



TOSHIBA MEDICAL SYSTEMS CORPORATION

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<http://www.toshibamedicalsystems.com>

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• Toshiba Medical Systems Corporation Nasu Headquarters and Tokyo Headquarters hold ISO 9001 and ISO 13485 certification, international standards for quality management systems.

• Toshiba Medical Systems Corporation holds ISO 14001 certification, an international standard for environmental management systems.

• Toshiba Medical Systems Corporation Nasu Headquarters holds OHSAS 18001 certification, an international standard for occupational health and safety management systems.

"Vantage Elan", "Aquilion ONE/GENESIS Edition", "Aquilion ONE",
"InnerVision", "Vantage Galan 3T", "Pianissimo Zen" and "Aplio"
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2017
CSR
REPORT

BASIC COMMITMENT

Toshiba Medical Systems Corporation continues to contribute to healthcare and social welfare by providing innovative, advanced products and solutions for customers worldwide.

1. We offer technology that provides fast, accurate diagnosis, improved treatment, and enhanced patient care.
2. We produce reliable systems that offer maximum uptime, increased utility, and improved workflow.
3. We are committed to developing long-term, customer-focused lifetime solutions.

MANAGEMENT SLOGAN

Made For life

Toshiba Medical Systems Corporation directly faces life to contribute to healthcare. The slogan "Made for Life" symbolizes our basic commitment.

Made for Patients, Made for You, and Made for Partnership

Contents

Objectives and Main Results for FY2016 / Objectives and Plans for FY2017	4
2016 TOPICS	6
Product Lineup	8
SOCIAL REPORT:	
Organizational Governance / Fair Operating Practices	9
Human Rights / Labor Practices	10
Occupational Health and Safety	11
Consumer Issues	12
Community Involvement	14
Overseas Activities.....	16
ENVIRONMENTAL REPORT:	
Environmental Policy	20
Highlighting Environmental Activities.....	21
Environmental Management	22
Environmental Consideration for Products.....	24
Environmental Consideration in Manufacturing and Business Processes	30
Environmental Communication	32
Corporate Profile / Business Activities.....	33

* Click an item in Contents to jump to the corresponding page.

MESSAGE FROM THE PRESIDENT

Moving ahead with our customers in the spirit of “Made for Life”

Under our management slogan “Made for Life”, we develop our business activities globally, strive to meet the needs of our customers with cutting-edge technologies, and contribute to the future of healthcare with a commitment to saving human lives, each of which is precious.

In December 2016, we joined the Canon group, with all employees in a united effort to make a fresh start.

Toshiba Medical Systems Corporation will continue to contribute to healthcare through partnership with our many customers around the world, and aims to be a “good corporate neighbor” working for a better society.

We will achieve further innovation through timely provision of a broad range of optimal solutions, allowing early detection, accurate diagnosis, and treatments that reduce the burden on the patient. In the spirit of “Made for Life”, we will continue to strive as a company that moves forward with our customers.

Promoting CSR management on a global scale

At Toshiba Medical Systems Group, we consider our businesses themselves to exemplify CSR. We respect human rights and observe the laws, ordinances, and social standards of each country and region. We ensure the same commitment in our suppliers. Fully recognizing our responsibility to contribute to local communities through our medical equipment business, we will continue our efforts to ensure that Toshiba Medical Systems Corporation remains a fair and incorruptible company, and work hard to increase the trust that society places in us.

Enhancing environmental management in order to contribute to protection of the global environment

With the continuing challenge of climate change, environmental contamination, and the threat to biodiversity, a mission for all companies is to contribute to conservation of the global environment. We are promoting our business activities based on our ecological management policies. These policies involve efforts to develop products through an environmentally conscious design process and to provide customers with products and services that achieve the industry's highest level of environmental performance, as well as efforts to minimize the environmental impact of all our business processes, by improving the efficiency of the manufacturing process, improving the resource recycling rate, and implementing a modal shift in the product distribution process.

Acting and advancing together with our stakeholders

We will continue to place great importance on communication with all stakeholders, including our customers, and to accelerate our global business operations. With the aim of maintaining strong trust in our business, all employees of Toshiba Medical Systems Group practice CSR in their daily activities. We look forward to your continued support and guidance.

President and Chief Executive Officer



Toshio Takiguchi



Everything we do is for people, for society, and for the Earth.

Toshiba Medical Systems Corporation is contributing to healthcare while working to achieve a sustainable environment.

As a global company having a global perspective, Toshiba Medical Systems Corporation is making every effort to provide people-friendly and earth-friendly medical systems.

Toshiba Medical Systems Corporation is committed to all stakeholders, and strives to contribute to communities around the world.

Objectives and main results for FY2016 / Objectives and plans for FY2017

Social Report






Contents	Main results for FY2016	Objectives and plans for FY2017
<p>Organizational governance / Fair operating practices</p> 	<ul style="list-style-type: none"> • Implementation of CSR management activities aimed at contributing to resolution of social issues • Implementation of activities to cultivate compliance awareness (distribution of messages from executives, educational programs tailored to employees at different organizational levels, appointment of a compliance counselor, and meetings focusing on compliance topics at each workplace) 	<ul style="list-style-type: none"> • Promotion of CSR management according to the Canon group's corporate philosophy • Global implementation of compliance policies of the Canon group
<p>Human rights / Labor practices</p> 	<ul style="list-style-type: none"> • Education on standards of conduct and implementation of awareness-raising activities • Consideration and implementation of measures for reduction of overtime work hours, support of employees balancing work and child care / family care • Maintaining and expanding the level of the legal employment rate for disabled people 	<ul style="list-style-type: none"> • Reduction of overtime work hours, encouraging employees to take compensated leave by promoting policies such as workstyle innovation • Further enhancement of supporting employees balancing work and child care / family care • Expanding the level of the legal employment rate for disabled people
<p>Occupational health and safety</p> 	<ul style="list-style-type: none"> • Continued improvement to create a safe, comfortable work environment based on OHSAS18001 • Implementation of health support activities for employees • Activities to prevent mental health problems • Action to eliminate traffic accidents 	<ul style="list-style-type: none"> • Continued improvement to create a safe, comfortable work environment based on OHSAS18001 • Promotion of health support for employees • Promotion of mental health support • Action to eliminate traffic accidents
<p>Occupational health and safety</p> 	<ul style="list-style-type: none"> • Reviewing the quality management system • Strengthening call center functions 	<ul style="list-style-type: none"> • Continued enhancement of product quality and safety assurance • Improvement of customer support
<p>Consumer issues</p> 	<ul style="list-style-type: none"> • Social contribution and community service activities at our sites within and outside Japan • Activities to contribute to regional healthcare • Activities to support recovery of disaster-affected areas 	<ul style="list-style-type: none"> • Enhancement and promotion of social contribution and community service activities at our sites within and outside Japan • Activities to contribute to regional healthcare • Activities to support recovery of disaster affected areas

[Return to Contents page](#)

Basic Policies Concerning the CSR Activities of Toshiba Medical Systems

1. We aim to earn the trust of society and continue growing, making a positive contribution as a member of society with a respect for life.
2. We practice honest and transparent management, giving the utmost priority to life, safety, and compliance with laws and ordinances, and aim to be an Earth-conscious enterprise.
3. We also aim to be a trusted corporation, placing importance on communication with all our various stakeholders.

Environmental Report

Contents	Main results for FY2016	Objectives and plans for FY2017
<p>Environmental policies / Highlighting environmental activities</p> 	<ul style="list-style-type: none"> • Development of environmentally conscious industry-leading eco products • Activities in various parts of the world to publicize environmental performance of systems with reduced environmental impact • Participation in environmental activities of industrial associations 	<ul style="list-style-type: none"> • Development of environmentally conscious industry-leading eco products • Activities in various parts of the world to publicize environmental performance of systems with reduced environmental impact • Participation in environmental activities of industrial associations
<p>Environmental management</p> 	<ul style="list-style-type: none"> • Setting targets for reduction of environmental impact and review of activities and targets • Enhancement of system for promoting environmental activities with the aim of achieving further business growth while reducing our environmental impact • Preparation for obtaining certification of ISO14001: 2015 	<ul style="list-style-type: none"> • Achieving all environmental targets • Further enhancement of environmental management system and internal control • Obtaining certification of ISO14001: 2015
<p>Environmental consideration for products</p> 	<ul style="list-style-type: none"> • Efforts to develop industry-leading eco products (improvement of environmental performance / expanded development of industry-leading eco products / creation of environmentally friendly products, etc.) • Certification for industry-leading eco products in order to promote environmentally conscious design (Vantage Galan 3T, Aplio i-series, etc.) 	<ul style="list-style-type: none"> • Further expansion of environmentally friendly products • Global observation of environmental laws and regulations, and maintenance of compliance with environmental standards
<p>Environmental consideration in manufacturing and business processes</p> 	<ul style="list-style-type: none"> • Utilization of data and costs of our environmental impact to serve as a guideline in our business activities 	<ul style="list-style-type: none"> • Implementation of energy-saving items through energy-saving projects
<p>Environmental communication</p> 	<ul style="list-style-type: none"> • Promotion of biodiversity conservation in cooperation with the local government and local communities • Group cleaning of industrial complex in Nozaki • Implementing "Environmental Month" event • Business promotion activities / observation tour 	<ul style="list-style-type: none"> • Positive participation in local environmental events • Planning and implementation of environmental events



2016 TOPICS

How we can contribute environmentally and socially through our products



MRI system Vantage Elan wins Gold Award at Green Apple Awards 2016 in the UK.



In 2016, our MRI Vantage Elan™ was a “Japan Gold Winner” at The International Green Apple Awards for Environmental Best Practice held by The Green Organisation, a nonprofit organization in the UK.

Vantage Elan achieves significant reductions in installation space requirements and power consumption while maintaining excellent diagnostic imaging performance, which helps to significantly reduce the lifetime cost of medical equipment. This advanced system not only reduces the economic cost for medical facilities but also minimizes harm to the environment.

In addition to its outstanding environmental performance (reduced size and high energy-saving capability), the system can be transported using vehicles that conform to European road regulations. The award was given in recognition of the fact that Vantage Elan can help to reduce disparities in the quality of medical care between cities and remote areas by providing transportable MRI (relocatable MRI) services.

New-generation 320-row area-detector CT system Aquilion ONE/GENESIS Edition wins the 13th Eco Products Award in Japan.



Aquilion ONE™/GENESIS Edition, our 320-row area-detector CT system, received a Chairperson's Award, Eco Products Awards Steering Committee (in the Eco Products Category) at the 13th Eco Products Awards held by the Products Awards Steering Committee.

Aquilion ONE was released in November 2007 as the world's first 320-slice area-detector CT system, capable of scanning a 16-cm width in a single rotation. Today, more than 300 Aquilion ONE systems are in use in Japan, and more than 1000 are in use in other countries worldwide.

The gantry of Aquilion ONE/GENESIS Edition, for which the award was given, has been redesigned, and the minimum installation area is just 19 m², while the exposure dose has been reduced and image quality has been improved. In addition, power consumption is reduced, contributing further to energy saving.

The award was given in recognition of the fact that the CT system is patient-friendly, and for its product performance concerning hospital management and the environment.



Food poisoning prevention in regions affected by the Kumamoto earthquakes

In April 2016, Kumamoto was struck by a series of earthquakes. As many staff members from Local Institutes of Public Health managing overall public health and sanitation were stationed at evacuation shelters, while many others were involved in monitoring water safety and evaluating the environmental effects of the disaster, there was a shortage of personnel. There were concerns about the capability to respond swiftly enough to possible food poisoning outbreaks.

In cooperation with Kawasaki City, we offered a product of our collaborative development with Kawasaki City Institute of Public Health to two Local Institutes of Public Health in Kumamoto prefecture. DNA testing systems and the associated test kits, which enable identification in two hours of bacteria that cause food poisoning, were provided free of charge for six months.

Commenting on this support, Ms. Ichida, Director of Kumamoto Prefectural Institute of Public Health and Environmental Science, said that fortunately, there was no mass food poisoning outbreak, but that the kits had served as a useful precautionary measure during this serious emergency. In addition, Mr. Fujii, Director of the Kumamoto City Environmental Research Center, commented that although more than 48 hours are usually required to identify bacteria that cause food poisoning, this system enables testing in just 2 hours, allowing the appropriate treatment method to be determined and helping to prevent the spread of food poisoning.



DNA testing system loaned to Kumamoto prefecture

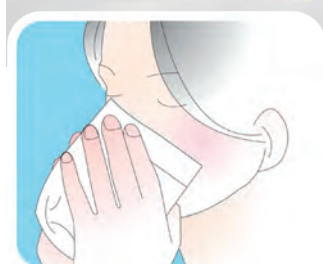


Staff members of the Kumamoto Prefectural Institute of Public Health and Environmental Science



Right: Mr. Fujii, Director of Kumamoto City Environmental Research Center
Middle: A staff member of Kawasaki City Institute for Public Health

Delivering reliable, patient-friendly influenza virus tests
















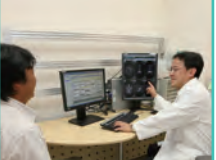


Influenza outbreaks occur every winter in Japan. Progression and complications can lead to pneumonia, encephalitis, or encephalopathy for elderly people or children with low resistance. It is therefore necessary to implement prevention, early detection, and early treatment.

Introducing a high-sensitivity detection technique, we started manufacturing and selling the influenza virus test kit Rapiim™ Flu-AB, which allows quick detection of a small amount of virus at an early stage. In addition to detection with samples collected from the nasal cavity using a cotton swab, patient-friendly detection is possible using nasal mucus collected by nose blowing, allowing even small children to receive examinations without discomfort. Because examinations at an early stage allow early diagnosis and treatment, this test kit provides a sense of security by preventing progression of the disease and helping to stop further spread of infection.

Major products and global network of Toshiba Medical Systems Corporation

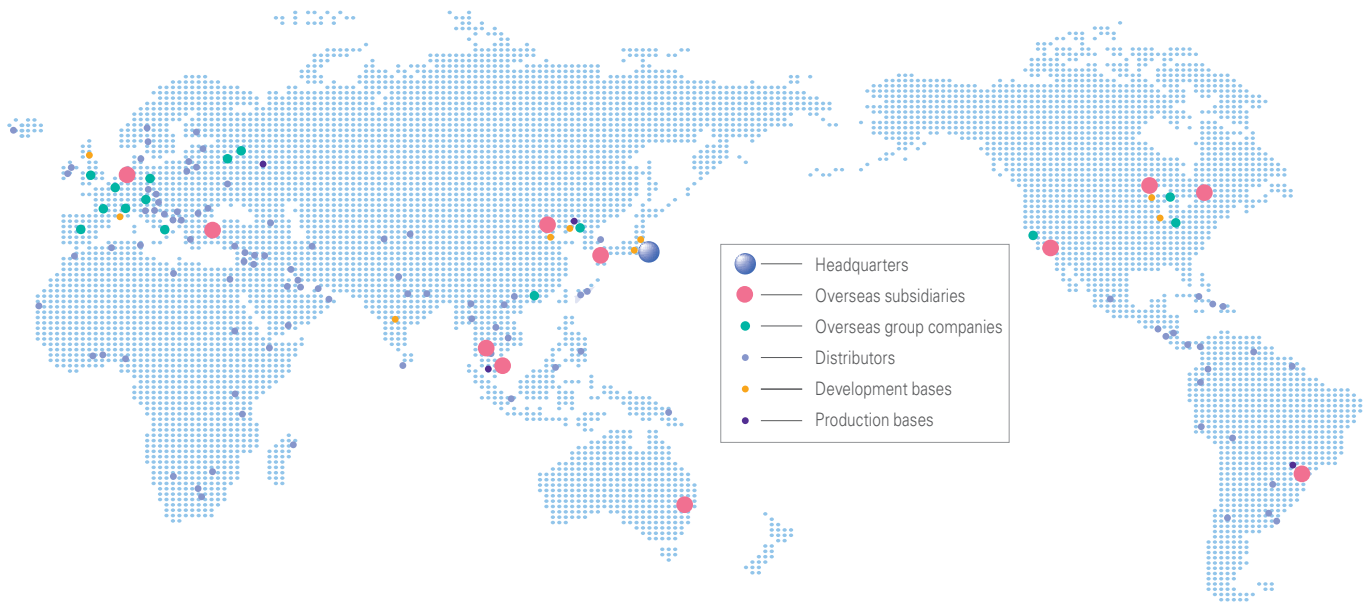
To contribute to healthcare for people around the world, we provide cutting-edge medical systems for an optimal medical environment.

We provide products as well as services for medical institutions such as hospitals, clinics, and imaging centers. We produce a wide range of products related to diagnostic imaging, such as CT systems, MRI systems, diagnostic ultrasound systems, and X-ray systems as well as IVD-related products and medical IT business. We engage globally in development, production, sales, and maintenance and servicing of these products.

Diagnostic imaging				IVD (in vitro diagnostics)	
 CT	 MRI	 Diagnostic ultrasound systems		 Clinical laboratory systems	
 X-ray angiography systems	 X-ray TV systems	 PET-CT	 Radiotherapy systems	 Influenza virus test kits	 DNA testing systems
Medical IT					
 Medical image processing workstations	 Diagnostic imaging department information systems	 Electronic medical records	 Hospital accounting	 Hospital accounting	 Electronic medical records / hospital billing

Promoting a global network

With service bases located in over 140 countries around the world, we provide prompt and appropriate services to support customers. In addition, in collaboration with medically advanced countries, we endeavor to create innovative technologies through joint research and development.





Social Report

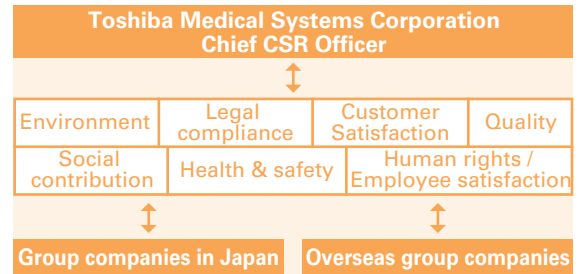
We aim to establish an environment that provide peace of mind for all our stakeholders.

We are promoting CSR management on a global scale in order to contribute to solving social issues.

CSR management structure of Toshiba Medical Systems Corporation

Considering our businesses themselves to exemplify CSR, we are implementing a variety of activities. As part of CSR management, we urge our employees in all parts of the world to comply with the Toshiba Medical Systems Group Standards of Conduct and to observe them in all business activities.

CSR management structure of Toshiba Medical Systems Corporation



In order to conduct our business activities in a fair manner, we are committed to enhancing compliance with laws and ordinances.

To ensure compliance with laws and regulations, social and ethical norms, and internal rules throughout our worldwide operations, and to promote fair business, we are promoting various risk/compliance management policies throughout our operations. We are providing continuous education for all employees (e-learning and compliance education concerning specific laws), working to create an organizational climate that focuses on compliance (periodic meetings on compliance topics at each workplace), and making every effort to ensure compliance with applicable laws and regulations (including "Risk Hotline", an internal reporting system, and "Clean Partner Line", a reporting system for our business partners).



"We have established a system to strictly check that, from a legal compliance viewpoint, all business negotiations are being conducted fairly."

Nobuhiro Washio, Executive Vice President and General Manager of the Global Sales Division

We conduct our business guided by the slogan "No compliance, no business". Observance of laws and regulations is checked by the department responsible for compliance issues and by individual sales personnel, with checkpoints set at appropriate stages of each business negotiation conducted by each sales department. In addition, at our branch offices in the front line of sales and service, a compliance counselor has been assigned so that employees can ask questions or seek advice on compliance issues as necessary. In addition, in order to establish a healthy environment in which sales activities can be conducted fairly, we hold periodic meetings on compliance topics for sales personnel to promote information sharing, provide education through e-Learning, and endeavor to create a climate of compliance throughout the organization, such as by providing president's messages on compliance topics.



Through educational and enlightenment activities, we strive to create organizations in which people from diverse backgrounds can actively work together.

Respect for human rights

The basic policies of Toshiba Medical Systems Group include respect for human rights, elimination of discriminatory treatment, and observance of laws and regulations. In the "Toshiba Medical Systems Group Standards of Conduct", it is specified that diversity of individual values, personality, and privacy should be respected, and that discriminatory behavior concerning race, religion, sex, nationality, mental or physical disability, age, or sexual orientation, as well as behavior detrimental to human rights, such as violence, sexual harassment, or power harassment, should be eliminated. Through educational activities, we are promoting awareness of and respect for human rights.

Respect for diversity

- Employment of non-Japanese people
We are actively promoting employment of non-Japanese people, not only at overseas subsidiaries but also at group companies in Japan. We also provide education programs for them in order to create an organizational climate in which people from diverse backgrounds can work together effectively.

- Encouraging employment of people with disabilities
Toshiba Medical Systems Group will maintain its commitment to employing people with disabilities (maintaining an employment rate equal to or higher than the legally required rate of 2%) and to further expanding areas in which they can be more active.











We strive to create a safe, comfortable work environment for all employees.

In cooperation with the employees' labor union, we are striving to foster a work environment that allows employees to have sufficient personal rest and relaxation time while maintaining an active role. Employees can take maternity leave or child-care/family-care leave as necessary, and a system of reduced working hours is also available.

As a "company supporting child care", we have received certification three times.

Toshiba Medical Systems Corporation Headquarters is certified by the Tochigi prefectural labor bureau as a "company supporting child care" and has obtained the "Kurumin mark"* consecutively since 2011 based on the Next Generation Education and Support Promotion Act.



Outline of working systems and number of participants		2012	2013	2014	2015	2016
Child-care leave system	Applicable period: until the child is 3 years old, regardless of the working status of the spouse	 Female: 26; Male: 1	 Female: 21; Male: 1	 Female: 43; Male: 1	 Female: 40; Male: 0	 Female: 23; Male: 0
Reduced working hours system	Applicable period: until the child graduates from elementary school (for child care) up to three years per family member in need of nursing care (for family care)	 Female: 37; Male: 0	 Female: 22; Male: 0	 Female: 65; Male: 0	 Female: 57; Male: 0	 Female: 82; Male: 0

(As of March 31st, 2017. Applicable to Toshiba Medical Systems Corporation only.)

* "Kurumin mark" (or Next Generation Support Certification Label): This certification is given to companies that have established and implemented an action plan to create a working environment encouraging child care, and that have achieved certain standards. These companies are certified by each prefectural labor bureau as companies supporting child care.

We aim to ensure a safe environment in which each employee can perform their work while maintaining good mental and physical health.

Promoting occupational health and safety

Toshiba Medical Systems Group considers safety to be a primary responsibility of management. Giving the utmost priority to life, safety, and compliance with laws and ordinances in all business activities, Toshiba Medical Systems Group promotes a safe, comfortable work environment and places the highest value on the mental and physical health of employees.

Occupational health and safety management system

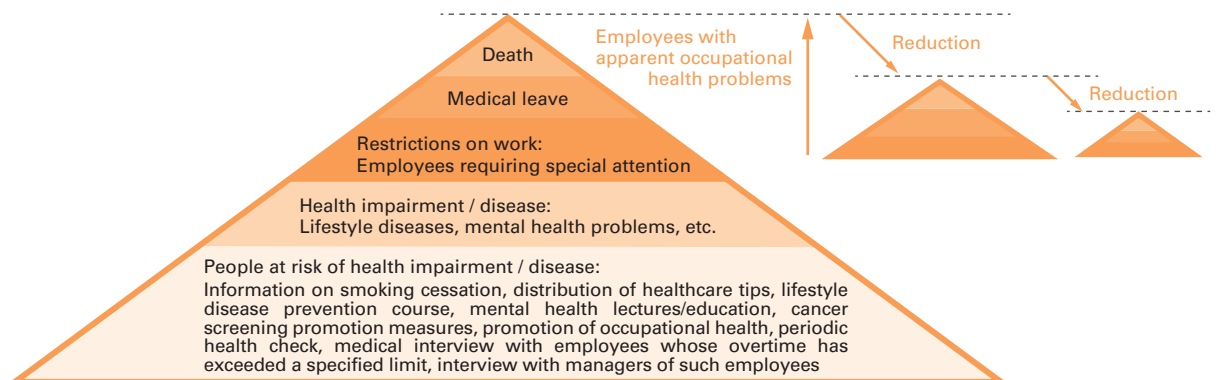
In February 2008, Toshiba Medical Systems Corporation Headquarters obtained OHSAS 18001 certification, the international standard for occupational health and safety management systems.

Based on this certification, we are promoting a variety of occupational health and safety policies. For risk assessment, which forms the core of OHSAS 18001, all our employees perform risk identification and measures to eliminate or reduce risk factors. This activity helps to raise employee awareness of occupational safety. In FY2013, in order to create a safer work environment, we enhanced our methods for risk analysis, management, and improvement. In order to create a safer work environment, since FY2013, we have been enhancing our methods so that more precise identification, analysis, and management of risks can be performed, and appropriate measures applied.

Health support for employees

In a planned manner, Toshiba Medical Systems Corporation takes measures to promote the health of all employees. Based on the results of annual health checks, in particular, our medical staff have been providing health support for employees. For example, for employees who are judged to require medical treatment based on certain health check criteria, we have been conducting interviews and placing restrictions on their work so that they can focus on treatment.

In order to reduce health problems among employees in the medium term, we have been taking a variety of measures and providing occupational health support.



Activities to prevent cerebral/cardiac diseases and lifestyle diseases

We have been providing an annual training course on prevention of lifestyle diseases for our employees. In this course, different advice is given to different ages of employees in terms of diet etc. so that each individual can effectively work to improve their lifestyle.



Mental health promotion

From 2015, with the purpose of promoting the mental and physical wellness of employees, we have been inviting a lecturer to provide an education program twice a year focusing on exercise and breathing training. By providing an easy-to-start method, we are promoting employee behavior that will help to prevent mental and physical stress.



We aim to provide the safest, highest-quality products in the world through our quality management system.

Basic policies

Based on the respect for life that forms the basis of our management principles, Toshiba Medical Systems Corporation complies with current safety-related laws and regulations, maintaining a client-centered attitude, and aims to contribute to society by providing high-quality, safe products and services with advanced functions that satisfy our customers.

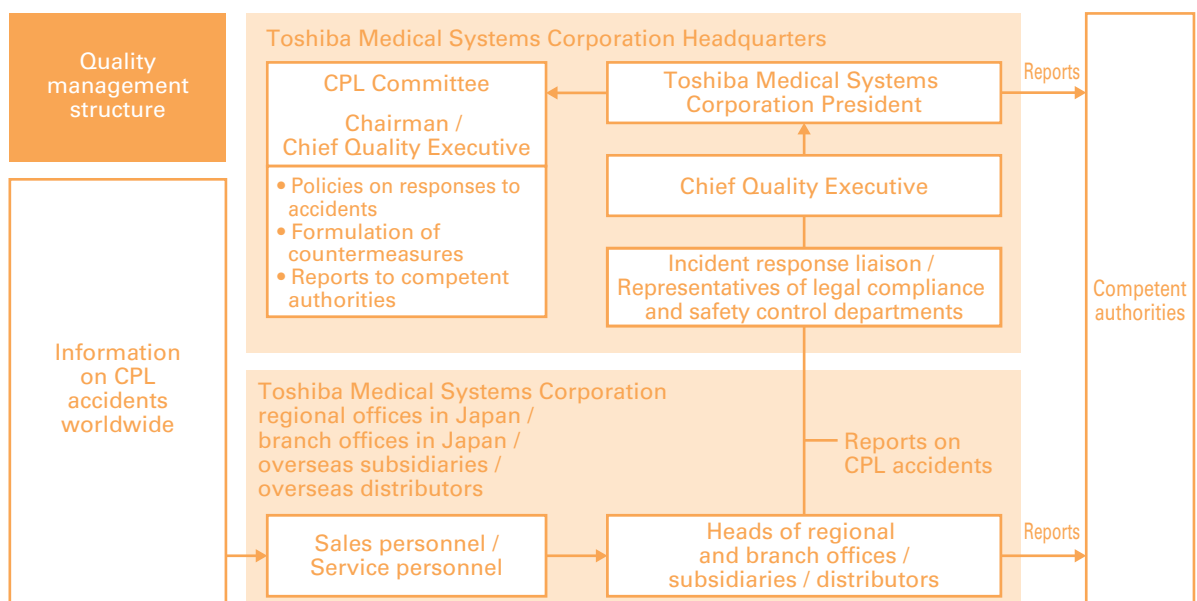
Standards of conduct

1. We engage in quality assurance from the customers' point of view.
2. We observe relevant laws and contracts and respect the rights of customers and third parties.
3. We ensure that all of our departments and all of our employees act to improve the quality of products and product-related business processes.
4. We establish, continuously improve, and maintain quality management systems that comply with global business standards.
5. We aim for essential improvement by investigating the root causes of process failures.

Swift response to product safety incidents

We have established a quality management system where employees (such as sales and service representatives) who become aware of information concerning a Toshiba Medical Systems Corporation product accident or problem must immediately alert the quality management department and executives. Based on this information reported by employees, the CPL Committee* decides how to act upon the matter. In the event of an accident attributable to a product that is likely to recur, we immediately inform customers of the danger, promptly report to the competent authorities, and implement countermeasures as soon as possible. Information concerning a Toshiba Medical Systems Corporation product accident and countermeasures will also be disclosed on the website of the Pharmaceuticals and Medical Devices Agency (PMDA).

* CPL Committee: CPL is an abbreviation combining CL (contractual liability) and PL (product liability). The CPL Committee, chaired by the Chief Quality Executive, promptly determines measures to deal with product accidents and quality issues.



Strengthening call center functions

In order to ensure our customers have confidence in using our products, we have expanded the product types that support the remote maintenance system InnerVision™ and also strengthened the function of the technical call center. In addition to CT, MRI, X-ray angiography, and medical image information systems, which were already supported, we have started employing InnerVision for clinical laboratory systems and diagnostic ultrasound systems. This has enabled us to offer the same quality of service and maintenance as for the previously supported systems.

Renovation of technical call center to improve customer and employee satisfaction

We have renovated our call center to provide enhanced customer service and information security, and to create a healthier and more comfortable work environment for our staff. We are determined to achieve not only more efficient operation in an improved work environment, but also more courteous customer service by increasing the number of customer service personnel. We have also introduced electric height-adjustable standing desks in order to alleviate discomfort among call operators (such as back pain caused by remaining sedentary for long periods during work). This is a new working style for our call center.



Establishing a meeting room for technical call center tour

We have enhanced the tours that we conduct to introduce our call center service operations. The new meeting room, where part of the tour is held, has glass walls that permit an overall view of the call center. As the observation room is soundproofed and the operators' monitors are not visible from the observation room, it is possible to ensure the security of the call center even if an unexpected tour is held. We offer this call center tour to give our customers confidence in our customer services.



USER'S VOICE

“Toshiba Medical Systems Corporation's support system using the remote maintenance system provides excellent assistance to our staff”

Mr. Yoshiaki Kato, radiologic technologist in the diagnostic imaging room at Kameda Medical Center

Kameda Medical Center is an emergency care center in southern Chiba prefecture, serving as a main referral hospital for the area. Kameda Clinic, which has installed a Vantage Titan™ 3T MRI system, is an outpatient clinic near Kameda Medical Center. The MRI system operates continuously from opening time at 8 a.m. until closing time at 6 p.m., as it is fully booked for outpatient MRI examinations.

In order to enhance patient satisfaction, a quick response to system problems or safety incidents is vital. Because Kameda Clinic is located at the southern end of the Boso peninsula, it takes time to travel from the service center to the clinic. Therefore, call center support utilizing the remote maintenance system provides staff at the clinic, who are focused on “patient-oriented healthcare”, with a sense of security in addition to excellent assistance.

(From left: Radiologic technologists Mr. Kato, Mr. Nagai, and Mr. Yamada in the diagnostic imaging room at Kameda Medical Center)





In order to benefit society and serve local communities, we participate in a variety of activities.

Promotion of the Pink Ribbon Campaign

We are supporting the Pink Ribbon Campaign, which promotes the importance of breast cancer screening for early detection and treatment of breast cancer. In order to increase the number of women who receive breast cancer screening, we are implementing various activities at venues across Japan, such as distributing breast cancer screening guidebooks and exhibiting campaign vehicles. We are also participating in events such as the Pink Ribbon Festival and the Pink Ribbon Smile Walk, introducing mammography examinations, and encouraging women to receive periodic breast cancer screening.



The 28th Otawara-shi Sangyo Bunka-sai (Otagawa City Industry Festival)

At the "Otagawa-shi Sangyo Bunka-sai" held in autumn every year, we introduced our advanced diagnostic imaging systems and the latest technologies for minimizing patient discomfort. These were presented in an easy-to-understand manner by demonstrating an actual diagnostic imaging system and displaying panels and images. We communicated the importance of early detection and treatment of disease, and the advancement of medical device technologies.



Participation in the 36th Yoichi Festival

With the aim of promoting communication with local communities, Toshiba Medical Systems Corporation Headquarters holds exhibitions and participates in various local events. In cooperation with the employees' labor union, more than 200 employees of Toshiba Medical Systems Corporation Group, including company executives and non-Japanese staff members, joined the 36th Yoichi Festival dance in Otawara, enthusiastically participating in this traditional regional event.

Periodic cleaning activities in areas around Toshiba Medical Systems Corporation Headquarters

At Toshiba Medical Systems Corporation Headquarters, as part of activities to serve the local community, employees have been volunteering to conduct periodic cleaning activities. At the Kyushu Regional Office, continued cleaning activities for the area around the office are implemented in cooperation with group companies.



Blood donation activities

In cooperation with the Tochigi Red Cross Blood Center, Toshiba Medical Systems Corporation Headquarters and Kanto Regional Office have held annual blood donation activities, encouraging employees to donate blood and raising awareness of bone marrow registration.

Factory tour for children with cancer and their families

A factory tour was held in cooperation with the nonprofit organization Children's Cancer Association of Japan. Children with cancer and their families were invited to the factory in Headquarters. As some children may fear or feel uncomfortable with medical equipment, a factory tour is periodically held with the aim of providing them with an opportunity to see the manufacturing process for medical equipment such as CT and MRI systems, and enjoy a hands-on experience by obtaining medical images using toys.



Table tennis seminar

As part of activities to enhance communication with the local community, Toshiba Medical Systems Corporation holds an annual table tennis seminar, inviting players from our women's table tennis team as coaches. This time, with support from one of our users, we held the 5th Table Tennis Seminar, bringing together 160 students from table tennis clubs in elementary, junior high, and high schools in Miyakonojo, Miyazaki prefecture. The practical coaching by skilled table tennis players offered a great experience for local students.

Support of a disabled professional golfer

Masato Koyamada is a local professional golfer who lost an arm in a childhood accident, and as an adult has had health challenges including myocardial infarction and a brain tumor. In spite of his disability, he became a professional golfer, taking part in tournaments against non-disabled competitors. Toshiba Medical Systems Corporation is supporting Mr. Koyamada through sponsorship.





Our subsidiaries around the world support a wide range of community service activities.

[U.S.A.]

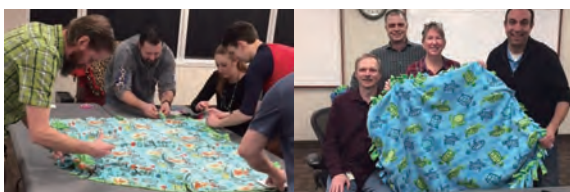
Donation of backpacks and school supplies to local school

Employees from Vital Images Inc. in USA participated in a World Vision school supplies donation program. The goal of the program was to help young students whose families cannot afford to purchase necessary supplies for the upcoming school year. The supplies for the backpacks were purchased with donations from Vital Images and its employees. The backpacks, prepared by the employees, were delivered to World Vision for distribution to 5th grade classes at Bethune Community School in Minnesota. Vital Images later received thank you cards from the students who received backpacks.



Donation of fleece blankets to Children's Minnesota

Fleece blankets were donated to local hospital Children's Minnesota in order to provide a more comfortable stay for children. The materials for fleece-tie blankets, which consist of two fleece blankets tied together, were purchased with donations by Vital Images and its employees. The blankets were tied by Vital employees and then delivered to Children's Minnesota.



[France]

Social media fundraiser during ECR 2017

During ECR (European Congress of Radiology) 2017, Olea Medical created #oleacare in order to raise funds for sickle cell anemia care. The activity was held in Vienna, Austria, under the concept "Tweet/Retweet #oleacare to raise the donation progress bar in real time!" There were 100 tweets/retweets during the course of the event, and these were converted into donations.





[Scotland]

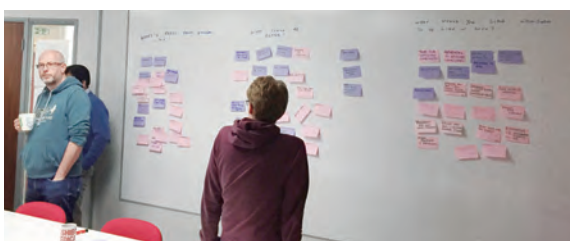
Participation in charity event held by Sick Kids Friends Foundation

More than 50 players, including employees from Toshiba Medical Visualization Systems Europe (TMVS), participated in a fundraising darts competition held by a social committee member, Mr. John Tough. Players were charged £5 each to enter the competition. Half of the entry fee went to the prize and the other half went to donations. The winner donated half of the prize money to the Foundation, and charity buckets were placed on the bar to raise additional funds.



Ideas adopted for 2050 Edinburgh City Vision

Edinburgh City Council asked for help compiling their new vision for the city for 2050. Ten employees from TMVS volunteered by brainstorming ideas and reviewing the responses from the City Council. Many of the ideas related to human health and wellbeing, and supported our Made For Life philosophy. The suggestions were appreciated by the city council, and some of them were adopted for the 2050 Edinburgh City Vision.



Blood donation to Edinburgh Blood Donor Centre

In December 2016, ten employees from TMVS donated blood to Edinburgh Blood Donor Centre. This has been an ongoing activity throughout the year, as it is necessary to maintain six days' worth of each blood type at all times to help patients in Scotland.



Participation in charity walk

Edinburgh Sick Kids Friends Foundation provides funding and support with the aim of enriching the experience of sick children in the hospital setting. TMVS held a company charity walk in order to raise awareness of the Foundation. More than 20 TMVS employees participated in the walk, which took place in Leith. Prior to the walk, volunteers collected donations from employees, and a raffle was held in December. Over £1000 was raised. TMVS will continue its fundraising activities in support of various charities.



[Canada]

McMaster University visiting professor program

Toshiba Canada Medical Systems (TCMS) jointly supports the visiting professor program of McMaster University. The purpose of the program is to bring renowned radiologists from around the world to enhance the educational knowledge of the students. Students from McMaster, Guelph, and the surrounding area participate in this program. There are two participating radiologists for each session.



Continuous donation for foundation managed by hospitals

Toronto General Hospital and Western Hospital jointly manage the foundation Technologists and Nurses Innovation in Education and Research (TIER), with the aim of providing continuing education and training for radiologic technologists and radiologists. TCMS is supporting this program by committing to continue donations for 5 years.

Sainte-Justine at the Heart of the World

TCMS took part in the Sainte-Justine volunteer program. Sainte-Justine is a team of volunteers, doctors and specialist paramedics who since 2006 have focused on providing solutions for children with heart defects. The purpose of the missions is also to train local teams and transfer knowledge to them so that expertise is developed in a sustainable manner in the host country. Since its inception, Sainte-Justine at the Heart of the World has flown missions to Morocco, Egypt and Ethiopia, with some 130 health professionals taking part. These missions have allowed treatment of more than 800 patients with congenital heart disease. The 14th mission was conducted in April 2016 at the Cardiac Center for Ethiopia in Addis Ababa. 95% of donations from individuals and businesses are used for the achievement of the missions. To assist the charity, TCMS donated computers for management of training materials and workflow at hospital sites. In addition, a table was donated for use at the fundraising dinner for the event.





[Brazil]

Loan of ultrasound diagnostic system to health campaign

A health campaign called “Corujão da Saúde” (Owl of health) was launched in São Paulo. Corujão da Saúde was implemented in hospitals, clinics, and philanthropic institutions which are able to offer exams outside general consultation hours, with the aim of eliminating waiting lines for medical examinations in the São Paulo public health system. Toshiba Medical do Brazil (TMB) contributed to this campaign by lending an Aplio 300 diagnostic ultrasound system for use in evening examinations.



[Malaysia]

River cleaning activity

Toshiba Medical Systems Manufacturing Asia SDN. BHD. (TMMA) conducted a river cleaning activity beside the Penang Botanic Gardens in order to raise awareness of environmental protection. Thirty-eight TMMA employees participated in the activity, which was held in August 2016.

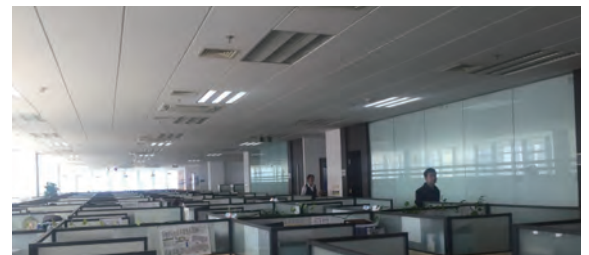


[China]

Lights off during lunchtime

Toshiba Medical Systems R&D (Dalian) turns lights off during lunchtime to raise employee’s awareness of the importance of environmental protection in their daily life at the workplace and at home.

This environment-friendly activity is implemented with full support from the employees and the company.



[Korea]

Participation in park cleanup event

Employees from Toshiba Medical Systems Korea (TMSK) and their families took part in a cleanup event organized by Toshiba Electronics Korea Corp. TMSK has participated in this campaign since 2013. With the aim of providing a clean environment, the volunteers raked up fallen leaves and picked up trash in the park grounds. This time 55 volunteers participated from TMSK, including families of employees.





Environmental Report

Manufacturing environmentally conscious products,
because the Earth is irreplaceable

Environmental policy

Recognizing that the Earth is an irreplaceable asset, Toshiba Medical Systems Group strives to develop and provide “environmentally conscious medical equipment and systems” in order to contribute to the community and to healthcare services. This is the responsibility and commitment of Toshiba Medical Systems Group, which is expanding its business worldwide. Based on this philosophy, we promote environmental activities, to the extent technically and economically feasible, in accordance with the standards of conduct of Toshiba Medical Systems Group.

President & CEO
Toshiba Medical Systems Corporation

Toshio Takiguchi

Toshiba Medical Systems Group considers environmental stewardship to be a primary responsibility of management. The group specifies and periodically reviews its objectives and targets through assessment of the environmental aspects of its business activities, products, and services. All staff members work towards this goal in order to continuously improve the environmental management system and prevent pollution.

Toshiba Medical Systems Group complies with all laws and regulations concerning the environment, agreements on pollution prevention, and its own strict standards, taking effects on the environment and on biodiversity into consideration.

Toshiba Medical Systems Group selectively specifies the following objectives in order to reduce the environmental impact of its products and business processes.

- (1) Developing and providing environmentally conscious products and services which contribute to reducing environmental impact throughout their life cycles.
- (2) Reducing the environmental impact of all business processes, including design and development, manufacturing, sales and distribution, servicing, and disposal, with a focus on the prevention of climate change, efficient utilization of resources, and control of chemical substances.
- (3) Promoting biodiversity conservation activities in cooperation with communities.

Toshiba Medical Systems Group maximizes disclosure and enhances communication in order to facilitate mutual understanding with communities and customers.

Environmentally conscious design is incorporated in all our products in order to promote reduction of environmental impact.

We strive to provide the industry's highest level of environmental performance in as many products as possible.

Environmentally conscious design is incorporated in all our products. In order to develop products with excellent environmental performance, Toshiba Medical Systems Group has established a certification system for industry-leading eco products.* In FY2016, four of our products were additionally recognized as such products.

* Industry-leading eco products: Toshiba Medical Systems Group's internally recognized products that, at the time of release, achieved excellent environmental performance in terms of "prevention of climate change", "efficient use of resources", and "management of chemical substances".

Positive activities in various parts of the world to publicize the environmental performance of our products

Since 2011, in order to expand the use of industry-leading eco products to as many customers as possible, helping to reduce environmental impact, we have been positively publicizing the environmental performance of our products at major exhibitions held in many countries worldwide. In 2016, in addition to Japan, Europe, and South America, we have exhibited our products in China and Middle Eastern countries. We are making efforts to participate in more international exhibitions in order to publicize products that deliver excellent environmental performance.

Participation in environmental activities of industrial associations

Toshiba Medical Systems Corporation is promoting environmental activities while balancing global environment concerns and economic profitability through participation in activities of industrial associations in Japan, the USA, and Europe, and the umbrella organization DITTA (International Congress of Diagnostic Imaging and Therapy Systems Trade Association).



"Our aim is to contribute to both human healthcare and the global environment. "

Yasuo Nobuta, Senior Vice President, Environmental Officer















Our mission is to provide medical equipment that benefits human health. Even though such equipment contributes to human life, unlimited consumption of energy or resources is not acceptable. We reduce CO₂ emissions by manufacturing medical equipment that is smaller and lighter while retaining equivalent clinical performance, and by reducing standby power consumption, which is not directly related to performing examinations. We will continue to contribute to global environmental conservation through provision of products that are designed to deliver excellent environmental performance.



With the aim of achieving further business growth while reducing our environmental impact, we are strengthening our system for promoting environmental activities.

Based on its environmental policies, Toshiba Medical Systems Corporation is promoting the establishment of environmental targets and environmental plans. Target values are set for each major category and Toshiba Medical Systems Corporation is working steadily to achieve the following objectives: reduction of CO₂ emissions per production unit, reduction of the total amount of waste generated per product, reduction of use of municipal water, creation of “industry-leading eco products”, and conservation of biodiversity.

Environmental report FY2016 results and major projects for FY2017

Item	Target for FY2016	Achieved value / evaluation	Additional information	Target for FY2017	
Mitigation of climate change	Reduction of energy-originated CO ₂ emissions per production unit	20% reduction (compared to FY2010) 	19% reduction	Reduction of power consumption in manufacturing processes and wastewater treatment. Reduction of electricity consumption by introducing high-efficiency equipment (air conditioning, LED lighting, and transformers). Measures to eliminate gas consumption at Toshiba Medical Systems Corporation and water vapor emission at Toshiba Electron Tubes & Devices Co., Ltd. However, due to our new business (power supply component business) and the increase in our air conditioning needs, the target was not achieved.	19% reduction (compared to FY2010)
	Reduction of logistics-originated CO ₂ emissions per production unit (for logistics in Japan)	13% reduction (compared to FY2010) 	13% reduction 	Achieved by expanding modal shift, optimizing shipping container use, reducing transportation distance for reimported products, and minimizing transportation journeys within Japan by improving logistics (combining deliveries).	14% reduction (compared to FY2010)
Efficient use of resources	Reduction of the total amount of waste generated per production unit	40% reduction (compared to FY2010) 	33% reduction	Reduction of organic sludge by processing through public sewerage system. Implementation of program to recycle medicine bottles through recycling vendors. However, due to increased disposal of packaging materials (wood chips) corresponding to an increase in overseas procurement items, the target was not achieved.	36% reduction (compared to FY2010)
	Improved utilization of municipal water	11% reduction (compared to FY2010) 	13% reduction 	Achieved by reusing blow-off water, and removing the cooling tower (CT-1) as a result of eliminating water vapor emitted from air conditioning in Toshiba Electron Tubes & Devices Co., Ltd.	14% reduction (compared to FY2010)
Management of chemical substances	Reduction of chemical substances handled per production unit	28% reduction (compared to FY2010) 	28% reduction 	Achieved by reducing isopropyl alcohol by changing the drying method in cleaning processes.	29% reduction (compared to FY2010)
Further expansion of environmentally conscious products	Creation of industry-leading eco products	55% 	55% 	Sales ratio increased by expanding industry-leading eco products and by increasing quantity sold.	58%
	Improvement in product eco-efficiency Product total factor	3.95 	3.96 	Firm establishment of processes to create industry-leading eco products. Improvement of product value and reduction of environmental impact.	4.00
Conservation of biodiversity		Biotope maintenance Biological research Holding events 	Implemented as planned 	Biotope maintained, Quercus acutissima and Quercus serrata seedlings were planted and two rose arches were established. (An observation event was canceled due to rain.)	Biotope management Protecting specified index organisms Holding observation

System for promoting environmental activities

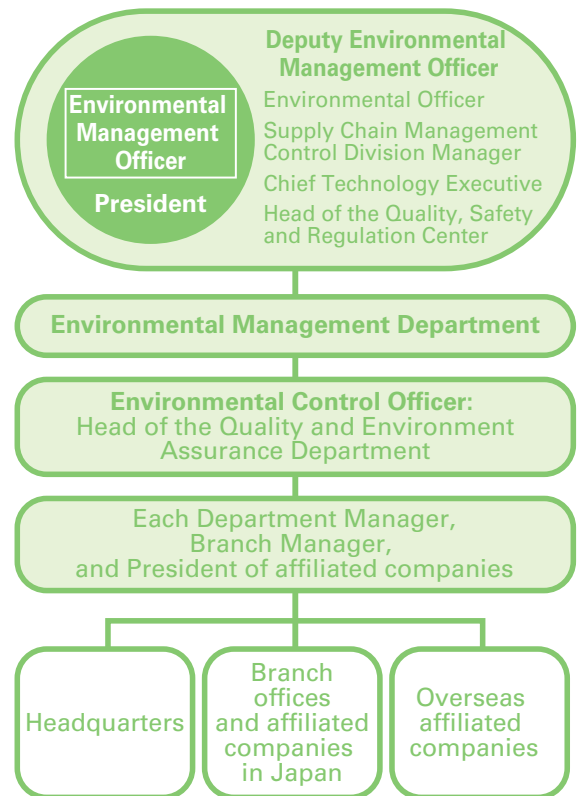
The Environmental Management Department, which is under direct control of the President and CEO, takes a leading role with the aim of achieving business growth while reducing our environmental impact. The role of this department is to establish intermediate environmental management policies, and to assist in product planning, development, production, sales, and service activities from the viewpoint of environmental management.

Internal control

We are conducting internal environmental audits at group companies in Japan and overseas, as well as at our facilities, regional offices, and departments. In addition, we are active in undergoing environmental audits by external organizations, which provide excellent opportunities to improve the level of our environmental management. The audit results are reported to and reviewed by the president as an environmental management officer, and are utilized to further improve the environmental management system.

Environmental training for employees

For environmental training in Toshiba Medical Systems Group, general employee training is provided for all employees with the aim of instilling basic environmental knowledge. At facilities which may have an effect on the environment, competence enhancement training is provided with the aim of giving employees the specialized knowledge they require to be leaders in environmental activities. These training programs are implemented efficiently through the introduction of e-Learning.

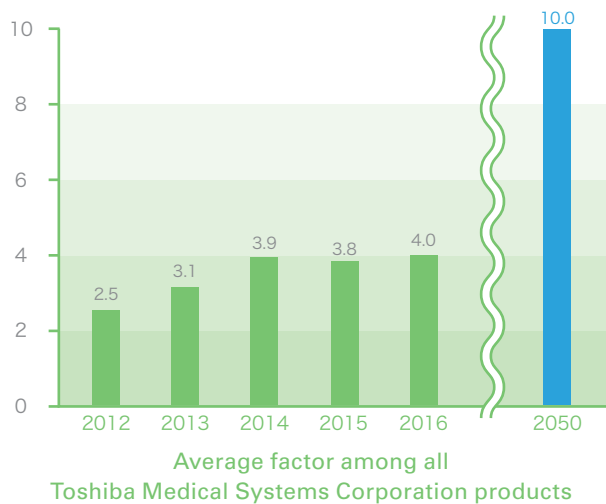


We are committed to making as many products as possible that achieve the industry's highest level of environmental performance.

Improvement of environmental performance of our products

To achieve the objective of Toshiba Medical Systems Group, we are working hard to improve the environmental performance of our products in order to enhance environmental efficiency (expressed as a factor) with the aim of achieving 10 times higher efficiency by 2050 than in 2000. In product development, we are continuing to make improvements aimed at achieving Factor 10,* with the average of the factors for all products set as the index rate.

* Factor 10 is the target for the total improvement factor both of products and business activities.

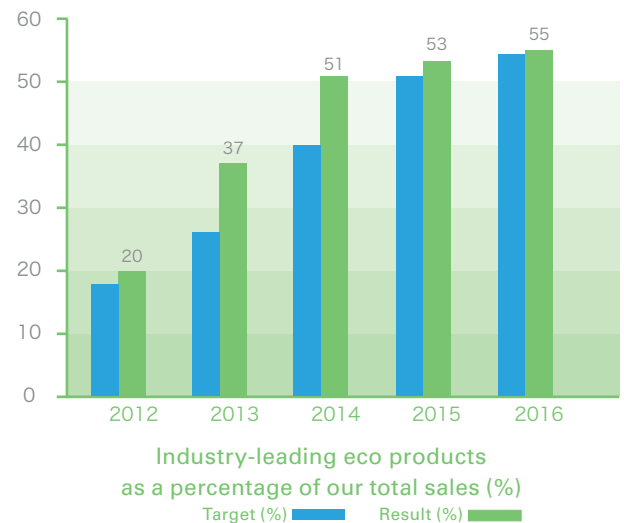


Average factor among all Toshiba Medical Systems Corporation products

Expanding development of "industry-leading eco products"

Toshiba Medical Systems Corporation ensures environmentally friendly designs in the development of all products in order to produce ECPs (environmentally conscious products). Among these, only products which can be rated No. 1 in environmental performance are certified as "industry-leading eco products". We are expanding development of industry-leading eco products by setting an index rate for sales of such products as a proportion of total sales.

In FY2016, development of new industry-leading eco products increased sales. As in the previous year, these products as a percentage of total sales exceeded 50%.



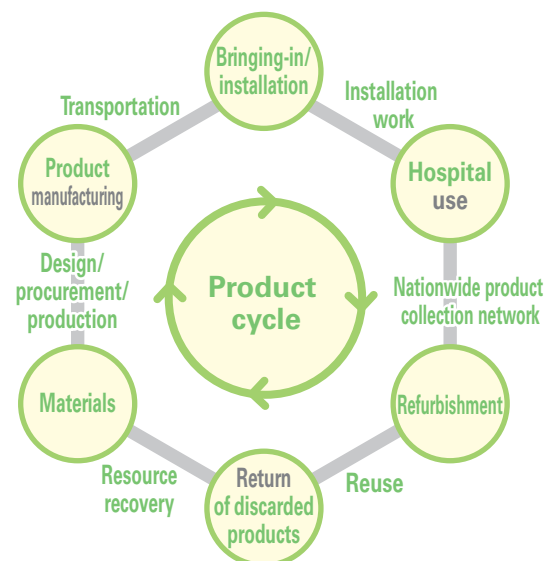
Industry-leading eco products as a percentage of our total sales (%)
Target (%) Result (%)

Promoting creation of environmentally conscious products

Toshiba Medical Systems Corporation has established product development and design processes in accordance with the International Electrotechnical Commission standards for environmental product design for medical electrical equipment (IEC 60601-1-9*). Product life-cycle assessment, covering the range from product planning, development, manufacturing, and servicing, to disposal (recycling) is performed based on this process. Toshiba Medical Systems Corporation is promoting creation of environmentally conscious products. We are also making strong efforts to develop technologies for improving the environmental performance of our products.

* International Electrotechnical Commission regulation IEC 60601-1-9: An IEC regulation that specifies requirements for environmentally conscious design (IEC Ed. 1.1 issued in 2013). The purpose of this regulation is to ensure compliance of medical devices with the environmental regulations in each country, which are becoming stricter every year.

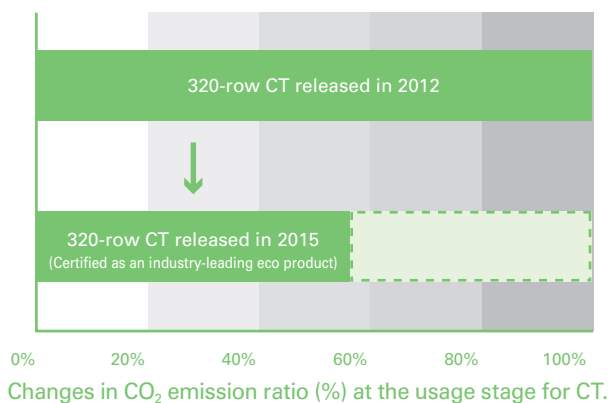
Outline of product life cycle



Efforts to prevent climate change

As medical systems are generally used for many years and daily operating times (including standby time) are also extensive, CO₂ emissions normally exceed the amounts emitted by general products. By employing various energy-saving technologies, a wide range of applications to shorten examination times, and technologies for improving operability, CO₂ emissions for each product are reduced while high reliability is maintained.

CO₂ emission reduced by 40% at the usage stage!



Promotion of efficient use of resources

In the Japan market, we have implemented a trade-in process for upgrading medical equipment, reusing the old equipment in the form of service parts. After 2016, we started collaborating with affiliated companies overseas. By extending the process to markets outside Japan, we aim to further promote efficient use of resources on a global scale.

Efforts to control chemical substances

In order to ensure safe and comfortable use of our products by customers, we have been reinforcing measures to reduce the use of chemical substances (or completely eliminate some substances) that are suspected to cause harm to the human body or the environment, and to control products and parts that contain such substances. When procuring parts and materials, we collect data on the chemicals and substances they contain with cooperation from our business partners. We have established a system for storing this information in a database.

Green procurement initiatives

We have established an “environmentally controlled substances investigation system” that enables investigation and registration of substances to which the latest regulations apply. At the same time, we have revised our “Guidelines for Green Procurement”, and held orientation meetings for all our business partners to request replacement of existing parts and materials if a lower environmental impact can be achieved (in particular, we aim to reduce the content of controlled chemical substances), as well as to encourage them to work hard on development of new parts and materials. We will further improve our relationship with our business partners and strive to reduce the burden on the environment using a wide range of methods, such as enhanced control of chemical substances throughout the entire supply chain, reduction of CO₂ emissions, and promotion of resource circulation.

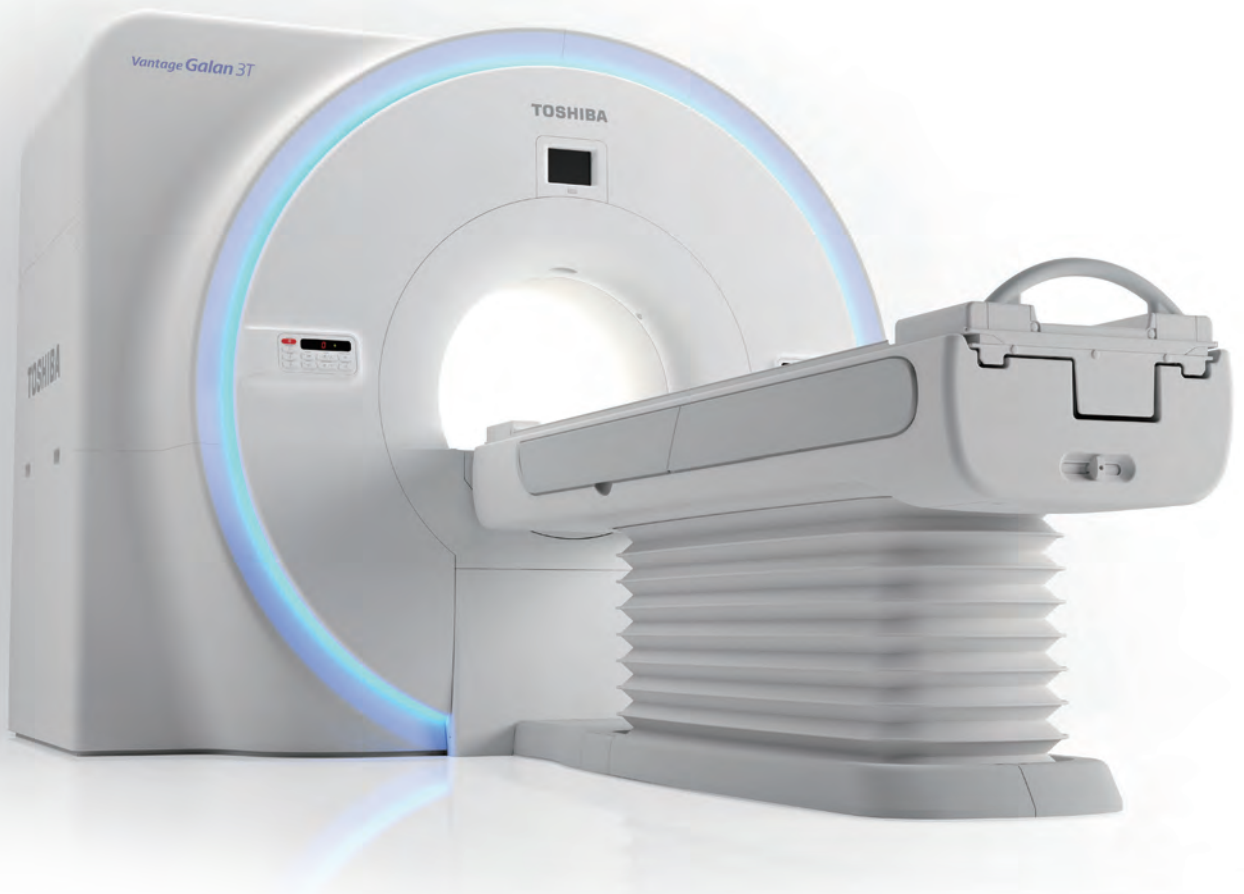
3R
Reduce
Reuse
Recycle



Refurbishing used medical systems

Innovative 3T MRI with advanced Japanese technologies focused on high image quality, silent performance, and environmentally friendly features

MRI Vantage Galan 3T



Certified as an industry-leading eco product in FY2016

Compared with a previous model with the same magnetic field strength,* the performance, functions, and operability of Vantage Galan™ 3T have been significantly enhanced. This is a patient-friendly system featuring class-leading compactness, energy conservation using our original Eco mode, and noise reduction technology. Reduced installation space requirements and lower running costs allow our customers to select a 3T system that provides strong economic performance.

CO₂ reduction effect

Product life cycle

45.9t reduction

Usage stage

47.6t reduction

Resource saving

Product weight

3.8% reduction

Power saving

Annual power consumption

Up to 12% reduction

Space saving

Installation space

24% reduction

* The figures above are calculated in comparison with an earlier version of Vantage Titan 3T.

Major environmentally conscious design features

Ecological space Minimum required installation area of 18.6 m² (scan room)

Minimizing the required installation area has made it possible to install this 3T MRI system in an installation area almost as small as that for 1.5T MRI systems.* 3T MRI is now possible for users who (due to their limited installation space) had previously given up hope of installing a 3T MRI system. Since a smaller scan room is sufficient for this MRI system, it is possible to provide a larger space for the operating room, preparation room, and waiting room, allowing the user to establish a more comfortable hospital environment.

* This is our finding from a survey of hospitals to which our products have been delivered. Depending on the installation environment, the scan room layout may differ.

Time required for installation work reduced by up to 15 days*

Since the compact design, with smallest-in-class installation space, eliminates major installation work, installation time is shorter. With far fewer days required for the installation work, total system downtime is reduced, minimizing the loss of income resulting from suspension of examinations.

* Actual schedule (up to system setting) may differ, depending on the installation environment.



Ecological running with Eco mode

This system is provided with Eco mode, in which standby power consumption between examinations is frequently reduced. Since system power is quickly recovered as soon as an examination is started, no conscious effort is required by the operator to reduce operational costs. With an energy-saving design for a rated power consumption of 70 kVA, the investment required for system installation can be reduced.

Scanning noise reduced by 99%

Pianissimo™ Zen (quiet scan technology) reduces scan noise by up to 99%. With the quietest scanning in its class, this system provides patients with a quiet, comfortable, and friendly examination environment.



"I can propose this system to customers with confidence."

Hisae Chiba, MRI Sales Department of National Sales Division

In some cases, a customer wanted to replace their currently installed 1.5T MRI system with a 3T MRI system in order to obtain higher image quality, but had to give up because a 3T MRI system requires a larger installation area and higher installation and running costs.

With a design that achieves both high image quality and a small installation footprint, this system makes it easier for such customers to upgrade their 1.5T MRI systems. In addition, since quicker installation minimizes system downtime, and the running costs are reduced, there are management benefits for medical institutions. With this MRI system, I can confidently say "Now you can upgrade to a 3T MRI system" when submitting a proposal to customers who had given up on 3T MRI.



Compact premium diagnostic ultrasound system incorporating a range of unique technologies



Diagnostic ultrasound system Aplio i-series

Good Design Award 2016

Nikkei Award for Excellence, the highest award in the 2016 Nikkei Superior Products and Services Awards

Certified as an industry-leading eco product in FY2016

By incorporating unique technologies, Aplio™ i-series systems provide images with excellent clarity while achieving industry-leading compactness, reduced weight, and a smaller footprint. This allows use of these systems in small examination rooms that were previously difficult to bring an ultrasound system into. In addition, reduced running costs resulting from the lower power consumption and improved workflow of i-series systems contribute to improved hospital management at the facilities which use them.

CO₂ reduction effect

Product life cycle **0.8t reduction**

Usage stage **0.3t reduction**

Resource saving

Product weight **41% reduction x** (including the transducer)

Power saving

Annual power consumption **Up to 11% reduction**

* The figures above are calculated in comparison with the conventional model Artida.

Major environmentally conscious design features



Easy-to-handle compact premium system with product weight reduced by 42%

The system volume is reduced by 34%¹ and installation area is reduced by 21%¹ compared to the conventional model. This allows the system to be used in small examination rooms that were previously difficult to bring an ultrasound system into. In addition, the product weight is reduced by 42%¹, improving mobility of the system.

Optimized examination efficiency by incorporating newly developed technologies

Transmission and reception of narrow, uniform ultrasound beams at high density in both superficial and deep regions allows acquisition of uniform and high-precision images, for accurate diagnosis in a shorter examination time. The number of operation strokes is reduced by approximately 40%¹ compared to conventional system models. Less operator hand movement results in improved efficiency in daily examinations.

Power consumption reduced by 12%

While achieving outstanding performance as a high-end premium model, Aplio i-series reduces power consumption by 12%¹ compared to conventional system models. The system enters Standby mode soon after the examination is completed, and power consumption during Standby mode is also reduced by 12%.¹

Aplio i-series can share transducers with other systems.

Many of the transducers for the high-end premium Aplio Platinum series can be used for Aplio i-series.² Shared use of transducers is possible for multiple ultrasound systems installed at the site, reducing operation costs.

¹ Compared to conventional model Artida

² Does not apply to all transducers.



“Reduced examination time is made possible by incorporating unique technologies.”

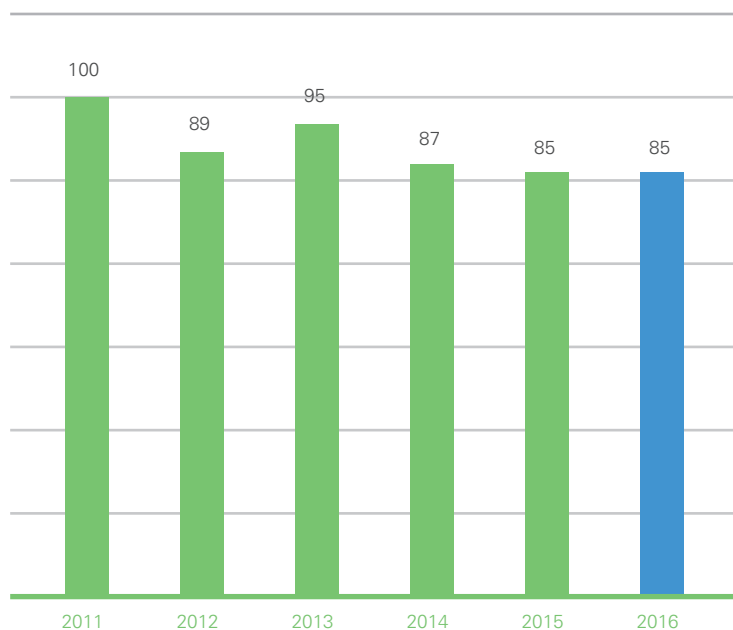
Ken Koizumi, UL Sales Department of National Sales Division

In Japan, orders for more than 120 systems have been received since Aplio i-series was released in the market in May 2016. This is due to Toshiba Medical's unique high-precision tomographic imaging technologies and variety of original functions such as SMI.* In our extensive lineup of transducer products, thin convex transducers suitable for intercostal scanning of the liver are very well regarded. Because the system is compact and lightweight, allowing reduced power consumption while providing high system performance and new functions, it can be utilized flexibly in a variety of clinical settings. Aplio i-series virtually exemplifies the ultrasound ideal, whereby deep regions can be observed with higher image clarity. Because of this, examination times are shorter, and the Aplio i-series has been extremely well received by our customers.

* Superb Microvascular Imaging: Vascular imaging technique for visualizing smaller and lower-velocity blood flows with higher sensitivity and improved resolution



We are reducing environmental impact by improving resource recycling efficiency in every process.



Variation in the CO₂ emissions index
(CO₂ emissions during system use divided by total sales).

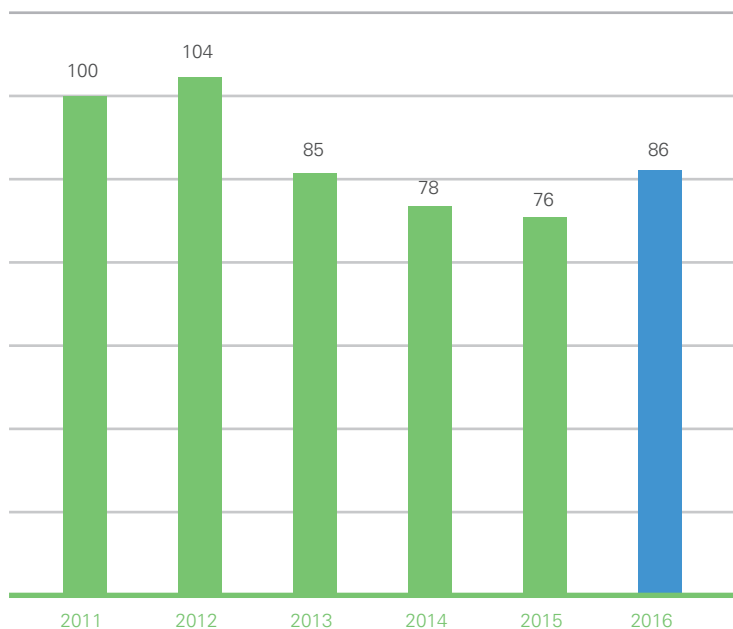
* The FY2011 result is assumed to be 100.

Reduction of CO₂ emissions during system use

Because the majority of CO₂ emissions occur during the system use stage for large medical systems, we are focusing efforts on reducing power consumption during use.

The figure on the left shows the variation in the annual CO₂ emissions index from 2011 to 2016. This index is calculated based on total CO₂ emissions divided by total sales for all products shipped. Slight fluctuation can be observed in the graph due to varying proportions of product categories sold. However, with energy saving technologies incorporated in the systems, there is an overall reduction in CO₂ emissions. In FY2016, a 15% reduction in CO₂ emissions compared to FY2011 was achieved.

This result demonstrates that the same examinations can be performed efficiently with less energy by the new systems.



Variation in the index for total weight of products shipped divided by total sales.

* The FY2011 result is assumed to be 100.

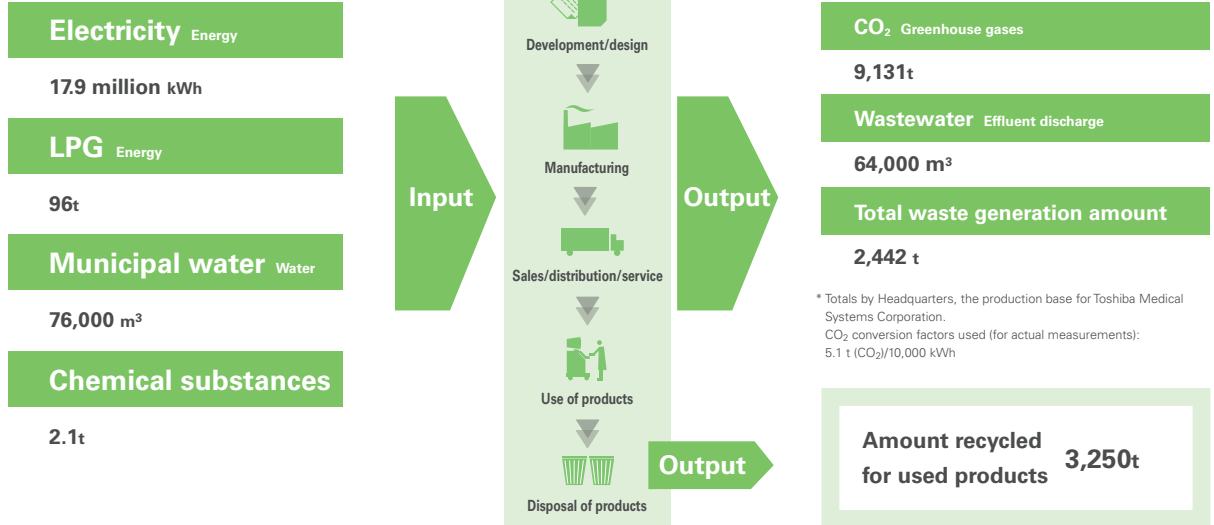
Reduction of materials used in systems

In our development of new large medical systems, we have been promoting a project to design environmentally friendly products in line with the following basic policy: "We should also reduce environmental impact due to additional work associated with carrying-in and installation of the system by further reducing the size of products compared to those currently used by customers". The chart on the left shows the results of our activities. These activities have led to continuous progress in reducing product size and weight, even for product types that are shipped in large numbers, such as diagnostic ultrasound systems.

As a result, there is an overall reduction in the index for total weight of shipped products divided by total sales. The total product weight is 14% lower in FY2016 than in FY2011. However, it increased by 10% compared to FY2015. The main reason is a temporary increase in sales of large medical systems that require a large amount of resources.

We are collecting data and assessing the cost of our environmental impact to serve as a guideline in our business activities.

Environmental impact in FY2016



As a guideline for our business activities, we are assessing the costs and benefits of our environmental management promotion activities.

Environmental accounting report

•Environmental conservation costs

Unit: million yen

Classification		Contents	Business investment expenditure		Environmental conservation costs	
Business area costs	Pollution prevention costs	Preventing air pollution, water contamination, soil contamination, noise, and vibration Switching wastewater treatment at Toshiba Medical Systems Corporation Headquarters from a plant inside the premises to the public sewerage system, and installing equipment for improving drainage water quality	77	659	89	724
	Global environmental conservation costs	Preventing climate change, saving energy, introducing low-emission vehicles such as hybrid cars, and updating facilities (power transformers, air conditioners, LED lighting, heat pumps)	582		524	
	Resource circulation costs	Efficient use of resources and reduction, separation, and recycling of waste, etc.	0		111	
Upstream/downstream costs		Advancing green procurement, improving efficiency in transportation and packaging, recycling used products	0		128	
Administration costs		Environmental management system operation, environmental education, observation and measurement of environmental impact, nature protection, greening, and contribution to a cleaner environment	0		225	
Research and development costs		Research and development of industry-leading eco products	0		2,379	
Social activity costs		Donation to organizations, financial support, membership fees, etc.	0		0	
Environmental remediation support costs		Natural environmental restoration, compensation for environmental conservation, etc.	0		0	
Total			659		3,456	

•Economic benefits of environmental activities for products and services

Cost unit: million yen

Item	Contents	FY2016	
Customer benefits*	Reducing CO ₂ emissions resulting from use of products	Generated amount: 10,787 t	Cost: 317

* Calculated by multiplying reduction in electricity consumption for each product manufactured and sold in FY2016 by CO₂ emission conversion factor for FY2016.

Applicability: Toshiba Medical Systems Corporation, group companies in Japan, and overseas group companies (offices with 30 or more employees)

Applicable period: April 1, 2016 to March 31, 2017

Environmental conservation costs are calculated according to the "Environmental Accounting System Guidelines" (2005) of Japan's Ministry of Environment.

For the benefit of society, all employees of Toshiba Medical Systems Group engage in environmental activities in cooperation with local communities.

Group cleaning in “Environmental Month” (June)

Toshiba Medical Systems Corporation is involved in a group cleaning activity at the industrial complex in Nozaki, Otawara city. This is a volunteer activity held every year in June by nine companies at the industrial complex where our headquarters is located. The purpose is “contribution and service to the local community, providing a cleaner environment, and raising environmental awareness among employees”. This was the 23rd year that we have held this activity.

In order to establish a cooperative relationship with the local community, support a cleaner environment in the local area, and address our CSR aims, we will make this a periodic activity.



Factory tour for local elementary school students (December)

Students from a local elementary school near our headquarters visited the factory to learn about our environmental facility (recycling center) and observe product manufacturing processes. Through their questions, the students showed strong intellectual curiosity and a great interest in biodiversity conservation.

We are determined to make a continuous contribution to the local community by proactively working to foster an environment in which children can live without anxiety.



Received award for our environmental activities

Award for “Contribution to Wider Use of Heat Pumps / Energy Storage Systems” in 2016

This award is given to companies or organizations that have helped to develop innovative thermal storage systems or technologies through advanced research, development, design, or operational improvements, and contributed to their wider use. Our work to replace existing air conditioning systems in the company with energy-saving heat pumps was highly evaluated.

Award winner: Toshiba Medical Systems Corporation
Award by: Heat Pump & Thermal Storage Technology Center of Japan



Award plate

Received awards for “Efficient Use of Electricity Committee in Kanto Region” in 2016 and “Outstanding Contribution”

The awards are given to companies (factories, offices) or individuals that have made a significant contribution to efficient use of electricity, increasing energy savings and improving the electrical load factor. Our company was highly evaluated for our everyday activities concerning efficient use of electricity, and Hideyuki Nakano, who is in charge of facility management at our headquarters, received an “Outstanding Contribution Award”.

Award winner: Hideyuki Nakano, in charge of facility management
Award by: The Japan Electric Association



Hideyuki Nakano receiving the award

Corporate Profile

Company name	Toshiba Medical Systems Corporation (TOSHIBA MEDICAL SYSTEMS CORPORATION)
Founded	October 1930
Incorporated	September 1948
President and Chief Executive Officer	Toshio Takiguchi
Headquarters	1385 Shimoishigami, Otawara, Tochigi, Japan TEL +81-287-26 -6211
Capital	20.7 billion yen
Number of Group employees	10,121 (as of March 31, 2017)
Group consolidated sales	394.1 billion yen (FY2016 results)
Business activities	Development, manufacturing, sales, and technical servicing of medical equipment and systems (including diagnostic X-ray systems, X-ray CT systems, MRI systems, diagnostic ultrasound systems, radiotherapy systems, diagnostic nuclear medicine systems, clinical laboratory systems, and medical IT).

Editing policy

This report uses an ISO 26000 item format. The contents of the environmental report have been enhanced.

Period of report

This report mainly focuses on the results of activities in FY2016 (from April 1, 2016 to March 31, 2017), but also includes past activities that are still in progress, as well as more recent activities.

Extent of report

Toshiba Medical Systems Corporation and group companies in Japan and overseas

Publication:

July 2017 (previous publication: July 2016; next publication: June 2018 (scheduled))

Reference guidelines

- GRI (Global Reporting Initiative)
- Sustainability Reporting Guidelines (G4)
- Environmental Reporting Guidelines (FY2012 Version), Japan Ministry of the Environment