

FY 2023 FORCE LABOUR AND CHILD LABOUR REPORT

Toshiba America Energy Systems Corporation (“TAES”), 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 TAES 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 which of the following? - Entity

2. Legal name of reporting entity - Toshiba America Energy Systems 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. For entities only: Business number(s) - 805643582

6. For entities only: Is this a joint report? – No

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

8. For entities only: *Which of the following categorizations applies to the entity? Select all that apply.

- Canadian business presence:
 - Does business in Canada.
- Meets size-related thresholds:
 - Has at least \$20 million in assets for at least one of its two most recent financial years.
 - Has generated at least \$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. For entities only: Which of the following sectors or industries does the entity operate in? Select all that apply.

- Manufacturing
- Professional, scientific, and technical services

10. For entities only: In which country is the entity headquartered or principally located?

- United States

Annual Report

Reporting for entities

1. What steps has the entity taken 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? Select all that apply.

- 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.
- 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.
- Carrying out a prioritization exercise to focus due diligence efforts on the most severe risks of forced and child labour.

2. Please provide additional information describing the steps taken (if applicable).

- This report was completed using desk-based research for parts imported into Canada for FY2023. Approximately 80% of the suppliers were selected based on import value. From those suppliers approximately 50% of the top valued lines were evaluated, which were primarily metal articles. We evaluated the suppliers to determine if they have published anti-slavery statements, publicly available grievance mechanisms, human rights training and certifications from organizations working to eradicate slavery at the local level or similar efforts. We provide training for employees to understand and promote respect for human rights through induction, position-based training, and e-Learning in our annual training

to employees. This training covers warning signs, procurement behaviors that increase the likelihood of slavery and how employees can play a role in helping TAES follow through on our human rights commitment.

3. Which of the following accurately describes the entity's structure? – Corporation

4. Which of the following accurately describes the entity's activities? Select all that apply.

- 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. Please provide additional information on the entity's structure, activities, and supply chains.

- TAES provides energy industry solutions – new equipment, retrofits, maintenance, outage planning and more – for current and future power generation needs in the Americas and beyond, including thermal, hydro, nuclear and renewable power plants. Our location in West Allis, WI is a major manufacturing and service facility. In addition, some finished goods are manufactured by other Toshiba entities located in Japan and are imported into Canada and the United States.

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.
- Ceasing, preventing, or mitigating adverse impacts.

7. Please provide additional information on the entity's policies and due diligence processes in relation to forced labour and child labour (if applicable).

- 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 started the process of identifying risks, but there are still gaps in our assessments.

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 sector or industry it operates in
- The types of products it produces, purchases or distributes
- The locations of its activities, operations or factories
- The types of products it sources
- The raw materials or commodities used in its supply chains
- Tier one (direct) suppliers
- 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.

- Mining, quarrying, and oil and gas extraction
- 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, we have not identified any forced labour or child labour in our activities and supply chains.

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. Please provide additional information on the training the entity provides to employees on forced labour and child labour (if applicable).

- On an annual basis, TAES provides position-based training for employees on human rights, which is one of the articles of the parent company's Standard of Conduct. The training addresses issues such as force labour and child labour and is mandatory for some employees.

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 If yes, what method does the entity use to assess its effectiveness? Select all that apply.

- Other, please specify. Tracking relevant performance indicators, such as levels of employee awareness, numbers of cases reported and solved through grievance mechanisms.

18. Please provide 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 (if applicable).

To assess effectiveness, we track and monitor our compliance programs in a number of ways:

- Monitoring our grievance mechanism,
- Internal tracking of due diligence and training activities, and
- Continued enhancement of our compliance programs.

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.

Full name

Title

Date

Signature, accompany by the statement, "I have the authority to bind Toshiba America Energy Systems Corporation."