

TOSHIBA

Leading Innovation >>>

2013

Corporate Social Responsibility Report

TOSHIBA TEC Group

CSR REPORT



Our Five Commitments

- Corporate Philosophy of the TOSHIBA TEC Group -

"Monozukuri": creating our products with pride and passion.
Keeping our customers in mind all the time and everywhere.

1. We aim to provide timely products and services with reliable quality and functions as well as high user-friendliness, creating value with our customer in mind through our superior proprietary technology and in collaboration with the world's best partners.
2. We want to foster an open and healthy corporate culture in which a strong professional team may tirelessly seek new challenges, by respecting the individuality of each employee, striving to promote each one's abilities, and implementing a fair and appropriate system of evaluation and rewards.
3. We seek to contribute toward the development of a global society as a good corporate citizen, law-abiding and ethical, by fulfilling our responsibilities toward each country and community in which we operate and respecting local culture and history.
4. 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.
5. We endeavor to maximize our corporate value, and on the basis of sound and transparent management, we strive to achieve appropriate profits and reserves, constantly seek to implement management innovation and energetically invest in research and development, among others, in order to meet the expectations of our shareholders.

TOSHIBA TEC Group Standards Of Conduct

The TOSHIBA TEC Group makes it its basic policy to conduct business activities, in compliance with all applicable laws and regulations, and the highest standards of ethical business conduct, in order to fulfill all its corporate social responsibilities (CSR). In order to achieve it, the TOSHIBA TEC Group defines the "TOSHIBA TEC Group Standards Of Conduct (SOC)," which clarify a sense of values and a guide to general standards of conduct, which all its Group company directors and employees should share.

As the action policy for the TOSHIBA TEC Group to contribute to the society, gain public trust and respect, it is being exercised on a daily basis throughout the TOSHIBA TEC Group. The "TOSHIBA TEC Group Standards Of Conduct" are translated into 13 languages (English, German, French, Chinese, Dutch, Spanish, Portuguese, Swedish, Italian, Polish, Korean, Malay and Indonesian), adopted by all TOSHIBA TEC Group companies in and outside Japan, and are being exercised as the SOC in each company.

Chapter 1 SOC for Business Activities

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

Chapter 2 SOC for Corporate and Individual Relationships

15. Human Resources
16. Corporate Information and Company Assets

Chapter 3 SOC for Community Relations

17. Community Relations
18. Political Contributions



Booklet



Contributing to the Development of the Society as a Global Enterprise based on "Our Five Commitments"

Conducting CSR activities with "Promotion of CSR Management" viewed as an important pillar of management

We, the TOSHIBA TEC Group, are creating new values and contributing to society throughout our operations, while developing business activities, under the principle of making efforts to obtain mutual prosperity with all stakeholders, including customers, employees, society and the environment, by practicing high business ethics.

We believe it is essential for the TOSHIBA TEC Group developing businesses on a global basis to gain the trust of all stakeholders in various countries and regions, by responding to their needs and expectations, in order to achieve sustainable growth as a corporate group.

The Group embodied this concept to establish its Corporate Philosophy "Our Five Commitments." All group employees around the world share and practice this concept by acting in accordance with the "TOSHIBA TEC Group Standards Of Conduct" set up based on this corporate philosophy.

Giving top priority to human life, safety and legal compliance

The TOSHIBA TEC Group has established a risk compliance system, comprehensively covering sales, engineering and production, with me assigned as CRO*, and strives to make the TOSHIBA TEC Group employees around the world thoroughly understand and implement the "TOSHIBA TEC Group Standards Of Conduct." This reflects the top priority we give to Human Life, Safety and Compliance.

In addition, the TOSHIBA TEC Group works to prevent accidents that endanger human life and safety, ensure product safety, and enhance the quality assurance system on a global basis to provide products and services, which customers can use with confidence.

* CRO: Chief Risk-Compliance Management Officer

Promoting environmental management in all business activities

The TOSHIBA TEC Group is committed to fulfilling the role as an enterprise toward a better global environment. In order to build a sustainable society, the Group is working on an environmental plan by giving top priority to the conservation and protection of the world's natural resources, in every business process and product. The Group is also committed to providing environmentally conscious products around the world and working to reduce the environmental impact in every stage of our business activities including development, production and distribution.

Respecting diversity

The TOSHIBA TEC Group recognizes and respects differences in culture, history and customs among countries and regions in the world. A variety of people live on earth, of different races, genders and ages, each with their own individuality and personality. The Group values new ideas, which are created when people with different personalities enlighten each other, utilizes human resources while respecting diversity, and also focuses on the "work style innovation" of each employee.

Achieving accountability to the stakeholders

The TOSHIBA TEC Group is supported by all stakeholders, including customers, shareholders/investors, employees, local communities and suppliers. Through communication opportunities, the Group commits itself to sincere responses, while attending to stakeholders' interest and disclosing matters to be explained to the stakeholders in a timely manner. We would like to ask for your continued support and guidance.



Mamoru Suzuki

President and Chief Executive Officer:

TOSHIBA TEC CORPORATION

June 2013

EDITORIAL POLICY

The TOSHIBA TEC Group recognizes that consideration toward all stakeholders, including customers, employees, the environment, shareholders and communities, is necessary for sound business activities. By classifying CSR activities according to the seven core subjects of the ISO 26000, as well as providing a clear and easy-to-understand description from the reader's point of view, this CSR Report has been issued in the hope that the TOSHIBA TEC Group's system and activities based on such a policy are understood by as many stakeholders as possible. We hope to use this Report as a tool for communication with the stakeholders, and keep striving to improve the contents with the help of their valuable comments.

● Scope of This Report

Reporting Period:

Fiscal 2012 (April 2012 to March 2013)

Report Scope:

In principle, TOSHIBA TEC Group
(TOSHIBA TEC Corporation and its consolidated affiliates)

Environmental Data:

TOSHIBA TEC Corporation and its consolidated affiliates

● Release Timing

August 2013

(Next Edition: Scheduled for August 2014,

Previous Edition: August 2012)

● Reference Guidelines

●GRI (Global Reporting Initiative)

"Sustainability Reporting Guideline 3rd Edition (G3)"

●Ministry of the Environment

"Environmental Report Guidelines" (2012 Edition)

"Environmental Accounting Guidelines" (2005 Edition)

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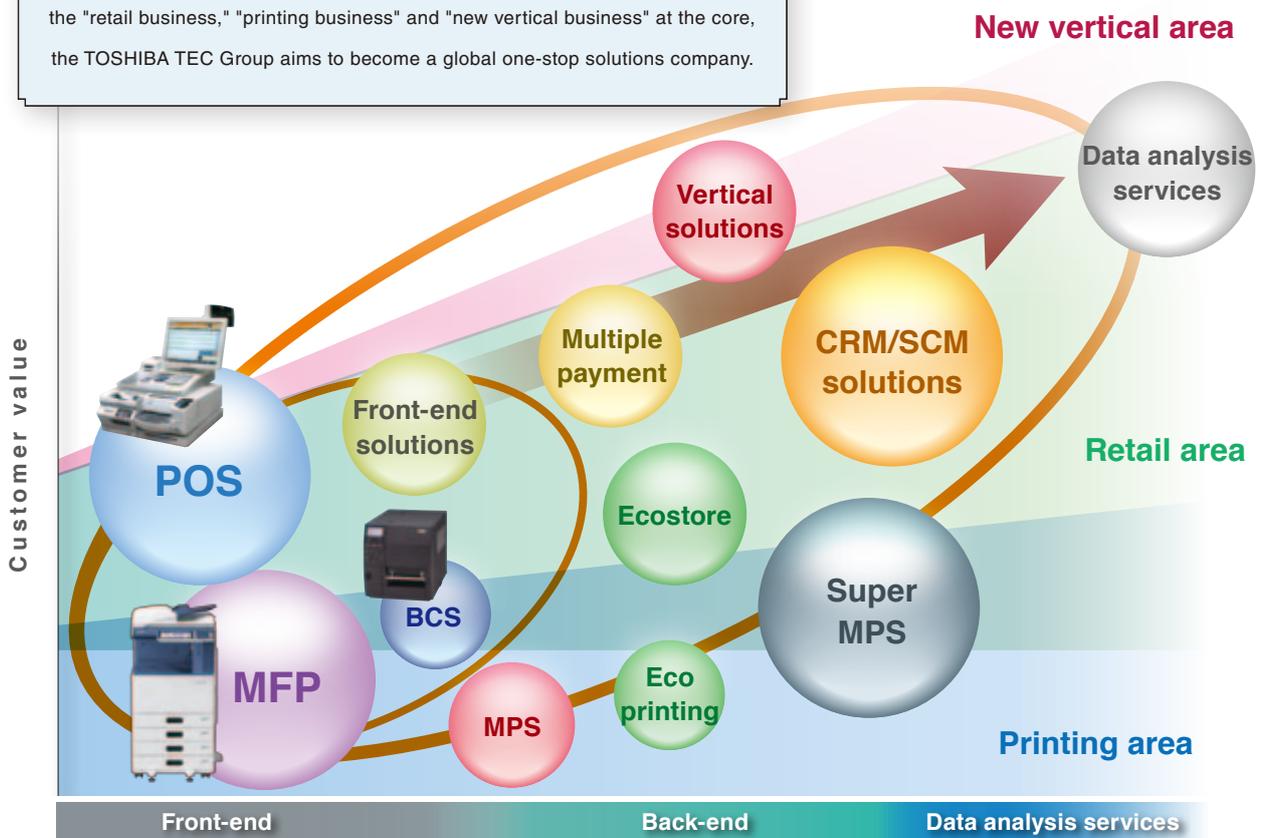
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Our Mission is to Contribute to the World through "Monozukuri."

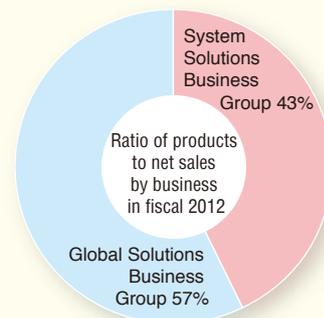
The TOSHIBA TEC Group products and services are widely used in various fields such as in stores and offices. We promote business activities while keeping in mind the support from our stakeholders around the world.

Business Operation of the TOSHIBA TEC Group

By taking advantage of the bases in the retail market and placing the "retail business," "printing business" and "new vertical business" at the core, the TOSHIBA TEC Group aims to become a global one-stop solutions company.



Net Sales (consolidated)

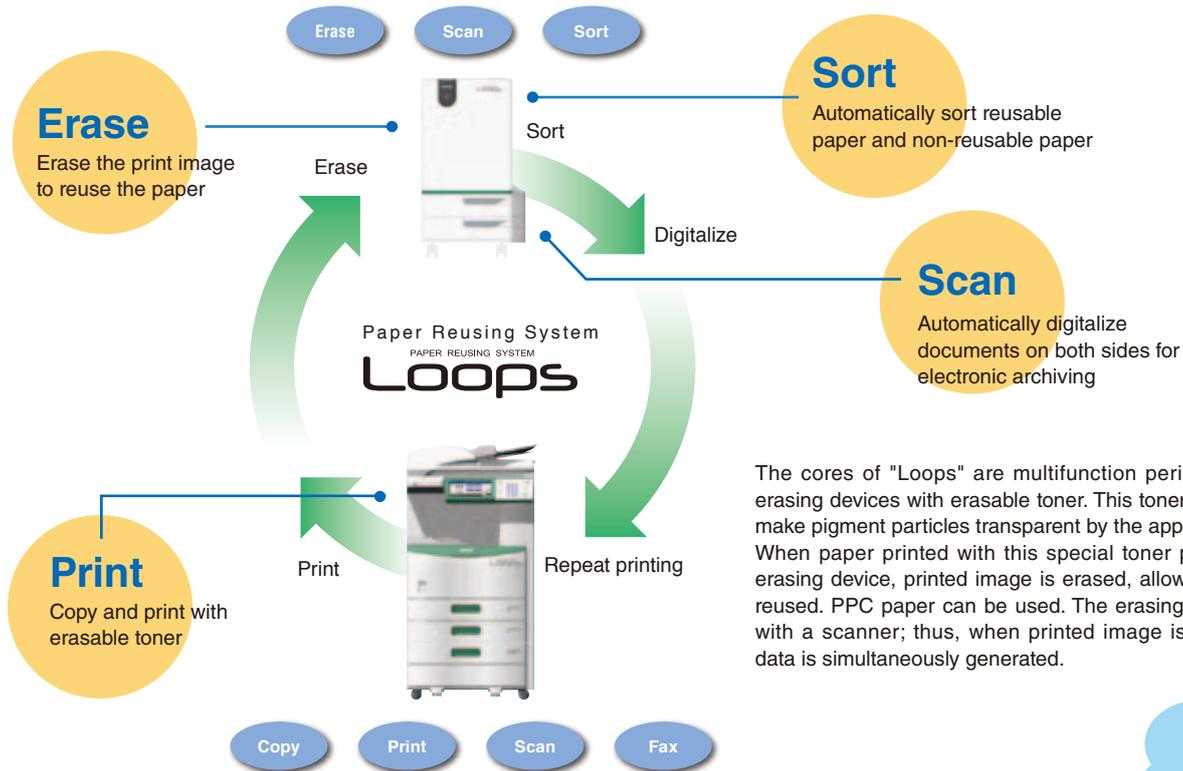


Special Feature

Efficient Use of Paper Resources with Erasable Toner = "Loops"

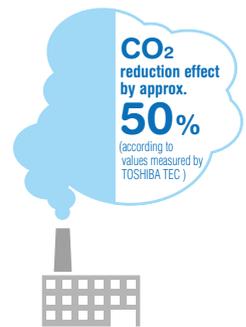
One of the environmental issues that is emphasized in society is resource recycling (= efficient use of limited resources). TOSHIBA TEC Corporation offers a new office work style by reusing paper to respond to this issue.

The equipment that is used to spearhead our efforts with regard to this issue is the "Loops" Paper Reusing System, which was announced and released in 2012.



The cores of "Loops" are multifunction peripherals (MFP) and erasing devices with erasable toner. This toner uses technology to make pigment particles transparent by the application of high heat. When paper printed with this special toner passes through the erasing device, printed image is erased, allowing the paper to be reused. PPC paper can be used. The erasing device is equipped with a scanner; thus, when printed image is erased, electronic data is simultaneously generated.

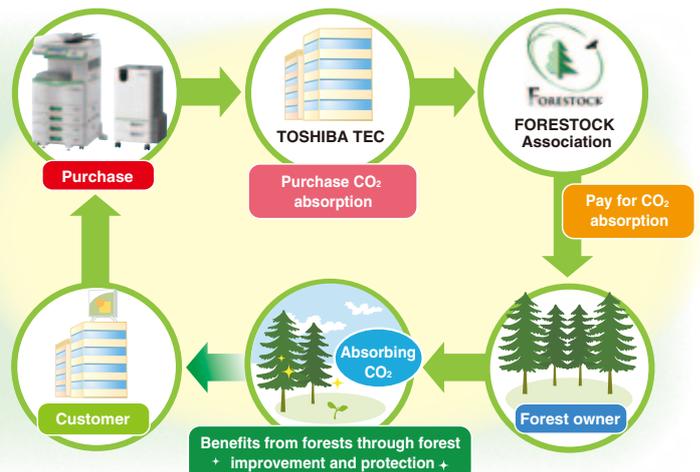
This revolutionary "Loops" system offers a new work style that can improve environmental and economic performance and efficiency in the office while maintaining existing work styles and without reducing printed materials. For example, when a sheet of paper is reused five times, the CO₂ reduction effect is estimated to be approximately 50% (according to values measured by TOSHIBA TEC), in comparison to when a sheet of paper is used once and then disposed of. In addition, since the amount of paper used can be reduced without reducing the amount of paper printed, a significant cost reduction effect can be expected. Electronic data can be generated at the same time as print image is erased, improving operational efficiency. On our journey to become a recycling-based society, "Loops" provides a long waited printing solution that facilitates the circulation of resources and information.



Customers Participating in Contribution to the Environment and Society through the "Loops" Green Program!

In Japan, purchase of "Loops" can facilitate CO₂ reduction through paper recycling as well as CO₂ absorption through forest improvement, as part of efforts to protect beautiful forests.

In the "Loops" Green Program to protect forests, TOSHIBA TEC Corporation acquires two tons of CO₂ absorption credits for forests in Japan certified by the FORESTOCK Association for every purchase of each "Loops" system, as a means of supporting forest improvement activities together with customers who purchased "Loops."



Special Feature

The World's First Breakthrough Technology to Identify Products through Image Analysis

With the aim of increasing basic user-friendliness, safety and efficiency and also improving customer satisfaction, TOSHIBA TEC Corporation is seeking to engage in the challenge of creating new technologies by developing products from the customer's point of view, repeating evaluations and responding to as many customer requests as possible.

In general, cash registers for mass retailers incorporate a bar code scanning system that uses laser beams to scan bar codes and read product information. TOSHIBA TEC Corporation worked on the creation of a ground-breaking cash register technology by taking the lead ahead of competitors to develop an image processing system that utilizes a CCD camera. The Vertical Image Processing Scanner was released in spring 2011, which automatically recognizes the writing on discount stickers such as "Half price" and "30 yen off," using a CCD camera. This technology has been highly praised as Japan's first truly revolutionary cash register system. Currently, efforts to achieve the commercialization of the Object Recognition Scanner, further developing this CCD technology, are being advanced. The main feature of this technology is that the patterns of the product are directly scanned and recognized by a CCD camera. For example, when fresh produce such as vegetables or fruits are packaged, bar codes can be stuck on the package. However, when fresh produce are sold separately, it is not possible to affix a bar code. Therefore, buttons for fresh produce need to be set for each product on the cash register. The actual users of such cash registers have raised concerns about "difficult to identify products" under this system. For

example, even if red apples all appear to be the same, the cost may vary depending on the variety. However, considerable training is required to distinguish the slight differences in variety. As a result, it is often the case that although there are different varieties on sale, the retailer has no choice but to handle them all as the same red apples.

The Object Recognition Scanner will solve all such problems at once. When goods images are stored in the scanner and loaded in the database in advance, patterns specific to the surface of the goods are scanned, allowing slight differences by variety to be instantly identified.

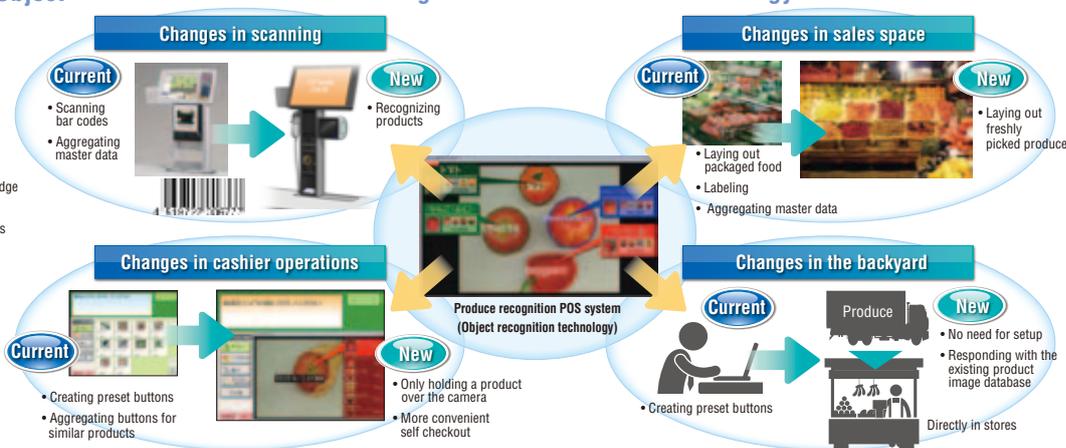
If the aforementioned cash register system to recognize the writing on discount stickers is considered to be Step 1, the Object Recognition Scanner is positioned as Step 2. Step 3 is to expand into the areas of goods covered by the scanner technology, beyond fresh produce. More accurate recognition of goods may allow the scanner to be used for all kinds of goods in the near future.

TOSHIBA TEC's technology innovation is about to drastically change the forefront of the retail industry once again.

What is changed by this Object Recognition technology?



Future viewing from the advances in technology



The 6th Denki no Ishizue (Basis of Electricity) Award

The BRC-32CF-GS Electronic Cash Register equipped with Microcomputer Chip, which was developed in 1972 and released in 1973, received the "6th Denki no Ishizue" (Basis of Electricity) electrical engineering award from the Institute of Electrical Engineers of Japan in 2012. The "Denki no Ishizue" electrical engineering award recognizes the accomplishments of electrical engineering in Japan, and is granted to electrical engineering achievements that possess historical, social or educational value and have a proven track record of more than 25 years. The award honors the unsung

achievements and meritorious conduct of those involved in electrical engineering. The BRC-32CF-GS Electronic Cash Register equipped with Microcomputer Chip was the first cash register in the world to incorporate a 4-bit microcomputer chip, developed by the then-start-up Intel, thus enabling smaller size, higher performance and functionality. Cash registers equipped with microcomputer chips are now used daily in a wide-range of industries, including mass retailers, convenience stores and restaurants and have constantly evolved and developed, along with the developments in computer technologies.

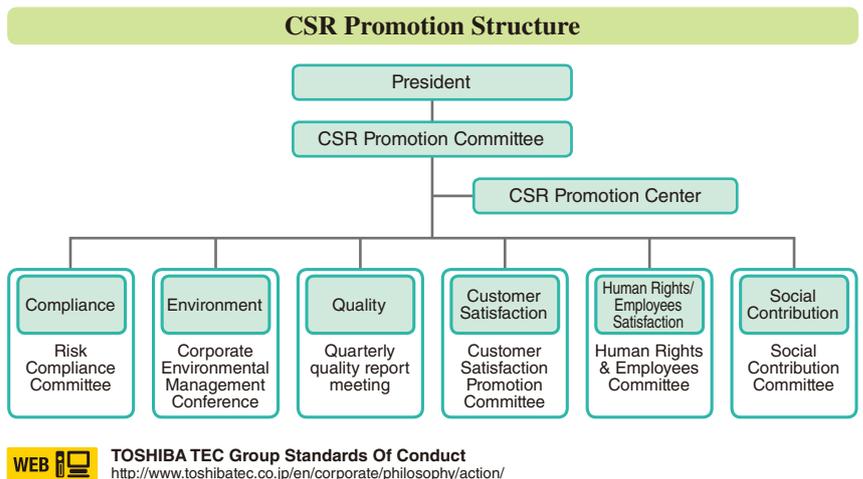


ORGANIZATIONAL GOVERNANCE

Business activities are promoted with CSR positioned at the core of management. The TOSHIBA TEC Group is taking measures to improve management efficiency and transparency.

CSR Management

The TOSHIBA TEC Group promotes business activities with CSR positioned at the core of management. The Group encourages its employees all over the world to practice CSR activities based on its corporate philosophy "Our Five Commitments" and "TOSHIBA TEC Group Standards Of Conduct." We also organize CSR-related activities including "Customer Satisfaction," "Human Rights/Employee Satisfaction," "Social Contribution" and "Global Environment" as well as maintain the promotion structure, to root the CSR as the corporate culture, while centering the CSR Promotion Center on the premise of "Compliance" to abide by corporate ethics, laws and regulations.



Corporate Governance

Improving management efficiency and transparency

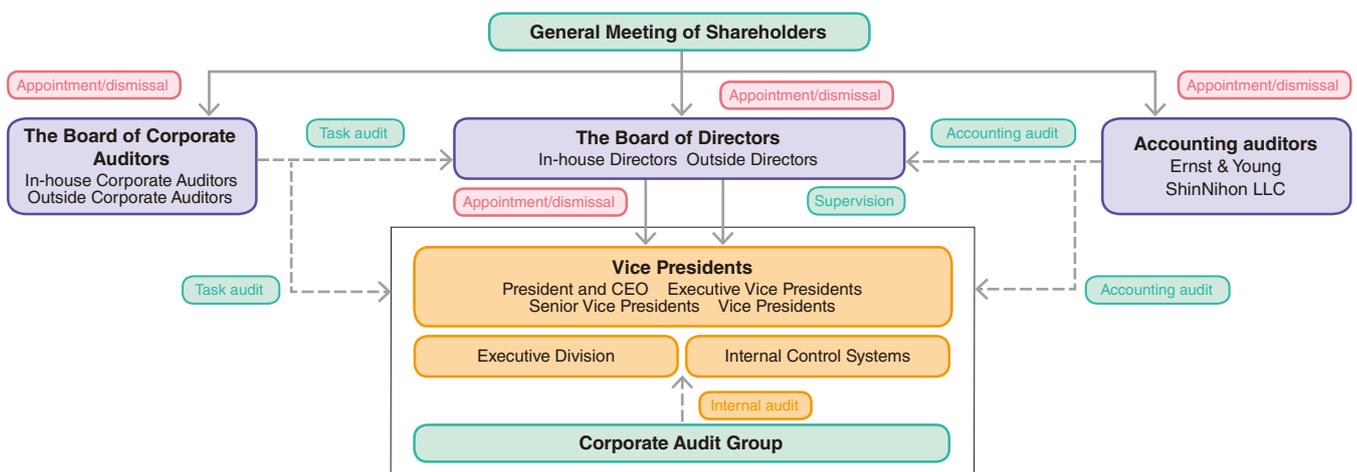
As for the corporate governance, TOSHIBA TEC Corporation is committed to taking measures to improve management efficiency and transparency, as well as to reinforce the functions for the Board of Directors and the (Board of) Corporate Auditors, while recognizing corporate governance as an essential management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

In terms of the corporate body, when introducing the executive officer system under the corporate auditor system, with the intention of separating "functions related to supervision and decision making" from "functions related to task enforcement,"

as well as rightsizing the number of directors, TOSHIBA TEC Corporation focuses on improvements in promptness and mobility in decision making. In addition, one outside director and two outside corporate auditors are assigned to ensure management transparency, and a one-year director's term is determined to specify management responsibilities and promptly respond to changes in the management environment.

For management monitoring, directors supervise task enforcement, corporate auditors audit tasks, and accounting auditors perform accounting audits, while the "Corporate Audit Group" under the direct control of the president and CEO is established to perform internal audits. Also, TOSHIBA TEC Corporation strives to enhance the internal control systems in terms of operating effectiveness and efficiency, reliability of financial reporting, compliance with laws and regulations related to its business activities, and safeguarding of assets.

Corporate Governance Structure



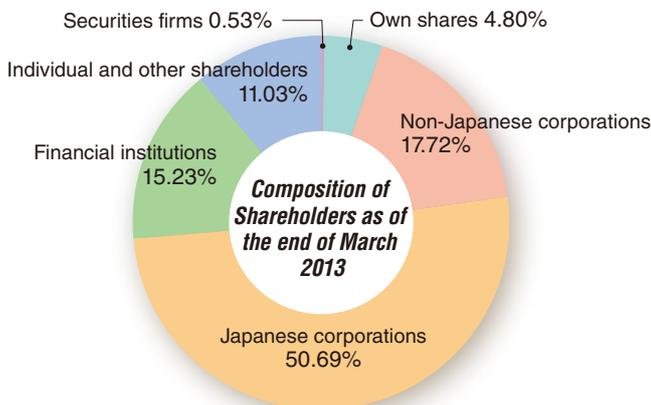
Relations with Stakeholders

We aim to develop our corporation together with stakeholders while embracing the support from stakeholders around the world, along with fulfilling the Corporate Philosophy "Our Five Commitments."



Shareholders/Investors Relations

Composition of Shareholders



Communication with Shareholders

TOSHIBA TEC Corporation recognizes the General Meeting of Shareholders as an important forum for direct communication with shareholders.

Through visualization of business reporting and planning at the general meeting of shareholders, TOSHIBA TEC Corporation strives for easier and deeper understanding of "TOSHIBA TEC." In addition, TOSHIBA TEC Corporation prepares and delivers Business Reports to all shareholders as well as posting the reports on its website to allow shareholders and investors to understand "TOSHIBA TEC" as much as possible. The Business Reports including topics and expected achievements as well as overviews of operations are prepared with diagrams and photos for easy understanding.

Disclosure of information

TOSHIBA TEC Corporation makes efforts to promptly disclose proper corporate information including its management policy, financial statements and financial information, to gain the trust of its stakeholders, such as shareholders, investors and local communities, to ensure a deeper understanding of the company. In particular, information is promptly, properly and fairly disclosed based on in-house rules, laws and regulations when important corporate information arises. The account settlement meeting for institutional investors and financial analysts is held twice a year. Easy-to-understand disclosure information regarding business

operations is immediately posted on the TOSHIBA TEC website. Information management to prevent insider trading is strictly implemented.

Annual Communication Schedule for Fiscal 2012

Month	Communications
April	Announcement of financial statements Account settlement meeting
June	Distribution of notice regarding general shareholders meeting Distribution of business reports Distribution of general meeting resolutions Disclosure of financial statements Issuance of CSR reports
July	Management policy meeting
August	Announcement of first-quarter financial statements Disclosure of first quarter reports
November	Announcement of second-quarter financial statements Account settlement meeting of second-quarter financial statements Disclosure of second quarter reports
December	Distribution of interim business reports
January	Announcement of third-quarter financial statements Disclosure of third quarter reports



Management policy meeting

HUMAN RIGHTS AND LABOR PRACTICES

Every employee is respected, while diverse work styles are actively supported. Safety control and healthcare are positioned as a top priority issue for management.

● Respect for Human Rights and Prohibition of Discrimination

Respect for human rights

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

Human rights education initiative

The TOSHIBA TEC Group strives to be a discrimination-free organization in which employees enjoy optimal job satisfaction, based on its policy of respecting fundamental human rights and diverse individual values, and prohibiting discriminatory treatment, and to foster an awareness of human rights among its employees. Education on human rights is provided to new recruits and to employees at the time of promotion.

● Supporting Diverse Work Styles

Promoting work-style innovation

Work-style innovation (WSI) refers to a campaign aimed at creating a positive spiral, where employees work hard and efficiently, as well as make the most of their private lives to rejuvenate and improve themselves so that they can add higher value to their work.

The TOSHIBA TEC Group is promoting a work-style reform through the following two approaches: the self-management approach taken by each employee and the team management approach led by a team leader.

● Employment of People with Disabilities

Supporting employees with disabilities

The TOSHIBA TEC Group endeavors to create workplace environments where people with disabilities and those without disabilities can work together as equals. Employees with disabilities are involved in a variety of operations. The Group is expanding job opportunities for people with disabilities and improving working environments to bring their capabilities into full play, through Internet recruitment and various other types of forums.

Employment Ratio of Employees with Disabilities

	April 2011	April 2012	April 2013
TOSHIBA TEC	1.92%	1.88%	2.00%
TOSHIBA TEC Group in Japan	2.07%	2.04%	2.30%

● Labor Management Relations

Promoting labor management dialogue

The TOSHIBA TEC Group provides various opportunities to promote labor management dialogue in order to facilitate labor management relations and corporate business activities. Labor and management have agreed that important matters such as business plans and performance, and major organizational reforms must be periodically explained to the labor union, and that other matters such as changes in labor conditions must be discussed in advance by labor and management.



Business briefing labor management meeting

● Education and Training System

The education and training system consists of several training programs, to enable employees to acquire sophisticated expertise in conjunction with their own goals and aspirations, to provide education including compliance education for all employees through enlightenment activities, and to provide education according to their position at every level throughout corporate life. A variety of training courses are provided in response to individual employees and task needs.

● Education according to Position

Starting with a variety of introduction training programs to new employees, group training is provided for newly appointed deputy specialists, and basic knowledge for management regarding

compliance and corporate accounting is provided for managers. After a determined period, group training is provided for these managers to improve human skills such as coaching. For general managers, group training and training by external instructors are provided with the purpose of improving conceptual skills to devise strategies from a top management's point of view.

• Global Personnel Development Course

Under the current business environment, the need for personnel who can play important roles within the international arena is magnified. With a focus on the importance of cultivating well-rounded global human resources who have a deep cross-cultural understanding and the ability to perform their jobs through dialogue with people around the world, TOSHIBA TEC Corporation established the global human development course for young employees to mid-career employees, to systematically develop human resources with ingenuity, cultural enrichment and a sense of internationalism, as well as language ability.

Activity

Cross-cultural management communication seminar

In November 2012, the cross-cultural management communication seminar was held for a wide range of employees, regardless of the division or managerial position, in order to provide opportunities for each employee to develop cross-cultural management communication skills.



● Health and Safety

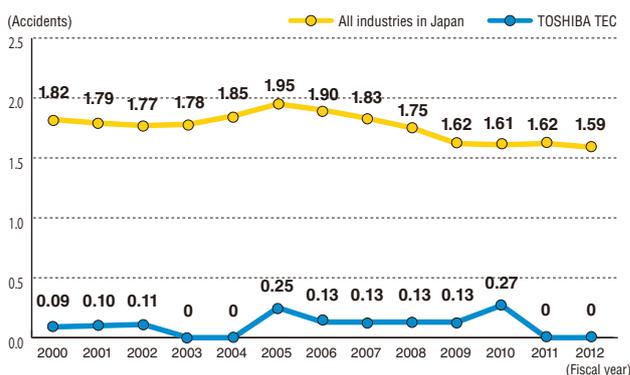
TOSHIBA TEC Corporation is striving to ensure the safety and health of its employees.

• Prevention of Industrial Accidents

TOSHIBA TEC's occurrence of accidents with lost days is well below the average of all industries, and in particular, the company has been run for the past two years with no accidents with lost days.

The company makes efforts to prevent industrial accidents by clarifying risks that may cause accidents through risk assessment, reviewing operation processes and renovating equipment to reduce risks. While implementing preventive measures to ensure past incidents do not recur and providing safety training, the company also takes measures to prevent similar accidents and provide a safe workplace.

Occurrence of Accidents with Lost Days (per million man-hours)



• Occupational Health and Safety Management System

The production group companies in and outside Japan have obtained OHSAS 18001 certification: an international occupational safety and health management system specification. This management system is managed to improve health and safety issues regarding each workplace and operations, create safe and comfortable workplace environments, maintain and promote the health of employees.

Consolidated Subsidiaries (Production Companies) with OHSAS 18001 Certification



• Healthcare Programs

As part of healthcare for employees, health instructions are provided by medical professionals based on the results of the annual health checkup with the aim of preventing and improving lifestyle-related diseases. In addition, all employees who have worked over a certain amount of hours per month are obliged to take an interview and guidance with the physician, to maintain and promote the health of employees. The Return to Work program is established to help employees who have taken a long-term leave adjust back into the workplace with ease, as well as prevent recurrence.

Activity

Since fiscal 2011 the head office has been advancing reform to establish a fundamental system to support the health of employees, by providing various training programs including mental health, ensuring employees undergo health checkups, and having interviews with high-risk employees. In fiscal 2013, the system is being further improved thanks to the employment of a new and highly experienced nurse practitioner.



FAIR OPERATING PRACTICES

The TOSHIBA TEC Group positions the promotion of compliance as an important component of CSR for the implementation of a variety of activities.

Risk Compliance

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

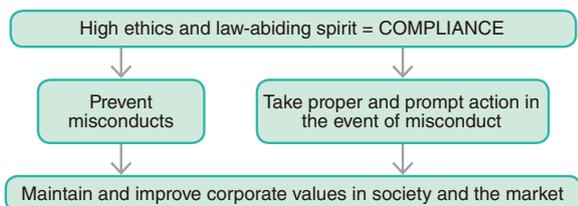
Appointing the CRO as a chairperson, TOSHIBA TEC Corporation organizes the Risk Compliance Committee, to maintain a Group-wide structure, devise and promote measures toward the advancement of risk compliance. A system, which enables every employee to report risk compliance-related issues to the CRO or outside attorneys, and "TOSHIBA TEC Partner Hotline" on the website, which allows business partners to provide such information to the corporation, is introduced and implemented.

* CRO: Chief Risk-Compliance Management Officer

WEB  **TOSHIBA TEC Partner Hotline**
<http://www.toshibatec.co.jp/contacts/partnerline/> in Japanese only

Compliance Education

To thoroughly ensure high ethical standard and a law-abiding awareness, the TOSHIBA TEC Group provides various educational seminars to employees. For the Group companies outside Japan, compliance education reflecting regional characteristics is provided.



Education on marketing risk

Promotion of CSR Procurement

While establishing mutual relationships with suppliers based on trust, through fair and open trade, we assign priority to and advance transactions with suppliers which are committed to complying with laws and regulations, upholding human rights and protecting the environment.

Procurement Policy

While the TOSHIBA Group is running its business on a global basis regarding a wide range of products, TOSHIBA TEC

Corporation, as a member of the TOSHIBA Group, strives to conduct a thorough procurement in accordance with the TOSHIBA Group procurement policies, in order to fulfill its social responsibility through fair procurement activities.

Procurement Policy (Abstract)

Basic Procurement Policy

TOSHIBA TEC Group Companies shall:

- 1) comply with all applicable laws and regulations and as social practices governing our local and global businesses; and
- 2) promote procurement activities in a way that reduces the environmental impacts while selecting suppliers (hereinafter including prospective suppliers) and procurement items.
- 3) provide suppliers with equal opportunities for transactions with TOSHIBA TEC Group.
- 4) promote procurement activities based on mutual understanding and trust.

Policies for Selecting Suppliers

- 1) The company complies with laws, regulations and places emphasis on human rights and environmental consciousness.
- 2) The company has sound business operations.
- 3) The company has the ability to supply goods, products, software and/or services to the TOSHIBA TEC Group with emphasis on appropriate quality, price and delivery lead-time.
- 4) The company is capable of providing a stable and continuous supply of goods, products, software and/or services. Also the company must have the flexibility to respond quickly to supply/demand fluctuations.
- 5) The company possesses technology that contributes positively to TOSHIBA TEC Group products.
- 6) The company has a plan for providing a continuing supply of goods, products, software and/or services in times of unexpected circumstances that may affect the company and its supply chain.

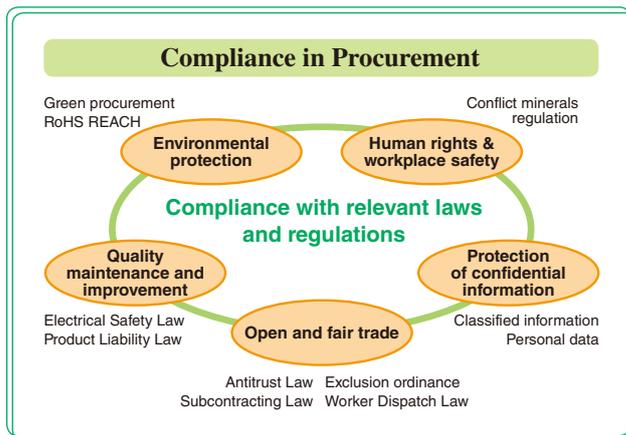
Supplier Expectations

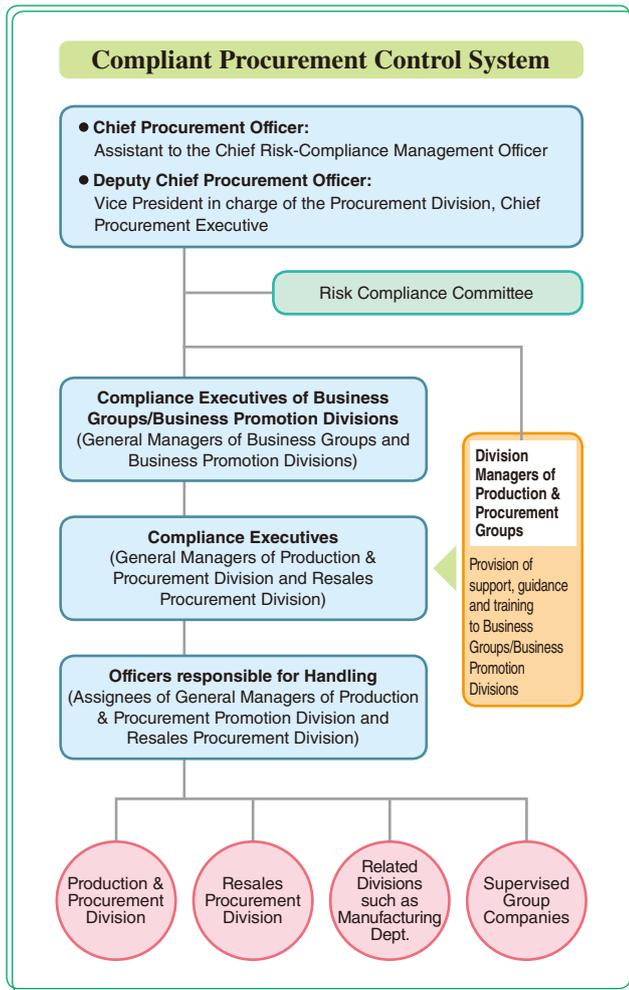
In the "TOSHIBA Group Procurement Policy" for suppliers, requirements related to social responsibility are described in its "Supplier Expectations" to thoroughly make them known to suppliers, in order to contribute to the creation of a sustainable society through supply chains.

WEB  **Procurement Policy**
<http://www.toshibatec.co.jp/en/procure/plan/>

Compliance in Procurement

TOSHIBA TEC Corporation positions compliance as a top-priority item for "Business Continuance and Further Development" to ensure compliance in procurement transactions.





While communicating with suppliers on a daily basis, we ask them to thoroughly ensure compliance within their companies to enhance compliance through supply chains.

TOSHIBA TEC Partner Hotline Operation

The "TOSHIBA TEC Partner Hotline" whistle-blower system for suppliers is set up on the website for outsiders. TOSHIBA TEC Corporation gives top priority to compliance with laws, regulations, social customs and corporate ethics throughout its business activities. As part of the efforts, a system has been established and is used to encourage suppliers to report issues and concerns with TOSHIBA TEC Corporation in terms of compliance in procurement transactions.

When suppliers report matters via the Partner Hotline, TOSHIBA TEC Corporation strives to establish mutual relationships through open clean trade, as well as to build sound partnerships with suppliers based on mutual trust.

WEB **TOSHIBA TEC Partner Hotline**
<http://www.toshibatec.co.jp/contacts/partnerline/> in Japanese only

Security Export Control

Export control is aimed at preventing the proliferation of weapons of mass destruction and other sensitive items to countries and regions of security concern or terrorist organizations. Export transactions of goods and technology that have potential weapons of mass-destruction (WMD)/

conventional weapons applications are regulated under laws and regulations.

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

Based on this basic policy, TOSHIBA TEC Corporation has established the "Export Control Program" and built an export control system. Accordingly, the company makes cargo/technology relevance judgments and strict transaction screenings for determining the need for export permission, conducts periodic export control audits, and provides education and support to its Group companies.

Information Security

The TOSHIBA TEC Group recognizes all information, including sales and technical data handled while carrying out the tasks, as important property, and makes an effort to protect such information from improper disclosure, leakage or use. The Group established a system and rules for information security management, and reviews them in response to changes in the social environment. Each division is continuously making improvements by conducting self-audits regarding compliance with the internal rules.

e-Learning is used to prevent accidents and make information security measures known while handling information. Education is provided to directors, employees, employees dispatched from cooperation companies.

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

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

Protection of Intellectual Property

Protecting Our Rights and Respecting the Rights of Others

The TOSHIBA TEC Group's policy for intellectual property rights states compliance with laws and regulations associated with those rights, protection of the results of intellectual activities with intellectual property rights and extensive use of those rights, and respect for the legitimate intellectual property rights of third parties. This policy is stipulated in the TOSHIBA TEC Group Standards Of Conduct.

As part of this policy, the TOSHIBA TEC Group is working with the regulatory authorities of each country to eliminate counterfeit products that damage that TOSHIBA brand and enhance its management system, including provision of training to executives and employees of TOSHIBA TEC and other group companies in and outside Japan, with the aim of preventing unauthorized use of other people's publications.

CUSTOMERS

● Providing Products and Services that Satisfy Customers

The TOSHIBA TEC Group works on quality activities in every division and area to provide safe products with reliable quality, based on the voice of customers. The Group also exercises its business activities, while giving top priority to providing products and services, which satisfy and please customers from the customers' point of view.

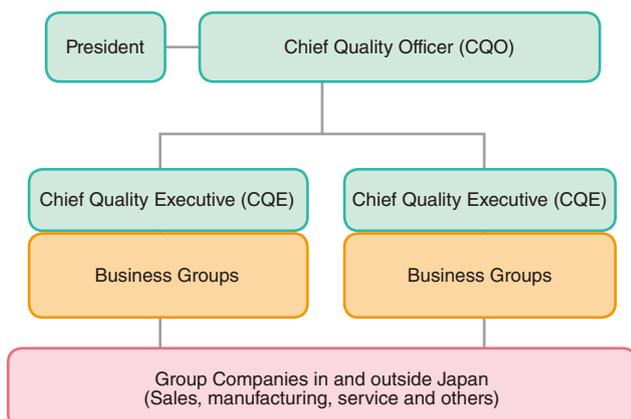
● To Be Trusted by Customers

TOSHIBA TEC Corporation thinks it is the source of customer trust to precisely capture the voice of customers (VoC) and offer quality and services beyond customers' expectations. In the product planning stage, valuable feedback from customers is applied to future products in order to make them more user-friendly. In the product development stage, robustness and redundancy with quality engineering are considered in order to realize more accurate and functional product creation. In the commercialization stage, attractive products are created and a reliable system is established through simulations and design reviews based on assumptions relating to every possible usage environment and situation for customers.

● Providing Stable Products on a Global Basis

TOSHIBA TEC Corporation is conducting design, development and production activities at its sites all over the world. In 2012, the company further promoted globalization through acquisition of the retail store solutions (RSS) business from IBM. It is most important for the promotion of globalization that the quality of all products manufactured at each site meets the TOSHIBA TEC standard. The Chief Quality Officer (CQO) serves as an Assistant to the President, and Chief Quality Executives (CQE) are responsible for the business groups, in order to ensure the quality of the products. Under the organizational quality administration structure where any product at any site must meet the TOSHIBA TEC standard, the company continues activities for quality stabilization on a daily basis.

TOSHIBA TEC Quality Assurance System



● To Help Customers Use Products with Ease

While developing specialists in product safety, reliability and risk assessment, the TOSHIBA TEC Group is working on technical research to ensure quality that reassures customers, on the basis of the TOSHIBA TEC Group's Basic Policy on Product Safety. In order to allow customers to use products and services with peace of mind, the Group predicts scenarios in which product failures or accidents may occur, implements risk assessment to prevent such occurrences, and provides customers with the products and services that have passed evaluation and verification processes. In the event that information regarding a serious product accident is sent to us, we are well positioned to respond to the accident quickly and with sincerity, in accordance with instructions set out by the President. At this time, the CQO is responsible for implementation.

Basic Policy on Product Safety

The TOSHIBA TEC Group recognizes that our top priority mission is gaining the trust of the customers and communities regarding the product safety throughout the life cycle of every product manufactured and distributed, defines and faithfully implements the Basic Policy.

- 1) Compliance with laws and regulations
- 2) Establishment of a voluntary action plan for product safety
- 3) Quality control system ensuring safety and security
- 4) Proper action to accidents
- 5) Measures to avoid misuses

WEB  **Basic Policy on Product Safety**
<http://www.toshibatec.co.jp/csr/group/safety/> in Japanese only

● Enhancing Customer Satisfaction

Providing Products and Services that Satisfy Customers

"We aim to provide timely products and services with reliable quality and functions as well as high user-friendliness, creating value with our customer in mind through our superior proprietary technology and in collaboration with the world's best partners." is defined in the TOSHIBA TEC Group's Corporate Philosophy. The TOSHIBA TEC Group exercises its business activities, while giving top priority to providing products and services, which satisfy and please customers. From this perspective, each employee needs to think and behave from the customers' point of view, by asking himself or herself what customers want and what value is important for customers, to realize this ideal stance. The TOSHIBA TEC Group aims to deliver maximum customer satisfaction (CS) in terms of products, systems and services and communication with customers based on the "Toshiba Group Customer Satisfaction Policy" established in 2003.

"TOSHIBA Group Customer Satisfaction Promotion Policy"

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

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

● Pursuit of User-friendliness and Universal Design

Aiming for Products Many People can Comfortably Use, regardless of Age or Disability

With the aim of developing more efficient and eco-friendly products for business purposes, as well as products for everyday living purposes, which can be easily and pleasantly used even by beginners, TOSHIBA TEC Corporation promotes usability and universal design through research based on the usage and usability evaluation experiments with prototype models.

Activity

SS-800 Self Checkout System Everyone from Children to Adults can Enjoy Using

In response to customer requests to be able to check out their own goods for small volume purchases and protect their privacy, this self checkout system is equipped with the operational guidance with voice and visual indicators, allowing even first-time users to easily use the system, along with strap holders to keep bags open, and a handy platform to hold breakables until they are ready to bag them. The SS-800 won the 5th KIDS DESIGN AWARD for its design that helps to nurture children as independent consumers, since the scanning sounds, such as a dog's bark and a cat's meow, let children enjoy using the terminal with their families.



Self checkout system operation verified by a parent and children



Operation with a prototype model tested by a person in a wheelchair



Cash type

e-STUDIO2505 Digital Multifunction Peripheral in response to China and Asian Markets

This compact digital monochrome multifunction peripheral (MFP), which can be placed on a desk in an office, handles A3 size paper for printing from the bypass tray as well as A4 size paper for copying and printing based on the results of analyzing users' usage status in the China and Asian markets.

Usability evaluations and reviews in each development stage have ensured usability and easy operation, such as placing paper and replacing toner cartridge on the user side, along with simple and easy-to-understand operation by incorporation of a variety of attractive functions.

The e-STUDIO2505 won the iF Product Design Award 2013 for its design and usability.



Promotion of "Three Greens" based on "Environmental Vision 2050"

Based on recognition of the fact that it is our responsibility to maintain the health of the global environment as an irreplaceable asset for future generations, the TOSHIBA TEC Group contributes to the creation of new values and harmony with the Earth.

Environmental Vision and Management

In its role as one of the world's foremost eco-companies, the TOSHIBA TEC Group is practicing environmental management based on the TOSHIBA Group's Environmental Vision 2050 to promote harmony with the Earth, and contributing to the creation of a richer lifestyle for society. Based on the concept of Greening of Products (creation of products with the highest level of environmental performance), Greening of Process (environmentally conscious manufacturing) and Green Management (continuous improvement of basic activities), we are promoting initiatives aimed at reducing the environmental impact of all its products and business activities, from the perspective of mitigation of climate change, efficient use of resources, and management of chemicals.

Environmental Vision 2050



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

The Fifth Environmental Action Plan

The TOSHIBA TEC Group formulated the Fifth Environmental Action Plan ending in fiscal 2015 based on the TOSHIBA Group policy, and started activities in fiscal 2012. The concept is implemented continuously from the Fourth Action Plan. Under "Greening of Products," we set targets for both of the sales amounts and number of Environmentally Conscious Products (ECPs), thereby promoting integration of business and environmental management. For the "Greening of Process,"

we set targets for both of environmental impact and per unit production, thereby aiming at highly efficient production. Although some targets for items increase due to changes in business structure such as in-house production instead of outsourcing, we make efforts to minimize an increase in environmental impact.

In fiscal 2012, two out of five items regarding Greening of Products achieved the targets and all items regarding Greening of Process achieved the targets. Three items could not achieve the targets; however, we will continue activities in order to achieve the targets for fiscal 2015.

Core Subject	Indicator	FY2012			FY2013	FY2015	
		Target	Result	Evaluation ^{*6}	Target	Target	
Greening of Products	Overall	Product factor (compared to FY2000 levels)	2.41	2.56	YES	2.76	2.99
		Increase in sales amounts of Excellent ECPs	11.9 billion yen	15.8 billion yen	YES	47.0 billion yen	114.0 billion yen
	Mitigation of Climate Change	Reduction of CO ₂ emissions through eco-products ^{*1}	94,000 t	90,000 t	NO	121,000 t	160,000 t
	Efficient Use of Resources	Increase in amounts of resources saved through products ^{*2}	16,000 t	9,000 t	NO	13,000 t	20,000 t
Greening of Process	Mitigation of Climate Change	Total greenhouse gas emissions (compared to FY1990 levels) ^{*4}	62,500 t-CO ₂ (140%)	60,500 t-CO ₂ (135%)	YES	72,000 t-CO ₂ (161%)	79,000 t-CO ₂ (176%)
		Total energy-derived CO ₂ emissions per unit production (compared to FY2010 levels) ^{*4}	111%	107%	YES	146%	142%
		Total CO ₂ emissions resulting from product logistics per unit production (compared to FY2010 levels)	95%	81%	YES	81%	79%
	Efficient Use of Resources	Waste emissions (compared to FY2000 levels)	2,293 t (80%)	1,600 t (56%)	YES	2,400 t (83%)	2,850 t (99%)
		Total volume of waste generated per unit production (compared to FY2010 levels)	112%	97%	YES	124%	119%
		Percentage of final waste disposal (relative to the TOSHIBA TEC Group total emissions) ^{*5}	1.9%	1.3%	YES	3.0%	2.5%
		Volume of water received per unit production (compared to FY2010 levels)	117%	110%	YES	138%	129%
	Management of Chemicals	Total emissions (compared to FY2000 levels)	111 t (106%)	82 t (78%)	YES	110 t (105%)	118 t (112%)
		Chemical substance handling amounts per unit production (compared to FY2010 levels)	46%	44%	YES	89%	83%

*1: [CO₂ emissions of assumed substitute products] – CO₂ emissions of shipped products] (Compares annual emissions during the usage stage and cumulates emissions for half the product life)

*2: [Mass of assumed substitute products] – [Mass of shipped products]

*3: [Amount of recycled plastics] / [Amount of plastics used for products] x 100

*4: The following amounts of electricity generated have been used for

the power factor in Japan: 4.17 t-CO₂/10,000 kWh for fiscal 1990, 3.40 t-CO₂/10,000 kWh for fiscal 2010, and 3.50 t-CO₂/10,000 kWh for fiscal 2012 and 5.10 t-CO₂/10,000 kWh for fiscal 2013 and later. The amounts of electricity-received specific to the relevant countries had been used for the power factor since fiscal 1990, and GHG Protocol data has been used since fiscal 2006 outside Japan.

*5: The TOSHIBA TEC Group's definition of "zero emissions" of waste is that the amount of landfill waste after treatment is equivalent to less

than 0.5% for manufacturing sites and 1.0% for non-manufacturing sites of the total amount of by-products and other items generated (total amount of waste generated) as a result of business activities (excluding the sites with restrictions under laws and administrative guidance.)

*6: "YES" indicates the target for fiscal 2012 has been achieved and "NO" indicates the target has not been achieved.

Outline of Environmental Impact in Fiscal 2012

The TOSHIBA TEC Group minimizes the use of global resources, and emissions of pollutants into the global environment while maximizing the provision of environmentally conscious products (ECPs). In addition, we are reducing environmental impact by grasping and analyzing the impact at each stage of a product life cycle.

Environmental Impact throughout the Life Cycle

We procure raw materials and components from suppliers, manufacture and ship our products. We transport finished products to distributors or warehouses via outsourced forwarding agents. And then, we collect end-of-use products from customers wherever possible, for reuse and recycling.

The diagram below shows the environmental impact at each

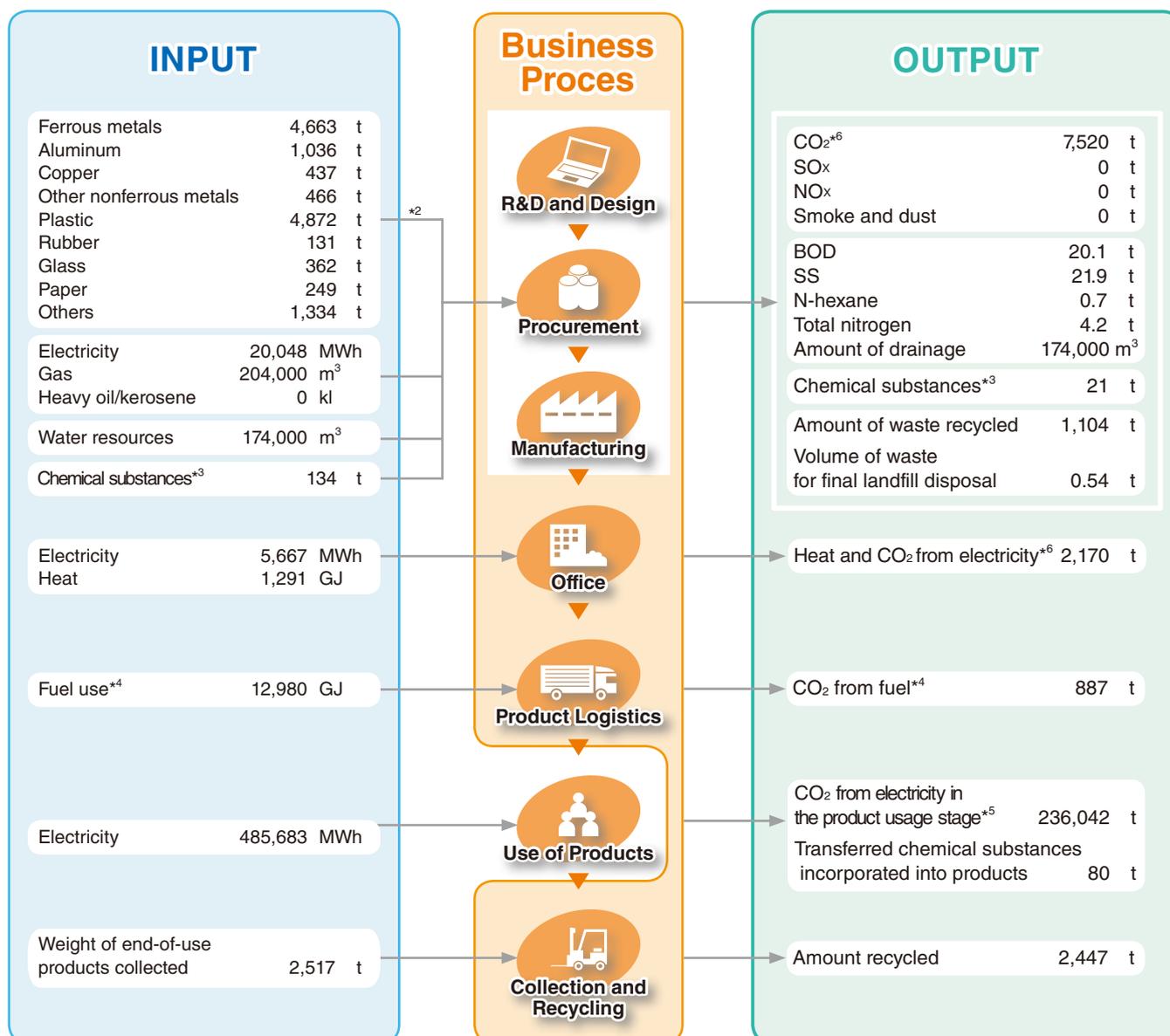
stage of a product life cycle in fiscal 2012.

At the production stage, CO₂ emissions due to consumption of all energies from plants were 7,520 tons and from offices were 2,170 tons. Emissions of chemical substances into the atmosphere and water were 21 tons. The amount of waste recycled was 1,104 tons and the amount of landfilled was 0.54 tons.

CO₂ emissions from major products shipped in fiscal 2012 until the end of their product lives are to be 236,042 tons.

Therefore, it is important to take energy-saving measures for products.

Environmental Impact in Fiscal 2012^{*1}



Notes:

*1: Target data tabulated: TOSHIBA TEC

*2: Inputs of materials and parts are calculated from the material procurement data using the TOSHIBA Group's proprietary method.

*3: Target chemical substances are 552 types specified by TOSHIBA Corporation.

*4: Product logistics are all CO₂ emissions for outsourcing.

*5: CO₂ at the product usage stage is the amount of CO₂ emitted from major products shipped in fiscal 2012 until the end of their product lives.

*6: 3.5t-CO₂/10,000 kWh of electricity generated by the Federation of Electric Power Companies of Japan is used for the CO₂ emission factor for electricity.

Contribution to the Reduction of Environmental Impact on Society through the Provision of Environmentally Conscious Products (ECPs)

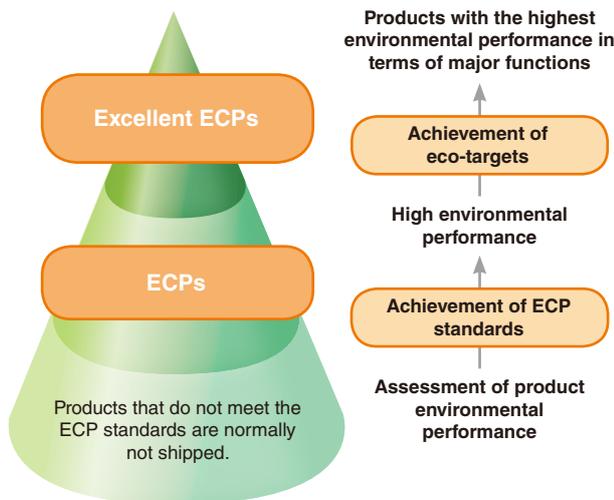
TOSHIBA TEC Corporation develops ECPs with environmental impact reduced throughout their product life cycle. By setting eco-targets to achieve the highest level of environmental performance for products to be developed in the future, the TOSHIBA TEC Group strives to create and expand ECPs.

Development of Products with the Highest Environmental Performance

The TOSHIBA TEC Group pursues the highest level of environmental performance for all developed products and advances "Greening of Products" activities aimed at reducing environmental impact throughout the product life cycle. First, in the stages from business strategy to product planning, based on technological and competitor trends, "eco-targets" are set for the development of products with the highest environmental performance at the time of product release. Then, in the development and design stages, the TOSHIBA TEC Group performs environmental assessments of products to make

sure that the products comply with laws and regulations and meet the ECP standards*1 in all three aspects*2 (mitigation of climate change, efficient use of resources and management of chemicals) through all stages of their life cycle. In the product approval stage, the TOSHIBA TEC Group checks to see the level of achievement of "eco-targets" and compliance with the ECP standards. The demand for social infrastructure products, increased consumption of electricity and resources are concerns everywhere. In order to reduce environment impact, the Group aims at creating and further increasing the number of Excellent ECPs with the highest environmental performance in the industry. In fiscal 2012, the Group successfully provided six products as Excellent ECPs.

Basic Policy for the Greening of Products



*1: Environmentally Conscious Products (ECPs) are designed to minimize environmental impact throughout all stages of their product life cycle, including procurement of materials, manufacturing, distribution, usage, disposal and recycling.

*2: Overview of the three elements of ECPs

Mitigation of Climate Change

- Reductions in power consumption
- Reductions in standby electricity consumption
- Visualization of power consumption
- Energy-saving mode • Shipment mode, etc.

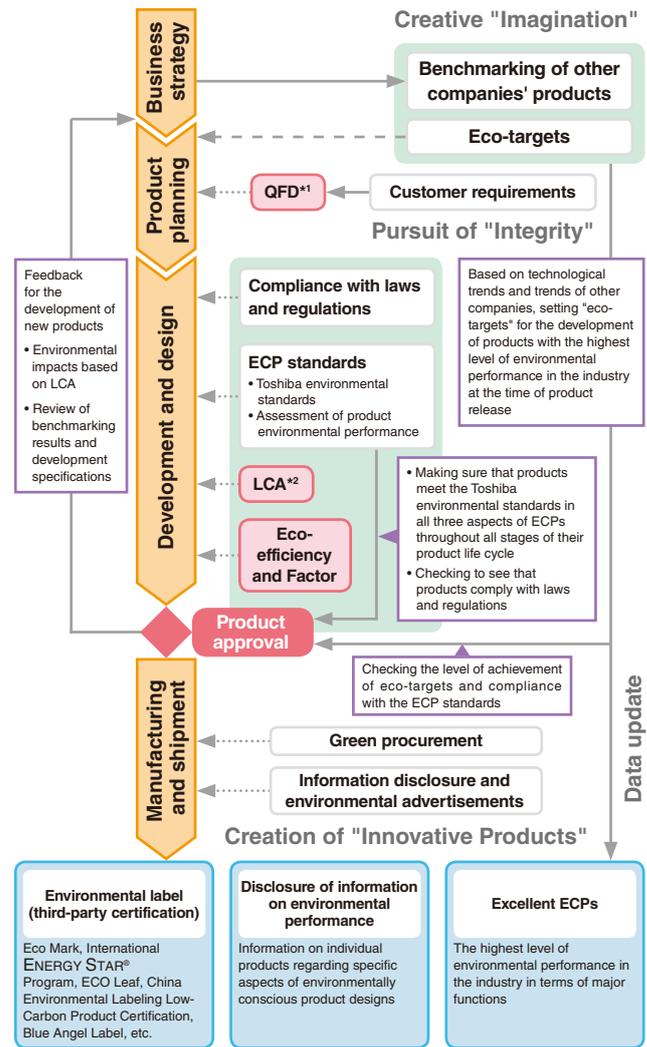
Efficient Use of Resources

- Reductions in the use of raw materials • Use of recycled materials
- Easy to disassemble • Reductions in the use of packaging materials
- Reductions in the use of supplies • Upgrades, longer useful lives, etc.

Management of Chemicals

- Reductions in the use of specific hazardous substances
- Green procurement • Distribution of information on chemicals
- Compliance with chemical regulations in different countries, etc.

System for the Greening of Products



*1 QFD: Quality Function Deployment
*2 LCA: Life Cycle Assessment

● Products Certified as Excellent ECPs in Fiscal 2012

MP-80 Multi Terminal

Released in August 2012

- Achieved the highest energy savings* (20 W standby power for applications, 65 W operating power for printers)



"Loops" Paper Reusing System

Released in February 2013

- Only one product* that erases colors, separates and computerizes at the same time
- Won the Minister of the Environment Award for the Prevention of Global Warming (in December 2011)



QT-100 POS Terminal

Released in July 2011

- Achieved the highest energy savings* (80 W operating power)
- Achieved the highest resource savings* (Mass of the main unit: 14.5 kg)



e-STUDIO2550C Digital Color Multifunction Peripheral

Released in July 2012

- Achieved the highest resource savings* (Mass of the main unit: 57 kg)



B-EX Series Bar code Printer

Released in June 2011

- Achieved the highest energy saving* (6 W standby power)



e-STUDIO2006 Series Digital Monochrome Multifunction Peripherals

Released in March 2013

- Achieved the highest resource savings* (Projected area of the unit: 0.315 m²)



* At the time of product release, and not guaranteed at the current state.

Promoting Environmental Considerations toward Suppliers and Procured Products, to Provide Environmentally Conscious Products or ECPs

The environmental protection assessment on suppliers and the environmental performance survey on procured products are conducted. Relevant data is utilized in the design, production and procurement divisions.

Green Procurement

To provide ECPs, the TOSHIBA TEC Group aims to procure items with lower environmental impact from suppliers, which actively promote environmental protection, while implementing green procurement at the procurement stage of raw materials related to products.

Promotion of Environmental Protection at Suppliers

TOSHIBA TEC Corporation gives precedence to suppliers, who are actively promoting environmental protection, for procurement.

Environmental Protection

- 1) Set up an environment policy.
- 2) Maintain the environmental protection system.
- 3) Establish systems for education and to check whether education is provided.



Guidelines for Green Procurement

Control on Environment-Related Substances in Delivered Items

TOSHIBA TEC Corporation requests suppliers to provide items with lower environmental impact in compliance with environment-related laws, regulations and standards.

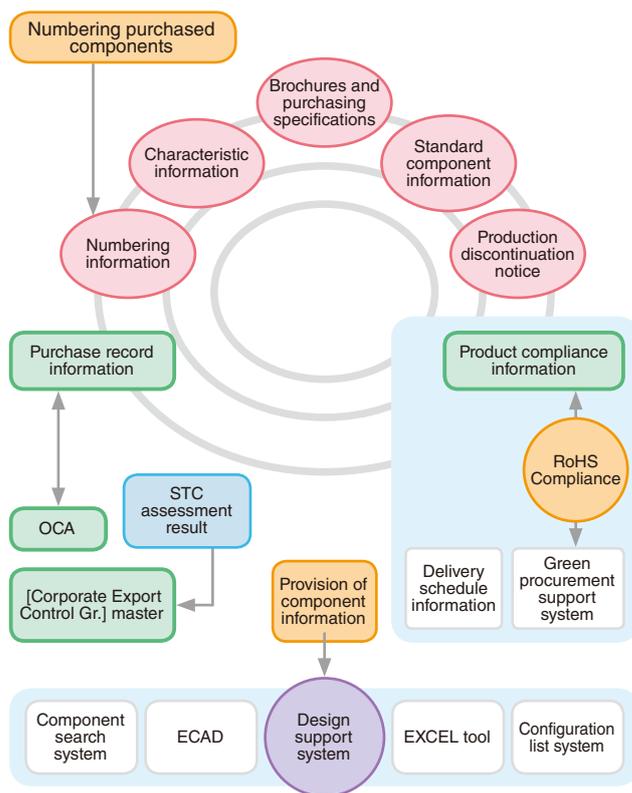
Control on Environment-Related Substances

- 1) Thoroughly control whether environment-related substances are contained in delivered items known to relevant divisions and suppliers.
- 2) Satisfy requirements for management of environment-related substances.
- 3) Respond to the survey whether environment-related substances are used.
- 4) Obtain information required to respond to the above survey.
- 5) Perform analysis and measurement, and obtain analysis results from suppliers (when necessary).
- 6) Investigate and understand suppliers' control system.

Data Utilization

Environmental performance information data is provided from the green procurement support system to various in-house systems via the global component database, and utilized in the design, production and procurement divisions. The TOSHIBA TEC Group requests suppliers to provide data on chemicals in products in accordance with the survey patterns based on its Guidelines for Green Procurement, and collects data on the Eco, Substances of concern exchange & management system in the Toshiba group (EcoSocce-T). Data obtained from suppliers are used to develop ECPs.

Component Database and Design Support System



Component search system screen

Collection and Recycling of End-of-Use Products

The TOSHIBA TEC Group is carrying out the collection and recycling of end-of-use products on a global basis.

Europe

Based on the EU Waste Electrical and Electronic Equipment or WEEE Directive, duty is imposed on manufacturers to recycle electrical and electronic equipment in EU Member States. The TOSHIBA TEC Group collects and recycles such equipment while registering manufacturers and taking part in the recycling scheme through its affiliates in Europe.

Japan

TOSHIBA TEC branches and sales offices in 55 areas collect end-of-use retail products such as POS systems.

Then, designated intermediate dealers manually disassemble and separate the collected products by material to improve the recycling rate.

End-of-use multifunction peripherals (MFPs) are recycled at nine bases throughout Japan, through the JBMIAs*¹ exchanging system to collect end-of-use products.

*1: Japan Business Machine and Information System Industries Association



Manual disassembly of a MFP

Japan

The TOSHIBA TEC Group has joined JBRC*² as a corporate member, to collect and recycle portable secondary batteries jointly with other member corporations.

*2: Japan Portable Rechargeable Battery Recycling Center

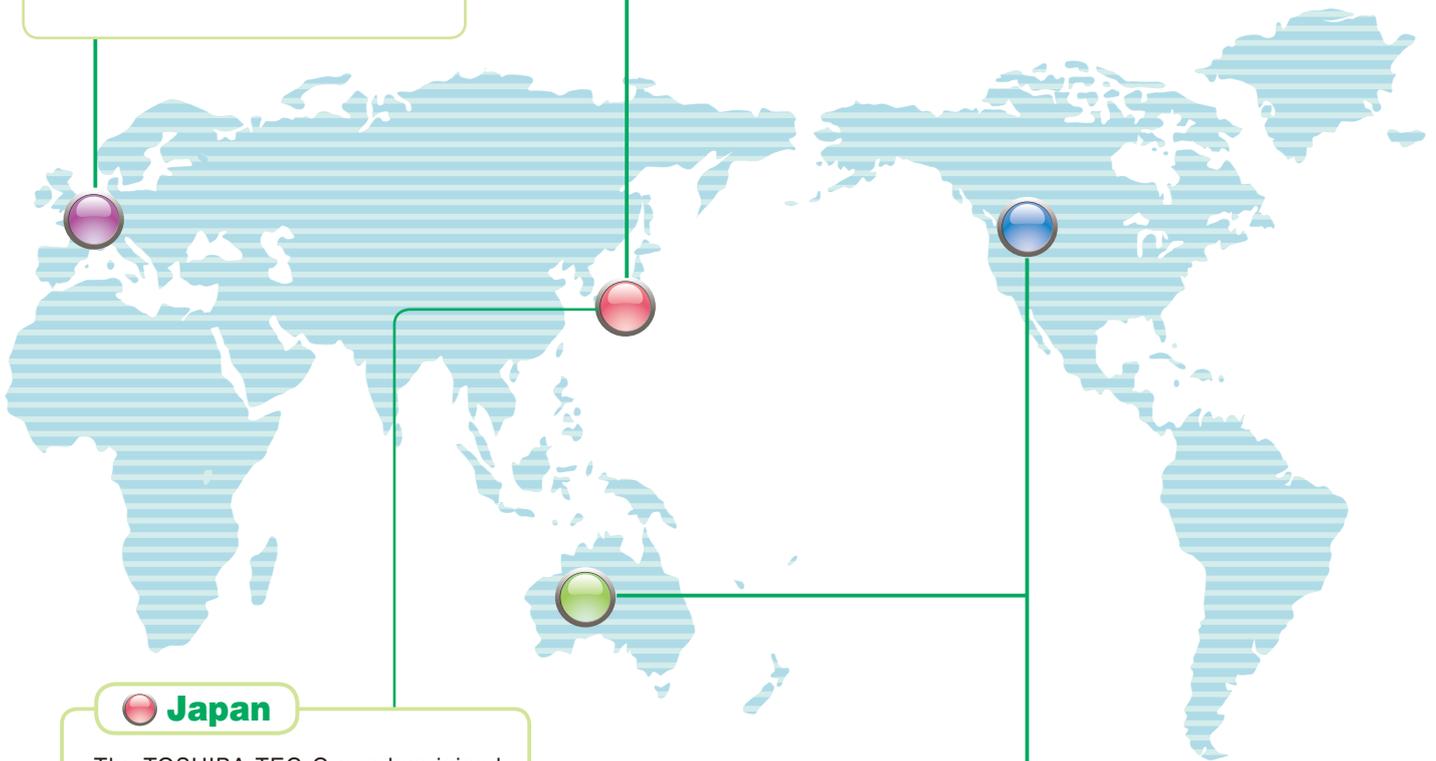
Australia and North America

The TOSHIBA TEC Group participates in the "Zero Waste to Landfill" recycling program together with Close the Loop®.

Almost 100% of toner cartridges of copiers and MFPs collected through this program have been recycled.



Collection box



Reduction of Environmental Impact Arising from Business Activities

The TOSHIBA TEC Group continuously makes efforts to minimize increases in environmental impact despite the expanding scale of production.

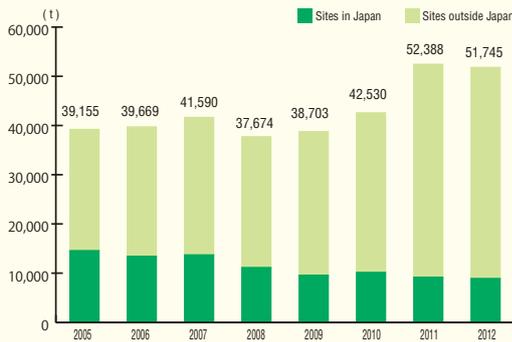
Mitigation of Climate Change

Minimizing increase in CO₂ emissions due to energy consumption

Measures to reduce power consumption through energy-saving facilities with solar heat are continually taken, in order to reduce CO₂ emissions associated with energy consumptions. In fiscal 2011, CO₂ emissions increased overall due to the incorporation of the parts business into sites outside Japan, but in fiscal 2012, a reduction of 1% was achieved. The sites in Japan have been reducing CO₂ emissions based on the Energy Saving Act.

Note: The following amounts of electricity received were used for the CO₂ emission factor for electricity in Japan: 4.23 t-CO₂/10,000 kWh for fiscal 2005, 4.1 t-CO₂/10,000 kWh for fiscal 2006 and 4.53 t-CO₂/10,000 kWh for fiscal 2007, 3.73 t-CO₂/10,000 kWh for fiscal 2008, 3.51 t-CO₂/10,000 kWh for fiscal 2009, 3.4 t-CO₂/10,000 kWh for fiscal 2010, 3.51 t-CO₂/10,000 kWh for fiscal 2011 and 3.5 t-CO₂/10,000 kWh for fiscal 2012. The amount of electricity-received based on the GHG Protocol for fiscal 2006 has been continuously used outside Japan.

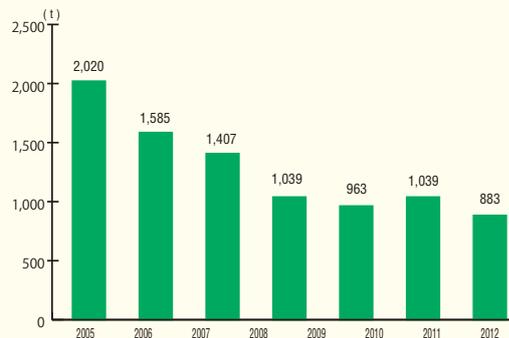
CO₂ Emissions at Production Sites



Reduction in CO₂ Emissions associated with Product Logistics

In fiscal 2012, full truckload transportation instead of individual transportation for imported parts improved load efficiency and helped to reduce the number of trucks. In addition, more downsized and lightweight products were developed to reduce CO₂ emissions resulting from product logistics.

CO₂ Emissions associated with Product Logistics in Japan



Case Solar Power Generator

Shizuoka Business Center

A solar power generator was installed as the power source for an automatic conductivity controller to inject chemicals into the cooling water of the cooling tower in the constant temperature test room.



Case Solar Heating System

TOSHIBA TEC INFORMATION SYSTEMS (SHENZHEN) CO., LTD.

Solar heating systems were installed in the plant and also in company housing to supply solar-heated hot water in the bathroom of the company housing. In fiscal 2012, 290,000 kWh of electricity was saved.



The TOSHIBA TEC Group does not emit any greenhouse gases other than CO₂.

Efficient Use of Resources

Minimizing Increase in Total Volume of Waste Generated

To efficiently use resources, the TOSHIBA TEC Group is tackling reducing the total volume of waste generated, including recycled waste. Returnable containers, which are repeatedly used to deliver parts, are now in full use, resulting in reduced corrugated cardboard waste. Logistics pallets are reused for import and export with the sites outside Japan, reducing the volume of waste generated.

In recent years, the total volume of waste generated has increased due to the incorporation of the parts business into sites outside Japan, but in fiscal 2012, a decrease was achieved through the recycling of solder scraps, helping the volume to return to fiscal 2011 levels.

Total Volume of Waste Generated



Efficient Use of Water Resources

Almost no water resources are used in the production process. Since water consumed for daily needs, such as toilets, cafeterias and housing, has increased along with the increasing number of employees outside Japan, the TOSHIBA TEC Group makes efforts to control water consumption by checking water leakage and providing water-saving training in fiscal 2012. The Group continuously controls water consumption to use worldwide valuable water resources as efficiently as possible.

Water Intake



Management of Chemicals

Reduction of Emissions of Chemical Substances Used in the Manufacturing Process

Substances covered by the environment-related laws and regulations are classified into three types: "prohibition of use," "reduction in use" and "control of release." In terms of "reduction in use," the TOSHIBA TEC Group strives to reduce the release of chemical substances to air and water, which directly affects the environment. In fiscal 2011, emissions of chemical substances increased due to the incorporation of the parts business into sites outside Japan, however in fiscal 2012, overall emissions were reduced by 8% compared to fiscal 2011, with the use of solvent waste recycling machines.

The TOSHIBA TEC Group has abolished the use of ozone-depleting substances.

Case Efficient Use of Cooking Residues

TOSHIBA TEC SINGAPORE PTE LTD.

Cooking residues from the canteen are used to make compost and are reused as organic fertilizer in the small in-house garden. Starting in August 2012, 4 to 5 kg of compost can be made every four to six months.



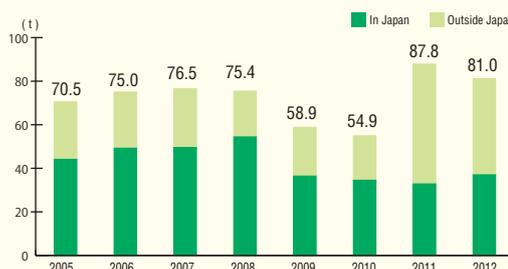
Case Recycling of Solder Scraps

TOSHIBA TEC INFORMATION SYSTEMS (SHENZHEN) CO., LTD.

Solder scraps generated on the production line are recycled through the refinery, allowing approximately 62% of solder scraps previously disposed of to be recycled in fiscal 2012.



Emissions of Chemical Substances



● Practicing Environmental Management under the Corporate Philosophy and CSR Activities

We practice global environmental management with the aim of realizing a low-carbon society, recycling-based society and biodiversity by seeking a combination of business and environmental activities, to maintain the health of the global environment as an irreplaceable asset for future generations.

TOSHIBA TEC Group's Basic Policy for the Environment

We, the TOSHIBA TEC Group as a "global enterprise," which expands its operations on a global basis under the businesses of Retail Solutions, Printing Solutions and associated services and supplies, contribute to society by reducing our customers' and our environmental impacts through "Monozukuri," by creating environmentally conscious products or ECPs. We practice global environmental management with the aim of realizing a low-carbon society, recycling-based society and natural symbiosis society by seeking a combination of business

and environmental activities, in order to hand down to our next generation, the health of the global environment as an irreplaceable asset.

Given Greening of Products, Greening of Process and Green Management as the important pillars of environmental management, the TOSHIBA TEC Group is actively driving environmental protection, to contribute to the reduction of environmental impacts in business fields such as stores and offices.

(1) Greening of Products

- The TOSHIBA TEC Group pursues the highest level of Environmental performance on our products, then, aim at creation of Excellent ECPs and wide acceptance in the market.
- The TOSHIBA TEC Group reduces environmental impacts throughout its product life cycle through green procurement of environmentally conscious materials and parts, 3Rs, energy conservation, and abolition of certain chemical substances, in order to provide ECPs on a global basis.
- The TOSHIBA TEC Group advances distribution of ECPs and services, to contribute to the reduction of environmental impacts of the products or services when used by customers.
- The TOSHIBA TEC Group contributes to the establishment of a recycling-based society, while collecting and recycling end-of-use products and reusing end-of-use parts.

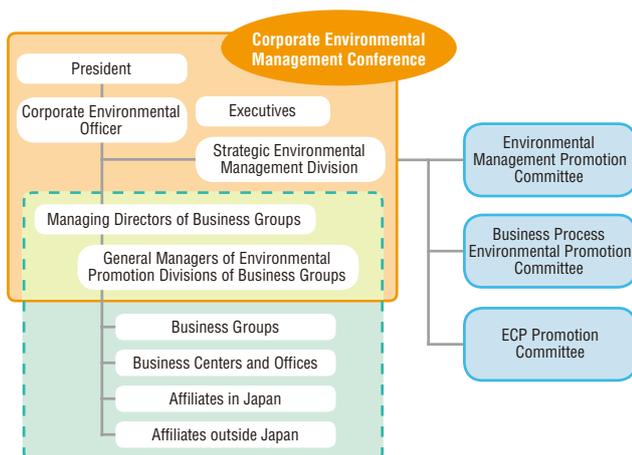
(2) Greening of Process

- The TOSHIBA TEC Group strives toward resource and energy conservation, as well as correct control of chemical substances, for environmentally conscious production, marketing and servicing, allowing for regional characteristics.
- The TOSHIBA TEC Group aims at realizing a low-carbon society through "Monozukuri," by creating ECPs and by improving the efficiency of logistics operations.

(3) Green Management

- The TOSHIBA TEC Group specifies and promotes objectives and targets for its business activities, products and services to assess environmental impacts including biodiversity, reduce environmental impacts and prevent pollution, and continually strives to improve the environment.
- The TOSHIBA TEC Group complies not only with laws and regulations applied in countries or regions all over the world, but also with industry guidelines, which it has endorsed, for environmental protection.
- The TOSHIBA TEC Group provides environmental education, conducts educational campaigns, and expands each employee's environmental awareness to promote environmental activities.
- The TOSHIBA TEC Group actively and widely discloses its environmental policy and activities inside and outside the Group.
- The TOSHIBA TEC Group participates in society-wide environmental activities in cooperation with administrations, communities and bodies concerned.

Environmental Promotion Structure



Corporate Environmental Management Conference



TOSHIBA Group's Environmental Audit System

The TOSHIBA Group has been annually conducting environmental audits in accordance with the comprehensive Environmental Audit System and standards established by TOSHIBA since fiscal 1993, to improve environmental management. Based on this audit



system, the TOSHIBA TEC Group has been annually conducting corporate-wide environmental management audit, environmental audit of sites for manufacturing and non-manufacturing sites, and environmental technology audit of products at business groups.



Plant audit

Environmental Accounting

We are introducing environmental accounting to quantitatively understand environmental costs and benefits, and utilize the quantitative data as guidelines for business activities.

• Costs and Benefits

For environmental costs on a consolidated basis in 2012, total

capital investments were 81.6 million yen and total expenses were 811.3 million yen. We used environmental costs, especially for prevention of global warming and energy-saving measures. Total environmental benefits were 1,310 million yen.

Target site: TOSHIBA TEC Head Office, Shizuoka Business Center, three production affiliates in Japan and six production affiliates outside Japan

Target period: April 1, 2012 to March 31, 2013

Note: Figures are partly estimated.

Environmental Costs

Millions of yen

Category	Description	Investments		Costs		Change in costs from fiscal 2011	
		Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
1) Business area costs	Reduction of environmental impacts (1) to (3)	80.3	58.1	183.3	100.0	-5	2.5
(1) Pollution prevention costs	Prevention of air, water and soil pollution, etc.	7.9	6.6	53.3	15.7	-3	-3.3
(2) Global environmental protection costs	Global warming prevention, ozone layer protection, etc.	71.1	51.5	69.4	49.5	0.0	7.2
(3) Resource circulation costs	Recycling of waste, etc.	1.3	0.0	60.6	34.8	-1.7	-1.5
2) Upstream/downstream costs	Green procurement, collection and recycling of products, etc.	1.0	0.0	111.2	107.1	18.8	20.2
3) Administration costs	Establishment of EMS, environmental education, tree-planting/clean-up campaigns, etc.	0.3	0.0	382.9	343.4	1.1	2.1
4) R&D costs	Technical development for ECPs, etc.	0.0	0.0	127.8	127.8	-24.8	-24.8
5) Public relations costs	Donations and support to groups/organizations, etc.	0.0	0.0	5.5	4.9	0.4	-0.1
6) Environmental damage restoration costs	Recovery from soil pollution, etc.	0.0	0.0	0.7	0.7	0.1	0.1
Total		81.6	58.1	811.3	683.9	-9.1	0.0

Environmental Benefits

Millions of yen

Category	Description	Amounts	Calculation method
A Actual benefits	Reduced charges for electricity and water, etc.	224.2	The amount of money, such as electricity charges and waste disposal costs, that was saved compared with the previous year, plus earnings from the sale of objects with value.
B Assumed benefits	Reduced environmental impacts on water and atmosphere in monetary value	-635.9	The amount of money were calculated by multiplying the cadmium equivalent value of each substance obtained from environmental standards and the American Conference of Governmental Industrial Hygienists Threshold Limit Value (ACGIH-TLV) by damage compensation for cadmium pollution. This method of calculation provides a means of showing reductions in environmental impacts on the atmosphere, hydrosphere and soil and makes it possible to compare the environmental impacts of different substances using the same standard by converting the impacts into monetary values.
C Customer benefits	Benefits of impacts reduced in the product usage stage in monetary value	1,725.1	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) = \sum [(Annual power consumption of the previous product model - Annual power consumption of the current product model) x Number of products sold annually x Benchmark unit price of electricity]
Total		1,313.4	

A: Actual Benefits

Item	Reduction in environmental impacts	Benefits measured in monetary values (millions of yen)
Energy	200,892 GJ	215.0
Waste	170.7 t	2.3
Water	105,100 m ³	6.9
Total		224.2

B: Assumed Benefits

Item	Reduction in environmental impacts	Benefits measured in monetary values (millions of yen)
Benefits from reductions in emissions of chemical substances		-16.4t
		-635.9

C: Customer Benefits

Item	Reduction in environmental impacts	Benefits measured in monetary values (millions of yen)
Benefits from reductions in environmental impacts during product use	Electricity	37,040,000 kwh
	Paper rolls	1,481t
Total		1,725.1

● Initiatives for Conservation of Biodiversity

As a global enterprise that is expanding its worldwide operations, the TOSHIBA TEC Group is committed to promoting biodiversity conservation activities in collaboration with people in different positions and communities. Corporate citizenship activities through improvements to forests (tree planting) and rivers (river clean-up) are conducted, and biotopes are being constructed for greening on each site.

● Concept regarding Conservation of Biodiversity

The TOSHIBA TEC Group understands and makes efforts to reduce the impact of business activities on biodiversity based on the TOSHIBA Group's Biodiversity Guidelines established in September 2009. TOSHIBA TEC's conservation of biodiversity is facilitated with the four pillars: Products, Business and production sites, Supply chains and Contribution to society.

Activity

Products

- Conservation of forest resources with "Loops" Paper Reusing System

Business and production sites

- Development of greening activities and biotopes
- Prevention of water and air pollution

Supply chains

- Procurement from suppliers actively conserving biodiversity

Contribution to society

- Participation in tree planting and water conservation by employees and their families

● Specific Initiatives for Biodiversity

● Initiatives for Business and Production Sites

The TOSHIBA TEC Group develops leaders and provides training for employees to build a system to conserve biodiversity, researches biodiversity, builds biotopes and protects birds at major sites outside Japan based on the TOSHIBA Group's Biodiversity Guidelines.

Case Initiatives at Shizuoka Business Center

Biotopes are built to attract butterflies and living creatures in nearby rivers (Kano River) are nurtured based on the research on the surrounding areas.



Case Initiatives at Business Site outside Japan

TOSHIBA TEC EUROPE IMAGING SYSTEMS S.A. (TEIS) had its site researched by specialists, who found an on-site location appropriate for protecting birdlife. TEIS's biodiversity working group has participated in NPO*1 to promote bird protection.

*1: Groupe Ornithologique Normand



● Initiatives for Products

The "Loops" Paper Reusing System*2 that reduces the amount of paper used contributes to the conservation of valuable forest resources.

*2: Refer to TOPICS 2013 on page 5.

● Initiative for Supply Chains

Procurement is conducted from suppliers that are actively conserving biodiversity through green procurement activities*3.

*3: Refer to Promotion of Environmental Protection at Suppliers on page 3.

● Initiatives for Contribution to Society

TOSHIBA TEC sites outside Japan promote conservation of biodiversity by contributing to the community in collaboration with various groups, corporations and residents.

Case Initiatives at Shizuoka Business Center

The employees participate in "Creating A Small Dam in the Forest" to enhance forest groundwater recharge and river clean-up.



Case Initiatives at Business Site outside Japan

The sites outside Japan actively participate in tree planting activities.



Environmental Communication

The TOSHIBA TEC Group continually makes its environmental initiatives available to the public through environmental communication.

Exhibitions

Eco-Products Exhibition 2012

- Date: December 13 to 15, 2012
- Location: Tokyo Big Sight

"Loops" was exhibited shortly after the issuance of the press release announcing its release.

"Loops" not only attracted customers but also received widespread media coverage, including television and newspaper media.



The 22nd Toshiba Group Environmental Exhibition

- Date: February 7 to 8, 2013
- Location: 39th Floor, TOSHIBA Head Office Building

Products certified as Excellent ECPs and other products were exhibited and highly praised by approximately 4,000 visitors.



Eco-Products International Fair 2013

- Date: March 14 to 16, 2013
- Location: Sands Expo & Convention Center, Singapore

"Loops" and bar code printers were exhibited. The erasable toner technology particularly attracted visitors' attention.



RETAIL TECH JAPAN 2013

- Date: March 5 to 8, 2013
- Location: Tokyo Big Sight

Ecostore solutions and electronic receipt services were presented at this trade show, which is the largest of its kind in Japan specializing in retail information systems.

Retail solution equipment bolstered the image of TOSHIBA TEC in relation to environmental activities.



TOSHIBA TEC's Environmental Event

Lecture on Environmental Awareness

- Date: June 4, 2012
- Location: 2nd Floor, TOSHIBA TEC Head Office Building

This lecture was held in the environmental month, as part of educational campaigns to enhance each employee's environmental awareness. A guest speaker gave a lecture on environmental management and its latest trends.



WEB  For more information on environmental information, see the website below:
<http://www.toshibatec.co.jp/en/csr/environment/>

COMMUNITY INVOLVEMENT AND DEVELOPMENT

The TOSHIBA TEC Group defines the Corporate Policy regarding "Community Relations" in its Standards Of Conduct (SOC) and gets involved in corporate citizenship activities based on this Policy with a focus on activities capitalizing on its business and continuous relationships with local communities.

Corporate Policy regarding Community Relations

TOSHIBA TEC Group Companies shall:

- 1) contribute to and cooperate with all local communities in which TOSHIBA TEC Group operates and perform its duties as a member of these communities;
- 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 the community, the public nature and the reasons for making donations; and
- 4) try to improve the brand image in all aspects of their relationships with the communities.

Recovery Support for the Great East Japan Earthquake

1. Support with Philanthropy Fund

Collaboration with TEC PRECISION CO., LTD.

In April 2013, we made donations from the "TOSHIBA TEC Philanthropy Fund" contributed by employees to the "Fukushima Donation for Orphans affected by the Great East Japan Earthquake," to help children in the affected areas.



TOSHIBA TEC SOLUTION SERVICES CORPORATION, TER CORPORATION

In February 2013, we made donations from the "TOSHIBA TEC SOLUTION SERVICES Philanthropy Fund" contributed by employees to "UNESCO Association Scholarship for 3.11 Disaster Stricken Children and Students."

2. Support for Recovery of Fisheries in Tohoku (Northeastern Japan)

In April 2013, new employees for fiscal 2013 participated in Support Activities in Northeastern Japan as part of the TOSHIBA Group's training programs for new employees, such as separating wakame seaweed leaves from the stems and sorting salted seaweed in Ishinomaki and Minamisanriku.



3. Provision of MFPs and Cash Registers Free of Charge

We continue to provide copiers, MFPs and cash registers to the chambers of commerce, local government offices, tourist associations, local shopping areas and users in the affected areas.



Local Contribution and Volunteer Activities

Clean-up Activities around Shizuoka Business Center

Our employees participate in annual clean-up activities around the Shizuoka Business Center. In fiscal 2012, they participated in volunteer activities for cleaning up rivers and the Rakujuen Park to improve its environment and engaging in weeding at facilities for the disabled in Mishima, as well as pruning cypress trees and planting trees in the prefectural Yukyu no Mori Forest in Izuonokuni.



Clean-up Refresh Walking Day

KOKUSAI CHART CORPORATION



We hold Clean-up Refresh Walking Day on a monthly basis for the purpose of refreshing and promoting the health of employees through efforts to engage in environmental beautification.

Clean-up Activities at Sites

TOSHIBA TEC SOLUTION SERVICES CORPORATION

We participate in clean-up and beautification activities at our sites in and outside Japan, such as at Ishikari Shinko beach and the area surrounding Asahiyama Zoo in Hokkaido, and Suma beach in Kobe.



Provision of Cash Registers

Two cash registers offered through the Shinagawa Volunteer Center were used at the exhibition and handmade goods produced in the facilities for the disabled were put on sale.



Donations through "Heart-full Vendors"

Vending machines for fundraising are installed in the Osaki Office, Shizuoka Business Center along with Chubu, Kansai and Kyushu branches. A total of 293,129 yen raised in fiscal 2012 was used for various social welfare activities through the Central Community Chest of Japan.



Pink Ribbon Campaign

We have been participating in the Pink Ribbon Campaign TOSHIBA promotes together with its Group Companies since 2009. In fiscal 2012, a total of 35 employees participated in the walk events held in Tokyo, Nagoya, Kobe and Sendai.



■ Registration of Bus/Subway Support and Participation in Destination Campaign

TOSHIBA TEC SOLUTION SERVICES CORPORATION

Sendai City Transportation Bureau offers bus/subway support to the elderly, visually impaired people and wheelchair users when they are experiencing trouble. Several employees of our Tohoku sub branch received training and registered as supporters. By supporting the Sendai-Miyagi Destination Campaign (local resident participatory hospitality project) aimed at supporting recovery from the Great East Japan Earthquake in Sendai, Miyagi, employees with hospitality badges provide services every day.



■ Collection of Pull-Tabs

Pull-tab collection boxes are set up by vending machines in the Shizuoka Business Center, with employees being requested to bring pull-tabs even from home. The collected tabs are regularly donated to the social welfare council and facility-based employment schemes. In fiscal 2012, collected pull-tabs were donated to the Job Assistance Center for the Disabled and used for the Center.



■ Collection of Plastic Bottle Caps

The proceeds generated from collected plastic bottle caps support activities to provide vaccines for children around the world.



■ Donation of Calendars



In January 2013 extra calendars at work were donated to social welfare organizations.

■ Road Safety Awareness Campaign

TEC PRECISION CO., LTD.

We continue to participate each year in the National Traffic Safety Campaign hosted by the Ohito Safety Management Association to provide road safety guidance.



■ Blood Drive

The blood drive is conducted twice every year at the Osaki Office and Shizuoka Business Center, and many employees participate in the blood drive.



■ Volunteer Snow Removal

TOSHIBA TEC SOLUTION SERVICES CORPORATION

The employees of our Hokkaido sub branch participate in a volunteer program to remove snow around the homes of the elderly every year.



Support for Children Who Lead the Next Generation

Workplace Tours and Experience Learning

Elementary, junior high and high school students in local communities or on school trips are invited to workplace tours, allowing them to learn through experience. We support the students' future learning by providing tours of the showroom and opportunities for them to operate products and hold discussions with our employees.



Donation of MFP to "Save the Children"

Since January 2008 we have been supporting and cooperating with the activities of Save the Children to build a bright future for children who will lead the next generation, which meet our policy of engaging in business activities as a global enterprise. In January 2013, we donated (replaced) a unit of the e-STUDIO3540C to Save the Children Japan.



Volunteer Story Telling

In April 2011, story-telling sessions were held by employee volunteers, along with donations of books and picture books to kindergartens and elementary schools close to the Shizuoka Business Center. In fiscal 2012, five sessions were held at the Takyo kindergarten in Izunokuni.



Tours for Children

TOSHIBA TEC SOLUTION SERVICES CORPORATION

Workplace tours were provided to employees' children, who were invited to the Head Office. We created opportunities for parent and child communication and employee communication by providing opportunities for children to operate the new "Loops" paper reusing MFP and self checkout system. There were also science-based experiences for the children and a tour of the contact center.



Delivery of Lectures

TOSHIBA TEC SOLUTION SERVICES CORPORATION

Our employees visit elementary and special-needs schools to deliver lectures as volunteer instructors, for the purpose of providing opportunities for children to learn through experience. Lectures are based on themes of science and technology, natural science and practical work experience.

In October 2012, we held Fun Science Experiments for Kids in local elementary schools closed to our Yokohama sub branch, in cooperation with Nomura Real Estate Development Corporation.



Fun Science Experiments for Kids



Letter of appreciation for cooperation (from Nomura Real Estate Development Corporation)

■ Support for In-house Promotion and Outside Introduction of the Environmental Education Program "Kids' ISO"

TOSHIBA TEC SOLUTION SERVICES CORPORATION

Since 2004 we have been involved in staff activities through the Awards Ceremony for International Certificates of Kids' ISO, and have also promoted the program to our employees' children as well as cooperation with NPO.

In 2012, many children of our employees worked on this program and two of them obtained the international certificate.



TEC INFORMATION SYSTEMS CORPORATION

Since 2005 we have been purchasing workbooks and offering financial assistance including transportation allowances and participation awards. In fiscal 2012, one of the participating children won the Minister of the Environment Award

● Activities to Preserve the Global Environment

■ Participation in "Creating A Small Dam in the Forest" hosted by Mishima

In October 2012, twenty-one employees participated in "Creating A Small Dam in the Forest" hosted by Mishima. "Creating A Small Dam in the Forest" supported by community and corporate volunteers aims at enhancing the forest groundwater recharge system and preventing soil loss by thinning the forests at the western foot of Mt. Hakone and building a small dam in the stream using the thinned wood. We have been participating in this project since 2003.



■ Booth Exhibition, In-house Promotion of Supporting Staff and Support for Outside Introduction at "Eco Messe Chiba"

TOSHIBA TEC SOLUTION SERVICES CORPORATION

Since 2007 our Higashi Kanto sub branch has participated in "Eco Messe Chiba," an ecology event hosted by local citizens, corporations and government. In 2012, two booths were established to offer an eco-friendly shopping experience with cash registers and to experience with digital paper reusing MFPs. We successfully attracted many visitors and collected responses to questionnaires in our capacity as the organizing secretariat.



■ Introduction of Electric Vehicles

Since 2012 electric vehicles with low environmental impact have been used as commercial vehicles, to reduce greenhouse gas emissions in our operating activities.



■ Promotion of Eco-drive

By posting the slogans like "Promotion of constant speed driving and safety drive," "No sudden-start, sudden-acceleration" and "Idling stop" onto the offices and commercial vehicles, we focus on environmentally conscious driving throughout our branches, sub branches and sales offices.

● Group Companies outside Japan

TOSHIBA TEC INFORMATION SYSTEMS (SHENZHEN) CO., LTD.

■ Educational Support for Elementary Schools

The education support project continues to provide educational opportunities for underprivileged children. In June 2012, 100 thousand yuan was donated to Ci tang kou primary school, Cheng guan town, Hong an county, Hu bei province for reconstructing its dormitories and cafeteria.

In March 2013, 100 thousand yuan was donated to Wang lao gou primary school, Yu jing town, Shan yin county, Shan xi province for purchasing IT and other equipment.



■ Donation to the Giant Panda Breeding Research Base in Chengdu

Activities to protect endangered Giant Pandas are supported. In order to have good communication with stakeholders in China, we have acquired naming rights for giant pandas in return for supporting the expenses of breeding giant pandas.



■ Tree-planting Activities in Shenzhen

We purchased 50 seedlings and a total of twenty-five employee volunteers and their family members planted them in the Zhongshan Park, Nanshan, Shenzhen, as part of the greening activities in Shenzhen.



■ Clean-up Activities

Forty-six employees participated in clean-up activities to beautify the areas surrounding the plant.



TOSHIBA TEC SINGAPORE PTE LTD.

■ Tree-planting Activities

Many employees take part in the TOSHIBA Group's "1.5 Million Tree-Planting Project" to plant 1.5 million trees both in and outside Japan every year. In fiscal 2012, fourteen employees participated in the tree-planting activities held in Ang Mo Kio Town Garden West and planted five trees.



P.T. TEC INDONESIA

■ Workplace Tours

Employees' children were invited, allowing them to tour the workplace where their parents work, and expand their knowledge of the environment through environmental education programs.



■ Beach Clean-up Activities

We cleaned up the Melayu beach to protect animals and plants in the sea.



■ Blood Drive

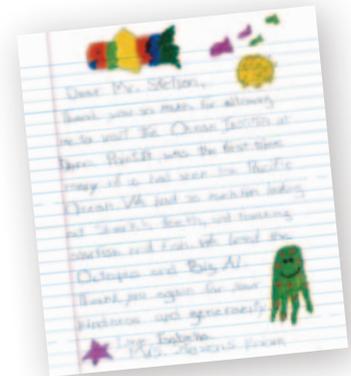


A blood drive was conducted every three months and many employees made blood donations.

TOSHIBA AMERICA BUSINESS SOLUTIONS, INC.

■ Support for Loara Elementary School

Since 2002 we have been providing continuous support for underprivileged children of Loara Elementary School by hosting an annual tour event to the Ocean Institute. A half day field trip provides opportunities for children to learn the biology of marine life.



■ Participation in the Alzheimer's Walk

We participated in the walk event to support people who suffer from Alzheimer's and donated a total of 7,993 US dollars from corporations and employees.





Professor at School of Global Japanese Studies,
Meiji University, Japan

Dr. Kenji Suzuki

Dr. Suzuki received an LLB degree from Tokyo University, a master's degree from the London School of Economics, and PhD in Politics and International Studies from the University of Warwick.

His field of specialization is political economy.

Dr. Suzuki is a member of the Japan Public Choice Society, Association for the Study of Political Society (ASPOS) and Japan Association for Northern European Studies (JANES).

**He currently focuses on how environmental changes in society and economy change the nation's social system and affect the psychology and behavior of companies and people.
He has a decade of experience in being involved with education and research in Sweden.**

Are you aware of the International Social Survey Program or ISSP? This is a valuable project, which involves cross-national collaboration on surveys covering topics important for social science research. This is a global project and Japan is also participating (the implementing body is NHK Broadcasting Culture Research Institute). One of the questions that features in the questionnaire is: "Does economic growth always harm the environment?" In Japan, the proportion of people who answered 'Agree strongly' and 'Agree' to this question was 60.3% in 1993. However, this figure dropped to 48.7% in the 2000 poll and fell still further to 33.0% in 2010. According to the results of the ISSP survey, Japan is ranked 15th out of the 32 countries surveyed, and is therefore middle-ranked. The changing responses to this question over time show that the concept of economic development working against the environment was once a major concern. It is noteworthy that currently, many more people have come to think that economic development can coexist with the environment. Companies have made concerted efforts to be more environmentally conscious in recent years in Japan, seeing the business opportunities that exist in environmentally-conscious economic development. The responses to the above-mentioned ISSP question suggest that this trend has been properly understood and appreciated by the public. At the same time, however, it also shows that greater public attention is being focused on business activities. In other words, the idea of it being a natural duty to balance business activities and the environment has penetrated people's minds. Against such a background, it is not surprising that the "Loops" Paper Reusing System introduced in the FEATURE TOPICS page has immediately attracted the attention of the mass media. This kind of innovation is essential in the sense that it contributes to CSR, reducing both the environmental impact of the company that introduced the innovation as well as lessening environmental burden beyond individual corporate borders. In addition to "Loops," the Object Recognition Scanner introduced in the FEATURE page and products certified as Excellent Environmentally Conscious Products or ECPs on pages 17 to 18 give the TOSHIBA TEC Group, which is involved in the development of products for business use, a big advantage, since the Group can contribute to the CSR of its customers through the company's products. According to this Report, six products certified as Excellent ECPs were provided in fiscal 2012. I strongly expect such developments will continue to advance and be spread among many more companies.

In this context, the evaluation indicator was changed from the ratio of ECPs to sales in the Fourth Action Plan to the sales amounts of Excellent ECPs in the Fifth Action Plan, which started in fiscal 2012. I think this is a significant improvement since the sales amounts of Excellent ECPs allow the degree

of diffusion to be directly measured.

As a company that actively reduces environmental impact in a corporate society, the TOSHIBA TEC Group cannot afford to ignore the reduction of environmental impact in its business activities. I can clearly understand and appreciate the awareness of this issue as laid out in this Report. For example, for the reduction of CO₂ emissions through eco-products as an indicator of mitigation of climate change in Greening of Products in the aforementioned Fifth Action Plan, a higher target is set every year, such as 94,000 tons in fiscal 2012, 121,000 tons in fiscal 2013 and 160,000 tons in fiscal 2014. However, although the result of 90,000 tons in fiscal 2012 was below the stated target, my concern is whether the targets actually need to be raised further. I agree with your enthusiasm for raising the target every year and believe that the set value was expected to be achieved. However, there is also a concern that targets that are too far removed from the reality may have the opposite effect. Therefore, it would be preferable to explain the relationship between targets for the coming years and targets that might not have been reached previously.

I would now like to take a look at sections other than the environment.

First, the CSR Promotion Structure was almost the same as that in fiscal 2011; however, it seems that the quarterly quality report meeting has been included in one of the subordinate organizations of the CSR Promotion Committee since fiscal 2012. I cannot question the need for it because this Report does not mention anything. But if any changes are made in the structure from the previous fiscal year, it would be desirable to provide an explanation.

What attracted me very much regarding Community Relations was the report regarding "Support for Recovery of Fisheries in Tohoku (Northeastern Japan)" on page 27. I am impressed with not only the details of the support provided, but also the support the TOSHIBA TEC Group gave as part of training programs for new employees. This kind of activity will have given young employees a chance to take charge of corporate activities and experience the feeling of being a true member of the company. I believe that such activities have a great impact on the individual development of each person, and also help to nurture the next generation of corporate culture, by allowing new employees to fully recognize that the TOSHIBA Group and the TOSHIBA TEC Group they have joined are actively carrying out corporate citizenship activities.

A great deal of research has indicated that CSR activities have a beneficial impact on core business activities in terms of corporate social recognition and an increase in employees' willingness. I sincerely hope the TOSHIBA TEC Group's activities will be a case in point that supports such research.

Corporate Profile

- **Firm Name:**
TOSHIBA TEC CORPORATION

- **Head Office:**
Gatecity Ohsaki West Tower 1-11-1,
Osaki, Shinagawa-ku,
Tokyo 141-8562 Japan

- **President and Chief Executive Officer:**
Mamoru Suzuki

- **Established:**
February 21, 1950

- **Paid-in Capital:**
39.9 billion yen
(Listed in the First Section of the
Tokyo Stock Exchange)

- **Consolidated Net Sales:**
403.7 billion yen

- **Number of Employees:**
20,517

(as of March 31, 2013)

Website

The website provides more detailed and extensive information than the brochure does.

Top: <http://www.toshibatec.co.jp/en/>



SOCIAL AND ENVIRONMENTAL ACTIVITIES

<http://www.toshibatec.co.jp/en/csr/>

CSR activities of TOSHIBA TEC and its Group companies are introduced.

Main Items

(SOCIAL AND ENVIRONMENTAL ACTIVITIES)

- Corporate Philosophy
- Fair Operating Practices
- Organizational Governance
- Customers
- Human Rights and Labor Practices
- Community Involvement and Development
- The Environment



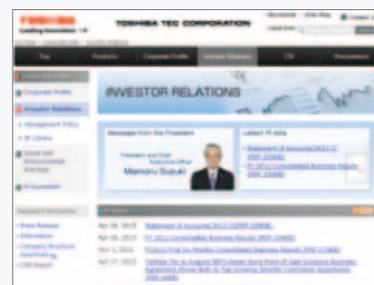
INVESTOR RELATIONS

<http://www.toshibatec.co.jp/en/ir/>

Every effort is made to provide corporate information as quickly as possible.

Main Items (INVESTOR RELATIONS)

- Management Policy
- IR Library



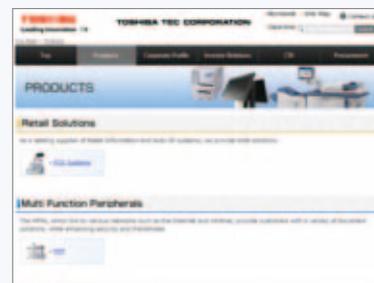
PRODUCTS

<http://www.toshibatec.co.jp/en/products/>

Products and solutions in response to customer business needs are introduced.

Main Items (PRODUCTS)

- Retail Solutions (POS Systems, Electronic Cash Registers, etc.)
- Multifunction Peripherals (Color MFP, B/W MFP, etc.)
- Barcode Printers and RFID Products (Barcode Printers, RFID Products, etc.)
- Inkjet Head (Inkjet Head, etc.)



TOSHIBA TEC CORPORATION

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Production and printing of the TOSHIBA TEC CSR Report 2013 reflect the following considerations:

Paper



Use of FSC-certified Paper

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

Printing



Waterless Printing

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



Non-VOC Ink

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