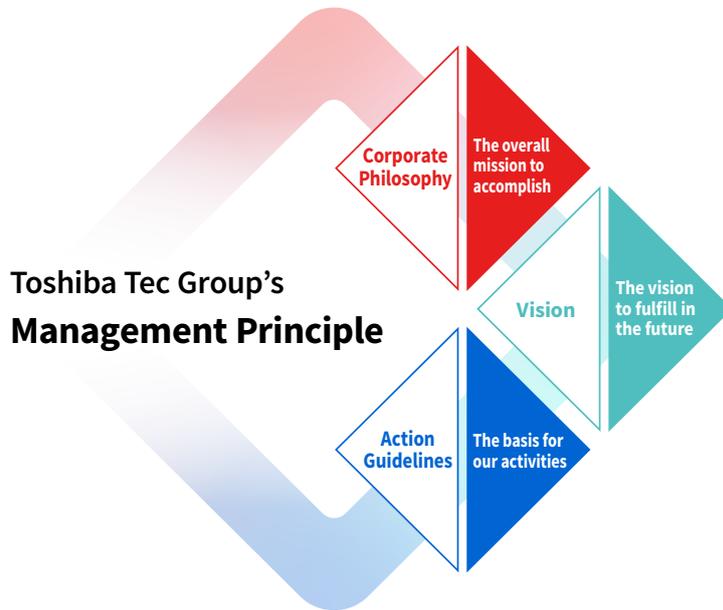


TOSHIBA

**Toshiba Tec Group
Integrated Report 2024**



Toshiba Tec Group's Management Principle



Corporate Philosophy

Creating 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.



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 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 2023 (from April 2023 to March 2024) 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)

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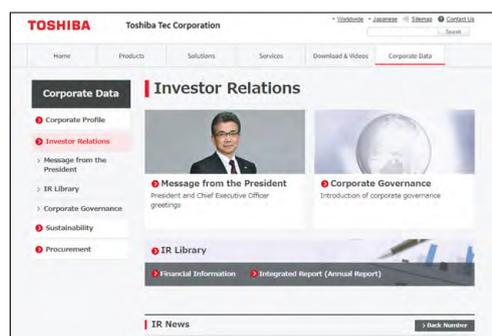
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Website



Investor Relations

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



Integrated Report

https://www.toshibatec.com/company/ir/material/integrated_report.html

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 the 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
The world’s first 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 the Mishima Plant.
- 1969** Established Tec America, Inc., the first overseas subsidiary.

1970

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

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
OrderExpress wireless
ordering system



2006
WILLPOS-Self SS-1000
self-checkout 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

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

2023
The NEXMART 01 GO next generation
smart store opened in Japan



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 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 the 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** 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 platform.
- 2023** Revised the Toshiba Tec Group Human Rights Policy.
- 2024** Established a joint venture ETRIA Co., Ltd. with Ricoh Company, Ltd.

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

Released a hybrid MFP paper reusing system

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

Message from the CEO



Aiming to become a global top solutions partner

H. Nishikori

President and Chief Executive Officer
Toshiba Tec Corporation

Hironobu Nishikori

Towards sustainable growth in an era of change

We are presently faced with environmental changes and complex social challenges on a global scale, including the effects of climate change due to increasing greenhouse gas concentrations, rising prices and goods shortages caused by geopolitical conflicts, and delays in logistics. Meanwhile, in the field of technology, AI technology has made tremendous progress, and its presence is now palpable in our daily lives. In this era of rapid change, we aim to contribute to resolving social issues by providing new value in distribution and offices worldwide as a “global top solutions partner” through our company’s strengths and engaging in co-creation activities along with our customers.

Expansion of new business areas

We are developing a new business with the goal of developing AI and a platform coupled together as a set to drive forward the provision of DX solutions to resolve issues experienced by customers. Through the integration of various data, we believe we can contribute to marketing applications as well as to social issues such as logistics that lead to reduced greenhouse gas (GHG) emissions and the resolution of the shortage of labor. In this way, we are aiming for a data-connected world by reinforcing DX support through AI and data science and engaging in co-creation with all areas of the value chain.

Enhancing human resource to accelerate change; employees' voices change the company

We recognize that the power of all of our employees is the most important factor in Toshiba TEC Group's growth as a company, including our ability to cope with change and expand into new businesses. Based on the idea that "People are Our Assets," we remain committed to our investment in people and our focus on reforming the culture. With regard to the promotion of diversity, we continue and accelerate the creation of an environment in which women, younger people, seniors, and others are able to play active roles, while also striving to cultivate human resources who can adapt to change by augmenting reskilling education and developing human resources with AI expertise.

Moreover, we conduct an annual survey with the focus being on improving engagement. Each time, senior management carefully review the more than 3,000 free responses received from employees, and action plans are subsequently formulated and implemented. Management and employees will continue collaborating on efforts to accomplish internal reform to turn the company into a better place to work.

Promoting sustainability in business activities

One of the social issues on which we are focused is the reduction of paper consumption. The Smart Receipt electronic receipt service enables the provision of receipts issued at checkout in the form of data instead of paper. This resulted in a reduction of 56 million paper receipts in fiscal 2023. Moreover, it also enhances the convenience of shopping and reduces paper receipt issuing costs at stores where the system is installed. The number of members and stores that have adopted the system are growing steadily, and we will continue expanding the circle of smart receipts throughout Japan and, together with our partners, bolster our contribution to the global environment.

Toward further collaboration and co-creation

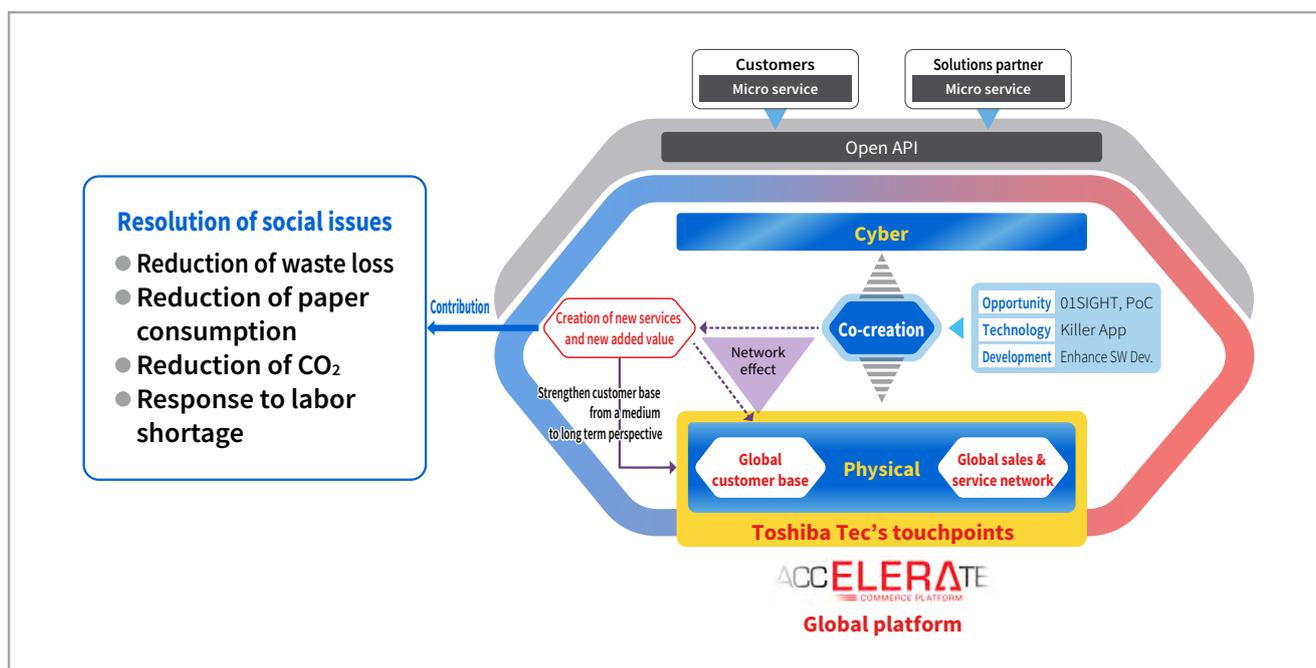
Our goal of sustainability management is, through our business activities, to improve the environment and society now and going forward. And it is not just Toshiba TEC Group that will expand the possibilities for solutions, but collaboration with all kinds of companies around the world. We believe that our mission is to create an ecosystem consortium comprising various industries to satisfy the expectations of our customers and partners to an unprecedented degree, and to contribute to the resolution of social issues.

We will co-create a new future for retail and office

Mid-Term Business Plan FY2024-FY2026

We recognize that our strength is our physical assets, based on our world-leading customer base and sales and service network in the Retail and Workplace Solutions Business. Collecting data obtained through these global touchpoints into the global platform ELERA and further integrating data from manufacturing, advertising, and logistics as well as from payment service providers is how we intend to contribute to resolving social issues and realize growth as a company. In addition to the above, the FY2024-FY2026 Mid-Term Business Plan announced in May 2024 includes the continuation of launching of new businesses.

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

Management targets

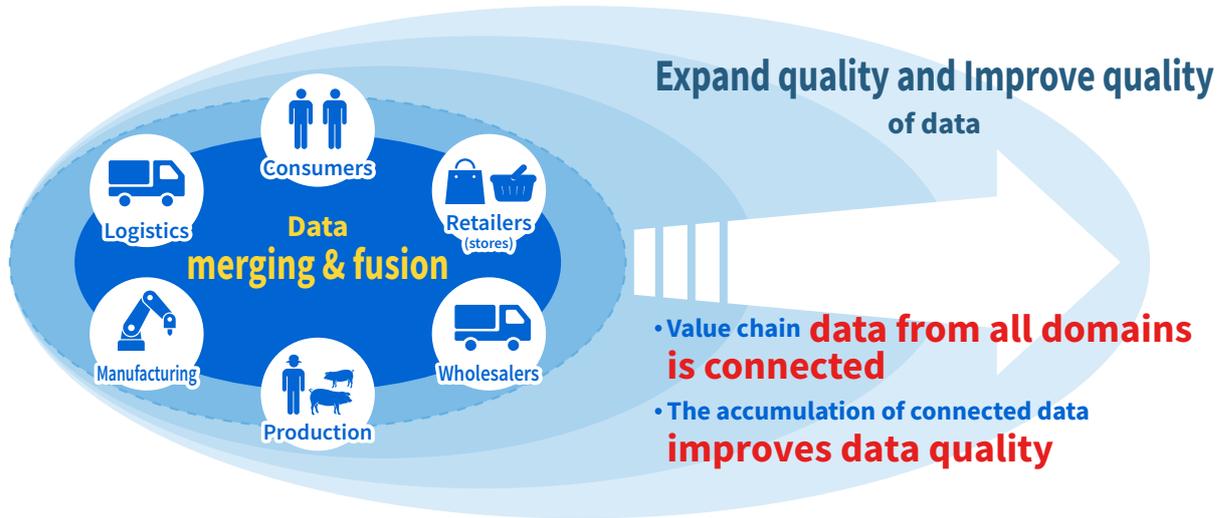
	FY2024 Plan (145 Yen/USD, 155 Yen/EUR)	FY2025 Plan (135 Yen/USD, 145 Yen/EUR)	FY2026 Plan (135 Yen/USD, 145 Yen/EUR)
Net sales	550.0 billion yen	540.0 billion yen	550.0 billion yen
Operating profit	18.0 billion yen	25.0 billion yen	33.0 billion yen
Return on Sales (ROS)	3.3%	4.6%	6.0%
Profit	20.0 billion yen ^{*1}	12.0 billion yen	17.0 billion yen
Operating cash flows	23.0 billion yen	26.0 billion yen	35.0 billion yen
Return on invested capital (ROIC ^{*2})	9%	12%	15%

*1 Including 19.5 billion yen in extraordinary income

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

Expansion of new businesses

In October 2024, we plan to establish a new company to develop AI and platform coupled together as a set to accelerate the provision of DX solutions to resolve customer issues. We can leverage AI technology to combine, integrate, and accumulate data from across the value chain, particularly in the retail industry, to improve data quality and provide customers with a new purchasing experience.



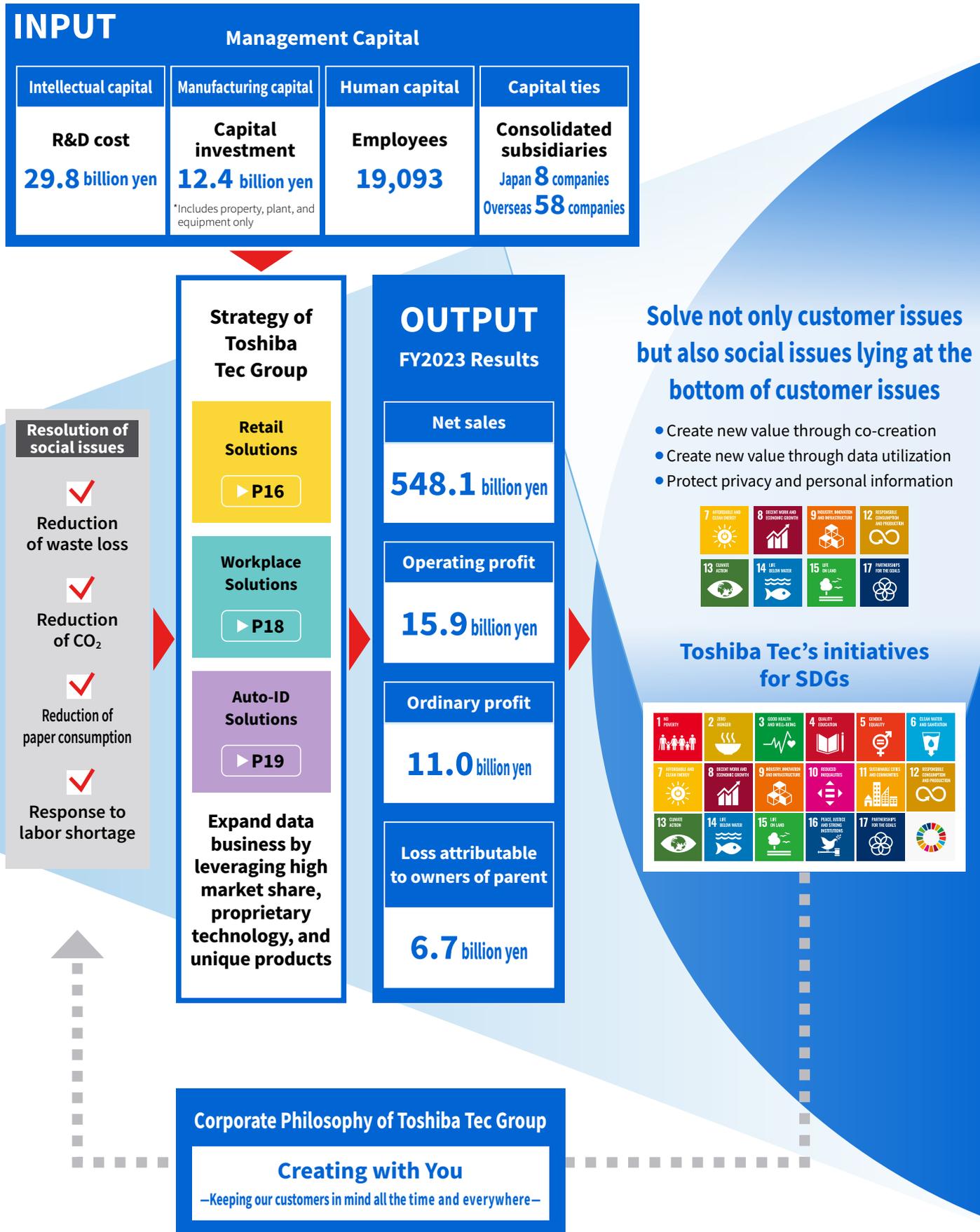
Vision for 2050

We aim to become a global top solutions partner and play a central role in global distribution innovation by 2030 through the transformation of our business and the implementation of continuous corporate reforms. We will also create new value in growth domains and evolve into a company that can continuously contribute to the resolution of social issues that change in line with the times. With an eye toward achieving these objectives, we will steadily implement our Mid-Term Business Plan for fiscal years 2024-2026.



* CAD : Computer Aided Design, SDM : Service Data Management, SLM : Service Life Cycle Management

Value Creation Model of Toshiba Tec Group



Business Strategy

Retail Solutions Business

In the Retail Solutions Business, we are formulating and implementing a growth strategy whose aim is to realize innovation to contribute to the resolution of social issues by providing unprecedented new value.

New value can be created through co-creation, a united effort also involving customers, solution partners, and the value chain. To this end, we will expand the construction of a distribution ecosystem with the ELERA global platform as the foundation through consortium activities in the distribution industry.

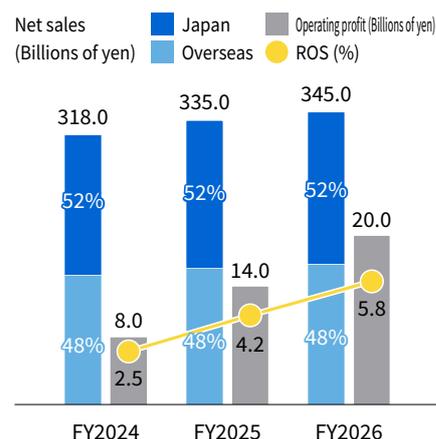
We will further upgrade and expand our partner strategy and promote the introduction of generative AI services to contribute to resolving social issues.

Constructing a co-creation ecosystem with ELERA at the core



FY2024 Mid-Term Business Plan Financial Target by Segment (Retail Solutions)

	FY2024	FY2025	FY2026
Operating profit	8.0 billion yen	14.0 billion yen	20.0 billion yen
ROS (%) (Japan, Overseas)	2.5% (4.8%, 0.0%)	4.2% (5.7%, 2.5%)	5.8% (6.7%, 4.8%)

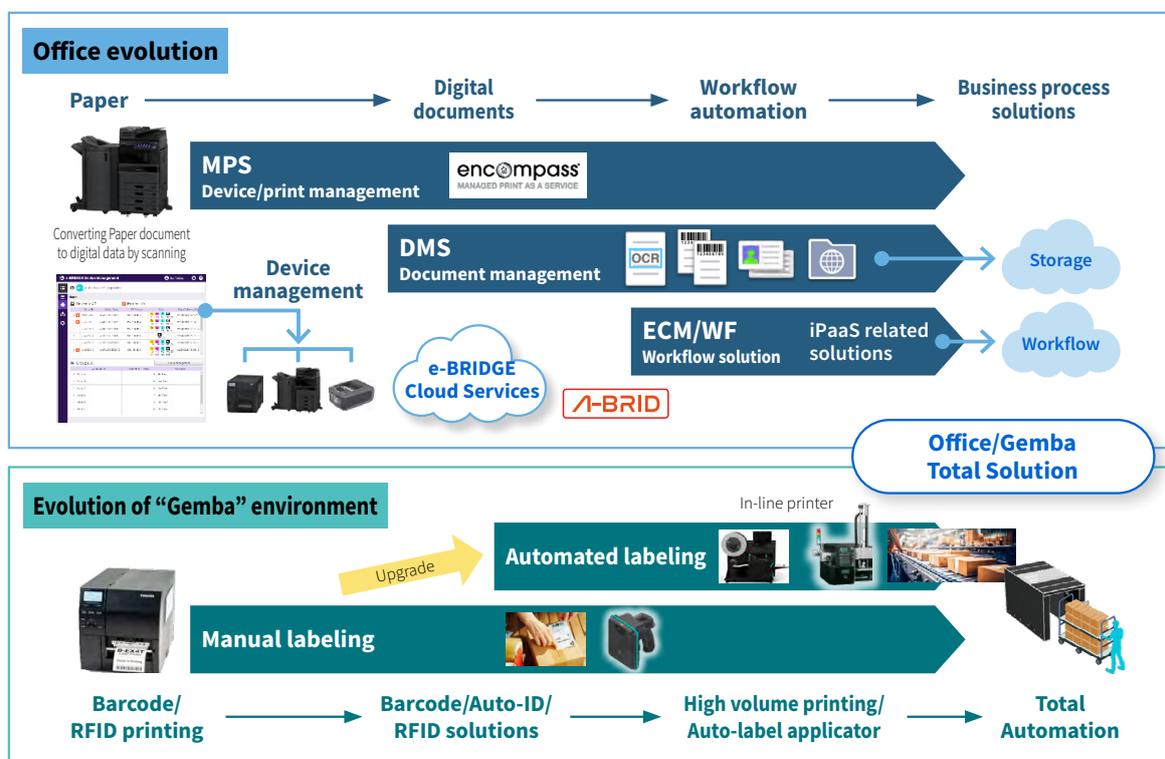


Workplace Solutions Business

Instead of confining the use of our MFPs to office situations, we will offer new value such as cloud services and applications—while also enhancing the cooperative function to accommodate business processes that differ from customer to customer—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 front-line 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

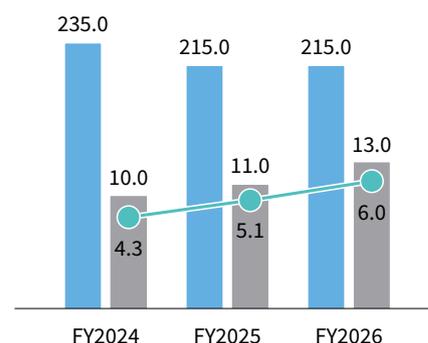
Capturing the trend toward DX at offices and frontlines to help drive customer evolution



FY2024 Mid-Term Business Plan Financial Target by Segment (Workplace Solutions)

	FY2024	FY2025	FY2026
Operating profit	10 billion yen	11.0 billion yen	13.0 billion yen
ROS (%)	4.3%	5.1%	6.0%

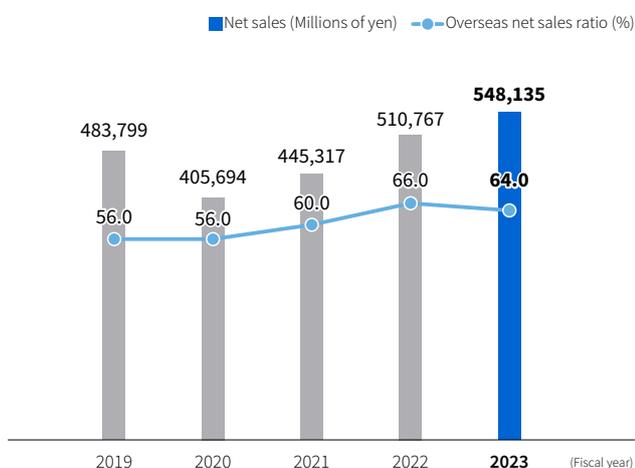
■ Net sales (Billions of yen) ■ Operating profit (Billions of yen) ● ROS (%)



*Includes Inkjet Business through June of FY2024

Financial Highlights (Consolidated)

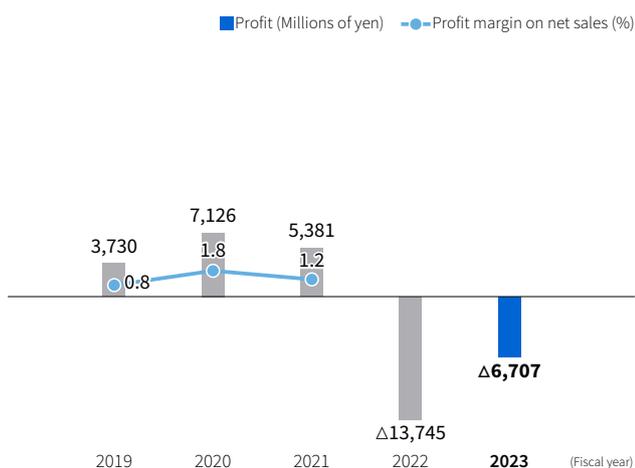
Net sales and overseas net sales ratio



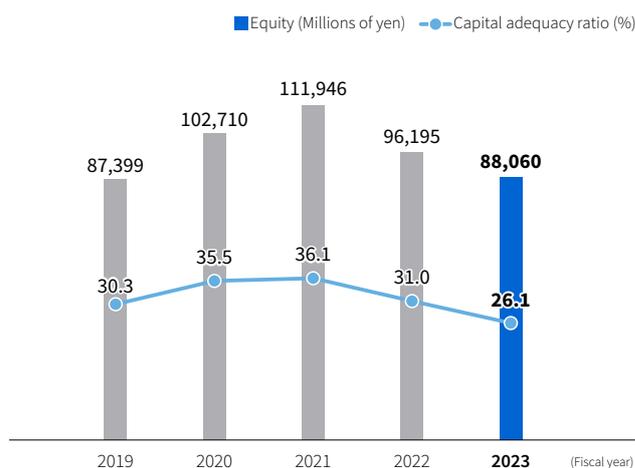
Operating profit and operating profit margin



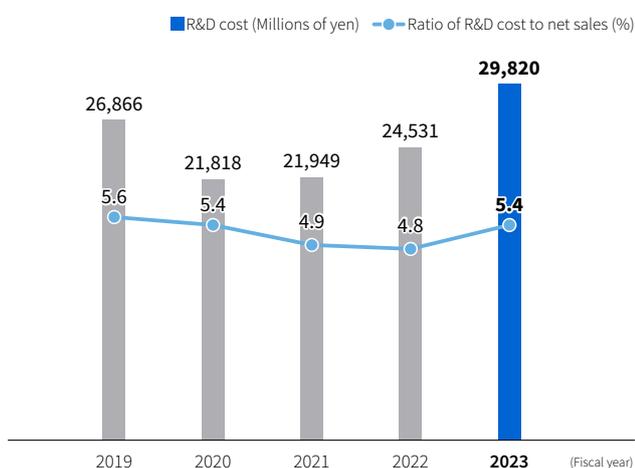
Profit and profit margin on net sales



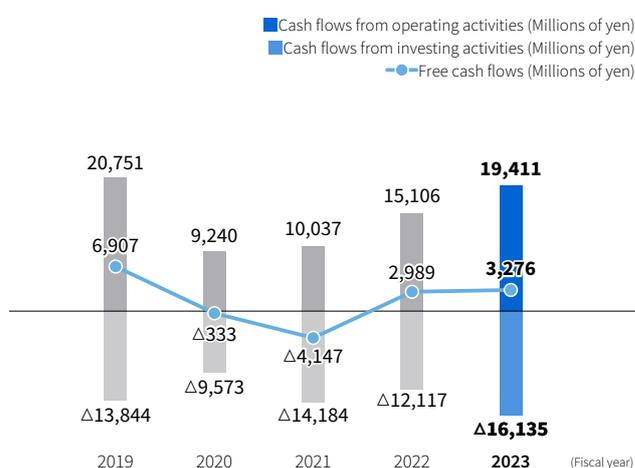
Equity and capital adequacy ratio



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

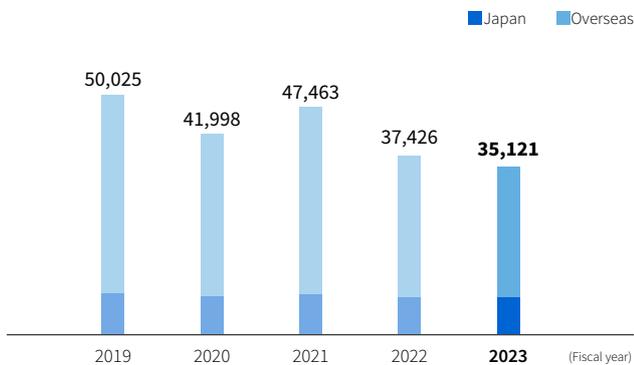


Cash Flows



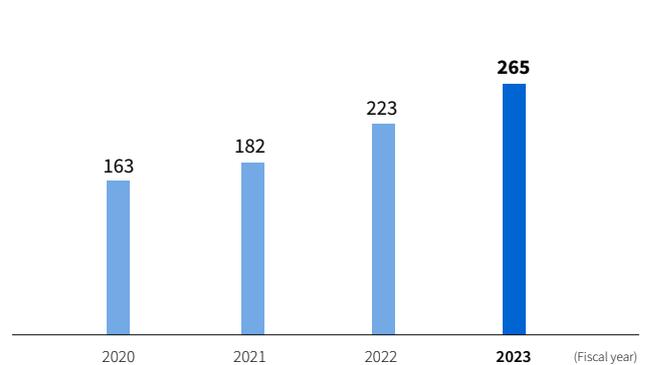
Non-Financial Highlights (Consolidated)

CO₂ emissions at manufacturing sites (t)



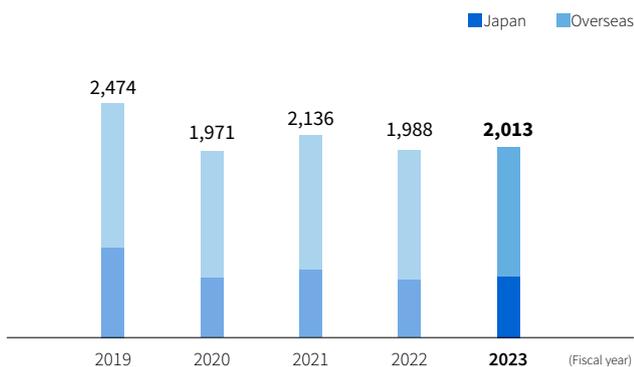
We continue to reduce CO₂ emissions through the systematic implementation of measures such as switching to LED lighting and upgrading to energy-saving equipment mainly at overseas sites by effectively using subsidy systems. Our multifaceted emission reduction initiatives also include the greening of rooftops and installation of solar panels.

Number of young managers (aged 45 or younger) (Persons)



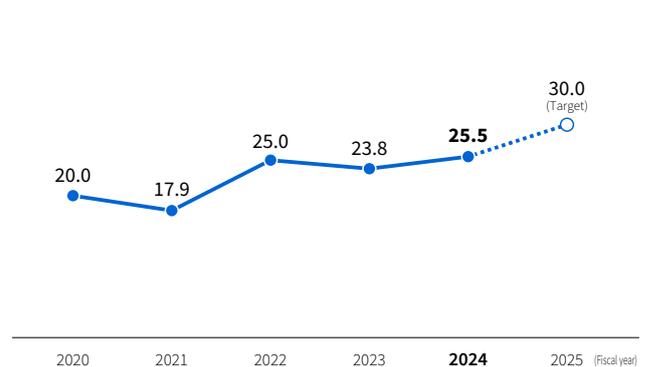
We work on enhancing the skills of young employees to build a strong organization that transcends the differences among ages. We have promoted approximately 100 young employees to managers during three years from 2020 to advance new value creation through the synergy of individual strengths, skills, and ideas.

Total amount of generated wastes (t)



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.

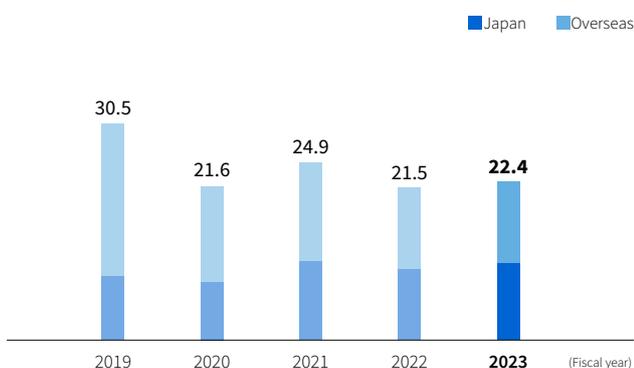
Ratio of new female graduates employed (%)



The ratio of new female graduates employed in April 2024 was 25.5% (compared to the target of 25%).

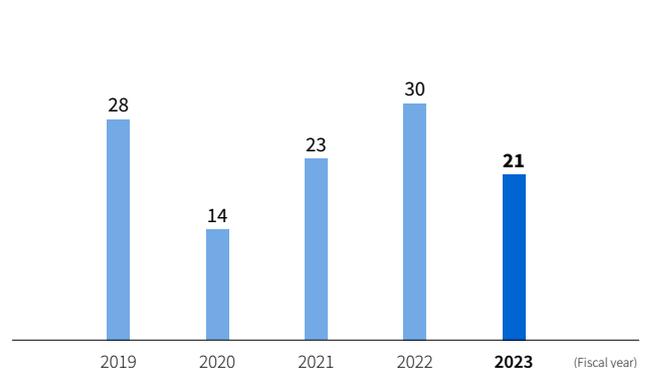
To achieve the target of 30% in the ratio of new female graduates employed in 2025, we have been showcasing at the company briefing sessions a variety of in-house systems for promoting the advancement of female employees, as well as providing through the Company website, etc. the relevant information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

Amount of released chemical substances (t)



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

Number of whistleblowing cases* (Cases)



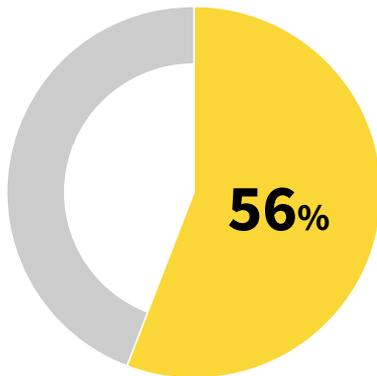
Toshiba Tec is striving to disseminate information regarding the whistleblowing system by continuously offering education on the topic using e-learning courses targeting all employees and displaying information regarding the contact site on the notice boards in the offices.

*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.

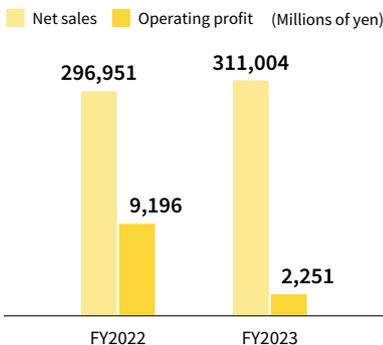
Segment Overview

Retail Solutions Business

Net sales breakdown



Net sales and operating profit



Main business

Development, manufacture, sale, and maintenance services of POS systems for domestic and overseas markets, Auto-ID systems for the domestic market, and related products

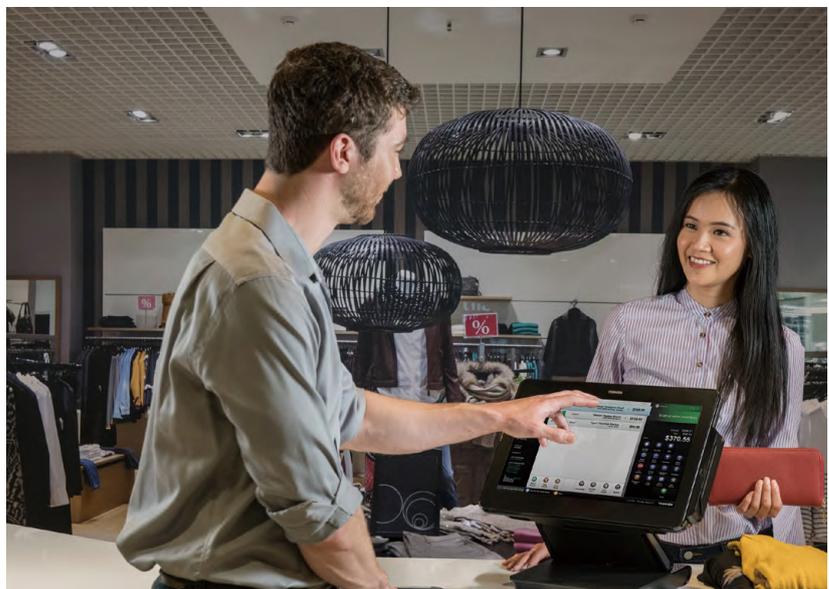
The Retail Solutions Business Group handles POS systems for domestic and overseas markets, Auto-ID systems for the domestic market, and related products. Amid a severe business environment where intensifying competition with peers continues, we have worked on various initiatives that include expanding its solution business with the global retail platform, ELERA, and strategic partnerships, strengthening recurring businesses, and actively investing in retail innovations (the acceleration of digital human resource development, ELERA evolution, the enhancement of opportunity for co-creation, and the enhancement of collaboration with partners) to expand new businesses.

Sales of POS systems for the domestic market rose as a result of efforts focused on expanding sales of self-checkout systems, payment terminals, Smart Receipt, etc. as well as through such measures as the revision of sales prices, despite a continued harsh business environment including factors such as soaring raw material prices and price increases.

Sales of POS systems for overseas markets significantly decreased in part due to a decline in sales of hardware and software primarily to major customers in the United States as well as a decline in sales of hardware in Europe under the circumstances where demand has been falling owing partly to a delay in the timing of customers' investment caused by growing uncertainty about overseas market conditions.

Sales of Auto-ID systems for the domestic market increased in part due to an increase in the sales volume of barcode printers as a result of growth in sales of products such as portable printers.

As a result, net sales of the Retail Solutions Business Group were ¥311,004 million (up 5% year on year). Operating profit of the business group was ¥2,251 million (down 76% year on year) due to a deterioration in profits caused by a decline in sales of POS systems and an increase in R&D cost and other expenses for future growth in overseas business, despite an improvement in profits of POS systems for the domestic market.



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 where the printing volume has been reduced due to post-COVID work style reforms and the digitalization efforts at offices, and intensifying competition with peers continues, we focused on enhancing the underlying profitability of the core business. At the same time, we worked on expanding our Auto-ID business, document solutions, data solutions, and customer support business as part of efforts to expand our business in growth areas.

Sales of MFPs rose due to strong sales in the Americas, Europe, and other regions through a recovery in product supply volume and sales price revisions, as well as the impact of foreign exchange rates.

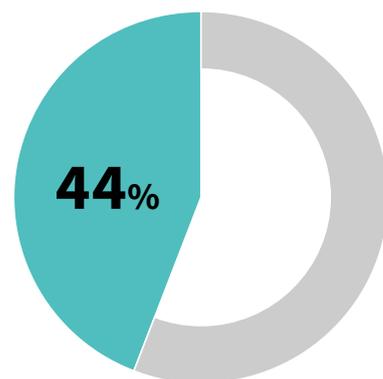
Sales of Auto-ID systems for overseas markets decreased as a result of decreased sales in the Americas, Europe, Asia, and other overseas regions.

Sales of inkjet heads decreased due mainly to a decrease in sales to overseas customers.

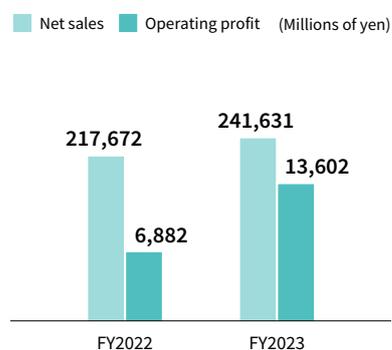
As a result, net sales in the Workplace Solutions Business Group were ¥241,631 million (up 11% year on year). Operating profit for the business group significantly improved to ¥13,602 million (up 98% year on year) due mainly to the increase in net sales in line with a recovery in product supply volume, revised sales prices, etc. as well as structural reforms and transformation implemented so far.

(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 services of MFPs for domestic and overseas markets, Auto-ID systems for overseas markets, inkjet print heads for domestic and overseas markets, and related products

Introduction of Businesses

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 faces 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 a pleasure experience.

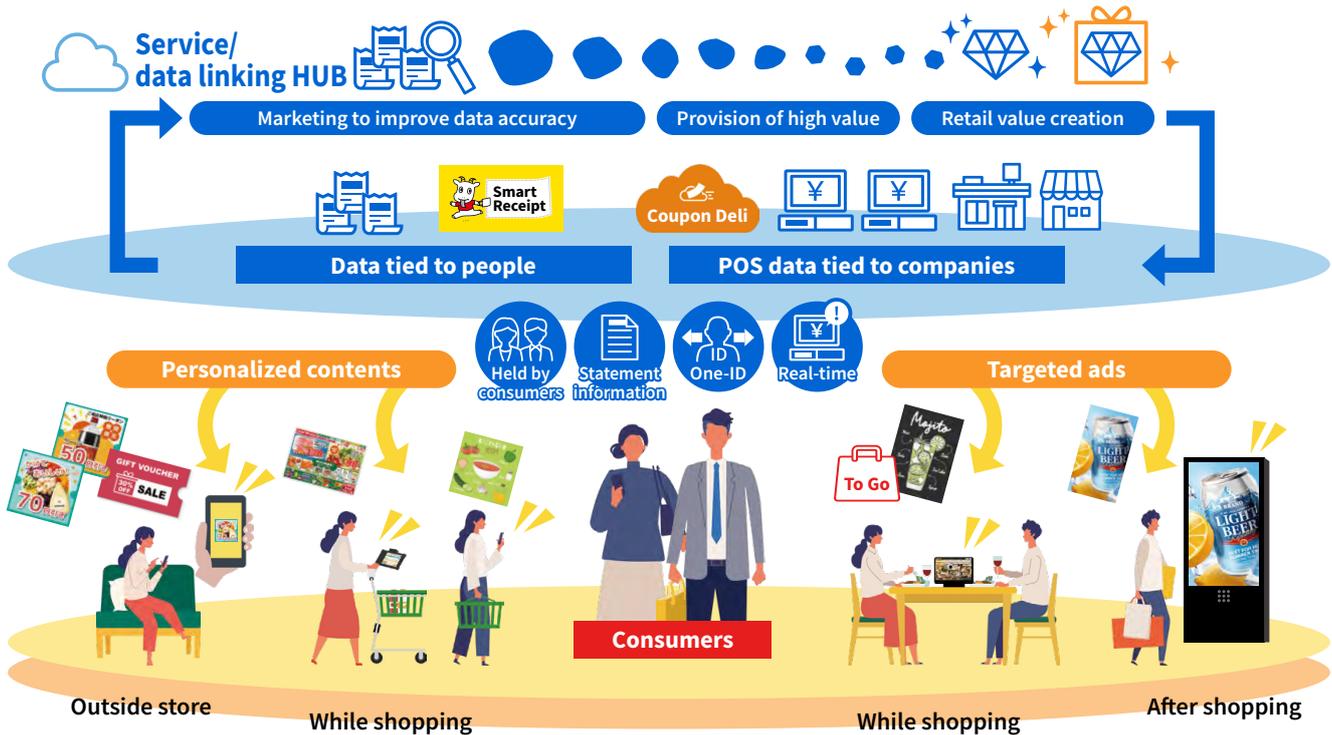


Creation of new added value through the use of data and co-creation

Toshiba Tec aims to be the global top solutions partner in the retail industry. Under this management policy, we are pressing forward with the development of ELERA, a subscription-based global retail platform, through co-creation with strategic partners based on global collaboration for development, centering around Japan and the United States, and we aim to make it a business foundation for our future growth.

ELERA, developed by Toshiba Tec, is the foundation for a wide variety of services, and massive volumes of purchasing data are gathered on the platform. Linking high-value-added data with these services will enable us to offer various customized solutions to the challenges faced by each store, as well as promote the digital transformation (DX) of the retail industry.





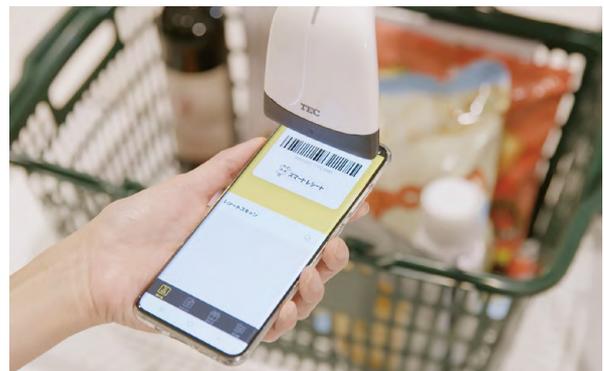
Creation of new value through effective use of data, based on Smart Receipt and Coupon Deli

Through Toshiba Tec’s customer base, service network, and co-creation 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 ads that offer the transparency of outcome evaluation as well as optimal ad experience to consumers through co-creation with advertisers and brands. Collected data will be anonymized and aggregated, and we will use these data as high-quality data sets in an effort to solve social issues with various partners.

In the marketing research service, we focus on collection of research data and development of analysis methods of such data, and thereby cooperate with retail stores to help consumers to improve their shopping.

As retail solutions, we provide retail stores with data analysis services related to stock management and demand projections to resolve the labor shortage issue with retail stores.

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**!



Store managers Retailers

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



Consumers

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



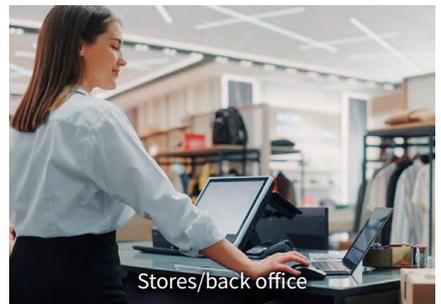
Producers Manufacturers

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 operational efficiency.



Improving operational efficiency throughout the entire process from site operations to office operations

Today, maximum operational efficiency can be achieved by offering solutions to customers' challenges for the entire operations, not only office operations but also manufacturing, store, and backyard operations.

By integrating RFID, one of the technologies our Retail Solutions Business owns, with A3 MFPs in the Workplace Solutions Business, we will solve customers' challenges in the whole operating process to improve their system for business, production, and warehouse management.

First A3 MFP in the industry*
e-STUDIO4525AC RFID

Industry's first MFP that enables color printing and writing data to RFID simultaneously



RFID handheld reader



*Toshiba Tec's survey

(Application example) Product management

Color printing with tag data makes it easier to find the items through either data or a visual check.



From manufacturing site to store and backyard



SOLUTION 3 Auto-ID Solutions

Helping to build SCM systems in various areas with Auto-ID technology

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 the 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.



Offering optimum solutions to various challenges faced by supply chains

At supply chain sites in Japan, where manufacturing, logistics, and store operations are closely connected, they face a chronic labor shortage and various other challenges such as stagnation in logistics caused by the so-called 2024 problem, excess inventories, and waste loss.

Toshiba Tec offers the CHAIN WORKS cloud service platform to supply chain sites to address all the challenges they face including the above-mentioned ones.



About CHAIN WORKS, a SCM total solution

This cloud-based service platform flexibly responds to various challenges, such as labor-saving, productivity improvement, and traceability, surrounding supply chains and offers optimum solutions to all manufacturing, logistics, and store scenes.

Global service

Significant improvements in on-site operations with an automated labeling system solution

While freight volume is increasing in response to the increased frequency of delivering small packages, businesses are required to improve operational efficiency due to labor shortages.

Under such circumstances, this solution automates on-site affixing tasks after label printing, greatly improving customers' business processes.



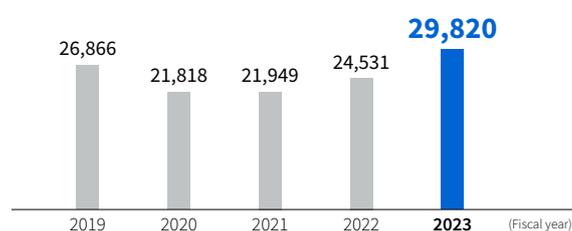
R&D Activities

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 customers 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 29,820 million yen. R&D activities by reporting segment are as follows.

Total R&D costs:

(Millions of yen)



Retail Solutions Business

R&D cost **19,117** million yen

In the Retail Solutions Business, under the management policy of aiming to become a global top solution partner in the distribution industry, 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 19,117 million yen, with the main achievements as follows.

- **NEXMART 01 GO next-generation smart store opens**

In December 2023, the NEXMART 01 GO next-generation smart store opened in Narashino City, Chiba Prefecture, as a place for generating new value through co-creation with customers in retail and distribution industries and partner companies. Under the concept of a future retail store, the store is equipped with our latest solutions utilizing various digital technologies for which practical use is in progress to support store operations. The store will also serve as a place for co-creation that allows us to design new solutions or operations and test them with customers in retail and distribution industries and partner companies.

- **Launch of SS-N1G self-checkout machine and SS-N1K accounting machine**

We launched the SS-N1G self-checkout machine and the SS-N1K accounting machine, which are equipped with a new change machine, in February 2024. The SS-N1G self-checkout machine can handle both cash and cashless payments. The inlets and outlets for banknotes and coins are each integrated and arranged so that customers can use the new machines without confusion. With an increased storage capacity for coins, the new machines decrease the frequency of replenishing the coin stocks during business hours, thus reducing the workload of store staff.

- **Release of new WILLPOS series POS terminals for mass retailers, specialty stores, and restaurants**

We released the WILLPOS-Mini QT-300 and WILLPOS-Touch QT-30T/H POS terminals for specialty stores and restaurants in September 2023 and the WILLPOS-Mini QT-330 POS terminal for mass retailers in October 2023. The new POS terminals underwent no changes in outer dimensions, fanless structure, etc. to meet demand for replacements, but offer revamped CPU and OS as well as doubled main memory and SSD capacities compared with conventional models. This enables the new terminals to provide operating comfort and support an increased variety of customer applications.

- **Release of RF Foreign Object Detection and RF Easy Inventory as RFID software packages**

In April 2023, we released the RF Foreign Object Detection and RF Easy Inventory software packages using RFID technology. RF

Foreign Object Detection enables the grasp of RF-tagged equipment included in a shipment from outside without unpacking the shipment and thus prevents other equipment from getting mixed in. RF Easy Inventory is designed to read RF tags attached to items by batch and save time and effort required for inventory-taking.

- **Development of an AI solution for optimizing retail promotions through generative AI**

We developed an AI solution for optimizing retail promotions using the transformer, a pivotal generative AI engine, and showcased it at RETAILTECH JAPAN 2024. By analyzing POS data, it creates an AI model of customer preferences and responses, simulating revenues and profits from various promotional combinations tailored to individual customers. Additionally, to maximize profits, it addresses mathematical optimization challenges, ensuring optimal distribution of coupons and points.

- **ELERA Loss Prevention**

In December 2023, we released a solution for detecting improper self-checkout behaviors in North America and Europe. Built on the ELERA IoT platform, the ELERA Loss Prevention solution monitors customer behaviors using AI technologies and recognizes potential improper activities, such as not scanning, with the TCx EDGEcam+ AI camera installed on the self-checkout terminal. AI technologies incorporated in the self-checkout system enable a refined approach to customer behaviors that are not covered by weighing-based improper behavior detection systems. This helps to improve the self-checkout throughput.

- **ELERA Associate Mobile**

In February 2024, we released the mobile POS system ELERA Associate Mobile for the North American market. ELERA Associate Mobile extends the power of the ELERA platform to a user-friendly mobile terminal. ELERA Associate Mobile works to mobilize the traditional POS system functionality throughout the store and enable shoppers to pay from anywhere at the store. By reducing the reliance on high-cost traditional fixed-lane POS systems, ELERA Associate Mobile puts the POS functionalities right at the fingertips of store staff.

Workplace Solutions Business

R&D cost **10,702** 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 devices, print controllers, image-forming technologies, cloud-related technologies, as well as inkjet print heads technologies. R&D cost amounted to 10,702 million yen, with the main achievements as follows.

● Release of e-STUDIO series A3 MFP with enhanced security and fax functionality

Since the launch of the e-STUDIO series, Toshiba Tec has continued to enhance connections with supported cloud services and applications. In February 2024, we released the e-STUDIO2021AC A3 color MFP, which includes the newly added IPP-PIN printing function effective for security enhancement and the function to set the sender's number and other items written on sent fax copies.

This provides the e-STUDIO series with enhanced security and convenience and helps to improve operational efficiency and further advance customers' work styles.

● Release of the industry's first A3 color MFP with RFID writer capability

In October 2023, by combining MFP technologies we cultivated in the office solution field with RFID technologies, we released the e-STUDIO4525AC RFID A3 color MFP, the industry's first* A3 MFP with RFID writer capability, for the domestic market. In addition to general MFP functions, the new MFP enables color printing and RFID data writing simultaneously by executing instructions to print a label design created by label creation software and write RFID data. Printing can also be performed on paper for which the paper size and RFID tag position are changed to meet the user's request.

*The first MFP manufacturer which makes an MFP of its kind in the industry (Toshiba Tec's survey as of August 2023)

● Enhanced functionality of cloud printing solution for small and medium-sized businesses

The e-BRIDGE Global Print cloud-based print service allows users to readily send print jobs from wherever they are to the cloud-connected Toshiba Tec e-BRIDGE MFP and then securely release them when ready at the MFP. To respond to customers' diverse work styles, we enhanced the functionality of the cloud-based print service in September 2023 to enable users to send instructions on printing from their mobile devices and change print settings on their MFP. Furthermore, using our overseas network, we have built a system for the global operation of this service.

● Release of BV400T series compact label printers

In November 2023, we released BV400T series compact label printers with a footprint of less than the size of A4 paper to contribute to greater operational efficiency at manufacturing, logistics, and other sites. Leveraging our technologies accumulated in the development of barcode printers, the new label printers offer an approx. 1.4 times faster maximum print speed compared with existing models, and the supported ribbon length is enlarged 2.5 times. The BV400T series optionally allows simultaneous data writing onto RFID tags while printing labels. Data writing can be performed on paper rolls on which the tag pitch is approx. 60% shorter compared with existing models. This makes it possible to use paper rolls with short tag pitches. This allows a larger number of labels to be covered by one paper roll and thus helps to decrease the frequency of paper roll replacements.

Message from Chief Sustainability Officer



To become a company that can contribute to the resolution of social issues by generating new value through co-creation

Mariko Kajihara

Corporate Chief Sustainability Officer

Toward sustainability management

Toshiba TEC has a long-standing commitment to CSR activities. Our manufacturing sites continue to maintain environmental initiatives and ISO certifications. The social contribution activities we conduct in local communities as a good corporate citizen have become established at our sites in Japan and abroad. We will continue to value these activities going forward.

To respond to society's demands for "sustainability management," we identified our Materiality (key issues) in 2022. Although we had previously been implementing Environment (E), Social (S), and Governance (G) initiatives, publicizing our mid-term goals and achievements externally has given us the opportunity to consider how we can exert even more effort in our initiatives. My feeling is this has led to increased materiality-related discussion and reporting at Board meetings.

In the past, we disclosed Environmental targets and actual results even before identifying materiality, but with regard to Social and Governance, we disclosed actual results but excluded targets. We hope that providing specific information on what Toshiba TEC is working toward in terms of ESG will heighten the excitement among our stakeholders about the company's future.

Human capital initiatives toward "human resources we are aiming for"

In recent years, we have focused our efforts on human capital. To achieve our goal of becoming a "global top solutions partner," we have redefined the image of the human resource we are aiming for and are formulating measures to bring this to fruition. We have, for instance, activated the rotation of personnel to different departments and reinforced our global training programs to

enhance the capabilities of our human resources. We also provide e-learning and career autonomy support training to meet the needs of diverse human resources—women, younger employees, and seniors, among others. Offsite Meetings*, in which people from all levels of the company—including Board members—engage in frank discussions, are also conducted to promote a change in culture through honest dialogue.

*Offsite Meeting is a registered trademark of Scholar Consult Co., Ltd.

Further contribution to resolving social issues

The term "sustainability transformation" (SX) is becoming increasingly common. Simply stated, this refers to consideration for both societal and corporate sustainability and developing the business over the long term, which is regarded as an effective approach to continuing and growing the business in the highly uncertain times of today.

From the perspective of SX, we do not yet consider our sustainability activities to be sufficient. The reason is that we want to and should be able to contribute more to the resolution of social issues with Toshiba TEC products and services. We already have products adapted to environmental issues and that contribute to the reduction of paper consumption. As we aim to become a "global top solutions partner" that leverages data, however, we believe we can also address social issues in another way. I further believe that, in co-creation activities with customers and partners, we can discuss social issues as common challenges and expand the possibilities for solutions.

We will strive to contribute to social issue resolution by working collaboratively with customers and partners to create an ecosystem, and by cooperating with related departments in house.

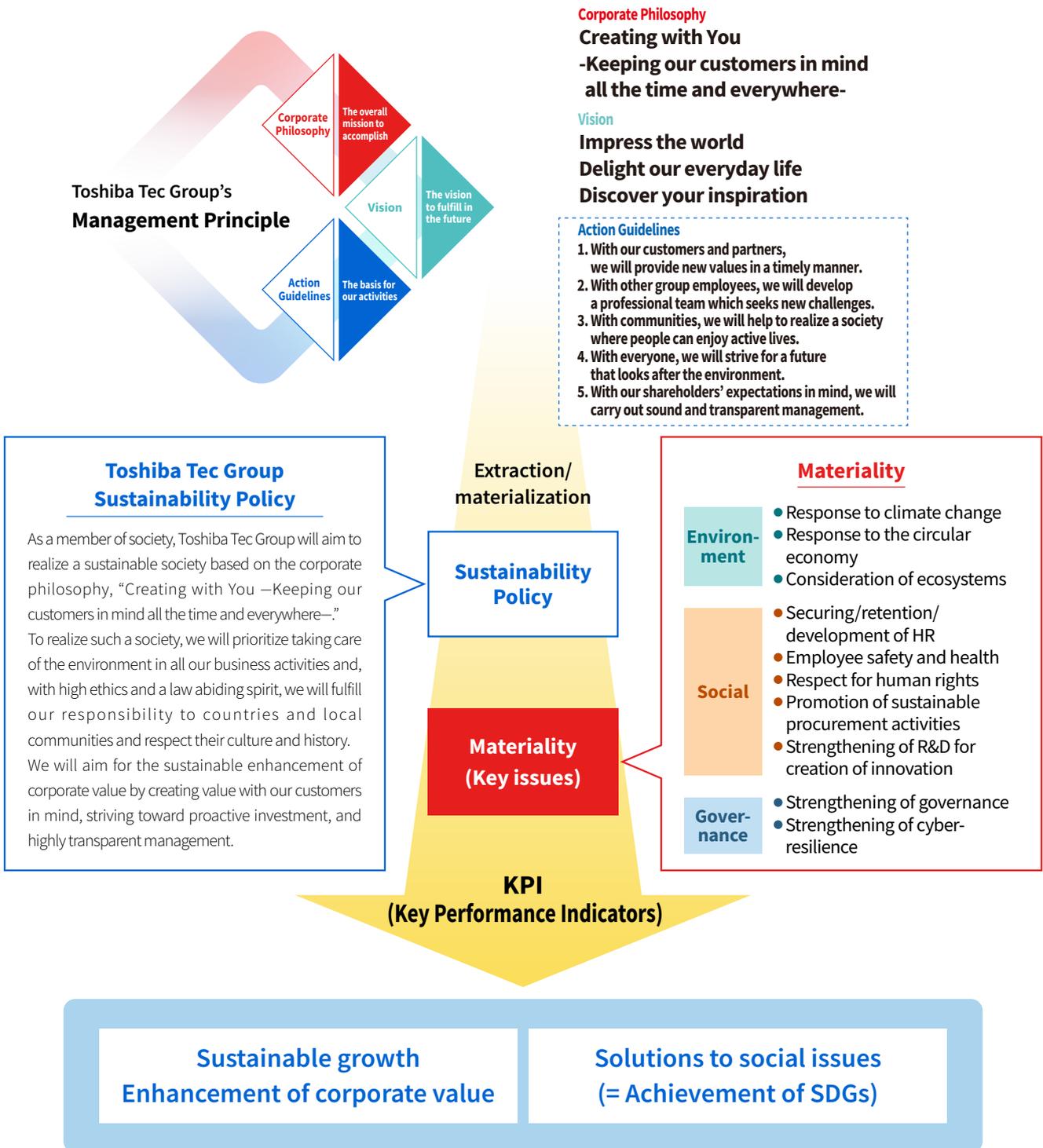
Materiality of Toshiba Tec

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.



FY2023 Results and FY2024-FY2026 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-FY2026) and optimizing target figures.

ESG	Materiality	Category (KPI)	FY2023 End Results	FY2024 End Target	FY2025 End Target	FY2026 End Target	Relevant SDGs
E Environment ▶ P25	Response to climate change	Total GHG emissions in business activities (thousand t-CO ₂)	37.8	15.3* ³	7.7* ³	6.2* ³	     
	Response to the circular economy	Total waste emission intensity in business activities	7.0% improvement in 5-year average intensity* ¹	1% improvement in 5-year average intensity	1% improvement in 5-year average intensity	1% improvement in 5-year average intensity	
	Consideration of ecosystems	Total chemical substances emission intensity in business activities	10% improvement in 5-year average intensity* ¹	1% improvement in 5-year average intensity	1% improvement in 5-year average intensity	1% improvement in 5-year average intensity	
		Received water volume intensity in business activities	8.0% improvement in 5-year average intensity* ¹	1% improvement in 5-year average intensity	1% improvement in 5-year average intensity	1% improvement in 5-year average intensity	
	Response to climate change	Total GHG emissions from the use of products sold (compared with FY2019 results)	-30%	-11.2%	-14.0%	-16.8%	
	Response to the circular economy	Percentage of recycled plastic used in products and services	11%	+11% or more	+11% or more	+11% or more	
S Social ▶ P37	Securing/retention/development of HR	Ratio of female managers	4.4%	6%	7%	8%	       
		Ratio of new female graduates employed* ²	25.5%	28%	30%	30%	
		Rate of male employees taking childcare leave	36%	Higher than the previous fiscal year	Higher than the previous fiscal year	Higher than the previous fiscal year	
		Rate of attendance of training programs by position	98.9%	100%	100%	100%	
		Engagement survey	Engagement score: 56	1 point or more improved from the previous fiscal year	1 point or more improved from the previous fiscal year	1 point or more improved from the previous fiscal year	
	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	32.2%	Fewer than the previous fiscal year	Fewer than the previous fiscal year	Fewer than the previous fiscal year	
	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 100.0%) Harassment survey	Once-yearly e-learning program (Taken by 100.0%) Harassment survey	Once-yearly e-learning program (Taken by 100.0%) Harassment survey	Once-yearly e-learning program (Taken by 100.0%) 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	Implemented risk analysis by country/industry, risk assessment for high-risk bases (1 company) Formulated a three-year action plan	Establish human rights due diligence framework and guidelines Conduct internal human rights self-assessment	Continue internal human rights self-assessment Conduct employee evaluations	Improvement activities Re-implement evaluation of impact on human rights	
	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	343 companies	180 companies* ³	180 companies* ³	180 companies* ³	
		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)	128	130	150	150		
G Governance ▶ P49	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	86.7%	Higher than the previous fiscal year	Higher than the previous fiscal year	Higher than the previous fiscal year	
	Ongoing implementation of voluntary monitoring program of internal control systems targeting all Group companies	Once	Once	Once	Once		
Strengthening of cyber-resilience	Self-evaluation of degree of cyber security maturity	3.66	Higher than the previous fiscal year	Higher than the previous fiscal year	Higher than the previous fiscal year		

*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 from FY2022 with the recovery of production value.

*2 Recorded based on fiscal year of activities (FY2023 result: new recruits joining in April 2024)

*3 Reflecting the impact of business integration of MFP development and manufacturing with Ricoh Company, Ltd., and transfer of inkjet head business to RISO KAGAKU CORPORATION

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, “Creating 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 Corporate Philosophy 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

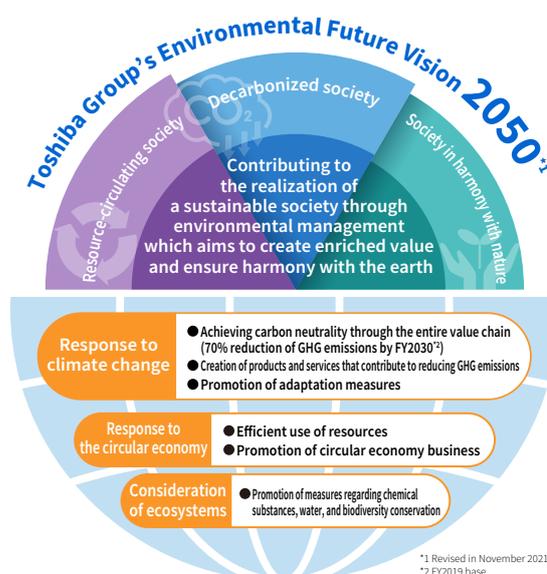
- Toshiba Tec Group actively communicates with stakeholders, such as local communities and society, and promotes environmental activities in collaboration with them.

Revised in April 2021

Environment

► 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

► Environmental Management Promotion Structure



► The 8th Environmental Action Plan

Based on Toshiba Group’s Environmental Future Vision 2050, Toshiba Tec Group has formulated the 8th Environmental Action Plan, which consists of “response to climate change,” “response to the circular economy,” “consideration of ecosystems,” and “business-specific KPIs” and covers the period from FY2024 to FY2026. We will set targets for each fiscal year and promote relevant activities.

Activity area	Activity content		Indicator	FY2024 target ^{*5}	FY2025 target ^{*5}	FY2026 target ^{*5}
Response to climate change	Business activities	Reduction of the total amount of GHG emissions (Scope 1 + 2)	The total amount of GHG emissions (thousand t-CO ₂) ^{*1}	15.3	7.7	6.2
	Overall	Reduction of the total amount of GHG emissions (Scope 3)	The total amount of GHG emissions (thousand t-CO ₂)	293	284	275
	Products & services	Contribution to GHG reduction in the entire society Contribution to GHG reduction by providing energy-saving products	GHG reduction amount during product use (thousand t-CO ₂) ^{*2}	604	658	624
Response to the circular economy	Products & services	Increasing the amount of resources saved	The amount of resources saved (thousand t) ^{*3}	21.3	21.7	22.1
	Business activities	Reduction of the amount of generated waste (improvement in per unit consumption)	The amount of generated waste per unit consumption (t/million yen)	1% improvement in the average per unit consumption in 5 years		
Consideration of ecosystems	Business activities	Efficient use of water resources (improvement in per unit consumption)	The volume of received water per unit consumption (m ³ /million yen)	1% improvement in the average per unit consumption in 5 years		
	Business activities	Reduction of the amount of released chemical substances (improvement in per unit consumption)	The amount of released chemical substances per unit consumption (kg/million yen)	1% improvement in the average per unit consumption in 5 years		
	Sites activities	Promotion of biodiversity conservation activities that contribute to the Kunming-Montreal Global Biodiversity Framework (GBF) targets	Activities to meet Toshiba Gr. 7 targets selected from the Kunming-Montreal Global Biodiversity Framework (GBF)	Deepening and expanding biodiversity conservation activities at all sites by setting activities in line with Toshiba Gr. 7 targets		
Business-specific KPIs	Increasing the amount of plastic resources recycled		The amount of plastic resources recycled (t) ^{*4}	493	496	499

*1 For the calculation of CO₂ 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 total material input of shipped products from the total material input of assumed substitute products

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

*5 Reflecting the impact of business integration of MFP development and manufacturing with Ricoh Company, Ltd., and transfer of inkjet head business to RISO KAGAKU CORPORATION

Environment

▶ **The Seventh Environmental Action Plan**

Based on Toshiba Group’s Environmental Future Vision 2050, Toshiba Tec Group has promoted 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, and we achieved all targets.

Activity area		Activity content	Indicator	FY2023 target	FY2023 result	
Response to climate change	Business activities	The total amount of GHG emissions (thousand t-CO ₂) ¹	(↓)	39.8	37.8	
		Amount of CO ₂ emissions from energy use per unit consumption (t-CO ₂ /million yen)	(↓)	3,500	3,030	
	Products & services	GHG reduction amount during product use (thousand t-CO ₂) ²	(↑)	657	834	
Response to the circular economy	Business activities	The amount of waste (t) ³	(↓)	785	536	
		The amount of generated waste per unit consumption (t/million)	(↓)	1% improvement in the average per unit consumption in 5 years	7.7% improvement in the average per unit consumption in 5 years	
	Products & services	The amount of plastic resources recycled (t) ⁴	(↑)	544	625	
		The amount of resources saved (thousand t) ⁵	(↑)	20.5	27.2	
Consideration of ecosystems	Management of chemical substances	Business activities	The amount of released chemical substances per unit consumption (kg/million yen)	(↓)	1% improvement in the average per unit consumption in 5 years	9.9% 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	The volume of received water per unit consumption (m ³ /million yen)	(↓)	1% improvement in the average per unit consumption in 5 years	7.0% improvement in the average per unit consumption in 5 years
Enhancement of the basis of environmental management	Conservation of biodiversity	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	
	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	2 auditors in Japan	

*1 For the calculation of CO₂ 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 waste from the total amount of generated waste

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

*5 Obtained by deducting the total material input of shipped products from the 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. This audit system consists of corporate-wide environmental management audits, environmental audits of manufacturing and non-manufacturing sites, and environmental technology audits of products of business groups. In FY2023, on-site audits by auditors of the head office were resumed, which had been suspended mainly at overseas sites in consideration of the impact of the COVID-19 pandemic. In addition, we have continued to develop new audit personnel and implement training to enhance the compliance system.



Emergency response drills



On-site audit



Audit results reporting meeting

Environment

Information Disclosure Based on the TCFD Recommendations

The impact of climate change is intensifying every year, and 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 is a member of the TCFD Consortium, which aims to promote actions by organizations in Japan in support of the TCFD recommendations.

▶ Governance

At Toshiba Tech Group, for important sustainability issues including climate change, especially key challenges concerning risks and opportunities that affect corporate management of Toshiba Tech Group, policies and action plans to address them are discussed and resolved by the Management Committee meetings and then reported to the Board of Directors. The Board of Directors has the responsibility and authority to supervise risks and opportunities related to overall sustainability. After receiving reports on matters discussed and resolved by the Management Committee meetings, the Board of Directors discusses and supervises the Group's policies and action plans to address sustainability risks and opportunities. In addition, policies and action plans discussed by the Board of Directors are reflected in the Group's management strategy, and its progress is managed by the Management Committee and reported to the Board of Directors on a regular basis.

Detailed policies and action plans to address environment-related issues including climate change are discussed at the Management Committee meetings or the Corporate Environmental Conference headed by the President. The conference takes place semiannually, with the participation of each business division's Environmental Management Officer, the Environmental Promotion Officer, the Corporate Staff Group-related Manager, and the Sustainability and Environmental Affairs 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 the 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.

Environment

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

Environment

● **Risks and opportunities in the Workplace Solutions Business**

Type	Risks or opportunities	Time frames	Response	
Risks	Policy and legal	● Increase in company energy costs due to the introduction of the carbon tax and the emissions trading system. ● Increase in costs due to the introduction of renewable energy at our sites and introduction/changeover of energy-saving equipment.	Short- to medium-term ● Planned introduction of renewable energy at our sites. ● Planned introduction and renewal of energy-saving equipment at our sites. ● Investigate trends in policies and laws (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.	
		● Additional conditions for introducing renewable energy at the time of selecting suppliers.	Medium-term ● Consider the criteria for introducing renewable energy at the time of selecting suppliers.	
		● Increase in MFP/Auto-ID product development costs associated with achieving the efficiency standards of the European Ecodesign Directive (ErP Directive) and other countries' stricter energy-saving performance regulations.	Short- to medium-term ● Survey of trends in energy-saving technologies in MFP/Auto-ID products, ongoing development of elemental technologies, and human resource development. ● Trend survey and adoption study of key units and components with high energy-saving performance. ● Establish product recycling/reuse systems. ● Establish systems for collecting empty toner cartridges.	
		● Increase in MFP/Auto-ID products development costs due to compliance with stricter environmental regulations in various countries, including the adoption of EU taxonomy.	Medium-term ● Consider extending the life of products and components (consumption period). ● Installation of equipment that reduces various chemical substances used in the manufacturing process. ● Improve development efficiency and cost reduction measures. ● Research policy and legal trends for MFP/Auto-ID products in target countries and review development plans for MFP/Auto-ID products.	
		● Increase in costs to comply with tighter disclosure requirements such as the EU Corporate Sustainability Reporting Directive (CSRD).	Short- to medium-term ● Consideration of adequate disclosure content, budgetary measures, and appropriate disclosure.	
		Transition risks	Technology	● Lost sales opportunities for MFP/Auto-ID/Inkjet Head products due to the slow development of energy-saving technologies in response to a rapidly growing demand for decarbonization-related products and services. ● 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.
	● Decrease in revenue due to delayed response to advances in maintenance technologies for products that do not require visits.			Short- to medium-term ● Establishment of service technologies not requiring visits (further permeation of remote service tools, self-maintenance by customers themselves through a shift to CRU).
	Market		● Loss of sales opportunities when standards for MFP/Auto-ID products, and solutions required by the market and customers are not met. ● Loss of sales opportunities when efficiency standards required for inkjet head products to be incorporated into customer products are not achieved. ● Loss of sales opportunities due to delays in responding to the shift to electronic and other methods as opportunities for printing on paper decline. ● Increase in costs due to price shift to procurement goods and logistics costs as a result of accelerated decarbonization efforts by procurement/logistics suppliers.	Medium-term ● Survey of market trends and customer requirements for energy saving in MFP/Auto-ID products. ● Review development plans and sales plans for MFP/Auto-ID products suitable for market trends and customer requirements. ● Consideration of effective energy conservation advocacy. ● Research on market trends and customer requirements for energy conservation for products incorporating inkjet head products. ● Review development plans and sales plans for inkjet head products suitable for market trends and customer requirements. ● Mass production of inkjet head products with low power consumption per nozzle. ● Consideration of expansion of inkjet head printing business domain. ● Procurement/logistics suppliers survey and request for cooperation to reduce increased energy costs. ● Find new suppliers for multiple procurement/logistics transactions.
	Reputation	● 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. ● 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.	Medium-term ● Planned implementation of climate change measures in light of external requirements. ● Consideration of adequate disclosure content, budgetary measures, and appropriate disclosure.	
	Physical Risks	Acute	● Impact of the severity and increase in extreme weather events (cyclones, floods, wildfires due to droughts, heavy snowfall, etc.) on our sites. —Suspension of operations due to buildings and equipment damage, increased costs for countermeasures. —Delays in operations due to difficulties in getting employees to and from work. —Increased expenses due to damage incurred to employees and houses ● Impact of the severity and increase in extreme weather events (cyclones, floods, wildfires caused by droughts, heavy snowfall, etc.) on suppliers and logistics providers. —Delays in production and sales caused by unavailability of parts due to damage to suppliers. —Damage to logistics providers and delays in production and sales due to logistics stoppages. —Loss of trust due to maintenance and service outages and delays to customers.	Long-term ● Formulate BCP measures in regions and at each site where there is assumed to be a risk of large-scale extreme weather events. ● Confirm BCP measures in assessments at the time of construction of new sites. ● Survey location/BCP measures of suppliers and logistics providers, as well as cooperation requests. ● Arrange for the availability of multiple suppliers and logistics providers.
		Chronic	● Impacts on our own sites due to the severity and increase in heavy rainfall and precipitation, rising average temperatures, rising sea levels, etc. —Increase in building repair costs for stronger leakproof measures, etc. —Increase in energy costs for air-conditionings. —Suspension of operations due to submergence or flooding, increased costs for countermeasures. —Increase in costs for health management of employees.	Long-term ● Predict heavy rainfall and precipitation at the locations of our sites and formulate countermeasures. ● Predict temperature rise at the locations of our sites and formulate countermeasures. ● Predict sea level rise at the locations of our sites and formulate countermeasures.
	Opportunities	Products & services, market	● Increased demand for energy-saving products in the Workplace Solutions Business —Increase in revenue due to sales expansion of Eco-MFP (paper recycling) and liner-less label (mount-less label) printers, etc. —Increase in revenue due to expanded sales of refurbished (used) MFP products. —Increase in revenue due to sales expansion of inkjet head products that contribute to low power consumption and reduction of environmental impact.	Short- to medium-term ● Survey of trends in energy-saving technologies in MFP/Auto-ID/Inkjet Head products, development of elemental technologies, and human resource development. ● Trend survey and adoption study of key units and components with high energy-saving performance. ● Consider sales strategy of energy-saving MFP/Auto-ID products. ● Consider product design for MFP/Auto-ID products that are easy to reuse, and the construction of reusable sites/lines. ● Consider mass production of inkjet head products with low power consumption, resource conservation through replacement with inkjet systems, and sales strategies.
● Increase in demand for services in the Workplace Solutions Business that contribute to customers' activities to reduce environmental burden. —Increase in revenue due to expanded sales of Eco-MFP (paper recycling) and MPS/MDS (customer printing cost optimization) solutions. —Increased revenue through sales expansion due to providing inkjet head solution services.			Medium-term ● Consider the development and effects of new eco solutions/services. ● Consider the development and effects of energy-saving Inkjet Head solutions, and the commercialization thereof.	

Environment

■ 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

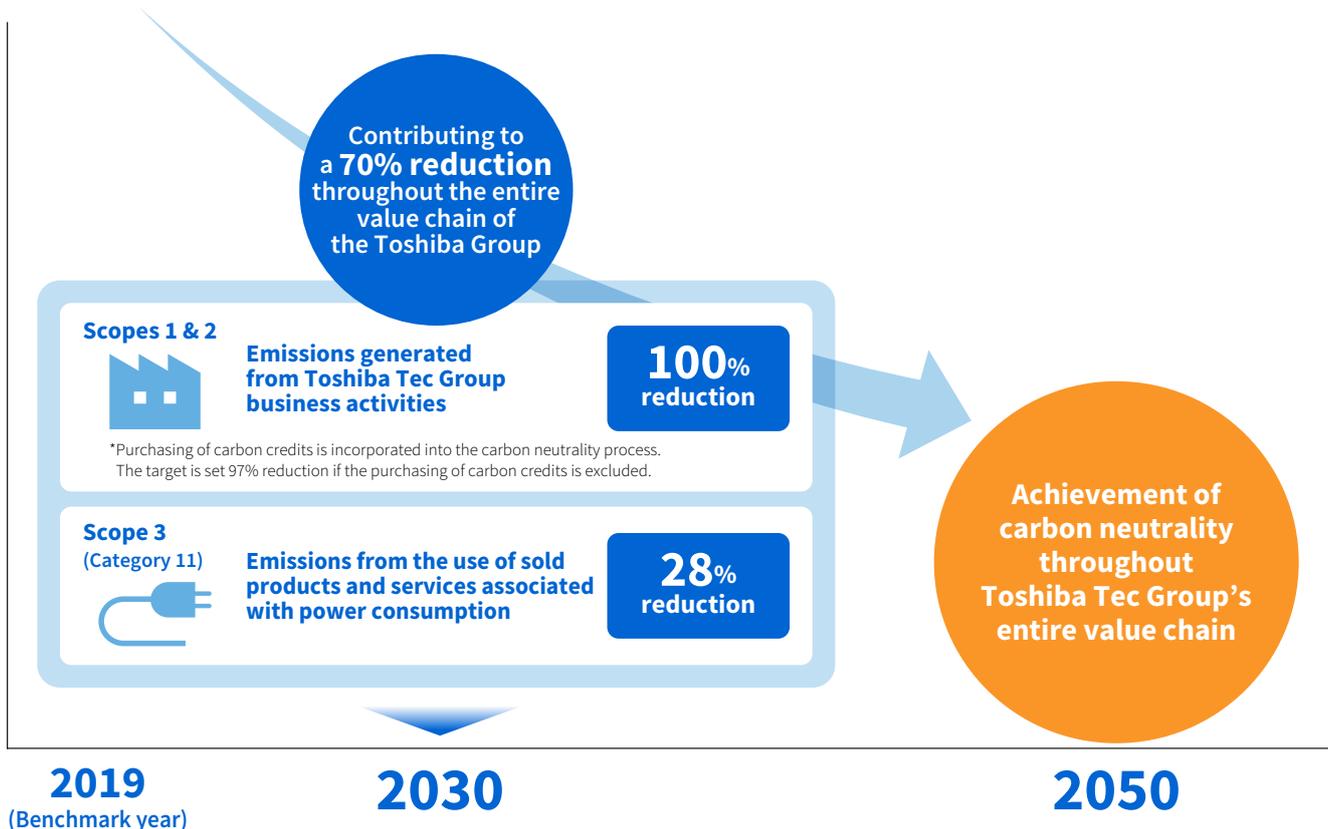
products and services, we will take appropriate measures such as improving the energy-saving performance of our products and services and expanding businesses that are compatible with a decarbonized society. We will continue to incorporate the results of scenario analysis into Toshiba Tec Group's business 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 1¹ and Scope 2² (GHG emissions generated from Toshiba Tec Group business activities) by 100% by FY2030.

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

■ Reduce GHG emissions from the use of sold products and services associated with power consumption³ sold in Scope 3⁴ by 28% 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.)

Environment

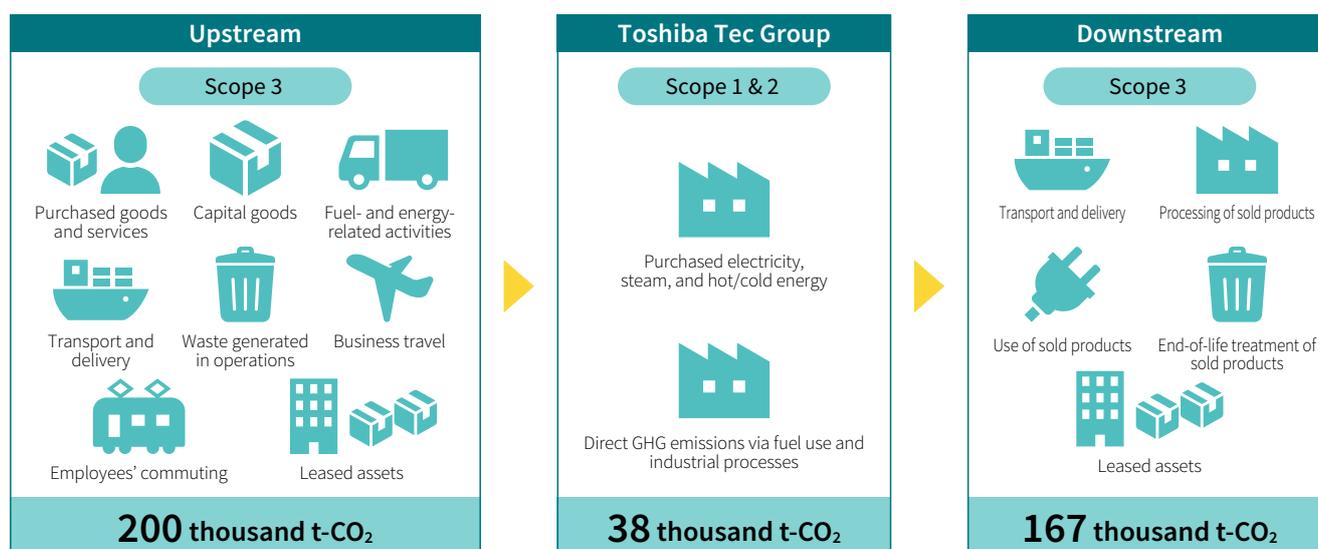
Promoting Environmental Management Harmonized with Business Operations

▶ GHG Emissions in the Supply Chain

As climate change becomes an increasingly serious issue, companies must manage not only their own greenhouse gas (GHG)¹ emissions but also emissions generated across their entire value chain. Based on the GHG Protocol², 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 CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃

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	FY2022 calculation results (thousand t-CO ₂)	FY2023 calculation results (thousand t-CO ₂)	Percent change in emissions	Remarks
Upstream	1 Purchased goods and services	105.3	123.3	117%	
	2 Capital goods	50.4	62.9	125%	
	3 Fuel- and energy-related activities not included in Scope 1 & 2	6.6	6.0	91%	
	4 Transport and delivery (upstream)	2.3	2.6	111%	
	5 Waste generated in operations	0.2	0.2	116%	
	6 Business travel	2.8	4.0	143%	
	7 Employees' commuting	0.9	1.0	112%	
	8 Leased assets (upstream)	—	—	—	This category does not apply to Toshiba Tec Group's business.
Toshiba Tec Group	9 Direct emissions (Scope 1)	2.7	3.7	136%	
	10 Indirect emissions from energy use (Scope 2)	37.6	34.1	91%	The figures include contribution based on green certificates.
Downstream	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	252.4	163.3	65%	
	14 End-of-life treatment of sold products	4.1	4.2	102%	
	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.
	Total	465.3	405.3	87%	

▶ Acquisition of SBT Certification

Toshiba Group's net zero targets³ have been certified by the Science Based Targets initiative (SBTi). The Group's FY2030 reduction targets, interim milestones toward achieving net zero, have also been raised to meet the new "1.5°C pathways," up from the "well-below 2°C pathways" of the SBTi Certification that the Group obtained in FY2020.



³ 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°C above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5°C. Science-based targets are validated by SBTi.

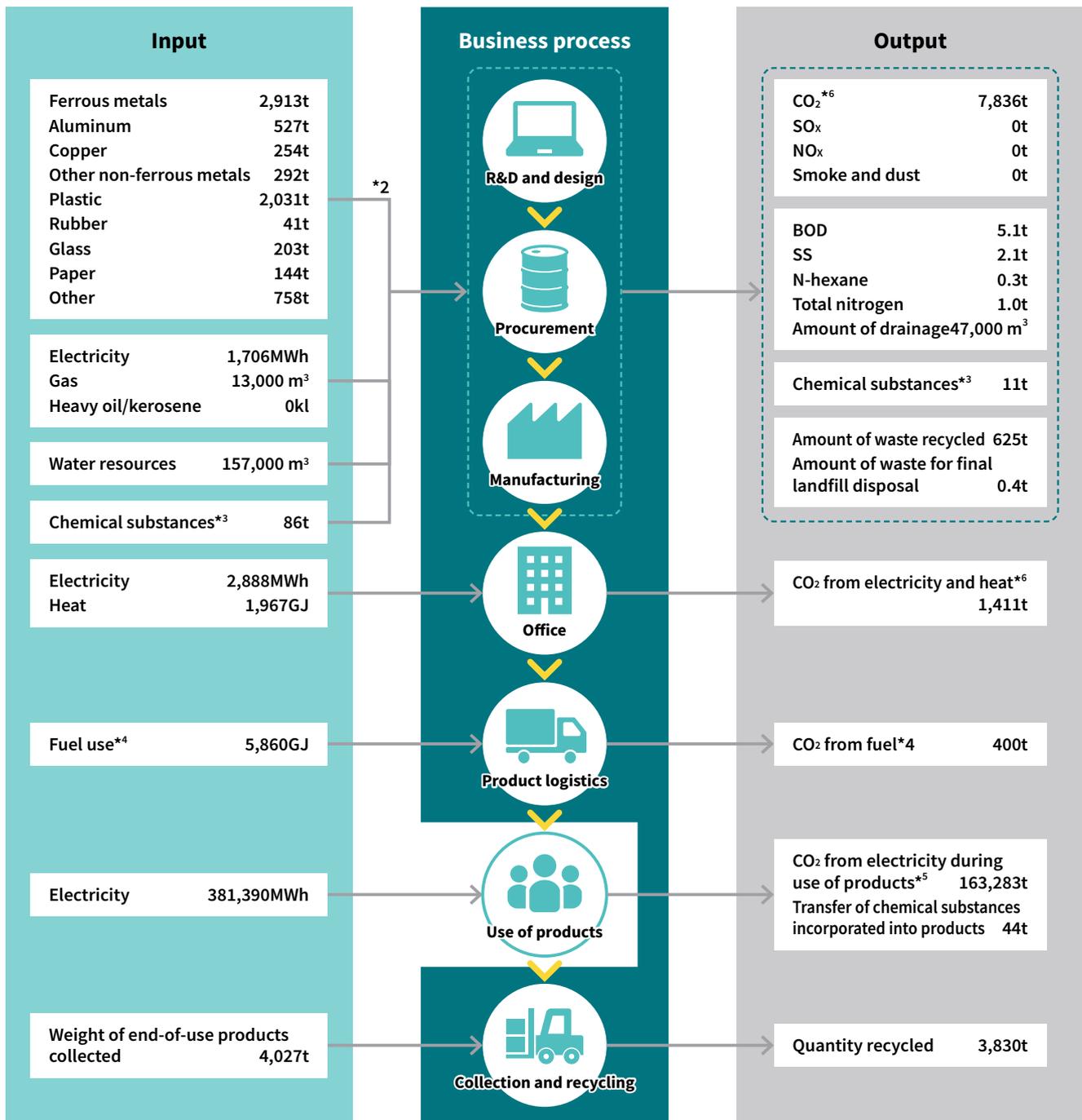
Environment

► Environmental Impact throughout the Life Cycle in FY2023

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, CO₂ emissions from total energy consumption at plants and offices were 7,836 t-CO₂ and 1,411 t-CO₂ respectively. The release of chemical substances into the atmosphere and water was 11 tons. The amount of waste recycled was 625 tons and the amount of waste landfilled was 0.4 tons. CO₂ emissions from major products shipped in FY2023 throughout their product life are estimated to be 163,283 t-CO₂.

■ Environmental impact in FY2023*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: CO₂ emissions from outsourced transportation

*5 CO₂ during use of products: CO₂ emissions from major products shipped in FY2023 throughout their product life

*6 CO₂ emission factor used for calculation is 0.531 t-CO₂/thousand kWh

Environment

► **Global Environmental Action**

We promote environmental activities by establishing five recommended themes for the fiscal year of “Energy,” “Resources,” “Chemical Substances,” “Water,” and “Nature.” In FY2023, a total of 110 activities were conducted under the recommended theme of “Chemical Substances.”

▮ **Activities focusing on the recommended theme of “Chemical Substances”**



Specialized training for persons handling chemical substances and training on chemical substances for all employees
Toshiba Tec Singapore Pte Ltd. and P.T. Tec Indonesia



Strengthening management of Safety Data Sheets (SDS)
Toshiba America Business Solutions, Inc. Toner Products Division



Emergency response drills for handling chemical substances
Toshiba Tec Europe Imaging Systems S.A., Toshiba Tec Singapore Pte Ltd., P.T. Tec Indonesia, and Toshiba Tec Malaysia Manufacturing Sdn. Bhd.



Strengthening management of storage of chemical substances
P.T. Tec Indonesia

▮ **Various activities other than recommended themes**



Collection and recycling of end-of-use electric appliances
P.T. Tec Indonesia



Collection and donation of pull tabs and PET bottles
Toshiba Tec Shizuoka Business Center



Contribution to local communities such as supporting events
Toshiba Global Commerce Solutions, Inc.



► **Approaches to Biodiversity Conservation Activities**

Based on the Toshiba Group’s Policy, we have categorized six targets highly relevant to our business activities and selected from the Post-2020 Global Biodiversity Framework into five activity themes, and roll out activities that contribute to each of them.

▮ **Theme 1: Building of ecosystem networks**



Extermination of noxious plants
Toshiba America Business Solutions, Inc. Toner Products Division



Conservation of habitats for birds and butterflies
Toshiba Tec Singapore Pte Ltd.



Planting of flowers and maintenance of flower beds
Toshiba Tec Shizuoka Business Center

▮ **Theme 2: Protection of rare species and ex-situ conservation**



Employee training and awareness raising activities on environmental conservation and species preservation
Toshiba Tec Malaysia Manufacturing Sdn. Bhd.



Nurturing rare species of black Japanese rice fish and growing *Mishimasaiko (Bupleurum Root)*
Toshiba Tec Shizuoka Business Center

▮ **Theme 3: Response to marine plastic problems**



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

▮ **Theme 4: Response to climate change (mitigation and countermeasures)**



Maintenance of green space in collaboration with neighboring schools
Toshiba Tec Europe Imaging Systems S.A.



Tree planting for mitigation purpose
Toshiba Tec Malaysia Manufacturing Sdn. Bhd.

▮ **Theme 5: Water conservation**



Tree planting for the purpose of purifying water resources
Toshiba Tec Information Systems (Shenzhen) Co., Ltd.



Employee training and awareness raising on water resources conservation
Toshiba Tec Malaysia Manufacturing Sdn. Bhd.

Environment

► 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 CO₂ 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.



Reduction of waste and efficient use of resources

A system in which end-of-use electric appliances can be collected at any time has been established in cooperation with authorized processors.

We also ask suppliers to cooperate in setting up collection boxes to promote circular economy.



► 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 environmentally conscious products.

■ 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.

Environment

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 2023, total capital investments were 140 million yen and total expenses were 690 million yen. Total environmental benefits were 1.76 billion yen.

Target sites: Toshiba Tec Head Office, Shizuoka Business Center, 1 domestic and 6 overseas manufacturing group companies
Target period: April 1, 2023 to March 31, 2024

Note: Some figures are estimates.

Environmental conservation costs

(Unit: Millions of yen)

Category	Description	Investments		Costs		Changes in costs from FY2022	
		Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
(1) Business area costs	Reduction of environmental impacts (i) to (iii)	144.8	89.1	192.1	109.4	26.4	7.5
(i) Pollution prevention costs	Prevention of air, water, and soil pollution, etc.	21.8	21.4	35.1	11.1	4.0	1.5
(ii) Global environmental conservation costs	Global warming prevention, ozone layer protection, etc.	121.2	65.9	109.6	72.4	18.2	3.2
(iii) Resource recycling costs	Recycling of waste, etc.	1.9	1.9	47.5	25.8	4.3	2.8
(2) Upstream/downstream costs	Green procurement, collection/recycling of end-of-use products, etc.	0.0	0.0	80.1	80.1	-43.4	-43.4
(3) Administration costs	Establishment of EMS, environmental education, tree planting/clean-up activities, etc.	0.0	0.0	238.8	217.0	0.5	-2.9
(4) R&D costs	Technical development for environmentally conscious products, etc.	0.0	0.0	176.4	176.4	58.0	58.0
(5) Social costs	Donations and support to groups/organizations, etc.	0.0	0.0	1.4	0.0	0.1	0.0
(6) Environmental damage restoration costs	Recovery of soil pollution, etc.	0.0	0.0	0.1	0.1	0.0	0.0
Total		144.8	89.1	688.9	582.9	41.7	19.3

Environmental conservation benefits

(Unit: Millions of yen)

Category	Description	Amounts	Calculation method
A Actual benefits	Reduced charges for electricity and water, etc.	1,072	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	-110	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 calculation method 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	794	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) = Σ [(electricity consumption per year of the former model - electricity consumption per year of the new model) \times number of units sold per year \times benchmark unit price of electricity charge]
Total amount		1,756	

A Actual benefits

Item	Reduction of environmental impact*	Benefits measured in monetary values (millions of yen)
Energy	593,100GJ	1,013
Waste	1,455.3t	15
Water	351,100 m ³	44
Total amount		1,072

B Assumed benefits

Item	Reduction of environmental impact*	Benefits measured in monetary values (millions of yen)
Benefits from reduction of chemical substances emissions	0.3t	-110

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	64,260,000 kWh	0
	Paper rolls	1,346t	794
Total amount		794	

*The reduction of environmental impact indicates the differences between FY2022 and FY2023. Negative figures show an increase in environmental impact beyond the benefits from reduction due to increased production, etc.

Environmental Communication

Information Disclosure

Recognitions from external parties

Toshiba Tec was selected for the seventh consecutive year, as a constituent of the Somo Sustainability Index, which is independently developed by Somo Asset Management Co., Ltd., in recognition of our ESG-related initiatives. The constituents of the index will be referenced in the company's Somo Sustainable Asset Management. In addition, Toshiba Tec received the bronze medal, awarded to the top 35% of scoring companies by EcoVadis, a third-party organization that evaluates the sustainability performance of companies worldwide.



Communication and Development of Environmental Awareness

Environmental education

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

Co-sponsored events related to tree-planting support campaign using Smart Receipt

The electronic receipt service operated by Toshiba Tec and Toshiba Data Corporation, Smart Receipt, is a service that contributes to the reduction of paper receipts and environmental conservation. We co-hosted a tree planting event related to the campaign to support tree planting activities using this service, together with Toshiba Data Corporation and Aizu Forest Utilization Organization on May 18, 2023. At the tree planting event, 450 larch saplings produced in Aizu were planted, contributing to the revitalization of the forest and the realization of a sustainable society as expressed in the SDGs.





Social

Social

We work on human capital-oriented management and CSR efforts implemented 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](#)

► 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 position-based education on human rights for new employees, newly appointed managers, and so on.

Topics

Elimination of Harassment

Our Group Standards of Conduct, “Respect for Human Rights,” stipulates that we shall avoid any violation of human rights based on race, religion, sex, national origin, physical disability, age or sexual orientation, and avoid physical abuse, sexual harassment, power harassment (i.e., bullying or harassment by superiors in the office) or violation of the human rights of others. 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 countermeasures, such as e-learning, company-wide questionnaires, and training programs by position, 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.



Social

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

We have incorporated “respecting the individuality of each employee, striving to promote each one’s abilities, and implementing a fair and appropriate system of evaluation and rewards” in our Management Principle, 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.

■ Human resources Toshiba Tec is aiming for

To realize our goal of being a global top solutions partner, Toshiba Tec has revised our HR vision from “an image of the kind of people we seek” to “human resources we are aiming for,” establishing a vision of what all Toshiba Tec employees, including the management team, should want to be. To draw closer to that vision, 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, we will strengthen the development of career-autonomous human resources who can think independently about their own careers.



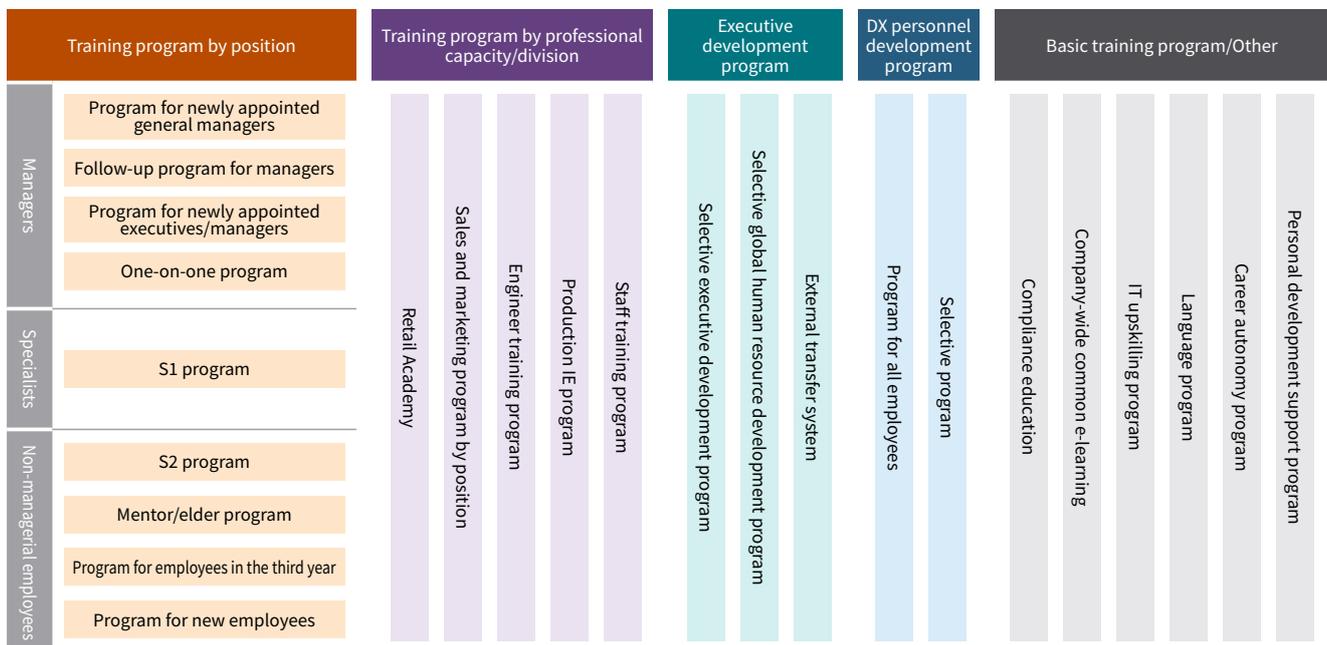
Strengthening of Human Resources

Human Resources Toshiba Tec Group is Aiming for

People who, with their own intentions, aspirations, and enthusiasm, and from a sense of ownership as a concerned party, will question existing common wisdoms and assumptions anew through frank and honest dialogue, take action without fear of failure, and, learning lessons from such questioning and actions, realize the company’s and their own growth.

■ Training program/education system

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



Social

► Executive Development Programs

To realize our vision for “human resources we are aiming for,” we have clearly defined our major positions and conduct programs to develop the kind of people who will be able to fill those positions. The aim of these programs is to raise the quantity and quality of human resources and create a highly mobile organization by visualizing the respective experience, abilities, and qualities of each person and deploying and developing them strategically.



► Global HR Development

To realize our goal of being a global top solutions partner, we must ensure a competitive advantage in the global market. To this end, we conduct a variety of training programs that provide the foundations to increase the number of people who will be able to lead our efforts toward that goal. In addition to language programs, we deploy a range of measures, including practical programs, seminars to assist all employees to form a global mindset, and dispatching employees to overseas subsidiaries of the Group for training.

Global human resource development programs

Program	Overview	Intake per year
Global Mindset Seminar	Overcome mental barriers to global business and using English and understand the real picture of global business	All employees
Global Management Program (Basic Course)	Acquire the basic standards of global management, with a focus on knowledge and techniques	2
Global Management Program (Advanced Course)	Acquire techniques for solving one’s own issues in global management standards	2
Short-term Overseas Training	Develop the leadership and management skills required of senior managers	2
Overseas Subsidiary Manager Program	Develop good “bridge-builders” who are able to communicate smoothly with Japan, targeting managers and manager candidates at overseas subsidiaries	5-10
Language Programs	Various programs, e.g. to strengthen speaking skills and improve TOEIC scores	200

► Expansion of Online Learning Services

In 2023, we introduced “LinkedIn Learning,” an online learning service to develop human resources who will acquire an attitude of autonomous learning and think independently about their own careers. Over 90% of those who registered in fiscal 2023 are using the service to not only acquire the knowledge that they need for their work, but also to voluntarily obtain information that they are personally interested in, spreading a culture of reskilling throughout the company.

English Small Talk x ChatGPT

- ◆ Date and Time: Monday, November 20, 2023 16:00-17:15
- ◆ Description:
 - What does “small talk” mean in English conversation?
 - How do I use ChatGPT?
 - Activity: Use ChatGPT to write in English
 - Q&A (time permitting)

*In a breakout room, you will actually log on [register] to ChatGPT to perform the tasks.
Please log on [register] to ChatGPT before joining.
*Suitable for all levels, even for beginners in both ChatGPT and English conversation.

► Development of Human Resources Who Will Create New Value

We introduced an external transfer system in fiscal 2019 as a measure to promote action for the creation of new businesses, with the aim of nurturing human resources and next-generation leaders capable of triggering innovation and organizational change. Twenty-one employees were transferred under the system by fiscal 2023. This is a training program to develop human resources who will create new value by experiencing the overwhelming speed of start-up businesses and acquiring the perspective of looking at the whole organization from a bird’s-eye view, through a six-month transfer to work on-site at startup companies.

This program includes regular support from external mentors during the transfer period, which gives the transferees the opportunity to delve deeper into what they have learned and discovered through dialogue and encourages their growth. After the program is concluded, the transferees share their experiences and learnings back at Toshiba Tec, which provides impetus for change within the Company.



Scenes from the External Transfer Forum

Social

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 the Fortuna Project to promote women’s participation and advancement in the workplace, and we 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, a roundtable discussion with male employees who have taken paternity leave, a meetup for young female employees to interact with the Outside Directors, and a roundtable discussion with female managers.

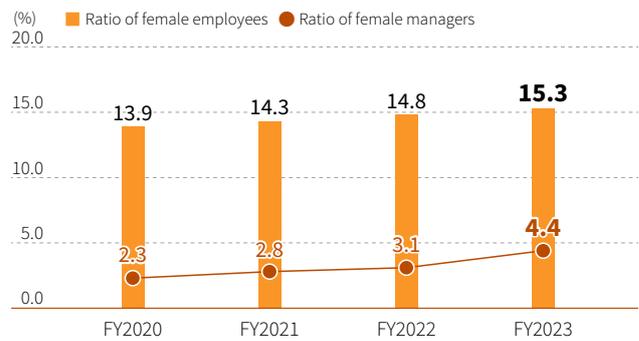


■ Recruitment activities to hire female employees

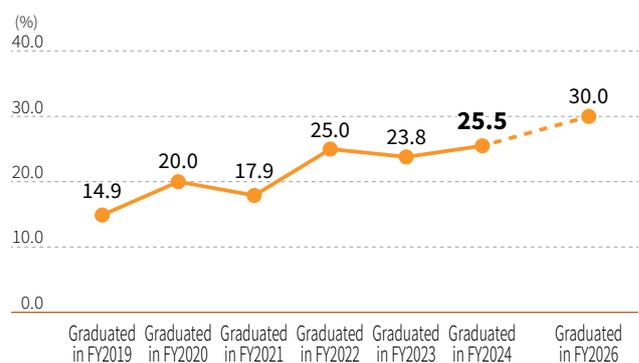
Since fiscal 2017, we have been holding a company briefing session for female students and an exchange with female employees with the aim of helping new female graduates develop a clear image of working at Toshiba Tec and increasing the ratio of new female graduates employed. The company briefing session 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 the career paths they have taken to date. 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.

Women’s Participation & Advancement in the Workplace in Numbers

Changes in the ratio of female employees and female managers (Toshiba Tec)



Changes in the proportion of female new-graduate recruits



Meetup with Outside Directors

A lively exchange of opinions took place about what aspects of the Company have changed little by little and what aspects the Company most needs to change.



Roundtable discussion with female managers

Various locations were connected online, and participants exchanged a variety of information about work styles.

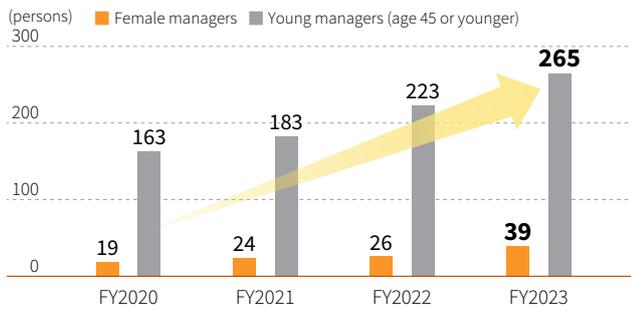


Social

► Promotion of Selected Young Employees

In addition to promoting women's participation and advancement, we work on raising the level of young employees for the purpose of establishing a strong organization that transcends the differences among ages, genders, and values. We have selected approximately 100 young employees during three years from 2020, and are promoting new value creation through the synergy of their individual strengths, skills and ideas.

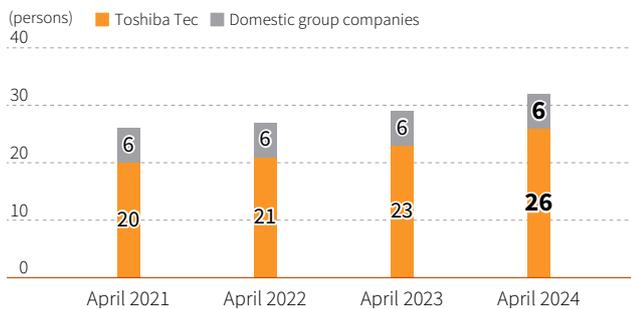
Number of female managers and young managers (age 45 or younger)



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

Toshiba Tec Group actively recruits non-Japanese employees. In addition to recruiting foreign nationals who have studied in Japan, we have established a new global career-track category to actively recruit students with high global aspirations.

Number of non-Japanese employees



► Promoting 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



► 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

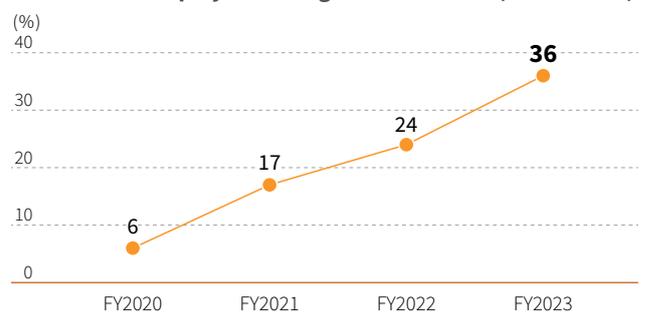
System/measure	Overview
Flexible work system	Flex work
Long leave system	Employees can take a maximum of 20 days off as accumulated leave for clear and meaningful objectives, such as self-development, social contribution activities, treatment of non-occupational injuries/diseases (including infertility), 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"> ● 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. ● 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.
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.

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 Child Care 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 female employees have periodic interviews to deepen mutual understanding during the period before and after maternity/child care leave. In addition to a 100% rate of eligible female employees taking childcare leave, the number of male employees taking childcare leave has increased every year since the program was introduced, reaching a rate of 36% in fiscal 2023. We will increase that rate with a variety of measures in the future.

Rate of male employees taking childcare leave (Toshiba Tec)



Social

■ 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.

In fiscal 2020, we 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 and has been implemented 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. In addition, in collaboration with the “Regional Personnel Department” (a demonstration program conducted by the Kanto Bureau of Economy, Trade, and Industry (METI-Kanto)) in the Mishima area of Shizuoka Prefecture, we launched a human resources utilization program that matches “Multi-way Player”^{*} with companies in the region. Currently, 14 employees are extending their learning at reskilling school with the aim of taking on side jobs, and we are making efforts to solve the issues of companies in the region through the use of our senior personnel.

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

^{*}Personnel who are purposefully undertaking reskilling and gaining insights through side jobs and using those new skills and insights in their main jobs

Expansion of Initiatives for Greater Engagement

With a view to forging an organizational culture of “frank and honest dialogue,” we are introducing opportunities for the management team to share the Company’s directions and focus with the employees, as well as mechanisms to listen to employees’ voices and various opportunities for dialogue. Through such opportunities for dialogue, employees incorporate the Company’s mission into their own, personal missions with a sense of ownership and thereby contribute to accelerating and expanding the creation of new value.

▶ 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 perceptions and measure the performance of the organization to identify problems and the gap in recognition, to bring improvements in management style and corporate culture. The company president and other members of the management team read all employees’ comments in the survey results in order to deeply assess and understand the true issues behind employee concerns, then formulate and execute the optimal action plan.

▶ Distribution of Information to Employees (Target Directions)

To communicate the correct information accurately to employees, the management team members themselves distribute information on the formulation process, target directions, and status of progress of the Medium-Term Business Plan, action plans based on the employee awareness survey, and other plans. Using photographs and videos to present the background to issues, these communication efforts strive to foster a sense of ownership of those issues and an awareness of change in both the management team and employees.

▶ HIRAKUBA

We are conducting activities for addressing business challenges in which each employee thinks independently and proactively, questions previous assumptions anew, and engages in honest discussions based on the target direction. Believing in the importance of vertical and horizontal collaboration, meetings are frequently held by executives and individual business groups in Japan and overseas to engage in serious talks for team building in a relaxed atmosphere. We aim for a corporate culture that allows them to engage in frank discussions on substantive matters, develop understanding about challenges on the ground together, and take action to achieve their visions.



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

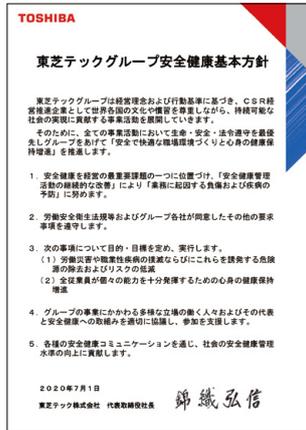
Social

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.

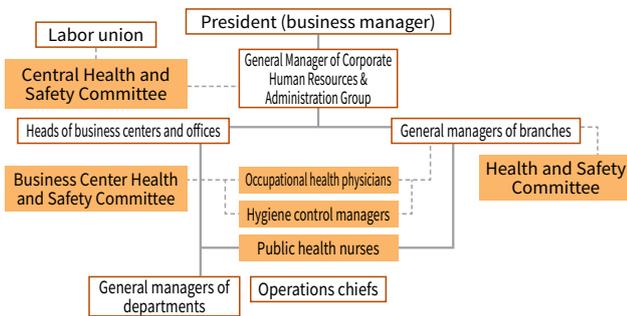


Safety Control and Healthcare System

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



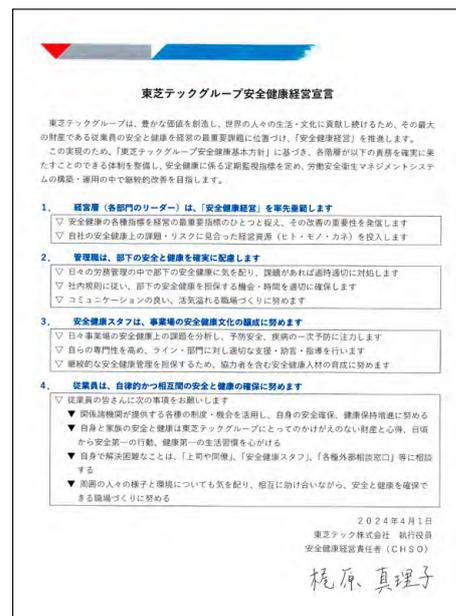
Health and Safety Management Declaration

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.



Social

▶ 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.

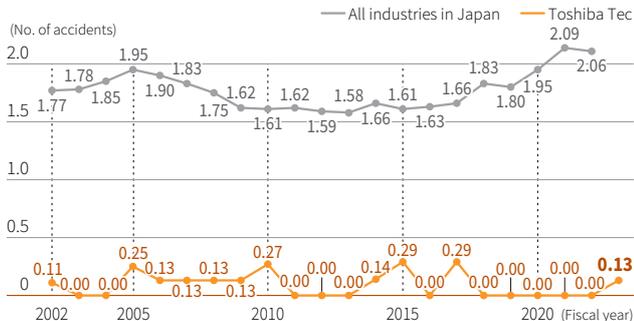


OHSAS 18001-accredited consolidated subsidiaries by region (as of April 1, 2024)

▶ 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) Prevention of lifestyle-related diseases (brain and heart disease)
- (6) Enhancement of safety control and healthcare

▶ Selected under the 2024 Certified KENKO Investment for Health Outstanding Organization (Large Enterprise Category)

Toshiba Tec Corporation was selected by the Nippon Kenko Kaigi under the “2024 Certified KENKO Investment for Health 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 year-olds
- 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)

Social

Promotion of Sustainable Procurement Activities

Through sustainable procurement activities that include compliance with laws, regulations, and social norms and consideration of human rights, labor, health and safety, and the environment, Toshiba Tec Group collaborates with its suppliers to promote activities designed to enhance corporate value and value for our customers.

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 58%, Workplace Solutions Business for 27%, Original Design Manufacturing Business for 14%, and others (Inkjet Head Business, etc.) for 1% (FY2023 results).

► 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 comply with laws, regulations, and social norms and to take into account human rights, labor, health and safety, and the environment through the procurement policy. Similarly when selecting new suppliers, we give priority to transactions with suppliers that comply with laws, regulations, and social norms and that are committed to and act in consideration for human rights, labor, health and safety, and the environment.

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 the promotion of sustainable procurement activities. 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)* Code 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 2023, a total of 6,748 employees, including six domestic group companies, participated in the e-learning program on the Subcontract Act. We also 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 2023, we surveyed 343 major suppliers. In addition, coinciding with the revision of the Toshiba Tec Group Human Rights Policy in March 2023 and from the perspective of further strengthening sustainability management, in a similar vein to the procurement due diligence survey, we have sent documentation on the revised policy to 343 major suppliers, to thoroughly spread awareness of our initiatives.

► 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](#)



Social

► 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 2023 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](#)

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 conducted in cooperation with customers.

► 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

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

Topics

Mishima EMC Center

Mishima EMC Center (anechoic chamber) at 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 predict the likelihood of and prevent potential failures and accidents, and provide products and services that have passed through evaluation and verification processes. Furthermore, we endeavor to ensure a higher operational level of safety by understanding customers’ operating environments and usage conditions using customer information provided by the maintenance service division.



Safety review

[Basic Policy on Product Safety \(in Japanese\)](#)

Social

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 2023, 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 Kansai, Chugoku-Shikoku, and Kyushu branches are located. We also donated to (3) NPOs.



Presentation of donations at the Shinagawa Municipal General Gymnasium, Tokyo



Items donated to the Shinagawa Ward, Tokyo (back dynamometer, grip dynamometer)



Presentation of donations at a municipal kindergarten in Izunokuni City, Shizuoka Prefecture



Presentation of donations at Mishima City Hall, Shizuoka Prefecture



Presentation of donations at a municipal kindergarten in Mishima City, Shizuoka Prefecture



Items donated to Kagawa University (table-and-bench sets)

► 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.

Social

Topics

Second Collaboration with “Kindergarten” Magazine Receives External Recognition

Through the close partnership that it has cultivated with the editorial department of Shogakukan’s “Kindergarten,” an educational and lifestyle learning magazine targeting pre-school-aged children, Toshiba Tec participated in a corporate collaborative project to provide a supplement for the May 2021 issue of the magazine. This paper craft supplement for the self-checkout system received much external recognition, the most prestigious of which was the highest award (Grand Prize) at the 63rd Japan Magazine Advertising Award. The next collaboration was a paper craft supplement for a self-checkout cart, modeled on our “Pipitto Self” product, that was included in the April/May 2023 issue of “Kindergarten.” The shape of the cart, the scan beeping noise, and other inventive elements designed to recreate the real thing, as well as ingenious ways of recreating the fun of pushing the cart around a supermarket, gained highly favorable recognition, earning this project an award at the Japan Magazine Advertising Award (Silver Award at the 65th Award) and the 17th “Kids Design Award,” hosted by the Kids Design Association. We heard many favorable impressions of this product that have led to improved engagement, such as that it prompted conversation between parents and children in employees’ homes and triggered an interest in checkout in everyday life.



Observation Tours for Employees’ Children

As part of our efforts to improve employee satisfaction and engagement, we used the summer vacation period, when children would be better able to participate, to conduct observation tours of the head office area and Kansai branch office for the children of employees. A total of 60 parents and children attended the head office area tour, where they enjoyed a variety of experiences using actual machines and devices in the “01sight” showroom. Thirty people participated in the Kansai branch office tour, which included a tour of the new offices that the staff had just moved into, a showroom experience, and viewing of a fireworks display from the office premises that night. These events were enveloped in the smiling faces of the children for the entire day and were an opportunity for parents, children, and families to enjoy fun and cheerful interactions.



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



Beach clean-up (Toshiba Tec Malaysia Manufacturing Sdn. Bhd.)

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 2023, 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 about 6,000. 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. In fiscal 2023, employees on temporary assignment to India conducted a read-to-children activity online. This proved an extremely lively event, with children peppering the employees with questions about India and other things.



Reading stories aloud at a kindergarten

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

Twice a year, in the vicinity of Osaki Station in Shinagawa-ku, Tokyo, where the head office is located, we conduct a volunteer activity that involves planting flowers in the sidewalk flowerbeds, together with local residents and people from local companies and schools. Toshiba Tec employees’ families also participate in this activity, having fun as they help to create beautiful scenery in the local area.



Volunteer flower-planting activity

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



Corporate Governance

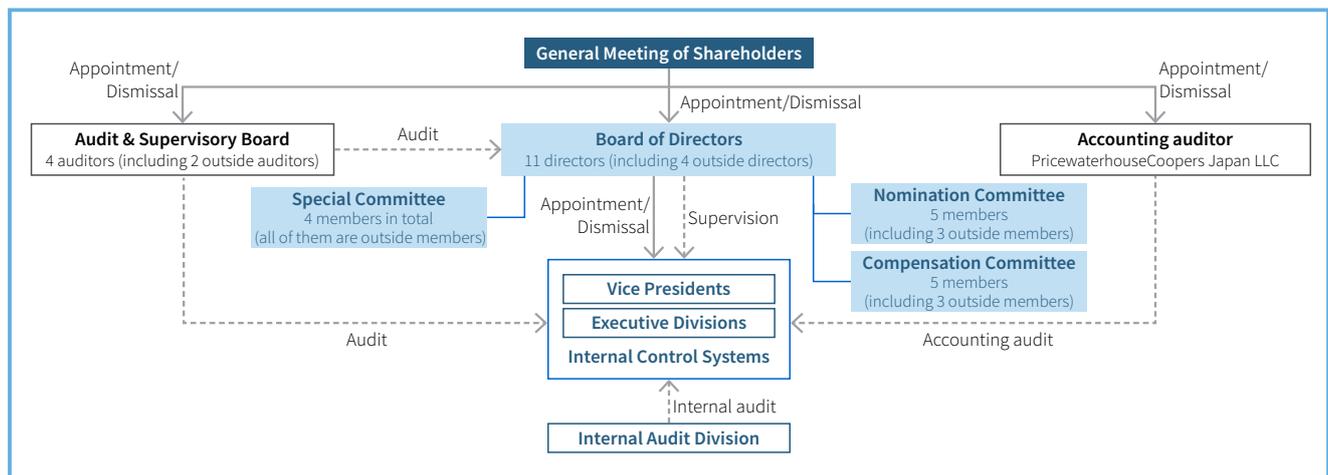
We recognize corporate governance as an essential management policy that enables us to meet the expectations of stakeholders and continuously improve corporate value. We are committed to taking measures to improve the efficiency and transparency of management, as well as to reinforce the functions of 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, Audit & Supervisory Board Members conduct audits, the accounting auditor conducts accounting audits, and the Internal Audit Division 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 business activities, and safeguarding of assets.

■ Corporate governance system



Governance

Compliance

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

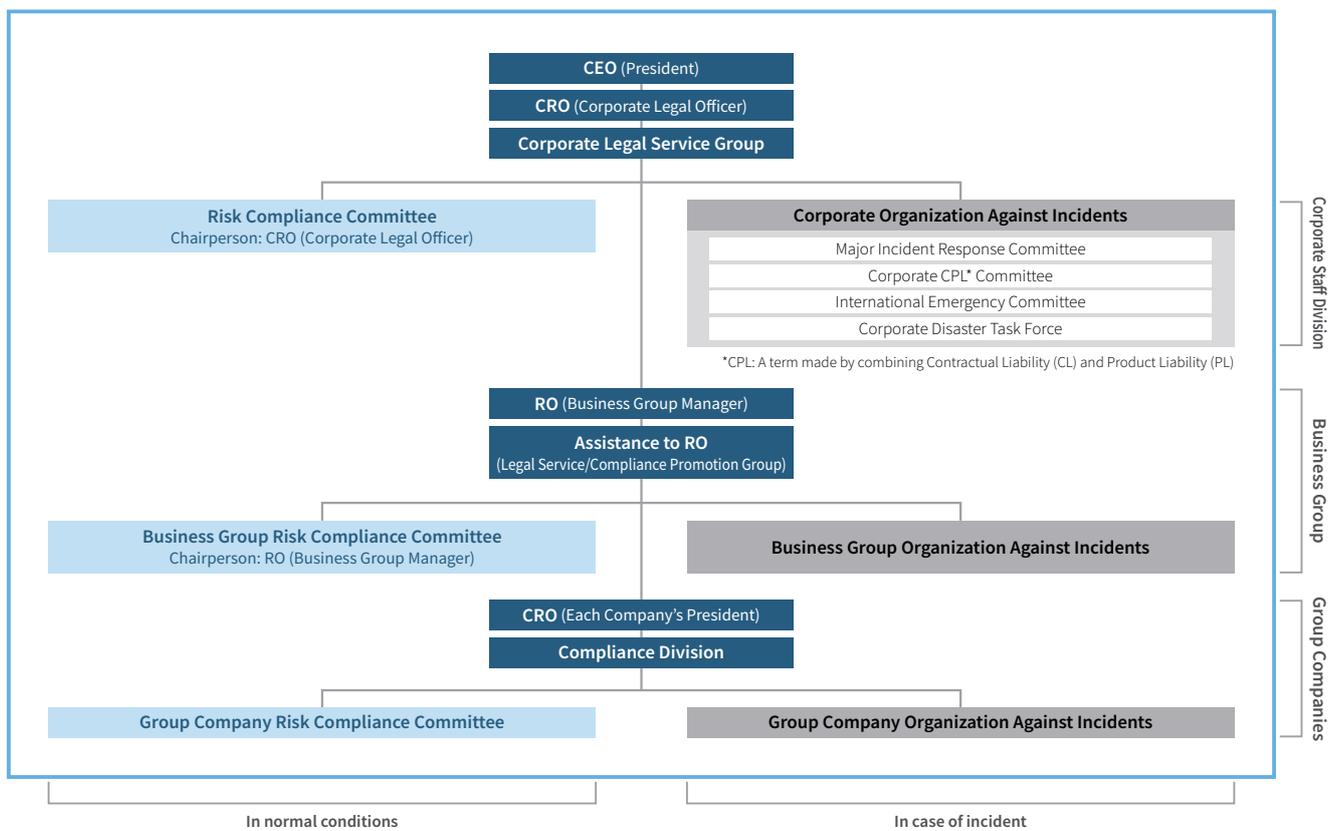
► Risk Compliance Promotion System

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 measures 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 breach of 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 \(in Japanese\)](#)

Governance

▶ 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.

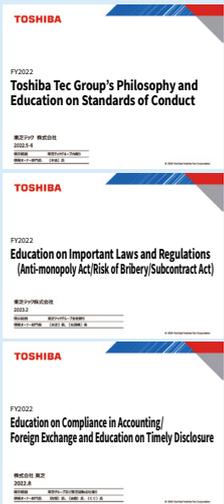
■ Compliance education

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
- Anti-monopoly Act
- 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 was 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 staff dispatched from subcontractors, 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. In recent years, the global situation regarding export control has been unstable. 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.

Governance

▶ 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 websites of TSE and the Company 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 our Investor Relations website. We provide our information to allow investors to exhaustively obtain the information in chronological order.

[Investor Relations](#) 

■ 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 four times a year after announcing financial results (Q1, 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.

Governance

Senior Management (as of June 28, 2024)

Directors and Audit & Supervisory Board Members

President and Chief Executive Officer	Hironobu Nishikori	<ul style="list-style-type: none"> ● Member, Nomination Committee ● Member, Compensation Committee
Executive Vice President and Director	Masami Uchiyama	Assistant to the President, In Charge of Corporate Strategic Planning, In Charge of IT & Information Systems, In Charge of Production & Procurement Strategy
Senior Vice President and Director	Masashi Yuzawa	Assistant to the President, In Charge of New Business, In Charge of Global Management Innovation, President of Toshiba Global Commerce Solutions Holdings Corporation, Chairman of Toshiba Global Commerce Solutions, Inc.
Senior Vice President and Director	Yasuki Ohnishi	Managing Director of Retail Solutions Business Group
Senior Vice President and Director	Junichi Takei	<ul style="list-style-type: none"> ● Member, Nomination Committee ● Member, Compensation Committee In Charge of Legal Service, Chief Risk Compliance Management Officer (CRO), General Manager of Corporate Management Transformation Promotion Group, Corporate Marketing Officer
Senior Vice President and Director	Naofumi Tani	Chief Finance Officer (CFO), In Charge of Internal Control Promotion, General Manager of Corporate Finance & Accounting Group
Director	Takamasa Mihara	
Outside Director	Michio Kuwahara	<ul style="list-style-type: none"> ★ Chairperson, Special Committee ★ Chairperson, Nomination Committee
Audit & Supervisory Board Member	Naohiro Yamaguchi	[Full-time]
Outside Director	Miho Aoki	<ul style="list-style-type: none"> ● Member, Special Committee ★ Chairperson, Compensation Committee
Audit & Supervisory Board Member	Ichiro Sakamoto	[Full-time]
Outside Director	Yoshihiro Umeha	<ul style="list-style-type: none"> ● Member, Special Committee ● Member, Nomination Committee ● Member, Compensation Committee
Outside Audit & Supervisory Board Member	Kanako Osawa	
Outside Director	Mitsuhiro Nagahama	<ul style="list-style-type: none"> ● Member, Special Committee ● Member, Nomination Committee ● Member, Compensation Committee
Outside Audit & Supervisory Board Member	Kunio Kawa	

Executive Officers (not concurrently serving as Directors)

Vice President	Sachio Koyama	General Manager of Original Design Manufacturing Business Group
Vice President	Yutaka Chiyo	Deputy Managing Director of Retail Solutions Business Group, General Manager of Product Planning & Creation Center, Retail Solutions Business Group
Vice President	Kazuki Taira	In Charge of Intellectual Property, Chief Technology Executive, General Manager of Corporate Strategic Technology Planning Group
Vice President	Shiro Shimokawa	Managing Director of Workplace Solutions Business Group
Vice President	Rance M. Poehler	In Charge of Overseas Retail Business, In Charge of Retail Business Transformation, President of Toshiba Global Commerce Solutions, Inc.
Vice President	Mariko Kajihara	In Charge of Human Resources & Administration, Corporate Chief Sustainability Officer
Vice President	Toshimitsu Suzuki	Software Chief Technology Executive, Deputy Managing Director of Retail Solutions Business Group, Technology Executive of Retail Solutions Business Group, General Manager of Product Engineering Center, Retail Solutions Business Group, Technology Executive of Workplace Solutions Business Group

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

	Name	Gender	Position	Principal areas of expertise and experience					The status of committee membership (★: Chairperson)		
				Corporate management	Risk/ Compliance	Accounting/ Audit	Global experience	IT technology/ DX	Special Committee	Nomination Committee	Compensation Committee
Directors	Hironobu Nishikori	Male	President and Chief Executive Officer	●	●		●	●		●	●
	Masami Uchiyama	Male	Executive Vice President and Director	●				●			
	Masashi Yuzawa	Male	Senior Vice President and Director	●			●	●			
	Yasuki Ohnishi	Male	Senior Vice President and Director	●				●			
	Junichi Takei	Male	Senior Vice President and Director	●	●			●		●	●
	Naofumi Tani	Male	Senior Vice President and Director	●		●	●				
	Takamasa Mihara	Male	Director	●	●		●				
	Michio Kuwahara	Male	Outside Director	●		●	●		★	★	
	Miho Aoki	Female	Outside Director	●		●	●		●		★
	Yoshihiro Umeha	Male	Outside Director	●		●	●		●	●	●
Mitsuhiro Nagahama	Male	Outside Director	●		●	●		●	●	●	
Audit & Supervisory Board Members	Naohiro Yamaguchi	Male	Audit & Supervisory Board Member	●		●	●				
	Ichiro Sakamoto	Male	Audit & Supervisory Board Member		●	●	●				
	Kanako Osawa	Female	Outside Audit & Supervisory Board Member		●	●	●				
	Kunio Kawa	Male	Outside Audit & Supervisory Board Member	●	●	●					

Note: The above matrix does not reflect all the knowledge and experiences of each Director.

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Key Financial Data (Consolidated)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Operating result (Millions of yen)					
Net sales	483,799	405,694	445,317	510,767	548,135
Ordinary profit	11,559	7,193	10,197	13,149	11,004
Profit (loss) attributable to owners of parent	3,730	7,126	5,381	(13,745)	(6,707)
Cash flows (Millions of yen)					
Cash flows from operating activities	20,751	9,240	10,037	15,106	19,411
Cash flows from investing activities	(13,844)	(9,573)	(14,184)	(12,117)	(16,135)
Cash flows from financing activities	(7,051)	(4,309)	(5,496)	(8,103)	(3,624)
Financial position (Millions of yen)					
Total assets	288,473	289,313	310,256	310,692	337,509
Net assets	96,384	109,862	117,662	102,206	96,236
Cash and cash equivalents	53,302	51,753	46,709	43,815	48,581
Per share data (Yen)					
Basic earnings (loss) per share	67.84	129.55	97.68	(248.37)	(123.92)
Net assets per share	1,589.48	1,867.01	2,023.35	1,738.02	1,663.74
Financial data					
Capital adequacy ratio (%)	30.3	35.5	36.1	31.0	26.1
Return on equity (%)	4.2	7.5	5.0	(13.2)	(7.3)
Price earnings ratio (times)	50.1	31.3	50.3	—	—

Note: Price earnings ratios for the fiscal years ended March 31, 2023 and 2024 are not shown because loss attributable to owners of parent was recorded for the fiscal years.

Financial Information

For details of the consolidated financial statements, please refer to the Financial Information on the Company's website.

<https://www.toshibatec.com/company/ir/material/settlement.html>

Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	42,687	48,592
Group deposits paid	1,137	—
Notes and accounts receivable - trade, and contract assets	74,293	86,520
Merchandise and finished goods	37,616	43,206
Work in process	5,967	2,749
Raw materials and supplies	11,884	12,734
Other	28,173	31,227
Allowance for doubtful accounts	(1,185)	(1,458)
Total current assets	200,575	223,572
Non-current assets		
Property, plant and equipment		
Buildings and structures	26,785	27,730
Accumulated depreciation	(20,658)	(21,327)
Buildings and structures, net	6,126	6,403
Machinery, equipment and vehicles	58,582	68,150
Accumulated depreciation	(48,046)	(52,695)
Machinery, equipment and vehicles, net	10,536	15,454
Tools, furniture and fixtures	40,468	39,838
Accumulated depreciation	(35,528)	(35,279)
Tools, furniture and fixtures, net	4,940	4,559
Land	1,275	1,280
Leased assets	46,756	49,622
Accumulated depreciation	(25,504)	(31,218)
Leased assets, net	21,252	18,404
Construction in progress	1,041	2,137
Total property, plant and equipment	45,173	48,239
Intangible assets		
Goodwill	557	357
Customer relationship assets	213	142
Other	10,315	11,070
Total intangible assets	11,086	11,569
Investments and other assets		
Investment securities	11,103	10,586
Retirement benefit asset	8,748	16,841
Deferred tax assets	21,134	12,055
Other	13,279	15,051
Allowance for doubtful accounts	(408)	(408)
Total investments and other assets	53,857	54,126
Total non-current assets	110,117	113,936
Total assets	310,692	337,509

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	54,167	65,845
Short-term borrowings	1,779	2,871
Current portion of long-term borrowings	—	3,696
Lease liabilities	6,652	6,434
Accounts payable - other	28,159	28,937
Income taxes payable	5,177	5,245
Unearned revenue	19,317	21,742
Other	35,292	41,032
Total current liabilities	150,546	175,807
Non-current liabilities		
Long-term borrowings	2,581	11,533
Lease liabilities	15,804	14,833
Retirement benefit liability	28,722	28,037
Other	10,832	11,061
Total non-current liabilities	57,940	65,465
Total liabilities	208,486	241,272
Net Assets		
Shareholders' equity		
Share capital	39,970	39,970
Capital surplus	902	950
Retained earnings	40,017	31,145
Treasury shares	(4,695)	(13,382)
Total shareholders' equity	76,195	58,683
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,525	1,013
Deferred gains or losses on hedges	(40)	46
Foreign currency translation adjustment	18,131	23,330
Minimum pension liability adjustments	(212)	(320)
Remeasurements of defined benefit plans	595	5,307
Total accumulated other comprehensive income	19,999	29,376
Share acquisition rights	43	19
Non-controlling interests	5,966	8,156
Total net assets	102,206	96,236
Total liabilities and net assets	310,692	337,509

Financial Information

Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net sales	510,767	548,135
Cost of sales	311,115	326,930
Gross profit	199,651	221,204
Selling, general and administrative expenses	183,572	205,350
Operating profit	16,078	15,854
Non-operating income		
Interest income	332	570
Dividend income	76	79
Gain on valuation of derivatives	86	—
Gain on sale of non-current assets	—	35
Other	509	423
Total non-operating income	1,005	1,109
Non-operating expenses		
Interest expenses	584	1,180
Loss on valuation of derivatives	—	1,069
Foreign exchange losses	1,487	1,478
Loss on sale and retirement of non-current assets	107	251
Commission expenses	405	50
Other	1,349	1,927
Total non-operating expenses	3,934	5,959
Ordinary profit	13,149	11,004
Extraordinary income		
Gain on sale of investment securities	45	292
Total extraordinary income	45	292
Extraordinary losses		
Impairment loss of non-current assets	—	37
Loss on sale of investment securities	—	9
Loss on valuation of investment securities	819	697
Restructuring cost	371	695
Loss on reversal of foreign currency translation adjustment due to liquidation of overseas subsidiaries	392	—
Loss on litigation	6,900	—
Total extraordinary losses	8,484	1,440
Profit before income taxes	4,710	9,857
Income taxes – current	8,141	7,584
Income taxes – deferred	9,848	7,133
Total income taxes	17,989	14,718
Loss	(13,279)	(4,861)
Profit attributable to non-controlling interests	466	1,845
Loss attributable to owners of parent	(13,745)	(6,707)

Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	4,710	9,857
Depreciation and amortization	16,755	17,382
Loss (gain) on sale of investment securities	(45)	(282)
Impairment loss of non-current assets	—	37
Loss (gain) on valuation of investment securities	819	697
Restructuring cost	371	695
Loss on reversal of foreign currency translation adjustment due to liquidation of overseas subsidiaries	392	—
Loss on litigation	6,900	—
Interest and dividend income	(408)	(650)
Interest expenses	584	1,180
Loss (gain) on sale and retirement of non-current assets	107	215
Increase (decrease) in allowance for doubtful accounts	(22)	129
Increase (decrease) in retirement benefit liability	(3,967)	(2,158)
Decrease (increase) in trade receivables	1,620	(2,333)
Decrease (increase) in inventories	1,991	2,059
Increase (decrease) in trade payables	(4,710)	1,893
Other, net	9	2,868
Subtotal	25,108	31,591
Interest and dividends received	404	652
Interest paid	(520)	(1,201)
Payment for extra retirement payments	(958)	(432)
Payments for loss on litigation	(3,500)	(3,400)
Income taxes paid	(6,251)	(8,145)
Income taxes refund	824	346
Net cash provided by (used in) operating activities	15,106	19,411
Cash flows from investing activities		
Payments into time deposits	(0)	(0)
Purchase of property, plant and equipment	(8,331)	(12,412)
Proceeds from sale of property, plant and equipment	239	428
Purchase of intangible assets	(2,673)	(3,454)
Purchase of investment securities	(950)	(1,261)
Proceeds from sale of investment securities	80	540
Net decrease (increase) in short-term loans receivable	3	(2)
Long-term loan advances	(0)	(0)
Proceeds from collection of long-term loans receivable	4	1
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(531)	—
Other, net	42	27
Cash flows from investing activities	(12,117)	(16,135)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	388	—
Repayments of finance lease liabilities	(7,679)	(4,570)
Proceeds from long-term borrowings	2,541	16,272
Repayments of long-term borrowings	(559)	(4,027)
Purchase of treasury shares	(6)	(8,745)
Dividends paid	(2,213)	(2,163)
Dividends paid to non-controlling interests	(574)	(390)
Net cash provided by (used in) financing activities	(8,103)	(3,624)
Effect of exchange rate change on cash and cash equivalents	2,219	5,114
Net increase (decrease) in cash and cash equivalents	(2,894)	4,766
Cash and cash equivalents at beginning of period	46,709	43,815
Cash and cash equivalents at end of period	43,815	48,581

Stock Information

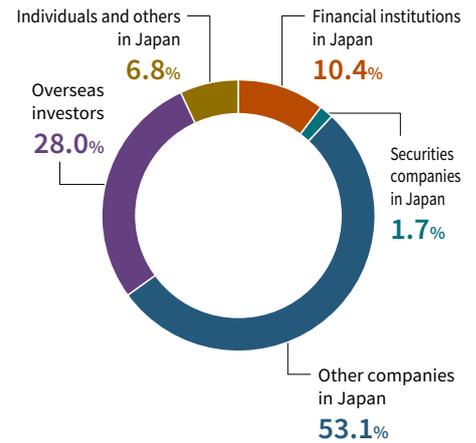
Stock Overview (as of March 31, 2024)

- 1) Total number of shares authorized to be issued: 200,000,000 shares
- 2) Total number of outstanding shares: 52,929,096 shares (excluding 4,700,044 shares of treasury stock)
- 3) Number of shareholders: 8,787
- 4) Major shareholders

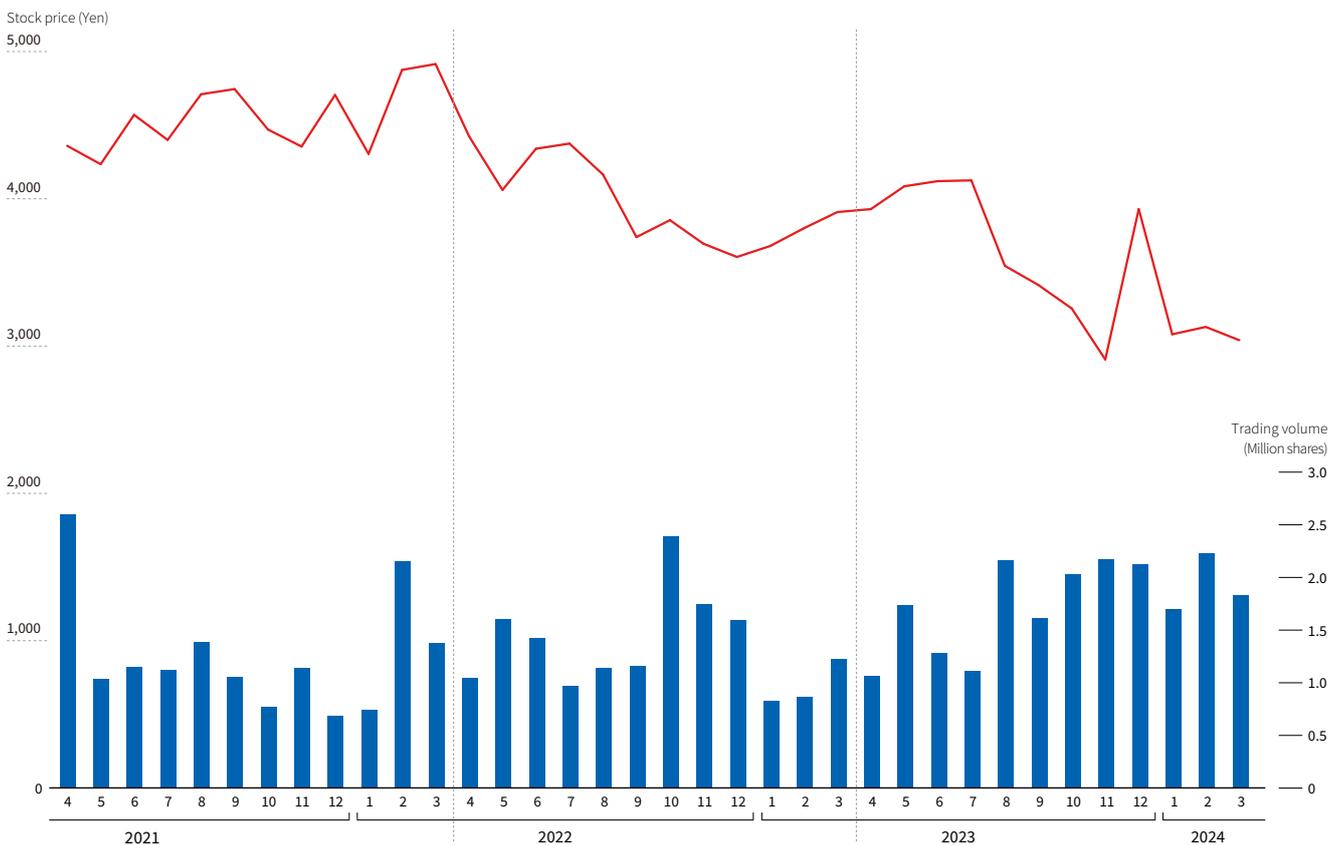
Shareholder	Number of shares held (Thousand shares)	Shareholding ratio (%)
Toshiba Corporation	26,605	50.3
The Master Trust Bank of Japan, Ltd. (Trust account)	3,347	6.3
JP JPMSE LUX RE MORGAN STANLEY AND CO INT EQ CO	2,568	4.9
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	1,131	2.1
Custody Bank of Japan, Ltd. (Trust account)	1,047	2.0
Digital Garage, Inc.	1,009	1.9
State Street Bank and Trust Company 510312	970	1.8
Toshiba Tec Employees Shareholding Association	786	1.5
State Street Bank and Trust Company 510311	755	1.4
The Dai-ichi Life Insurance Company, Limited	728	1.4

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, 2024)

Company name	Toshiba Tec Corporation
Head office	Gate City Ohsaki West Tower, 1-11-1, Osaki, Shinagawa-ku, Tokyo 141-8562, Japan
Established	February 21, 1950
Share capital	39,970 million yen
Employees	Consolidated: 19,093
Toshiba Tec Group	Consolidated: 66 companies



Subsidiaries and Affiliates (as of March 31, 2024)

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
- P.T. 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 (Netherlands) B.V.

Our consolidated subsidiaries consist of the 18 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

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