

FY 2023 FORCE LABOUR AND CHILD LABOUR REPORT

Toshiba International Corporation, pursuant to the Fighting Against Force Labour and Child Labour In Supply Chains Act (S.C. 2023, c.9), hereby provides details of its initiatives to prevent force labour and child labour in Toshiba International Corporation and its supply chains in FY 2023.

Guided by the Basic Commitment of Toshiba Group, we respect the human rights of all stakeholders, such as our employees, customers, and suppliers. We support the universal principles of human rights and labour practices, including the Universal Declaration of Human Rights, and respect human rights through sound business activities.

1. This report is for an - Entity

2. Legal name of reporting entity -Toshiba International Corporation

3. Financial reporting year-2023 (April 1, 2023 to March 31,2024)

4. Is this a revised version of a report already submitted this reporting year? – No

5. Business number(s)- 105326896RM0001

6. Is this a joint report? – No

7. Is the entity also subject to reporting requirements under supply chain legislation in another jurisdiction? – No

8. Which of the following categorizations applies to the entity? Select all that apply.

- Canadian business presence:
 - Has a place of business in Canada.
 - Does business in Canada.
 - Has assets in Canada.
- Meets size-related thresholds:
 - Has at least CAD \$20 million in assets for at least one of its two most recent financial years.
 - Has generated at least CAD \$40 million in revenue for at least one of its two most recent financial years.
 - Employs an average of at least 250 employees for at least one of its two most recent financial years.

9. Sectors or industries the entity operate- Manufacturing

10. Country the entity headquartered or principally located-United States

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1. Steps taken by the entity in the previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity:

- Mapping supply chains.
- Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains.
- Contracting an external assessment of risks of forced labour and/or child labour in the organization's activities and supply chains.
- Developing and implementing an action plan for addressing forced labour and/or child labour.
- Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily.
- Addressing practices in the organization's activities and supply chains that increase the risk of forced labour and/or child labour.
- Developing and implementing due diligence policies and processes for identifying, addressing, and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains.
- Requiring suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains.
- Developing and implementing anti-forced labour and/or -child labour standards, codes of conduct and/or compliance checklists.
- Auditing suppliers.
- Monitoring suppliers.
- Developing and implementing training and awareness materials on forced labour and/or child labour.
- Engaging with supply chain partners on the issue of addressing forced labour and/or child labour.

2. Additional information describing the steps taken.

- The reporting entity is a member of U.S. Customs initiatives, specifically the Customs Trade Partnership Against Terrorism (CTPAT) Security and Trade Compliance Programs. Under the CTPAT Trade Compliance Program, members are required to adhere to minimum security criteria related to forced labour prevention. These requirements include conducting risk-based mapping of supply chains, creating a code of conduct, providing evidence of implementation, conducting training sessions on social compliance program requirements for suppliers, and implementing a remediation plan. Additionally, under the CTPAT Security Program, members must maintain a documented social compliance program that ensures goods imported into the United States are not mined, produced, or manufactured using prohibited forms of labour, such as forced, imprisoned, indentured, or child labour. The reporting entity has also engaged a third-party to assist with meeting the CBP program requirements and enhancing their ESG program.

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3. Entity's structure – Corporation

4. Entity's activities:

- Producing goods (including manufacturing, extracting, growing, and processing)
 - outside Canada
- Selling goods
 - in Canada
 - outside Canada
- Distributing goods
 - in Canada
 - outside Canada
- Importing into Canada goods produced outside Canada.

5. Additional information on the entity's structure, activities, and supply chains.

- The reporting entity designs and manufactures motors, motor controls and power electronics products. Many of these products are designed, built, and tested in our facility located in Houston, TX. In addition, finished goods manufactured by other Toshiba entities, are imported into Canada and the United States. Based on the declared value, the major supply chains are for entities located in Japan and Vietnam.

6. Does the entity currently have policies and due diligence processes in place related to forced labour and/or child labour? – Yes

6.1 If yes, which of the following elements of the due diligence process has the entity implemented in relation to forced labour and/or child labour? Select all that apply.

- Embedding responsible business conduct into policies and management systems.
- Identifying and assessing adverse impacts in operations, supply chains and business relationships.
- Tracking implementation and results.
- Communicating how impacts are addressed.

7. Additional information on the entity's policies and due diligence processes in relation to forced labour and child labour.

- The Toshiba Group Human Rights Policy complements the Standard of Conduct for Toshiba Group companies, stipulating respect for human rights, including core concerns such as forced labour and child labour. Additionally, the Toshiba America group of companies, as part of their policies and procedures, has established the Business Partner Code of Conduct, which requires business partners to comply with all applicable laws and regulations concerning human rights, forced labour, and child labour in each country and region where they operate.

8. Has the entity identified parts of its activities and supply chains that carry a risk of forced labour or child labour being used?

- Yes, we have identified risks to the best of our knowledge and will continue to strive to identify emerging risks.

8.1 If yes, has the entity identified forced labour or child labour risks related to any of the following aspects of its activities and supply chains? Select all that apply.

- The locations of its activities, operations, or factories
- Tier two suppliers
- Tier three suppliers
- Suppliers further down the supply chain than tier three

9. Has the entity identified forced labour or child labour risks in its activities and supply chains related to any of the following sectors and industries? Select all that apply.

- Manufacturing

10. Please provide additional information on the parts of the entity's activities and supply chains that carry a risk of forced labour or child labour being used, as well as the steps that the entity has taken to assess and manage that risk (if applicable).

- Not applicable.

11. Has the entity taken any measures to remediate any forced labour or child labour in its activities and supply chains?

- Not applicable, we have not identified any forced labour or child labour in our activities and supply chains.

12. Please provide additional information on any measures the entity has taken to remediate any forced labour or child labour (if applicable).

- Not applicable.

13. Has the entity taken any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains?

- Not applicable, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

14. Please provide additional information on any measures the entity has taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains (if applicable).

- Not applicable

15. Does the entity currently provide training to employees on forced labour and/or child labour?

- Yes

15.1 If yes, is the training mandatory?

- Yes, the training is mandatory for some employees.

16. Additional information on the training the entity provides to employees on forced labour and child labour .

- The entity provides employees an annual mandatory training above human rights, which is one of the article of the parent company Standard of Conduct. The training addresses issues such as force labour and child labour.

17. Does the entity currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains?

- Yes

17.1 Method the entity use to assess its effectiveness:

- Setting up a regular review or audit of the organization's policies and procedures related to forced labour and child labour.

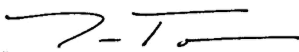
- Other, please specify. Partnering with a third party to conduct assessment of supply chain and monitor suppliers. Partnering with an external organization to conduct an independent review or audit of the organization's actions.
- Working with suppliers to measure the effectiveness of their actions to address forced labour and child labour, including by tracking relevant performance indicators.

18. Additional information on how the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains:

- To assess the effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains, the reporting entity implemented the following measures:
 - conducting regular audits of suppliers
 - providing training on ethical labour practices
 - requiring suppliers to adhere to a code of conduct that prohibits such practices.
 - engage with third-party that specialize in monitoring labour conditions to provide independent assessments.
 - Create a remediation processes in place for addressing any violations that are found.

Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Signature:  _____

Name: Timothy J. Fraser

Title: Acting General Counsel and Corporate Secretary

Date: May 29, 2024

Signature, accompany by the statement, "I have the authority to bind Toshiba International Corporation."