FINAL ASSESSMENT

TOSHIBA CORPORATION

The following pages contain the detailed scoring for your company based on public information.

The following table represents a summary of your scores:

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<th>Topic</th>
<th>Number of questions</th>
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<td>Leadership, Governance and Organisation</td>
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<td>Risk Management</td>
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<td>Personnel and Helplines</td>
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<td><strong>Total</strong></td>
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</tbody>
</table>
A1: 
Does the company publish a statement from the Chief Executive Officer or the Chair of the Board supporting the ethics and anti-corruption agenda of the company?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company publishes a statement from the Chief Executive Officer or the Chair of the Board supporting the ethics and anti-corruption agenda of the company. TI notes the company publishes a statement from the CEO supporting the company approach to integrity, but this is deemed insufficiently strong.

References:

Public:
TI notes:
CSR Report (2013), p.3:
‘Hisao Tanaka
Promoting CSR Management by Pursuing Unshakable Integrity:

As President and CEO of Toshiba, I recognize that the basis for setting ambitious goals for the innovations that will make Toshiba Group an even stronger global contender, and for realizing the accelerated globalization essential for our future, is to promote CSR management as the cornerstone of management policy. And we must do this with an unshakable integrity.

At Toshiba, integrity embodies two meanings. First, it refers to meeting our responsibilities to society. We seek to contribute to the future of a sustainable planet Earth by addressing global issues, such as global warming, and by carrying out social contribution programs. Beyond that, integrity refers to securing sound management and finances. To this end, we place the highest priority on human life, safety and compliance in all areas of business. As we work toward securing a strong financial footing, we will also endeavor to retain the trust of all our stakeholders’.

A2:
Does the company’s Chief Executive Officer or the Chair of the Board demonstrate a strong personal, external facing commitment to the ethics and anti-corruption agenda of the company?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company’s Chief Executive Officer or Chair of the Board demonstrate strong personal, external facing commitment to the ethics and anti-corruption agenda of the company.

References:
Public:
NA
A3:
Does the company’s Chief Executive Officer demonstrate a strong personal, internal-facing commitment to the ethics and anti-corruption agenda of the company, actively promoting the ethics and anti-corruption agenda at all levels of the company structure?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company’s Chief Executive Officer demonstrates a strong personal internal-facing commitment to the ethics and anti-corruption agenda.

References:
Public:
NA
A4:

Does the company publish a statement of values or principles representing high standards of business conduct, including honesty, trust, transparency, openness, integrity and accountability?

Score:

0

Comments:

Based on public information, there is some evidence that the company publishes a statement emphasising integrity. However, this falls short of the range of values sought by the question and there is no evidence that this statement is translated into company’s policies.

References:

Public:
TI notes:
Corporate Profile – Toshiba today (Hereinafter Corporate Profile) (2014-2015), p.22:
‘Integrity : The Greatest Good
Ichisuke Fujioka, one of Toshiba’s founders, penned this calligraphy while still a boy of 10. Pronounced as shizen in Japanese, the characters translate as “the greatest good,” a concept that remained the lifelong credo of Fujioka, a man of integrity who always wanted to be of service to people. The same impulse to work for the benefit of society is an integral part of the DNA of Toshiba Group.
Committed to People, Committed to the Future. Toshiba
We remain committed to pursuing business with integrity so that together we can build a better world.’
http://www.toshiba.co.jp/worldwide/about/corporateprofile.pdf

Company website: Governance - Overview
‘Toshiba Group promotes corporate governance based on the fundamental policies of enhancing management efficiency, increasing transparency and maximizing corporate value from the shareholders’ perspective’.
http://www.toshiba.co.jp/about/ir/en/governance/overview.htm
A5:

Does the company belong to one or more national or international initiatives that promote anti-corruption or business ethics with a significant focus on anti-corruption?

Score:

2

Comments:

Based on public information, there is evidence that the company is a signatory of the UN Global Compact.

References:

Public:

Company website: CSR Philosophy and Policy - CEO Commitment:
‘CSR Management Supported by 200,000 Employees

I believe it is important for each and every one of Toshiba Group’s 200,000 employees to fully understand the need for compliance, to contribute to the local community, and to carry out their responsibilities with a keen sensitivity to the expectations of our stakeholders. In 2004, Toshiba Group signed the United Nations Global Compact, which defines basic principles regarding human rights, labor, the environment and anti-corruption. To bring the spirit of the Compact into our daily business activities, we established the Toshiba Group Standards of Conduct, which define the values and code of conduct that must be observed by all Toshiba Group executives and employees’.


TI also notes that the company observes ISO 26000, a set of international guidelines on social responsibility published in 2010.
A6:
Has the company appointed a Board committee or individual Board member with overall corporate responsibility for its ethics and anti-corruption agenda?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has appointed a Board level individual or committee with overall corporate responsibility for its ethics and anti-corruption agenda. TI notes that the terms of reference for the Audit Committee include responsibility for investigating violations of the law, but it is not clear whether it has responsibility for the ethics agenda. To score higher the company would need to demonstrate that the Audit Committee has overall responsibility for the ethics and anti-corruption agenda, and that its terms of reference are clear and detail what this responsibility entails.

References:

Public:
TI notes:
Company website : Corporate Governance - Governance Overview:
‘Toshiba’s corporate governance follows the fundamental policies of maximizing corporate value from the shareholders’ perspective and improving management efficiency and transparency.
Guided by this, we revitalized the Board of Directors and reduced its membership with the 1998 introduction of the executive officer system. Other management initiatives followed. In 2000, we voluntarily established the Nomination Committee and the Compensation Committee. In 2001, we introduced a system of appointing three outside directors and reducing the term of office for directors to one year. And in 2003, following a change in the commercial code, in another move toward reinforcing management efficiency and transparency, we introduced the Company with Committees system, pursuant to a resolution approved by the annual meeting of the shareholders.’
http://www.toshiba.co.jp/about/ir/en/governance/overview.htm

Company website: Corporate Governance - Toshiba's Internal Control Systems
‘Systems to Ensure the Appropriateness of Business Operations

(1) System to ensure that Executive Officers' compliance with laws and regulations and the Articles of Incorporation.

1. Executive Officers periodically report to the Board of Directors on their execution of their duties and are required to report on necessary items to the Board of Directors, as necessary.

2. The General Manager of the Corporate Audit Division periodically reports to the Board of Directors on internal audit results.

3. The Audit Committee periodically interviews Executive Officers and the General Manager of the Corporate Audit Division reports to the Audit Committee on internal audit results.

4. Executive Officers report to the Audit Committee on any material violation of laws and regulations without delay in accordance with the Rules concerning Reporting to the Audit Committee’.

http://www.toshiba.co.jp/about/ir/en/governance/governance_system.htm
A7: Has the company appointed a person at a senior level within the company to have responsibility for implementing the company’s ethics and anti-corruption agenda, and who has a direct reporting line to the Board?

Score: 1

Comments: Based on public information, there is evidence that the company has appointed a Chief Implementation Administrator with the responsibility for implementing the company’s Standard of Conduct. However, this individual is not identifiable by name. The company therefore scores 1.

References:
Public:
Company website : Corporate Governance - Toshiba's Internal Control Systems:
‘2. Implementation of the SOC
1. Each Toshiba Group Company shall appoint a “Chief Implementation Administrator” to assume overall responsibility for implementation of the SOC. The Chief Implementation Administrator of Toshiba Corporation shall be the Chief Risk-Compliance Management Officer.

2. Each Chief Implementation Administrator may appoint, as necessary, “Implementation Administrators,” who shall be responsible for the implementation of each article of the SOC. Within Toshiba Corporation, the Company President of each in-house company and the General Manager of each staff division shall assume the role of Implementation Administrator. In this capacity, they are responsible for implementation of the SOC in their in-house companies or divisions and also for guiding implementation in Toshiba Group Companies for which they are responsible.

3. The corporate staff division of each Toshiba Group Company in charge of any of the items of these SOC shall formulate relevant rules or compliance programs and shall support that Toshiba Group Company's Implementation Administrators and any related companies by providing information and advice on formulating implementation rules and on developing educational programs.

4. Toshiba Corporation's Corporate Representatives responsible for overseas business in their respective regions shall guide, support and cooperate with Toshiba Group Companies in their respective regions in accordance with the rules and programs established by the company. These representatives shall ensure that the implementation of the SOC is achieved in these regions and feedback from these regions is shared with the company.

TOSHIBA CORPORATION 26/11/14
HTTP://WWW.TOSHIBA.CO.JP/INDEX_J3.HTM
HTTP://WWW.TOSHIBA.CO.JP/WORLDWIDE/INDEX.HTML
Companies' overseas offices and subsidiaries in implementing the SOC in the businesses for which they are responsible.

5. Toshiba Corporation's Corporate Social Responsibility Division and Legal Affairs Division shall be the bodies responsible for the maintenance of the SOC and the promotion and support for the adoption and implementation of the SOC by the Toshiba Group Companies.

3. In-house Information Reporting System and Protection of Information Providers
   1. Toshiba Group Companies shall establish an in-house information reporting system to ensure that Toshiba Group Directors and Employees are able to report Risk Compliance Information directly to Chief Implementation Administrators or the division responsible for risk-compliance matters.

[Link to Toshiba's Governance System Information]
A8:

Is there regular Board level monitoring and review of the performance of the company’s ethics and anti-corruption agenda?

Score:

2

Comments:

Based on public information, there is evidence that the company regularly monitors and reviews the performance of its company’s ethics and anti-corruption agenda.

References:

Public:
Company website: CSR Performance – CSR Management:
‘CSR Assessment and Internal Audit

In management audits performed by the Corporate Audit Division, we monitor the progress of activities regarding priority issues throughout the Group. Since FY2010, Toshiba Group assess and checks the progress of its CSR initiatives and KPIs (Key Performance Indicators) against the issues of ISO 26000. And for our overseas Group companies, we conduct annual CSR survey based on the 10 principles of UN Global Compact to assess the performance of human rights and labor issues. Further, we monitor environmental issues through in-house environmental audits and anti-bribery issues have been addressed directly to the management of overseas Group companies to follow the guidelines. CSR performances are also self-assessed through the annual employee morale surveys.

Results in FY2012
We conducted the CSR surveys of consolidated overseas subsidiaries which covered items such as placement systems to handle complaints of human rights infringements, the state of communication with labor unions, and confirmation of the CSR management status at the suppliers. Through these surveys, we confirmed that there were no problems in these areas. Further, we identified issues such as “CSR management in the supply chain” and “environmental education and training of Toshiba eco-style leaders” as issues to be addressed proactively and added them to our list of KPI targets in FY2012. We instructed all Group companies to follow all relevant environmental guidelines by implementing internal environmental audits. Similarly, in order to ensure compliance with anti-corruption guidelines, the Legal Affairs Division provided appropriate instructions directly to the management of overseas subsidiaries. In addition, CSR-related items (e.g.,
compliance awareness) were included in the annual employee morale survey in order to track the Group’s CSR progress. In order to ensure that Toshiba Group’s policies and plans are properly implemented, we also monitor the progress of company activities through quarterly reports submitted to the President as well as semi-annual interviews with Chief CSR Officers of in-house and Group companies conducted by the CSR Office.’


Company website: Corporate Governance - Toshiba's Internal Control Systems:

‘Management Structure: In order to ensure thorough risk compliance management at Toshiba, a board member is assigned the responsibility of overseeing risk compliance. If a serious noncompliance incident occurs, we swiftly consider how to deal with it and take the necessary action in the risk compliance system. Furthermore, we endeavor to reinforce risk compliance management by closely examining ways to prevent SOC violations and the recurrence of similar incidences through cooperation among the relevant divisions.

7) Employees assigned to assist the Audit Committee in the performance of its duties
   1. In order to assist the Audit Committee in the performance of its duties, the Audit Committee Office consisting of five or so staff is established. No director is assigned to assist the Audit Committee in the performance of its duties.

(8) Independence of employees mentioned in the preceding paragraph from Executive Officers
   1. Personnel transfer of employees of the Audit Committee Office is discussed with the Audit Committee in advance.

(9) System for reporting by Executive Officers and employees to the Audit Committee and other systems concerning reporting to the Audit Committee
   1. Executive Officers and employees report to the Audit Committee in accordance with the Rules concerning Reporting to the Audit Committee in the event that any material issue arises that may affect operation and financial performance.
   2. The President & CEO provides auditors designated by the Audit Committee with opportunities to attend important meetings, including the Management Committee meetings.

(10) System to ensure that audits by the Audit Committee are conducted effectively
   1. The President & CEO periodically dialog with the Audit Committee.
   2. Executive Officers and employees report the execution of their duties to the Audit Committee by means of the periodical interviews conducted by the Audit Committee and circuit interviews.
   3. The General Manager of the Corporate Audit Division discusses the policy and the plan for internal audits at the beginning of each fiscal year with the Audit Committee in advance and timely reports the internal audit results to the Audit Committee.
   4. The Audit Committee has accounting auditors provide explanations and reports concerning the accounting audit plan at the beginning of each fiscal year, the situation of accounting audits during each term and the results of the accounting
5. The Executive Officer in charge provides explanations to the Audit Committee concerning the interim settlement of accounts and settlement of accounts at the end of fiscal year as well as quarterly settlement of accounts prior to the approval by the Board of Directors’.

http://www.toshiba.co.jp/about/ir/en/governance/governance_system.htm

Company website: CSR Performance - Risk Management and Compliance:
‘In addition, Toshiba’s compliance initiatives are objectively evaluated by outside lawyers once a year. We make improvements to reduce risks pointed out by third parties in order to continue to enhance our compliance structure’.

A8(a):
Is there a formal, clear, written plan in place on which the review of the ethics and anti-corruption agenda by the Board or senior management is based, and evidence of improvement plans being implemented when issues are identified?

Score:
1

Comments:
Based on public information, there is evidence of an underlying structure guiding the review of the ethics and anti-corruption agenda, and of improvement plans being implemented when issues are identified. The company’s CSR Assessment and Internal Audit procedures suggest that there is a general plan for review of ethics and anti-corruption. However, there is no evidence of a formal, written plan. The company therefore scores 1. To score higher the company would need to demonstrate that there is a formal, clear, written plan that guides Board and senior management review.

References:
Public:
Company website: CSR Performance – CSR Management:
‘CSR Assessment and Internal Audit
In management audits performed by the Corporate Audit Division, we monitor the progress of activities regarding priority issues throughout the Group. Since FY2010, Toshiba Group assess and checks the progress of its CSR initiatives and KPIs (Key Performance Indicators) against the issues of ISO 26000. And for our overseas Group companies, we conduct annual CSR survey based on the 10 principles of UN Global Compact to assess the performance of human rights and labor issues. Further, we monitor environmental issues through in-house environmental audits and anti-bribery issues have been addressed directly to the management of overseas Group companies to follow the guidelines. CSR performances are also self-assessed through the annual employee morale surveys.
Results in FY2012
We conducted the CSR surveys of consolidated overseas subsidiaries which covered items such as placement systems to handle complaints of human rights infringements, the state of communication with labor unions, and confirmation of the CSR management status at the suppliers. Through these surveys, we confirmed that there were no problems in these areas.
Further, we identified issues such as “CSR management in the supply chain” and “environmental education and training of Toshiba eco-style leaders” as issues to be addressed proactively and added them to our list of KPI targets in FY2012. We instructed all Group companies to follow all relevant environmental guidelines by implementing internal environmental audits. Similarly, in order to ensure compliance with anti-corruption guidelines, the Legal Affairs Division provided appropriate instructions directly to the management of overseas subsidiaries. In addition, CSR-related items (e.g., compliance awareness) were included in the annual employee morale survey in order to track the Group’s CSR progress. In order to ensure that Toshiba Group’s policies and plans are properly implemented, we also monitor the progress of company activities through quarterly reports submitted to the President as well as semi-annual interviews with Chief CSR Officers of in-house and Group companies conducted by the CSR Office.


Company website: CSR Performance - Risk Management and Compliance:
‘Compliance Situation Inspection and Audit
The Legal Affairs Division periodically communicates with the Corporate Audit Division in order to confirm the state of implementation with respect to the various compliance measures. Based on the actual state of implementation, steps are taken to enhance the effectiveness of management audits and the audit results are reflected in compliance measures.

Every year Toshiba conducts an intranet-based employee survey on the Toshiba Group Standards of Conduct(SOC). The results are used in formulating measures for enhancing awareness on compliance.

Response to Compliance Violations
In the event of a major noncompliance incident, Toshiba investigates all facts to identify the cause of the violation, treats the facts seriously, and handles such violations rigorously by imposing appropriate disciplinary sanctions on the offenders or implementing other such measures. It makes every effort to prevent recurrence and discloses information in a proper and timely manner as necessary.

In FY2012, in response to a dishonest act committed by a Group company employee that was revealed in FY2011, Toshiba Group took up “illegal transactions” as a subject for its workplace meetings on integrity topics. Thus the Group continues to make efforts to prevent the recurrence of similar inappropriate business dealings.’


Company website : CSR Performance – CSR Management:
‘Workplace Meetings Focusing on Integrity
In order to promote the concept of integrity throughout our entire organization, in FY2010 we initiated workplace meetings focusing on integrity for all our employees in Japan. In FY2012, we held these meetings three times at each workplace, with the participation of a cumulative total of 280,000 employees.
Three topics were offered for discussion at each meeting, and the participants discussed the one most relevant to their workplace for around 30 minutes. Major topics taken up during the year included work-style innovation, integrity, and illegal transactions.

Unlike conventional one-way education, this kind of workplace meeting aims to improve the workplace climate by encouraging each and every employee to be aware of integrity issues and to freely express their opinions. We will continue to hold these meetings in FY2013.

Examples of topics taken up in FY2012:

- Work-style innovation
- Implementation of integrity programs (disaster relief efforts by new employees)
- Illegal transactions (illegal placement of PC orders)'

A9:
Does the company have a formal process for review and where appropriate update its policies and practices in response to actual or alleged instances of corruption?

Score:
1

Comments:
Based on public information, there is some evidence that the company has a process in response to compliance violations. However, it is unclear if it reviews and where appropriate updates its policies and practices in response to actual or alleged instances of corruption. The company therefore scores 1.

References:

Public:
Company website: CSR Performance - Risk Management and Compliance:
‘Compliance Situation Inspection and Audit
The Legal Affairs Division periodically communicates with the Corporate Audit Division in order to confirm the state of implementation with respect to the various compliance measures. Based on the actual state of implementation, steps are taken to enhance the effectiveness of management audits and the audit results are reflected in compliance measures.
Every year Toshiba conducts an intranet-based employee survey on the Toshiba Group Standards of Conduct(SOC). The results are used in formulating measures for enhancing awareness on compliance.
Response to Compliance Violations
In the event of a major noncompliance incident, Toshiba investigates all facts to identify the cause of the violation, treats the facts seriously, and handles such violations rigorously by imposing appropriate disciplinary sanctions on the offenders or implementing other such measures. It makes every effort to prevent recurrence and discloses information in a proper and timely manner as necessary.
In FY2012, in response to a dishonest act committed by a Group company employee that was revealed in FY2011, Toshiba Group took up “illegal transactions” as a subject for its workplace meetings on integrity topics. Thus the Group continues to make efforts to prevent the recurrence of similar inappropriate business dealings.’
A9(a):

Does the company have a formal anti-corruption risk assessment procedure implemented enterprise-wide?

Score:

0

Comments:

Based on public information, there is evidence that the company undertakes risk management activities, but there is no readily available evidence that this includes an anti-corruption risk assessment implemented enterprise-wide.

References:

Public:

TI notes:

Company website: Risk Management and Compliance:

‘Management Structure

In order to ensure thorough risk compliance management at Toshiba, a board member is assigned the responsibility of overseeing risk compliance. If a serious noncompliance incident occurs, we swiftly consider how to deal with it and take the necessary action in the risk compliance system. Furthermore, we endeavor to reinforce risk compliance management by closely examining ways to prevent SOC violations and the recurrence of similar incidences through cooperation among the relevant divisions.
CPL is an abbreviation combining CL (contractual liability) and PL (product liability)’
A10:
Does the company have a formal anti-corruption risk assessment procedure for assessing proposed business decisions, with clear requirements on the circumstances under which such a procedure should be applied?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company has a formal anti-corruption risk assessment procedure for assessing proposed business decisions, with clear requirements on the circumstances under which such a procedure should be applied.

References:
Public:
NA
A11:
Does the company conduct due diligence that minimises corruption risk when selecting or reappointing its agents?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the company conducts due diligence that minimises corruption risk when selecting or reappointing its agents.

References:
Public:
NA
A12:
Does the company have contractual rights and processes for the behaviour, monitoring, control, and audit of agents with respect to countering corruption?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the company has contractual rights and processes for the behaviour, monitoring, control, and audit of agents with respect to countering corruption. TI notes that there is a request for cooperation in their procurement policy.

References:
Public:
TI notes:
Company website: Procurement Policy:
‘Maintain Sound Business Operations
Maintaining sound business operations over the long-term strengthens business relationships. Accordingly, suppliers are requested to disclose their management policies and the status of business operations (including financial statements).’
A13:
Does the company make clear to contractors, sub-contractors, and suppliers, through policy and contractual terms, its stance on bribery and corruption and the consequences of breaches to this stance?

Score:
1

Comments:
Based on public information, there is some evidence that the company has made clear to contractors, sub-contractors, and suppliers its stance on bribery, but falls short in stating the consequences of breaches to this stance. The company therefore scores 1.

References:
Public:
Company website: Procurement Policy:
‘Supplier Expectations
Toshiba Group conducts business globally, involving a wide range of products. In order to succeed globally, Toshiba Group must take customers’ requests, concerning the procurement of goods and/or services, into consideration. Therefore, we expect the following performance from our suppliers. We also ask for our suppliers to request to their own suppliers for understanding and promoting Toshiba Group Procurement Policy.
(A)Compliance with Laws, Regulations and Social Customs
Suppliers are required to ensure compliance with laws, regulations and appropriate social customs of the countries and/or regions in which they operate.
1)Ensuring compliance with the prevailing laws and regulations in the countries and/or regions in which they operate include anti-trust laws, commercial codes, subcontractor regulations, foreign exchange laws, personal privacy laws, copyright laws, etc.
2)Prohibition of bribery (any gift, payment, consideration, financial or non-financial advantage or benefit of any kind which constitutes a corrupt and illegal practice)’.
A13(a):
Does the company explicitly address the corruption risks associated with offset contracting?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the company explicitly addresses the corruption risks associated with offset contracting.

References:
Public:
TI notes:
Oxford Business Group website: Beneficial ventures - Offset projects promote the development of value-added industries
‘Foreign Involvement: While engaging investors, the NOC can point to a number of offset projects that have been successfully implemented already, many by leading international companies. Foreign firms that have participated in major offset ventures in Kuwait include multinationals from around the world, such as Airbus, BAE Systems, Boeing, Hyundai, Mitsubishi, Lockheed Martin, Raytheon, Siemens and Toshiba’.
A13(b):

Does the company conduct due diligence that minimises corruption risk when selecting its offset partners and offset brokers?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company conducts due diligence that minimises corruption risk when selecting its offset partners and offset brokers.

References:

Public:

Oxford Business Group website: Beneficial ventures - Offset projects promote the development of value-added industries

‘Foreign Involvement: While engaging investors, the NOC can point to a number of offset projects that have been successfully implemented already, many by leading international companies. Foreign firms that have participated in major offset ventures in Kuwait include multinationals from around the world, such as Airbus, BAE Systems, Boeing, Hyundai, Mitsubishi, Lockheed Martin, Raytheon, Siemens and Toshiba’.

A15:
Does the company have an anti-corruption policy that prohibits corruption in its various forms?

Score:

1

Comments:
Based on public information, there is evidence that the company has an anti-corruption policy that prohibits corruption. However, this does not explicitly cover all the forms that corruption may take and is only in regard to government, public and political officials, rather than private third parties. The company therefore scores 1.

References:
Public:
Company website: CSR - Toshiba Standards of Conduct:
‘Directors and Employees shall:

1. not provide false information, such as false estimates of contract prices, to any governmental agency or its officials (hereinafter including past officials);
2. not engage in bid obstruction or any related activities or any activities that may result in suspicion of engaging in such activities;
3. not engage in competitor coordination on orders or any related activities or any activities that may result in suspicion of engaging in such activities;
4. refrain from making improper payments to any governmental agency or its officials, such as entertainment, gifts or gratuities prohibited by the SOC for “Improper Payments”;
5. not disclose confidential information received from government sources in such a manner as to breach any obligation of secrecy; and
6. when hiring former government officials, strictly examine the candidate in accordance with laws and regulations and internal regulations of the governmental agency in which he or she worked, and, after hiring such candidate, not allow him or her to engage in marketing activities for such governmental agency.

Toshiba Group Companies shall observe prohibitions on payments illegal or improper under generally accepted sound business practices.
Directors and Employees shall:

1. neither make nor offer, either directly or indirectly, any payment or anything of value, whether in the form of compensation, business entertainment, gift, contribution, gratuity, or other form, that is illegal or unacceptable under generally accepted sound business practices, in any dealings with any governmental agencies, their officials, or members of any political party (including holders of a political office or candidates for such office);

2. refrain from offering cash or other benefits to representatives of foreign governments as a means to gain unlawful benefits or profits when conducting international business transactions;

3. ensure that reasonable compensation and all necessary terms and conditions are specified in advance when working with intermediaries, such as distributors or agents, and observe all measures required by the applicable laws and regulations of each country or region for such compensation;

4. respect the established practices of any customer, government entity or other party, as well as all applicable laws and regulations, regarding the provision of or the restrictions or controls over the acceptance of business entertainment, gifts or other business courtesies by its employees or officials; and

5. refuse participation or contributions by antisocial groups (i.e., groups that engage in any type of criminal activity or are deemed otherwise to be disruptive or pose a threat to society) in our business activities, and not promote their activities’.

A16:
Is the anti-corruption policy explicitly one of zero tolerance?

Score:

1

Comments:
Based on public information, there is no readily available evidence that the anti-corruption policy is explicitly one of zero tolerance. However, the company has a zero tolerance policy of violations of the Code of Business Ethics and Conduct, as shown by its explicit stance on disciplinary procedures in the event of a violation by any employee or director. The company therefore scores 1.

References:
Public:
Company website: CSR – Toshiba Group Standards of Conduct:
‘Disciplinary Action: Any conduct in violation of these SOC shall be subject to disciplinary measures up to and including dismissal, according to and as set forth in each Toshiba Group Company's Disciplinary Rules/Staff Handbook.’

Company website: CSR Performance - Risk Management and Compliance:
‘Each of the directors, corporate auditors, and officers (hereinafter called the “Directors”) and employees (hereinafter called the “Employees”) of Toshiba Group should comply with the SOC and strive to operate a sound and high quality business as a part of a global enterprise which emphasizes a balance between the environment, human rights and local communities under the principle of giving the highest priority to life, safety and compliance with laws, regulations, social norms and ethics’.
A17: Is the company's anti-corruption policy easily accessible to Board members, employees, contracted staff and any other organisations acting with or on behalf of the company?

Score:
2

Comments:
Based on public information, there is evidence that the company’s anti-corruption policy is easily accessible to Board members, employees and third parties.

References:
Public:
Company website : CSR - Toshiba Standards of Conduct:
‘These Toshiba Group Standards of Conduct have thus been established in order to make our management principles and management vision a reality and as a basis to guide our activities so that we can operate under the principles of fairness, integrity and transparency and contribute to the formation of a sustainable society’.

Company website: CSR Performance - Risk Management and Compliance:
‘Education
Toshiba Group has drawn up the Toshiba Group Standards of Conduct (SOC) in 16 languages and distributed copies to overseas subsidiaries for compliance training.
With a view to ensuring compliance with the SOC, Toshiba Group provides various education programs such as education based on the needs of different organizational levels and job functions including new employees, as well as seminars on compliance topics for top executives. We also provide e-learning for all employees on a continual basis’.
A17(a):

Is the company’s anti-corruption policy easily understandable and clear to Board members, employees and third parties?

Score:

2

Comments:

Based on public information, there is evidence that the company’s anti-corruption policy is easily understandable and clear to board members, employees and third parties. It is written in clear language without dense, legal terms.

References:

Public:
Company website: CSR Performance - Risk Management and Compliance:
‘Education
Toshiba Group has drawn up the Toshiba Group Standards of Conduct (SOC) in 16 languages and distributed copies to overseas subsidiaries for compliance training.
With a view to ensuring compliance with the SOC, Toshiba Group provides various education programs such as education based on the needs of different organizational levels and job functions including new employees, as well as seminars on compliance topics for top executives. We also provide e-learning for all employees on a continual basis.

Each of the directors, corporate auditors, and officers (hereinafter called the “Directors”) and employees (hereinafter called the “Employees”) of Toshiba Group should comply with the SOC and strive to operate a sound and high quality business as a part of a global enterprise which emphasizes a balance between the environment, human rights and local communities under the principle of giving the highest priority to life, safety and compliance with laws, regulations, social norms and ethics.

For overseas subsidiaries, we have developed e-learning materials in English with a view to preventing serious SOC violations such as the formation of cartels and bribery. We offer such e-learning to our subsidiaries in Europe, the United States, and Asia. In China, we have compiled risk compliance examples based on local circumstances and distributed these materials for compliance education in Toshiba Group companies in China’.
Company website: Procurement Policy:

‘Supplier Expectations

Toshiba Group conducts business globally, involving a wide range of products. In order to succeed globally, Toshiba Group must take customers’ requests, concerning the procurement of goods and/or services, into consideration. Therefore, we expect the following performance from our suppliers. We also ask for our suppliers to request to their own suppliers for understanding and promoting Toshiba Group Procurement Policy.

(A)Compliance with Laws, Regulations and Social Customs

Suppliers are required to ensure compliance with laws, regulations and appropriate social customs of the countries and/or regions in which they operate.

1) Ensuring compliance with the prevailing laws and regulations in the countries and/or regions in which they operate include anti-trust laws, commercial codes, subcontractor regulations, foreign exchange laws, personal privacy laws, copyright laws, etc.

2) Prohibition of bribery (any gift, payment, consideration, financial or non-financial advantage or benefit of any kind which constitutes a corrupt and illegal practice)’.

A18:
Does the anti-corruption policy explicitly apply to all employees and members of the Board?

Score:
2

Comments:
Based on public information, there is evidence that the company’s anti-corruption policy explicitly applies to all employees and members of the Board.

References:
Public:
Company website: CSR Performance - Risk Management and Compliance:
‘Each of the directors, corporate auditors, and officers (hereinafter called the “Directors”) and employees (hereinafter called the “Employees”) of Toshiba Group should comply with the SOC and strive to operate a sound and high quality business as a part of a global enterprise which emphasizes a balance between the environment, human rights and local communities under the principle of giving the highest priority to life, safety and compliance with laws, regulations, social norms and ethics’.
A20:

Does the company have a policy on potential conflicts of interest, and does it apply to both employees and board members?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has a policy on potential conflicts of interest.

References:

Public:
NA
A21:
Does the company have a policy for the giving and receipt of gifts to ensure that such transactions are bona fide and not a subterfuge for bribery?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company has a policy that prohibits the giving and receipt of gifts, or regulates such transactions to ensure that they are bona fide and not a subterfuge for bribery. TI notes the company's statement on improper payments which includes the offering of gifts, but this is not assessed to be comprehensive and detailed enough to merit a score.

References:

Public:
TI notes:
Company website: Toshiba Group Standards of Conduct:
‘9. Improper Payments
1. Toshiba Group Corporate Policy
Toshiba Group Companies shall observe prohibitions on payments illegal or improper under generally accepted sound business practices.
2. SOC for Toshiba Group Directors and Employees
Directors and Employees shall:
1. neither make nor offer, either directly or indirectly, any payment or anything of value, whether in the form of compensation, business entertainment, gift, contribution, gratuity, or other form, that is illegal or unacceptable under generally accepted sound business practices, in any dealings with any governmental agencies, their officials, or members of any political party (including holders of a political office or candidates for such office);
2. refrain from offering cash or other benefits to representatives of foreign governments as a means to gain unlawful benefits or profits when conducting international business transactions;
3. ensure that reasonable compensation and all necessary terms and conditions are specified in advance when working with intermediaries, such as distributors or agents,
and observe all measures required by the applicable laws and regulations of each country or region for such compensation;

4. respect the established practices of any customer, government entity or other party, as well as all applicable laws and regulations, regarding the provision of or the restrictions or controls over the acceptance of business entertainment, gifts or other business courtesies by its employees or officials; and

5. refuse participation or contributions by antisocial groups (i.e., groups that engage in any type of criminal activity or are deemed otherwise to be disruptive or pose a threat to society) in our business activities, and not promote their activities\textsuperscript{9}.

Note9:

Herein, “promote their activities” means subscription to or purchase of publications or books, purchase of goods, endorsement by advertisement, offering of services, offering of cash or goods, and any other activities providing favors or benefits’.

http://www.toshiba.co.jp/csr/en/policy/soc.htm#gHeader
A22:
Does the company's anti-corruption policy include a statement on the giving and receipt of hospitality that ensures that such transactions are bona fide and not a subterfuge for bribery?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the company has a policy that prohibits the giving and receipt of hospitality, or regulates such transactions to ensure that they are bona fide and not a subterfuge for bribery. TI notes the company’s statement on improper payments, which includes entertainment. However, this does not seem to prohibit or regulate the exchange of hospitality.

References:
Public:
TI notes:
Company website: Toshiba Group Standards of Conduct:
'9. Improper Payments
1. Toshiba Group Corporate Policy
Toshiba Group Companies shall observe prohibitions on payments illegal or improper under generally accepted sound business practices.
2. SOC for Toshiba Group Directors and Employees
Directors and Employees shall:
6. neither make nor offer, either directly or indirectly, any payment or anything of value, whether in the form of compensation, business entertainment, gift, contribution, gratuity, or other form, that is illegal or unacceptable under generally accepted sound business practices, in any dealings with any governmental agencies, their officials, or members of any political party (including holders of a political office or candidates for such office);
7. refrain from offering cash or other benefits to representatives of foreign governments as a means to gain unlawful benefits or profits when conducting international business transactions;
8. ensure that reasonable compensation and all necessary terms and conditions are
 specified in advance when working with intermediaries, such as distributors or agents, and observe all measures required by the applicable laws and regulations of each country or region for such compensation;

9. respect the established practices of any customer, government entity or other party, as well as all applicable laws and regulations, regarding the provision of or the restrictions or controls over the acceptance of business entertainment, gifts or other business courtesies by its employees or officials; and

10. refuse participation or contributions by antisocial groups (i.e., groups that engage in any type of criminal activity or are deemed otherwise to be disruptive or pose a threat to society) in our business activities, and not promote their activities. 

Note9: Herein, “promote their activities” means subscription to or purchase of publications or books, purchase of goods, endorsement by advertisement, offering of services, offering of cash or goods, and any other activities providing favors or benefits.

http://www.toshiba.co.jp/csr/en/policy/soc.htm#gHeader
A23: Does the company have a policy that explicitly prohibits facilitation payments?

Score: 0

Comments: Based on public information, there is no readily available evidence of a policy that explicitly prohibits facilitation payments. TI notes that there is a policy on improper payments, but it is not clear that this refers to facilitation payments.

References:

Public:
TI notes:
Company website : Toshiba Group Standards of Conduct:
‘9. Improper Payments
1. Toshiba Group Corporate Policy
Toshiba Group Companies shall observe prohibitions on payments illegal or improper under generally accepted sound business practices.
2. SOC for Toshiba Group Directors and Employees
Directors and Employees shall:
11. neither make nor offer, either directly or indirectly, any payment or anything of value, whether in the form of compensation, business entertainment, gift, contribution, gratuity, or other form, that is illegal or unacceptable under generally accepted sound business practices, in any dealings with any governmental agencies, their officials, or members of any political party (including holders of a political office or candidates for such office);
12. refrain from offering cash or other benefits to representatives of foreign governments as a means to gain unlawful benefits or profits when conducting international business transactions;
13. ensure that reasonable compensation and all necessary terms and conditions are specified in advance when working with intermediaries, such as distributors or agents, and observe all measures required by the applicable laws and regulations of each country or region for such compensation;
14. respect the established practices of any customer, government entity or other party, as well as all applicable laws and regulations, regarding the provision of or the restrictions or controls over the acceptance of business entertainment, gifts or other business courtesies by its employees or officials; and

15. refuse participation or contributions by antisocial groups (i.e., groups that engage in any type of criminal activity or are deemed otherwise to be disruptive or pose a threat to society) in our business activities, and not promote their activities\(^\text{Note9}\).

Note9:

Herein, “promote their activities” means subscription to or purchase of publications or books, purchase of goods, endorsement by advertisement, offering of services, offering of cash or goods, and any other activities providing favors or benefits.

http://www.toshiba.co.jp/csr/en/policy/soc.htm#gHeader
A24:

Does the company prohibit political contributions, or regulate such contributions in order to prevent undue influence or other corrupt intent? Does the company record and publicly disclose all political contributions?

Score:

1

Comments:

Based on public information, there is evidence that the company regulates political contributions. However, there is no evidence that the company publicly discloses such contributions. The company therefore scores 1.

References:

Public:
Company website : CSR - Toshiba Group Standards of Conduct:
‘18. Political Contributions
Toshiba Group Corporate Policy
Toshiba Group Companies shall not provide inappropriate benefits or favors to any politician or political organization.
2. SOC for Toshiba Group Directors and Employees
Directors and Employees shall:
1. not make contributions to political parties or committees, unless permitted to do so by applicable laws, regulations, and company rules;
2. not directly or indirectly engage in the activities described below on Toshiba Group's behalf, or by disbursing Toshiba Group funds, with politicians or political groups:
   ○ make loans (including personal guarantees) or sales under conditions more favorable than those normal for commercial practices; or
   ○ offer favorable benefits in the form of entertainment, gifts, or otherwise, except to the extent permitted by the applicable laws or regulations and ethical standards of the country or region concerned;
3. not pay monies or offer benefits to any politicians (including former members of any legislative body, or current or former secretaries of any such politicians) or any company a politician may be involved with, whether such monies are in the form of
commissions or consulting fees, in connection with marketing activities toward governmental agencies; and

4. not allow third parties including intermediaries, such as distributors or agents, to engage in any activities described in paragraphs (1) to (3) above.’

A25:
Does the company have a clear policy on engagement in lobbying activities, in order to prevent undue influence or other corrupt intent, and discloses the issues on which the company lobbies?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company has a policy on lobbying in order to prevent undue influence or other corrupt intent, or discloses the issues on which it lobbies.

References:
Public:
NA
A25(a):
Does the company prohibit charitable contributions, or regulate such contributions in order to prevent undue influence or other corrupt intent?

Score:

1

Comments:

Based on public information, there is evidence that the company regulates its charitable contributions and donations. However, there is no evidence that the company publically discloses recipients. The company therefore scores 1.

References:

Public:
Company website: CSR - Toshiba Group Standards of Conduct:
‘Community Relations
1. Toshiba Group Corporate Policy
Toshiba Group Companies shall:
1. contribute to and cooperate with all local communities in which Toshiba 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 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.
2. SOC for Toshiba Group Directors and Employees
Directors and Employees shall:
1. assure that Toshiba Group Companies undertake all activities in harmony with the community, by respecting the local culture and community traditions and customs;
2. actively participate in developing communication with the local community, to encourage and maintain mutual respect and understanding;
3. actively participate in community social activities and voluntary activities;
4. pay due consideration on a daily basis to environmental issues, including global warming, and actively participate in environmental activities of local communities; and
5. maintain integrity and common sense in all aspects of their relationships with these communities’.

A26:

Does the company provide written guidance to help Board members and employees understand and implement the firm’s ethics and anti-corruption agenda?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company provides written guidance to help Board members and employees understand and implement the company’s ethics and anti-corruption agenda.

References:

Public:
NA
A27:
Does the company have a training programme that explicitly covers anti-corruption?

Score:

2

Comments:
Based on public information, there is evidence that the company has an explicit anti-corruption module as part of its ethics and compliance training programme.

References:
Public:
CSR Report (2013), p.100:
‘Toshiba Group has translated Toshiba Group Standards of Conduct (SOC) into 15 languages and distributed copies to overseas subsidiaries for compliance training. With a view to ensuring compliance with the SOC, Toshiba Group provides various education programs such as education based on the needs of different organizational levels and job functions, as well as seminars on compliance topics for top executives. We also provide e-learning for all employees on a continual basis. For overseas subsidiaries, we have developed e-learning materials in English with a view to preventing serious SOC violations such as the formation of cartels and bribery. We offer such e-learning to our subsidiaries in Europe, the United States, and Asia. In China, we have compiled risk compliance examples based on local circumstances and distributed these materials for compliance education in Toshiba Group companies in China.’
A28:

Is anti-corruption training provided in all countries where the company operates or has company sites?

Score:

2

Comments:
Based on public information, there is evidence that the company provides anti-corruption training in all countries where it operates.

References:

Public:
Company website: CSR Performance - Risk Management and Compliance:
‘Education
Toshiba Group has drawn up the Toshiba Group Standards of Conduct (SOC) in 16 languages and distributed copies to overseas subsidiaries for compliance training.
With a view to ensuring compliance with the SOC, Toshiba Group provides various education programs such as education based on the needs of different organizational levels and job functions including new employees, as well as seminars on compliance topics for top executives. We also provide e-learning for all employees on a continual basis’.

A29: Does the company provide targeted anti-corruption training to members of the Board?

Score: 0

Comments: Based on public information, there is evidence that the company provides targeted anti-corruption training to top executives, but it is unclear if this refers to members of the board.

References:
Public:
TI notes:
Company website: CSR Performance - Risk Management and Compliance:
‘Education
Toshiba Group has drawn up the Toshiba Group Standards of Conduct (SOC) in 16 languages and distributed copies to overseas subsidiaries for compliance training.
With a view to ensuring compliance with the SOC, Toshiba Group provides various education programs such as education based on the needs of different organizational levels and job functions including new employees, as well as seminars on compliance topics for top executives. We also provide e-learning for all employees on a continual basis’.
A30:
Does the company provide tailored ethics and anti-corruption training for employees in sensitive positions?

Score:

2

Comments:
Based on public information, there is evidence that the company provides tailored anti-corruption training for employees in sensitive positions.

References:
Public:
Company website: CSR Performance - Risk Management and Compliance:
‘Education
Toshiba Group has drawn up the Toshiba Group Standards of Conduct (SOC) in 16 languages and distributed copies to overseas subsidiaries for compliance training.
With a view to ensuring compliance with the SOC, Toshiba Group provides various education programs such as education based on the needs of different organizational levels and job functions including new employees, as well as seminars on compliance topics for top executives. We also provide e-learning for all employees on a continual basis’.
A31:
Does the company have a clear and formal process by which employees declare conflicts of interest?

Score:
0

Comments:
Based on public information, there is no readily available evidence of a clear and formal process by which employees can declare conflicts of interest. TI notes the company’s reporting system for violations.

References:
Public:
TI notes:
Company website : CSR – Toshiba Group Standards of Conduct:
‘In-house Information Reporting System and Protection of Information Providers
1. Toshiba Group Companies shall establish an in-house information reporting system to ensure that Toshiba Group Directors and Employees are able to report Risk Compliance Information directly to Chief Implementation Administrators or the division responsible for risk-compliance matters.
2. Directors and Employees of each Toshiba Group Company are to report any Risk Compliance Information they have to their supervisors immediately or provide such information using the in-house information reporting system.
3. The Chief Implementation Administrators, the divisions responsible for risk-compliance matters and supervisors who receive Risk Compliance Information must respond and act promptly and appropriately.
4. Directors and Employees who provide Risk Compliance Information for good reason and in good faith must not be treated disadvantageously on the grounds that they provided such information.’
A32:
Is the company explicit in its commitment to apply disciplinary procedures to employees, Directors and Board members found to have engaged in corrupt activities?

Score:

2

Comments:
Based on public information, there is evidence that the company clearly states it will apply disciplinary procedures to employees who have violated its anti-corruption policy. This policy is applicable to employees and Board members.

References:
Public:
Company website : CSR – Toshiba Group Standards of Conduct:
‘Disciplinary Action: Any conduct in violation of these SOC shall be subject to disciplinary measures up to and including dismissal, according to and as set forth in each Toshiba Group Company's Disciplinary Rules/Staff Handbook.’

Company website: CSR Performance - Risk Management and Compliance:
‘Each of the directors, corporate auditors, and officers (hereinafter called the “Directors”) and employees (hereinafter called the “Employees”) of Toshiba Group should comply with the SOC and strive to operate a sound and high quality business as a part of a global enterprise which emphasizes a balance between the environment, human rights and local communities under the principle of giving the highest priority to life, safety and compliance with laws, regulations, social norms and ethics’.
A33:

Does the company have multiple, well-publicised channels that are easily accessible and secure, to guarantee confidentiality or anonymity where requested by the employee (e.g. web, phone, in person), to report concerns or instances of suspected corrupt activity?

Score:

1

Comments:

Based on public information, there is evidence that the company has some accessible reporting channels for employees to report concerns or instances of suspected corrupt activity. However, evidence does not suggest that one of the channels is externally operated or facilitates anonymous reporting. The company therefore scores 1.

References:

Public:
Company website : CSR Performance - Risk Management and Compliance:
‘In January 2000, Toshiba established a whistleblower system to collect internal information on SOC violations, particularly those concerning laws and regulations, and to deal with wrongdoing through a self-rectification system. Under this system, an employee can report an incident and seek advice. In April 2006, Toshiba also set up a supplier whistleblower system to receive reports from suppliers and business partners to prevent SOC violations by employees in charge of procurement and order placements for construction and other works. By putting in place systems to receive reports from inside and outside the company, Toshiba anticipates that the system will play a role in deterring SOC violations in addition to self-rectification. Toshiba Group companies have also introduced a similar whistleblower system’.

Toshiba’s Whistleblower System
A33(a):
Are the whistleblowing channels available to all employees in all geographies?

Score:
2

Comments:
Based on public information, there is evidence that across geographies, all employees have access to more than one whistleblowing channel. These channels include the Risk Hotline and the Attorney’s Office.

References:
Public:
CSR Performance - Risk Management and Compliance:
‘Whistleblower System
In January 2000, Toshiba established a whistleblower system to collect internal information on SOC violations, particularly those concerning laws and regulations, and to deal with wrongdoing through a self-rectification system. Under this system, an employee can report an incident and seek advice. In April 2006, Toshiba also set up a supplier whistleblower system to receive reports from suppliers and business partners to prevent SOC violations by employees in charge of procurement and order placements for construction and other works.
By putting in place systems to receive reports from inside and outside the company, Toshiba anticipates that the system will play a role in deterring SOC violations in addition to self-rectification. Toshiba Group companies have also introduced a similar whistleblower system’.

Toshiba’s Whistleblower System
DEFENCE COMPANIES ANTI-CORRUPTION INDEX

Secretariat (Legal Affairs Division)

- Notification of the content
- Response

Attorney's office

- Response
- Whistle-blowing

Employees

- Whistle-blowing
- Response

Employees of suppliers, etc.

Clean Partner Line (Access via the Intranet)

Whistle-blowing

Report

Request for investigation
Instructions on correction

Divisions concerned

A33(b):
Does the company have formal and comprehensive mechanisms to assure itself that whistleblowing by employees is not deterred, and that whistleblowers are treated supportively?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the company has formal and comprehensive mechanisms to assure itself that whistleblowing by employees is not deterred, and that whistleblowers are treated supportively. TI notes the company’s whistleblower system, but there is no evidence of mechanisms such as independent employee surveys or the analysis of whistleblower channel statistics.

References:

Public:

TI notes:

Company website: CSR - Toshiba Group Standards of Conduct

‘3. In-house Information Reporting System and Protection of Information Providers

1. Toshiba Group Companies shall establish an in-house information reporting system to ensure that Toshiba Group Directors and Employees are able to report Risk Compliance Information directly to Chief Implementation Administrators or the division responsible for risk-compliance matters.

2. Directors and Employees of each Toshiba Group Company are to report any Risk Compliance Information they have to their supervisors immediately or provide such information using the in-house information reporting system.

3. The Chief Implementation Administrators, the divisions responsible for risk-compliance matters and supervisors who receive Risk Compliance Information must respond and act promptly and appropriately.

4. Directors and Employees who provide Risk Compliance Information for good reason and in good faith must not be treated disadvantageously on the grounds that they provided such information’.

CSR Performance - Risk Management and Compliance

‘Whistleblower System

In January 2000, Toshiba established a whistleblower system to collect internal information on SOC violations, particularly those concerning laws and regulations, and to deal with wrongdoing through a self-rectification system. Under this system, an employee can report an incident and seek advice. In April 2006, Toshiba also set up a supplier whistleblower system to receive reports from suppliers and business partners to prevent SOC violations by employees in charge of procurement and order placements for construction and other works.

By putting in place systems to receive reports from inside and outside the company, Toshiba anticipates that the system will play a role in deterring SOC violations in addition to self-rectification. Toshiba Group companies have also introduced a similar whistleblower system.

Toshiba’s Whistleblower System:

A34:
Does the company have well-publicised resources available to all employees where help and advice can be sought on corruption-related issues?

Score:

1

Comments:
Based on public information, there is limited evidence that the company has well-publicised resources available to all employees where help and advice can be sought on corruption-related issues. A Risk Hotline is available via the intranet, but there is no evidence that employees are directed to seek advice from this source, or that they have access to trained managers or advisors. The company therefore scores 1.

References:
Public:
CSR Performance - Risk Management and Compliance:
‘In January 2000, Toshiba established a whistleblower system to collect internal information on SOC violations, particularly those concerning laws and regulations, and to deal with wrongdoing through a self-rectification system. Under this system, an employee can report an incident and seek advice. In April 2006, Toshiba also set up a supplier whistleblower system to receive reports from suppliers and business partners to prevent SOC violations by employees in charge of procurement and order placements for construction and other works. By putting in place systems to receive reports from inside and outside the company, Toshiba anticipates that the system will play a role in deterring SOC violations in addition to self-rectification. Toshiba Group companies have also introduced a similar whistleblower system.’

Toshiba’s Whistleblower System:
A35:
Is there a commitment to non-retaliation for bona fide reporting of corruption?

Score:

0

Comments:
Based on public information, there is insufficient evidence that the company has a non-retaliation policy for bona fide reporting of corruption. TI assesses it is not a strong commitment and there is no evidence that employees breaching this policy are disciplined.

References:

Public:
TI notes:
Company website: CSR - Toshiba Group Standards of Conduct:
‘3. In-house Information Reporting System and Protection of Information Providers
1. Toshiba Group Companies shall establish an in-house information reporting system to ensure that Toshiba Group Directors and Employees are able to report Risk Compliance InformationNote14 directly to Chief Implementation Administrators or the division responsible for risk-compliance matters.
2. Directors and Employees of each Toshiba Group Company are to report any Risk Compliance Information they have to their supervisors immediately or provide such information using the in-house information reporting system.
3. The Chief Implementation Administrators, the divisions responsible for risk-compliance matters and supervisors who receive Risk Compliance Information must respond and act promptly and appropriately.
4. Directors and Employees who provide Risk Compliance Information for good reason and in good faith must not be treated disadvantageously on the grounds that they provided such information’.

Information Sources:

Company Website:
http://www.toshiba.co.jp/index_j3.htm [Japanese]
http://www.toshiba.co.jp/worldwide/index.html [English]

Company Corporate Social Responsibility: Risk Management and Compliance:

Corporate Profile (2014-2015):
http://www.toshiba.co.jp/worldwide/about/corporateprofile.pdf

CSR Report (2013):