

September 8, 2021
Toshiba Corporation

Progress Report from the Toshiba Board of Directors

TOKYO— Toshiba Corporation's Board of Directors has published a progress report on recent activities, on the company's website. A copy is attached.

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The Board of Directors of Toshiba continues to work actively in achieving improvements in governance, stability and transparency for the benefit of all stakeholders. The Board has met twice as a full board, since the last statement made by the Board on July 30th.

In addition to its weekly meetings, SRC members continue to speak with shareholders, potential investors and other market participants. These discussions have been constructive and facilitate closer alignment between the Company and its shareholders. These discussions support the Board's approach of encouraging management to develop a bold mid-term plan reflecting a sharpened vision for the Company, focusing on its business portfolio and capital allocation, while at the same time thoroughly exploring strategic alternatives.

As part of this process, the SRC has been engaged in active dialogue with potential investors to evaluate the feasibility of a privatization as a strategic alternative and it is reporting these discussions to the Board. The Board has determined that, as far as this work stream is concerned, the SRC should first focus on understanding the approach of potential investors to enhancing the Company's corporate value, including their approach to resolving the multiple issues faced in pursuing a privatization. The Board believes that a meaningful and informed discussion on pricing would be most productive once discussions on enhancing value have been completed to its satisfaction.

As such, the Board has not yet decided on the most appropriate course of action and is continuing to explore feasible strategic alternatives.

The Nomination Committee is considering the ideal qualifications for potential CEO successors, taking into account the current and future business environment, in order to select the best possible candidate. It is important that CEO candidates have an appropriate vision for the company and the ability to navigate Toshiba and its stakeholders through a process which will generate opportunity and an increase in shareholder returns.

In addition, the Nomination Committee is clarifying and reviewing the requirements for director candidates who can serve as the Chairperson of the Board and members of the Audit Committee. We have made the most progress in identifying potential Audit Committee candidates as this pool of people is larger. We expect to narrow down the number of candidates in the coming months and will make further announcement on our progress when appropriate.

The Compensation Committee is in the process of hiring outside experts to support the committee in the design of a comprehensive program for executive officer and director compensation to more closely align compensation with performance and shareholder interests. The Audit Committee has met four times. The Audit Committee received a report on the financial results for the first quarter from the Accounting Division and also deliberated and confirmed the review report given from the audit firm. In addition, the Audit Committee engaged in specific activities such as attending important internal

meetings, holding explanation meetings with executive officers and division heads, providing advices on the deliberations made by the various risk management committees, making a speech in the group company auditor liaison meeting and receiving reports of the results of internal audits. As announced on August 6th, the Governance Enhancement Committee with its completed selection of the committee members, commenced activities on commissioned matters, and while doing so, selected multiple academics to obtain advices from corporate governance view point.

As a Board, we have all been working closely together with management to make progress to increase shareholder value. We will continue to provide our employees, customers and shareholders with additional information when it becomes available.