

July 30, 2021
Toshiba Corporation

Statement from the Toshiba Board of Directors

TOKYO—Toshiba Corporation (“Toshiba”) announced the composition of its new board in the June 25, 2021 announcement, “Notice Regarding Appointments of Directors and Officers of the Company.” Today, the Board of Directors issued a statement on recent activities, on the company’s website, as attached.

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Since the Annual General Meeting (“AGM”) of Toshiba shareholders on June 25, 2021, the Board of Directors of Toshiba has been working to achieve improvements in governance, stability and transparency for the benefit of all stakeholders. These improvements are expected to enhance the Company’s ability to provide our shareholders with increased shareholder returns. The Board has met twice since the AGM as a full board, and each of the Board Committees has undertaken considerable activity. We have also initiated an engagement survey with our shareholders to provide confidential feedback to the Board.

The Nomination Committee has recently selected two executive search firms to assist in the process of selecting additional candidates to be nominated to the Board, and also to consider internal and external candidates as potential successors to our Interim Chairperson and CEO, Satoshi Tsunakawa. The Board expects that the process of identification of a successor to the role of CEO will be extensive and take longer, given the significance of this role and the importance of Toshiba as one of Japan’s most important companies. Searching for an external candidate to replace the Interim Chairperson will also be one of the priorities. The immediate new director focus will be on candidates who will join Toshiba’s Audit Committee, which requires reinforcement following the AGM. The Nomination Committee may also identify additional board candidates that have the time and expertise required to make meaningful contributions to the Board.

The Strategic Review Committee (“SRC”) has met four times as a full committee, joined by our independent financial advisor and other consultants, and will meet at least weekly throughout the next three months. Other ad hoc calls and discussions have also taken place, including with external stakeholders and market participants. The initial focus of the SRC has been on a full review of Toshiba’s businesses, including competitive position, financial performance, capital needs and potential to achieve improved shareholder returns which, when complete, will facilitate the identification of core and non-core businesses. The Toshiba group is large and complex, with many lines of business and subsidiaries, operating in many jurisdictions and subject to numerous regulatory considerations, but it is hoped that, in conjunction with the management team, the SRC will soon be able to make recommendations to the Board on Toshiba’s strategy.

The Audit Committee has met four times. The Audit Committee discussed and reviewed the annual audit program and its other activities going forward for the fiscal year. In addition, the Audit Committee is working on selection of members and structure to establish the Governance Enhancement Committee (tentative). The objective of the Governance Enhancement Committee (tentative) will be 1) analyzing the root cause of the pressure issue mentioned in the investigation report by the investigators 2) clarifying responsibilities and 3) making suggestions for developing measures to prevent reoccurrence. The Audit Committee will continue to work closely with the executive side to strengthen governance.

The Compensation Committee is conducting a review of Toshiba’s current policies for short term and long-term compensation. We believe it is important to create a greater

“ownership culture” to improve the alignment of our performance objectives with shareholders.

As a Board, we have all been working closely together and have invested considerable time and effort in the past month to address issues raised by our stakeholders. We are working diligently to make progress and hope to provide our employees, customers and shareholders with additional information when it becomes available.