

# TOSHIBA



TOSHIBA MEDICAL SYSTEMS CORPORATION

## Social and Environmental Report 2006

TOSHIBA MEDICAL SYSTEMS CORPORATION

## Toshiba Medical Systems Group Basic Commitment and Management Slogan

### Basic Commitment

Based on a respect for life, the Toshiba Medical Systems Corporation group is always contributing to healthcare and social welfare by providing innovative and advanced products and solutions to its customers worldwide.

- ① Improving the quality of life: Offering technology that provides faster, more accurate diagnoses, improved treatment and enhanced patient care.
- ② Life-long commitment to innovation: Producing reliable systems that offer maximum uptime, increased utility and improved workflow for a lifetime.
- ③ Achieving lifetime partnerships: A pervasive commitment to delivering customer-focused solutions for a lifetime over the world.



### Management Slogan

The management slogan "Made for Life" symbolizes the basic commitment of the Toshiba Medical Systems Corporation group.

The symbolic mark "Made for Life" illustrates a healthy and active human body with a warm heart.

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### Editing Policy

From fiscal 1999 until last year, Toshiba Medical Systems Corporation published an "Environmental Report", which compiled the efforts and results of the corporation as a whole with regard to environmental protection activities. From fiscal 2006, a social responsibility report has been added to the environmental report and published as a "Social and Environmental Report". It reports on the social contribution of our operations and our CSR activities in each stakeholder group - employees, customers, and the local community. In particular, as we are involved in the medical care business, where the level of social responsibility is especially high, the report presents more details on CSR activities in our operations.

### Period of Report

April 1, 2005 to March 31, 2006

### Extent of Report

Toshiba Medical Systems Corporation and major subsidiary countries in Japan and overseas Parts of the report also present the activities of the whole Toshiba Group or Group companies.

### Publication Date

End of June 2006

(Previous publication: June 2005, Next publication schedule: End of June, 2007)

### Reference guidelines

- GRI "Sustainability Reporting Guidelines"
- Ministry of the Environment of Japan "Environmental Reporting Guidelines, Fiscal Year 2004 Version"

## A letter from President and CEO

Toshiba Medical Systems Group believes that as a global enterprise, earning society's trust with positive contributions to society that go beyond the sphere of corporate duty and responsibility is essential for the continued growth of the corporation.

We operate in the medical care field, where the level of contribution to society is extremely high. It is for exactly this reason that "Improving the quality of life", "Life-long commitment to innovation", and "Achieving lifetime partnerships" are the principles of our basic commitment. In order to realize these, we acknowledge CSR as the underlying theme in business management, and our standards of conduct are to give utmost priority to life, safety, and compliance with laws and ordinances in all our business activities.

It is essential that laws and ordinances, as well as the social standards of each country and region are upheld in business activities. We will contribute to the local community by practicing honest and transparent management while respecting the different cultures and customs of each country and region. Through appropriate disclosure of information and accountability, we strive to actively communicate with all stakeholders, including customers, employees, patients, and shareholders and be a trusted company.

We at Toshiba Medical Systems Group constantly remind ourselves that we are a global enterprise and have a duty to pass along a healthy environment to the next generation. We will strive enthusiastically for global environmental protection activities aimed at building a sustainable, recycling-oriented society. The medical systems that we provide are "recycling-oriented products and systems" that must meet safety and environmental considerations from development to production, sales, maintenance, repair, and disposal. We implement management that takes safety and the environment into consideration in all business processes from the planning and development stage to repair and disposal, and we will continue to provide medical systems that are kind to both the Earth and the environment.

In order for us and our management slogan, "Made for Life™", symbolizing our management principles, to truly become global, we aim for each and every employee of the Toshiba Medical Systems Group to practice CSR in their everyday activities. With these activities, we strive to be a business group that has earned the trust of the society.



Masamichi Katsurada,  
President and CEO





**For enjoyment of a healthy, long life.  
With developments in medical care,  
we aim to improve each person's QOL.**

How can we live a full life with a healthy mind and body?

Today, as we face an aging society and declining birth rate,  
great importance is being placed on "quality of life (QOL)" in the field of medical care.

As well as improving QOL, promotion and preservation of health and prevention of illness can also control  
the increase in medical costs that accompanies an aging society with a declining birth rate.

From treatment-focused medical care to prevention-focused medical care.

Early detection, early treatment, and improvement and optimization of medical care sites will become  
increasingly important in medical care of the future.

As a global medical solutions provider, Toshiba Medical Systems Group not only supports medical care with its  
advanced medical systems but, with the development of technologies which truly benefit medical care as a  
basic principle, it also contributes to the improvement of each person's QOL by practicing people-friendly,  
patient-focused medical care.

# Technology Leadership

Towards a trusted global brand. Expanding our medical systems business worldwide.

Our sales network extends over 120 countries worldwide. Sites employing our medical systems are spreading across the globe. In particular, our diagnostic imaging systems equipped with the latest technology, including 64 multislice CT systems and low-noise MRI systems, are highly rated across the world, especially in the medically-advanced United States.

## We are among the leading suppliers of diagnostic imaging systems in the world.

We are expanding the possibilities of our medical systems through joint development with some of the world's leading institutions.



### CT Multislice CT Systems

- No.1<sup>\*1</sup> in customer satisfaction for four successive years in the United States
- A joint multi-center clinical study, CORE 64 (Coronary Evaluation on 64), has begun to evaluate the clinical effectiveness of cardiac CT.



### US Diagnostic Ultrasound Systems

- Approximately 180,000 systems shipped worldwide<sup>\*2</sup>
- The most trusted Ultrasound Cardiac System<sup>\*1</sup> in the United States
- Winner of 6th Technology Award from The Japan Society of Ultrasonics in Medicine
- Four-time winner for new application technologies.



### MRI MRI Systems

- Approximately 2,700 systems shipped worldwide<sup>\*2</sup>
- Awarded Germany's "iF Design Award"<sup>\*3</sup>
- The noise reduction technology, "Pianissimo<sup>TM</sup>", is highly rated in Europe and America.



### X-ray Diagnostic X-ray Systems

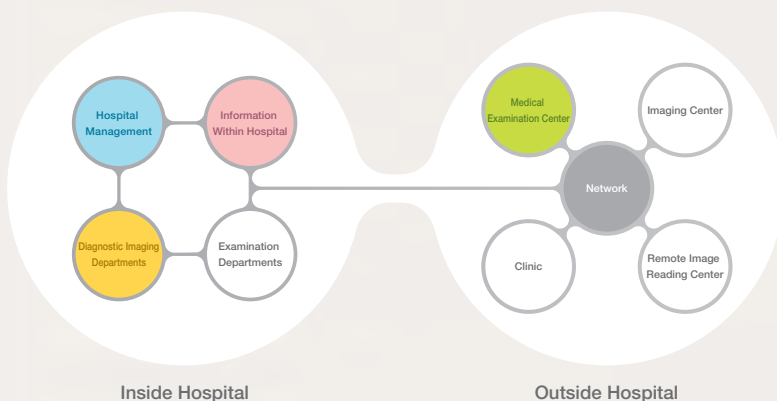
- A system equipped with a free-positioning flat panel detector and the industry's fastest rotating C-arm, achieved through joint development.
- (Joint development of 3D-angiography system with Johns Hopkins University, USA/5-axis C-arm system with Columbus Children's Hospital, USA)

<sup>\*1</sup>. 2005 ranking by American survey and consulting company, MD Buylne. <sup>\*2</sup>. As of September 2006 <sup>\*3</sup>. Worldwide industrial design award. 2004 winner.

# Total Solution

Aiming to provide a new form of medical care support, "Total Solution".

Using our unique strengths as a total solutions provider, we provide the best system to meet the customer's tasks and operating scale, from small-scale clinic-class imaging systems to large-scale university hospital-class filmless systems.



## Inside hospital

We plan optimal solutions for all tasks within and between every department. We also carry out construction, maintenance, and after-sales service of our systems and networks. As a leading company in the field of diagnostic imaging systems and a pioneer of screening systems, we provide solutions that keep pace with changing times.

## Outside hospital

With the aim of achieving a regional medical network of inter-hospital and hospital-clinic cooperation to provide patient-centered care, Toshiba Medical Systems is working not just on systemization within hospitals but also on the construction of the necessary networks, such as reciprocal exchange of medical information and patient introductions between hospitals and clinics.

# Social Report

Initiatives in CSR Activity and Medical Care Development



Social Report

By endeavoring to develop medical care, we try to be an enterprise that serves people and society.

At Toshiba Medical Systems, as well as serving society through our normal business activities, each individual employee is aware of CSR\* in his or her daily activities and we place great importance on dialogue with all stakeholders.

## Aiming to be an enterprise that serves people and society through medical care.

At Toshiba Medical Systems, our basic principles are "service to people and society through medical care" and "service through further development of medical care". We aim to provide products and services that satisfy our customers and contribute to society. Based on the respect for life that forms the basis of the Toshiba Group's management principle, "Committed to People, Committed to the Future", we are striving to comply with laws and ordinances through various committees, such as the "Risk-Compliance Committee".

### The Five CSR Principals of Toshiba Medical Systems

1 Compliance with laws and ordinances/Corporate Ethics

2 Customer Satisfaction

3 Human Rights/Employee Satisfaction

4 Community Service Activities

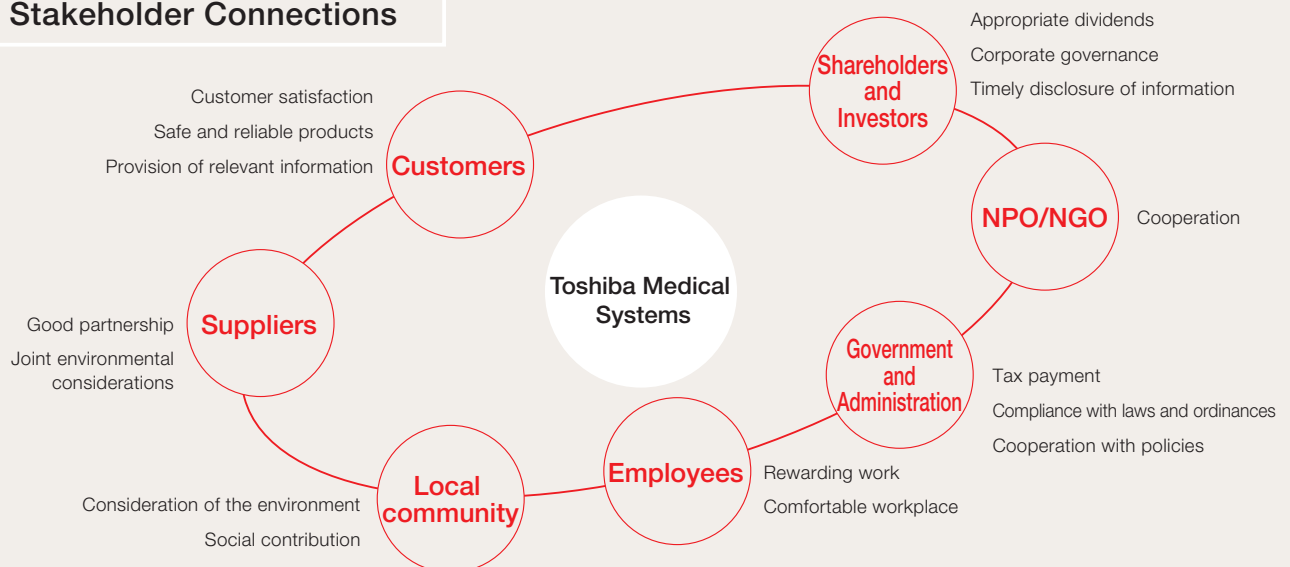
5 Environmental Protection Activities

### Basic Policies of Toshiba Medical Systems' CSR Activities

- 1 To gain society's trust by going beyond the sphere of corporate duty and responsibility to contribute positively to society as a member of that society.
- 2 To comply with laws and ordinances and corporate ethics, and to practice honest, transparent management. To contribute to local communities, and to aim to be a "sustainable corporation" that shows consideration for the global environment.
- 3 To aim to be a trusted corporation, and to strive to communicate with all our various stakeholders, including customers, employees, and shareholders.

➔ Please refer to the following website for the Basic Commitment of Toshiba Medical Systems Group; <http://www.toshiba-medical.co.jp/tmd/english/corporate/basic/index.html>

### Stakeholder Connections

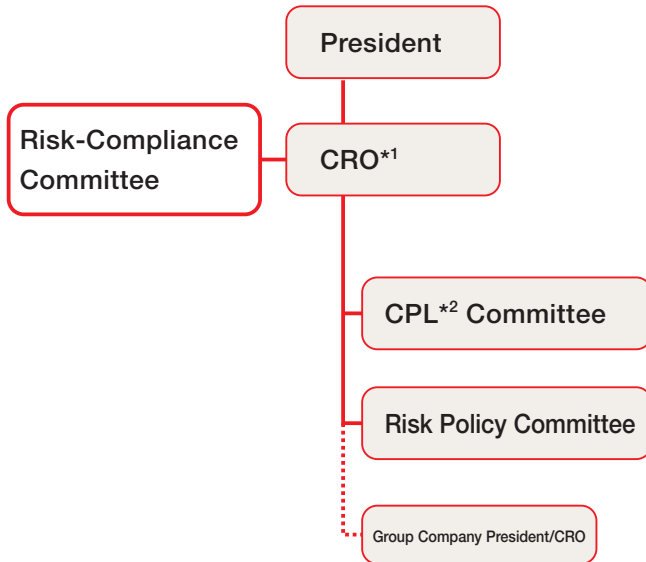


\*CSR : Corporate Social Responsibility

## Each and every employee complies with laws and ordinances and corporate ethics

At Toshiba Medical Systems, we handle risk management, which reduces various risks involved in executing our business, as one with compliance with laws and ordinances, corporate ethics, and so on.

### Risk-Compliance System



\*1 CRO : Chief Risk-Compliance Management Officer

\*2 CPL : Contractual Liability & Product Liability

### Inculcation of the Group Standards of Conduct

With the aim of clarifying our CSR perspective and our relationship with stakeholders, we revised the former standards of conduct in February 2004 to produce the "Toshiba Medical Systems Group Standards of Conduct". These Standards of Conduct are common to all Toshiba Group companies, and we are introducing it to all Toshiba Medical Systems Group companies. The "Group Standards of Conduct" are a model for conduct shared with Group employees, and as such we strive to ensure that it is extensively applied by providing annual training for all employees.

### Extensive Employee Training

Risk-compliance training and business law training are incorporated into our level-specific training for employees and are carried out periodically. We also provide training for all employees and compliance training concerning individual laws, etc.

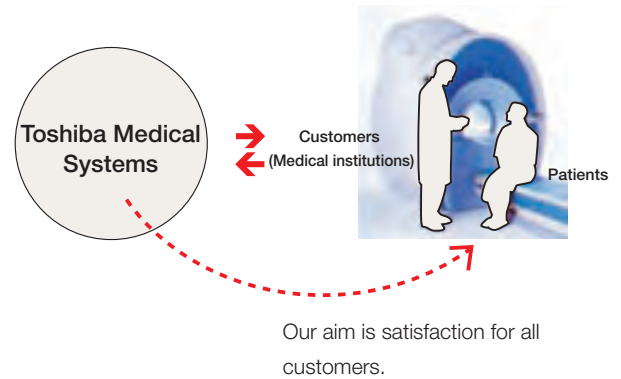
### Establishment of Internal Reporting System

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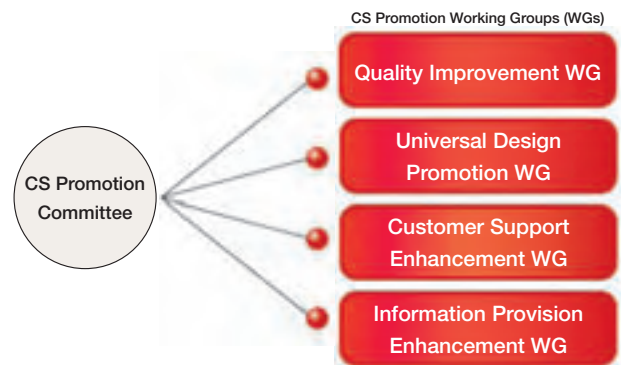
\*CS : Customer Satisfaction

## Aiming to improve products and services based on feedback from customers and patients

Based on the "CS\* Promotion Policy" drawn up by Toshiba Group, we aim to provide products, systems, and services which satisfy both medical institutions and patients through communication with both parties.



### Toshiba Group CS Promotion Structure (fiscal 2005)



### Performing Customer Surveys

We consider "customer satisfaction" to be the final stage of our business and service activities. By performing customer surveys following the introduction of our products, we can obtain opinions from all customers, even those who would not voice complaints directly. As well as resolving complaints and meeting requests as far as possible, we share these valuable opinions within the corporation so that each related department may use the information to further improve products.

**Reflecting the wishes of customers and patients for people-friendly product development**

When developing and improving our products, systems, and services, we make active use of techniques based on VOC\*1 and numerical data to create medical solutions which meet diverse medical care requirements. For example, our customer engineers not only maintain our equipment and systems but also contribute to the realization of high-quality, high-performance products by feeding customer opinions back to our manufacturing departments. With "the development of technologies that truly benefit medical care" as our basic principle, we aim for "people-friendly, patient-centered medical care". We contribute to the development of medical care and the improvement of patient QOL\*2.

**➔ X-ray CT System "Aquilion™"**

In response to the wishes of customers and patients at medical care sites, we have achieved a people-friendly examination that cuts the conventional scan time in half.



**Promotion of Universal Design**

Based on the principle of taking care of each person, we are tackling universal design (UD) over an extensive range of business fields. In the field of magnetic resonance imaging systems, we are considering measures such as a soft form and warm colors to alleviate patients'



sense of pressure and anxiety at being enclosed, and a panel design that is easy to use for physicians and MRI technicians.



**TOPICS**

**"New-model CT scanner, Gold Prize Winner of the Good Design Award 2005"**



These are some comments from a member of the judging committee and a designer involved in the development of the Gold Prize winning, "Large Bore Multislice CT Scanner, Aquilion LB TSX-201A"

**Designer's comment**

We were aiming to develop a "people-friendly device" which improves comfort for both operators (physicians and CT technicians) and patients. For the operators we raised proximity and operability, while for the patients we greatly increased the sense of openness by enlarging the diameter of the opening. We also reduced the mental stress placed on the patient during an examination by making the design of the congenial, round shape clearer and neater.

**Judging committee member's comment**

This design succeeds in removing the usual sense of pressure and unease at being confined in a narrow space by achieving a large bore. The ability to perform scans that could not be performed in systems with smaller bores and the reduction in scan time were also highly rated. With its simple and beautiful molding, we felt a high level of confidence in this scanner and believe that it could serve as a model for medical care spaces of the future.

**To further develop medical care, we are at the forefront of joint development.**

Based on technological innovation that focuses on the next step forward and a development ideology that puts patients first, we are always considering systems that can contribute to global medical care services. We are active in joint research with various research institutions and hospitals, both in Japan and outside Japan. Through joint development with our customers, we are bringing new innovations to the field of diagnostic imaging and contributing to developments in medical care across the world.

**Establishment of Multi-center Study**

The "CoRE 64 (Coronary Evaluation on 64)" multi-center study of cardiac CT examinations was set up in November 2004 with nine leading medical institutions in seven countries worldwide. It is an international multi-center joint study, which will perform a comparative evaluation of conventional catheter-based coronary angiography and CT coronary angiography using Aquilion™ 64-slice systems.



**Cosponsoring exhibitions and seminars with academic societies**

Diagnostic imaging and treatment systems are essential technologies in present-day medical care and rapid progress is being achieved day after day. Through co-sponsorship with domestic and international medical societies, Toshiba Medical Systems is endeavoring to spread knowledge and correct usage of advanced medical care equipment technologies by hosting various seminars, independent medical care seminars, and practical training seminars by medical specialists. We are also participating in many technology exhibitions with societies such as JRC (the largest radiology congress in Japan), RSNA (Radiological Society of North America), and ECR (European Congress of Radiology) to actively promote the provision of information on our equipment and systems.



RSNA exhibition



JRC exhibition

\*1.VOC : Voice of Customer \*2.QOL : Quality of Life



## TOPICS

### "Thanks for holding seminar from the Cuban government!"

On May 24-28, 2005, we held the "Toshiba Mammography Seminar" for users at Hospital Salvador Allende, in the suburbs of Havana. A total of 40 people participated in the event. With the cooperation of each trainer, despite a lack of equipment, we held operation training and classes in equipment quality control aimed at local physicians, technicians, and engineers. We received positive comments from participants such as "I want to use this immediately in clinical practice" and "I want to continue studying from now on", and also from the Cuban government, "We are deeply grateful for Toshiba's contribution to Cuba's medical care".



### "Courses begin at the International CT Training Academy"

Using the advanced functions of medical systems is not an easy task and the provision of customer service by the manufacturer is becoming increasingly important. Toshiba Medical Systems started training aimed at users of Aquilion 64-slice CT systems at the training center at the company headquarters in Nasu. Lectures and practical training were carried out on the merits and applications of the equipment. Physicians from Canada and Chile participated in the first training session and afterwards we received such comments as "A good balance of lectures and practical training was incorporated, and we have been very happy with the hospitality shown during our stay". In the future, we plan to provide a variety of programs further suited to customer requirements.



## TOPICS

### "No.1 for customer satisfaction in the United States" Highly rated internationally, especially in the medically-advanced United States.

In the field of CT, we boast the top market share within Japan. Even in the United States, which accounts for 50% of the worldwide diagnostic imaging equipment market, we possess 20% of the CT market share. According to the 2005 ranking by American survey and consulting company, MD Buyline, we were chosen as No.1 for customer satisfaction in the CT field for three consecutive years. Also, our diagnostic ultrasound system gained No.1 for "Ultrasound Cardiac" system reliability in the same survey ranking.

## Even after delivery, we provide support for our medical systems through our excellent structure.

We possess a sales and service network not just in Japan but also across the world, in the United States, Europe, and Asia. We provide maintenance and repair, rapid response in the case of emergencies, plus a technical service for maintenance so that the medical system is always used in top condition.

### "24-hour Call Center"

In order that the medical systems may always be used with total peace of mind, we provide a "24-hour call center". Our engineers are on standby 24 hours a day, ready to deal with emergency situations even at night or during holidays.

### Remote Maintenance System "InnerVision™"

Using the remote maintenance system "InnerVision™", which links customer medical systems with support center computers via communication lines, we check imaging conditions and look for sources of failure by remote operation. In this way, we eliminate the loss of valuable time in waiting for repair and we substantially cut downtime of equipment.



### Image Evaluation by Company (six medical system manufacturers)

In a comprehensive evaluation by an outside survey organization\*, we received the highest rating among six medical system manufacturers in Japan, not just in the category of prevention/maintenance evaluation but also in product evaluation and business structure evaluation.

\*Evaluation of Radiology Department Manufacturers, Fiscal 2005 Version", Yano Research Institute.

	Product evaluation	Business structure evaluation	Prevention/maintenance evaluation
<b>Toshiba Medical Systems</b>	<b>3.59</b>	<b>3.36</b>	<b>3.67</b>
Company A	3.26	3.10	3.35
Company B	3.15	3.08	3.25
Company C	3.57	3.24	3.43
Company D	3.52	3.20	3.23
Company E	3.31	2.98	3.15

### Five-Stage Evaluation

1: Poor 2: Somewhat poor 3: Average 4: Somewhat good 5: Good

\* Numerical values are average values of points from evaluation replies

### Total : 477 institutions

Total: 477	Over 400 beds: 11.3%	200-399 beds: 18.0%
	20-199 beds: 58.7%	Under 20 beds: 11.9%

# We are not only involved in medical care activities, but also in a variety of activities as a member of society.

## We are involved in various initiatives to communicate the importance of early detection and early treatment of breast cancer.

It is said that 90% of breast cancers can be cured if detected and treated early. However, under present circumstances, the percentage of people who undergo mammography screening, which assists in early detection, is just 2% in Japan. This compares to 70% in Europe and America. Currently, educational activities regarding breast cancer are considered to be an important national policy and mammography equipment and promotional activities are spreading. The "Pink Ribbon Campaign" was started as one such activity. Toshiba Medical Systems has supported a variety of events since 2003. Since 2004, we have participated as part of the Toshiba Group and have been even more positively involved in Pink Ribbon activities. As the leading domestic manufacturer of total medical systems that are invaluable in early detection and early treatment, we will continue to strive to further enrich our equipment and services and to promote breast cancer screening.

### Support for Breast Cancer Educational Activities "Pink Ribbon Campaign"

We provided an opportunity for people to become familiar with breast cancer screening by exhibiting mammography equipment and carrying out free examinations. Toshiba Health Insurance Society is promoting employee educational activities through its homepage and magazine for society members.



Toshiba Medical Systems' homepage also makes an appeal for breast cancer screening.  
<http://www.toshiba-medical.co.jp/tmd>

### ? About the Pink Ribbon Campaign

The Pink Ribbon Campaign is an educational campaign that communicates the importance of early detection and early treatment of breast cancer. In the United States, where it is thought that 1 in 8 people suffer from breast cancer, the campaign has been very popular since the 1980s. It is showing effect; for example, the death rate in countries in Europe and America has fallen since the introduction of mammography screening. In Japan, because breast cancer has continued to increase since the 1990s, activities also began to be held here a few years ago.

### Collaboration on production of a pamphlet and CD-ROM

We collaborated with the Japan Society of Breast Health, an NPO, on the production of two pamphlets, "Let's talk about breast care and breast cancer screening" and "An introduction to breast cancer screening using mammography". These pamphlets introduce the background to the rise in breast cancer, breast care techniques for each age group, details on self-diagnosis and mammography screening, and other diagnostic methods for breast cancer.

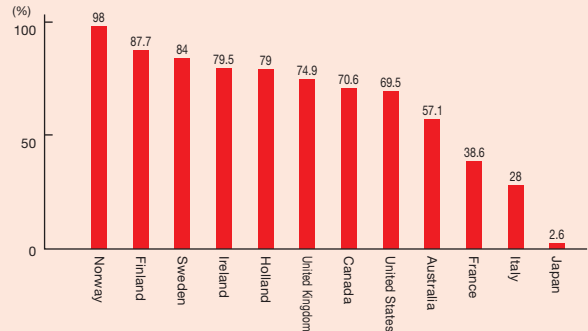


## TOPICS

### "Despite the increasing frequency of breast cancer, the screening rate is just 2%"

Currently, breast cancer is the most common type of cancer among Japanese women. It occurs with increasing frequency from the 30s and peaks in the 40s, with data showing that this peak frequency is 1 in 23 people. However, the current screening rate of 2% is extremely low when compared to rates worldwide.

■ Breast Cancer X-ray Screening Rates in Major Countries (OECD Health Care Quality Indicators Project Report)



### "Advertising Beneficial to Consumers Contest, Grand Prize Winner!"

In 2004, a three-part series of educational breast cancer screening newspaper advertisements, produced through collaboration between Toshiba and Toshiba Medical Systems, won the Economy, Grand Prize of The Ministry of Economy, Trade and Industry in the newspaper category of the "45th Advertising Beneficial to Consumers Contest" organized by the Japan Advertisers Association. As well as promoting the importance of early detection of breast cancer through X-ray mammography, it also showed great concern for Japanese people.



## We are carrying out a variety of volunteer activities, all over the globe.

### Turning hospital corridors into galleries. Exhibition of paintings.

At the National Cancer Center Hospital East, opening the corridor leading to the hospice to the public has provided a de-stressing space for patients and their families. Twelve groups use the space for one month each to display pictures and other works. For the past twelve years, Toshiba Medical Systems has displayed works by Group employees and retired employees, as well as their families, in the month of July. In notes left at the site, we have received the impressions of patients and their families who have seen the works. breast cancer.

## TOPICS

### "Voices of patients and families through their notes"

(some excerpts)

"On June 25th, 2005, I visited the hospital again for more radiation therapy. I still have a long battle with this tough cancer ahead of me. The pictures in this gallery give me the willpower I need, and I am deeply thankful for the efforts of the people who displayed them. Thank you very much. I am looking forward to coming again...."

"I accompany a patient to the hospital once a month. I enjoy looking at the gallery. It is a spell of relaxation during the long waiting time. I hope there are some great works next time too...."



### Cooperation in blood donation activities

Following a request for cooperation from the Blood Center in Nasu District, with the cooperation of a permanent in-house Group company, blood has been donated twice a year since 1979.

### Social support activities

#### Participation in charity coach race

Toshiba Medical Systems Europe participated in a charity coach race held in Windsor Park (inside Windsor Castle), England, in April 2005. Proceeds were donated to funds for childhood cancer and day hospices.



#### Fund-raising activities

Volunteers from Toshiba America Medical Systems have been gathering for the past twenty years to carry out fund-raising activities for underprivileged families and children in the locality of the company headquarters (Tustin, Orange County, CA).



#### Cooperation in gynecological examinations (April-May 2005)

During gynecological examinations in Sao Paulo (approximately 6,000 people underwent examination), Toshiba Medical Do Brasil set up three ultrasound diagnostic devices and gave guidance in operation and maintenance.

Together with employees

## We aim to create an environment that is easy to work in and satisfies all employees.

### Promoting initiatives for gender equality

The "Kirameki Life and Career Promotion Room" was established by Toshiba in 2004 for the promotion of gender equality. Toshiba Medical Systems is also involved in a variety of activities, such as practicing gender equality in our organization aimed at achieving a good work-life balance, supporting the promotion of women, and reforming awareness and the cultural climate.

#### Supporting promotion of female employees

We carried out checks of self-reported results aimed mainly at women. Taking into consideration future training and utilization of abilities, we have also implemented promotion to positions of responsibility according to abilities and ambitions, reviews of duties, and so on.

#### Promoting a work-life balance

By reviewing our child-care and family-care leave systems and our reduced working hours system, we are endeavoring to progress to an easy-to-use system in line with changes by the Toshiba Group.

### Encouraging employment of disabled people

Currently, our employment level almost achieves the legal employment rate for disabled people (1.8%). We aim to achieve this rate during the current fiscal year by devoting ourselves to expanding our employment activities. We will continue to enthusiastically employ disabled people and further expand the areas in which disabled people are active.

### Career development through full and varied training and support systems

We aim to nurture strong individuals who are self-motivating and proactive. To this end, we provide a great variety of training systems and self-development fund systems that meet the needs of the individual, not just those of the company. We have also established a global personnel and overseas training system, whereby participants can gain advanced technical and academic expertise as well as practical business experience overseas.

#### Training in call handling skills at the call center

At the Toshiba Group call center, we periodically carry out joint training in call handling skills every year. Training focuses on the ability to accurately understand and quickly deal with customer requests.

#### Training in customer service

In response to the changing needs of our customers and the diversification of customer enquiries, we carried out a review of our customer service regulations and, since January 2005, we now provide training on customer service to all employees.

# Environmental Report

Attitude and Activities regarding Environmental Issues



Environmental Report

## Taking care to build medical systems that are kind not just to people and society but also to the Earth.

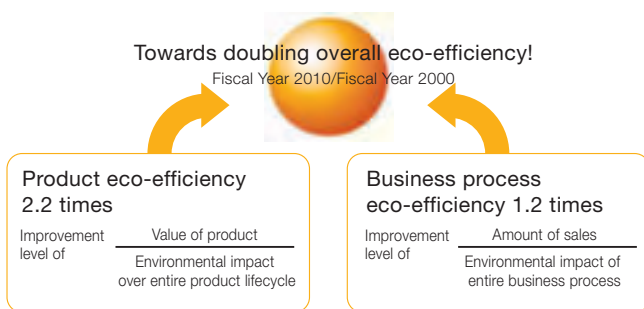
Based on the Toshiba Group management principle of respect for life, Toshiba Medical Systems is expanding its activities aimed at global and regional environmental protection, as one of its CSR initiatives.

### Promoting environmental activities towards creation of a sustainable society.

Toshiba Medical Systems has encouraged pollution control activities since its foundation. However, in order to expand our environmental protection initiatives to a global scale, we have continued to promptly adjust our organizational structure, such as inaugurating the Environmental Protection Group in 1989. As an example of a global-scale initiative, we are actively striving to meet the European Restriction of Hazardous Substances (RoHS<sup>\*1</sup>) regulations and the recycling regulations (WEEE<sup>\*2</sup>). As we work towards achieving the targets for overall eco-efficiency, "Environmental Vision 2010", of the Toshiba Group as a whole, we continue to be aware of our personal responsibilities and roles. While endeavoring to coexist in the global environment, we are promoting the achievement of truly healthy, happy life.

### Aiming to develop valuable products that are also kind to the Earth

We are tackling "Environmental Vision 2010", which aims to double the overall eco-efficiency of fiscal 2000 by 2010. We are also endeavoring to develop environmentally-conscious products to the evaluation standard of Toshiba Group's own eco-efficiency index "Factor T", which reflects customer evaluations onto eco-efficiency evaluations.



### Toshiba Medical Systems Group Environmental Policy

Issued : Apr. 1,2004 Revised : Jun.21,2006

With the recognition that the Earth is an irreplaceable asset, the Toshiba Medical Systems group strives to develop and provide "environment-conscious medical systems" in order to contribute to community and medical care services. This is the responsibility and commitment of the 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 Toshiba Commitment, Toshiba Group's Basic Policy for the Environment, and the Code of Conduct of the Toshiba Medical Systems group.

- 1 | The Toshiba Medical Systems group considers environmental stewardship to be a primary responsibility of management. The Toshiba Medical Systems 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, to continuously improve the environmental management system and its performance, and to prevent pollution.
- 2 | The Toshiba Medical Systems group complies with all laws and regulations concerning the environment, agreements on pollution prevention, and its own stricter standards.
- 3 | The Toshiba Medical Systems group selectively specifies the following issues to be realized in order to reduce environmental impacts from the aspects of both products and business processes.
  - ① Developing and providing environmentally conscious products and services which contribute to the reduction of environmental impact throughout their life cycles, through the promotion of green procurement and the control of chemical substances.
  - 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 global warming, efficient utilization of resources and control of chemical substances.
- 4 | Maximizing disclosure and enhancing communication in order to facilitate mutual understanding with communities and customers.



Factor T explanatory leaflet

For details regarding Factor T, please refer to the following website:

URL [http://www.toshiba.co.jp/env/en/management/factor\\_t.htm](http://www.toshiba.co.jp/env/en/management/factor_t.htm)

### Progress of our Environmental Protection Activities Chronological Summary

Year	Activity	Year	Activity
1975	Formed Pollution Control agreements with Otawara-shi and Yaita-shi	2003	Received 3R <sup>*3</sup> -3 Promotion Council President's Award
1989	Inaugurated the Environmental Protection Group based on Toshiba's policies		Received commendation for excellence in energy management in factories (Agency for Natural Resources and Energy Director General's Award)
1990	Toshiba initiates internal environmental audits, and the first audit takes place at Nasu Operations		Received Tochigi Prefecture Pollution Prevention Excellence in Industry Award (Governor's Award)
1992	Total abolition of specified chlorofluorocarbons		The separation of Toshiba Medical Systems Corporation and Toshiba Electron Tubes and Devices Co., Ltd. is accompanied by renewed conclusion of the Pollution Control Agreement.
1993	Total abolition of 1,1,1-trichloroethylene	2004	Received Energy Management Achievement Award (Kanto Bureau of Economy, Trade, and Industry Director General's Award)
1996	Obtained certification for British Standard 7750 for environmental management	2005	ISO 14001 certification renewal review conducted, and continuation of the certification is authorized.
	Obtained ISO 14001 certification (environmental management systems standard)		Receive Energy Management Achievement Award (Agency for Natural Resources and Energy Director General's Award)
1999	Received commendation for excellence in energy management in factories (Kanto Bureau of International Trade and Industry Director General's Award)		
2001	Realization of zero waste emissions		
2002	ISO 14001 certification renewal review conducted, and continuation of the certification is authorized		

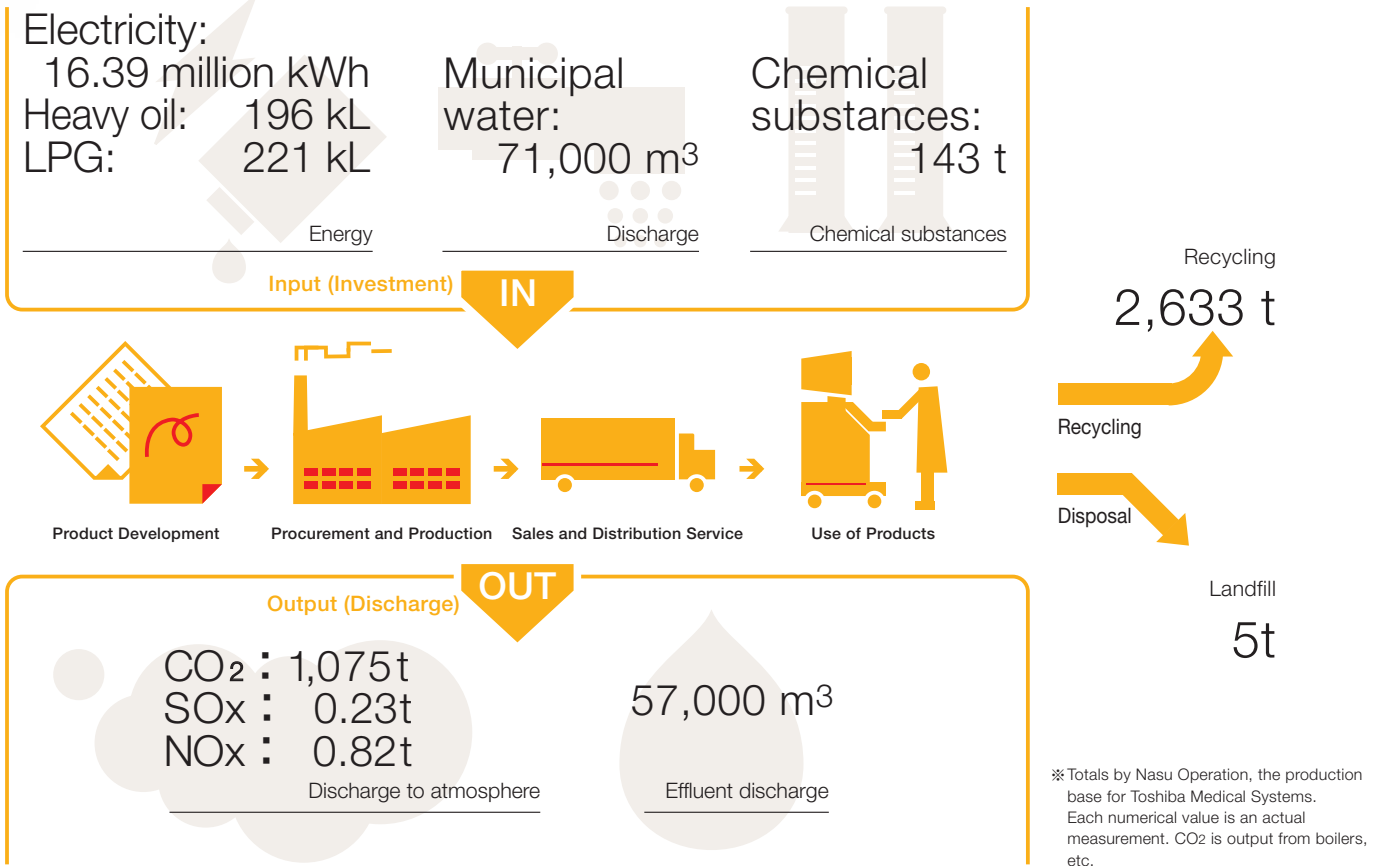
\*1. RoHS: Restriction of the use of certain Hazardous Substances in Electrical and Electronic Equipment

\*2. WEEE: Waste Electrical and Electronic Equipment \*3. 3R: Reduce, Reuse, Recycle

## Energy is invested and discharged over the entire lifecycle of a product.

The major environmental impacts that accompany such business activities as product development, production, and servicing, are energy use, chemical substance use, discharge of effluent into public water areas, and discharge of waste matter. Through our activities in fiscal 2005, we managed to further reduce the large environmental impacts of energy use and discharge of waste matter.

### Input and Output (Environmental impact flow diagram)



## The Fourth Voluntary Environmental Plan/ Environmental Targets and Results for Fiscal 2005

Based on the Toshiba Group's voluntary environmental plans, we have established and activated our "Voluntary Environmental Plan" aimed at reducing environmental impacts. In the table below are the target values of the Toshiba Group's "Fourth Voluntary Environmental Plan" and the Toshiba Medical Systems' "Environmental Results for Fiscal 2005". In fiscal 2005, we achieved results that greatly exceed the targets for "Zero Emission of Waste", "Reduction in Chemical Substance Discharge", and "Reduction in CO<sub>2</sub> Emission".

### ? About the Toshiba Voluntary Environmental Plans

The "First Voluntary Environmental Plan", a self-imposed environmental action plan, was started by the Toshiba Group in fiscal 1993. The action plan was expanded to include a second and a third plan, and the "Fourth Voluntary Environmental Plan" was started in fiscal 2005. The plan considers prevention of global warming, management of chemical substances, and effective use of resources in all the processes involved in "making, using, reusing, returning", and it is aimed at global activities and "Environmental Vision 2010".

Fourth Voluntary Environmental Plan	Fiscal 2005	Target Value	Achieved Value		Evaluation	Fiscal 2006	Target Value
Zero Emission of Waste	Quantity of final disposal as percentage of total discharge	Below 0.2%	Below 0.2%	Continuous achievement of zero emissions since fiscal 2001	◎	Quantity of final disposal below 0.2% of total discharge	
Reduction in Chemical Substance Discharge	Targets under review due to addition regarding VOC*1			—	—	10% reduction of fiscal 2000 discharge amount	
Reduction in CO <sub>2</sub> Emission (emission compared to production)	Quantity of emission per unit sales amount compared to fiscal 1990	38% improvement	42% improvement	Promotions such as introduction of high-efficiency compressors	◎	45% improvement in quantity of emission per sales amount	
Green Procurement	Adoption for all fiscal 2003 products	Over 90%	Over 90%	Business partners above Rank A	◎	More than 95% of business partners above Rank A	
Adoption of lead-free soldering				Promotion ongoing in accordance with plan	◎	Application in over 70% of circuit board production	

Evaluation standard ◎:Achieved △:Achievement rate above 80%  
×:Achievement rate below 80% (Items without numerical target) ◎:Achieved △:Almost achieved ×:FNot yet achieved

\*1. VOC : volatile organic compounds

We aim to develop products that are kind to the Earth as well as to people, combining environmental and diagnostic efficiency.

**We are expanding and improving environmental impact reduction in our products.**

As a characteristic of medical systems that are used repeatedly, the importance of a phase extending to "maintenance and repair" and "disposal" is repeatedly emphasized in the "Medical Device Industry Vision" (issued in 2003 by the Ministry of Health, Labor and Welfare). Toshiba Medical Systems is working to reduce environmental impacts based on the Toshiba Group's voluntary plan for products, which establishes voluntary environmental standards for each product in order to encourage the development of environmentally-conscious products. Since fiscal 2005, for the Fourth Voluntary Environmental Plan, we have adopted specific targets in product development and have expanded and improved environmental impact reductions in many of our products.

**Environmental considerations becoming stricter with globalization.**

At this time, application periods and excluded items for medical systems under the RoHS Directive are not clear, but we assume that medical systems will be included in the Directive and are systematically improving individual products and units in advance.

In the newsletter published by environmental management on the first day of each month, we introduce a variety of our efforts regarding the environment. We also present the environmental activities of our European subsidiary, as well as efforts in our international operations.



**Items regarding "Improvement in Product Environmental Efficiency" in Fourth Voluntary Environmental Plan**

**① Factor T**

Compared to the 2010 target value of "Factor T: 2.2", in fiscal 2005 we calculated the average value of five products to be 4.23.

**② Providing products which conform to voluntary environmental standards**

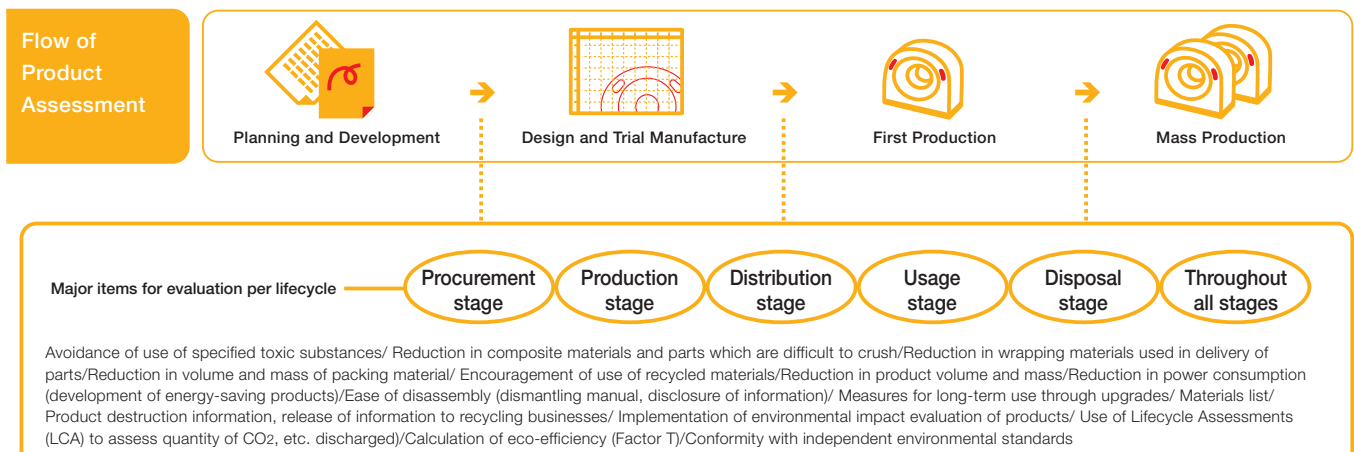
Due to the enactment of revisions to the voluntary environmental standards in November 2005, the ratio of conforming goods sold was limited to 4%. Hereafter, we will work to improve this ratio with the aim of reaching 60% in fiscal 2010.

**③ Achieving total abolishment of specified chemical substances in products**

In fiscal 2005, we grasped the outline and, hereafter, we will accelerate our activities towards total abolishment of specified chemical substances (fifteen substances) in 2010.

**Assessment of "environmentally-conscious products"**

We enforce a "product assessment" system for evaluating in advance the impact of products on the environment. We encourage the creation of environmentally-conscious products by evaluating various stages, from planning and development to trial manufacture, and from first production to mass production.



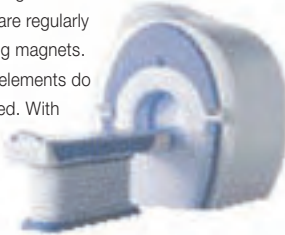
## We have improved consideration for the environment in our medical systems

By taking not just diagnostic performance but also environmental impact into account right from the research and development stage, we aimed to make many of our medical systems substantially more energy saving and resource saving than conventional systems. In particular, by attempting to develop diagnostic equipment from the standpoint of the customers and patients, we realized commercialization of people-friendly medical systems that combine superior eco-efficiency and diagnostic performance.

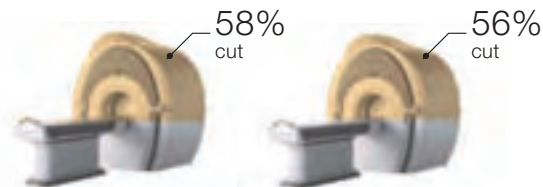
### MRI Diagnostic Equipment

We succeeded in saving resources through joint development of short-axis magnets with magnet manufacturers. We are also endeavoring to enhance environmental material management through reuse of parts that are regularly replaced and in-house disposal of superconducting magnets.

By using semiconductors in RF amplifiers, output elements do not need replacing and so resources are conserved. With the development of a high-speed exposure method, exposure time has been shortened and power consumption cut significantly.

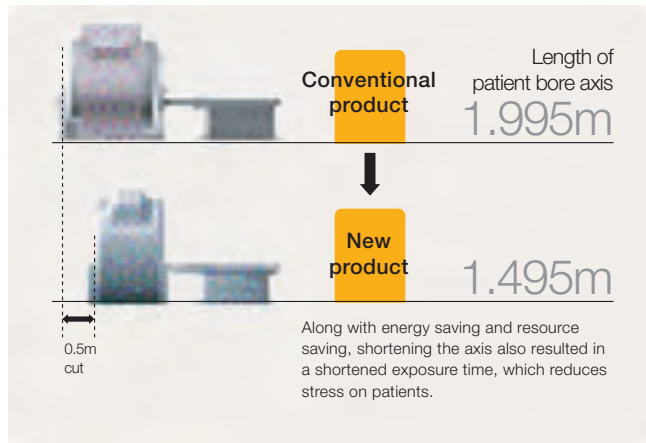


#### Results compared with conventional products (Year 1999 models)



**Energy Saving**

**Resource Saving**



### X-ray Angiography Equipment

As well as achieving energy and resource saving through design optimization and shortened exposure time, we also reduced toxic substances by totally abolishing FRP\*1 covers and adopting lead-free soldering.



#### Results compared with conventional products (Year 2000 models)



**Energy Saving**

**Resource Saving**

### CT Scanners (64 multislice CT equipment)

Through the development of new-model units and user interfaces, as well as new image reconstruction techniques, we significantly reduced weight and power consumption per function by, for example, cutting patient diagnosis time by more than half. We also worked to reduce patient radiation exposure with newly-developed software.



#### Results compared with conventional products (Year 2000 models)



**Energy Saving**

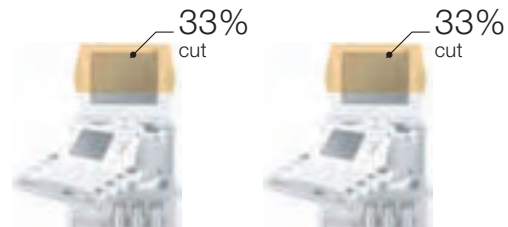
**Resource Saving**

### Ultrasound Equipment

We are endeavoring to reduce power consumption by adopting high-speed CPUs and shortening startup times, as well as conserving resources through adoption of large-scale FPGA\*2 and structural design techniques, and function concentration. Also, with the promotion of alternative materials such as lead-free solder, we are working to reduce environment-related materials and improve recyclability.



#### Results compared with conventional products (Year 2000 models)



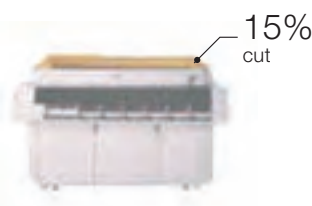
**Energy Saving**

**Resource Saving**

### Biochemical Analyzer

As well as saving resources through sample-to-sample carryover reduction techniques, we also worked to reduce the amount of reagent used by reducing the amount of reaction solution.

#### Results compared with conventional products (Year 2000 models)



**Energy Saving**

\*1. FRP: Fiber Reinforced Plastics

\*2. FPGA: Field Programmable Gate Array (Programmable LSI)

# We are tackling the reduction of waste, by creating a cycle of "making, using, returning, and reusing".

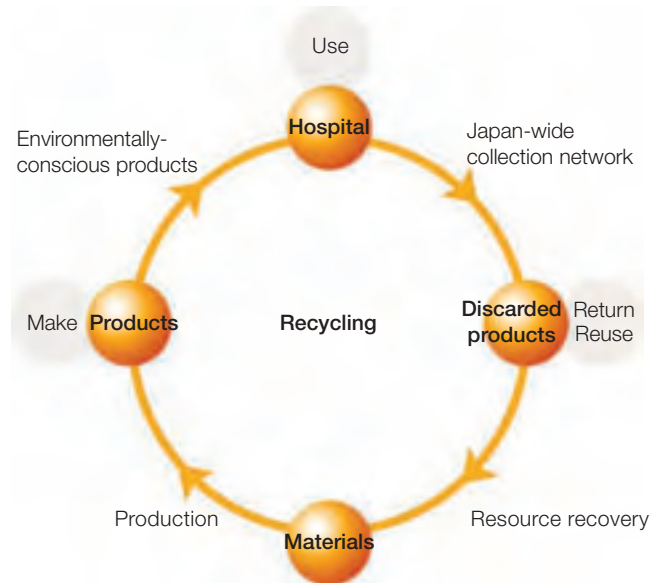
## We are expanding resource recovery through recycling and reusing.

The Toshiba Group's environmental management vision treats as one cycle the entire process from the stage of "making" an item to the stage of the customer "using" it and then, after its role has been fulfilled, to the "reusing, returning" stage, when it becomes a resource again. This cycle is considered in all of the Group's business processes and products. Toshiba Medical Systems reuses and recycles old medical systems traded-in by hospitals, and promotes expansion of resource recovery and the construction of a recycling-oriented society. Since 1992, we have established 12 recycling locations across Japan. Traded-in goods are dismantled, classified according to material type (iron, aluminum, plastic, and so on), and then recycled into raw materials. Items such as the X-ray tube assemblies used in medical systems are partially reused after undergoing strict quality verification.

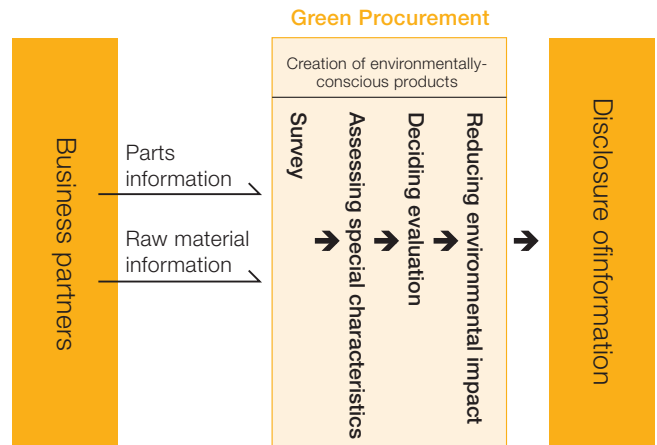
### Initiatives in green procurement with a low environmental impact

Our green procurement initiative aimed at creating environmentally-conscious products, promotes the procurement of parts, materials, and raw materials with low environmental impacts. Based on Toshiba's guidelines, "Green Procurement Guidelines" (revision scheduled in June 2006), we are earnestly implementing green procurement and developing a management system. We are carrying out surveys of environment-related substances (see below) in all parts and materials used in our equipment, aimed at all of our approximately 400 business partners. Based on this information, we are endeavoring to reduce many of these environment-related substances with cooperation from our business partners.

### Outline of Medical Product Recycling



### Green Procurement Implementation Flow Diagram



### Environment-related substances subject to survey

Rank A	Substances whose procurement is prohibited (15 substances)	Rank B	Substances to be reduced (9 substances)
	Asbestos/ Some azo dyes and azo pigments (forming specific amines)/ Cadmium, cadmium compounds/ Hexavalent chromium, hexavalent chromium compounds/ Lead, lead compounds/ Mercury, mercury compounds/ Ozone-depleting substances (CFCs, HCFCs, HBCFCs, carbon tetrachloride, etc.)/ Polybrominated biphenyls (PBBs)/ Polybrominated diphenyl ethers (PBDEs)/ Polychlorinated biphenyls (PCBs)/ Polychlorinated naphthalenes (3 or more chlorine atoms)/ Radioactive material/ Some short chain chlorinated paraffins/ Tributyltin (TBT), triphenyltin (TPT)/ Tributyltin oxide (TBTO)		Antimony, antimony compounds/ Arsenic, arsenic compounds/ Beryllium, beryllium compounds/ Bismuth, bismuth compounds/ Brominated flame retardants [excluding PBB (A08) and PBDE (A09)] / Nickel (external use only)/ Some phthalates/ Selenium, selenium compounds/ Polyvinyl chloride (PVC)

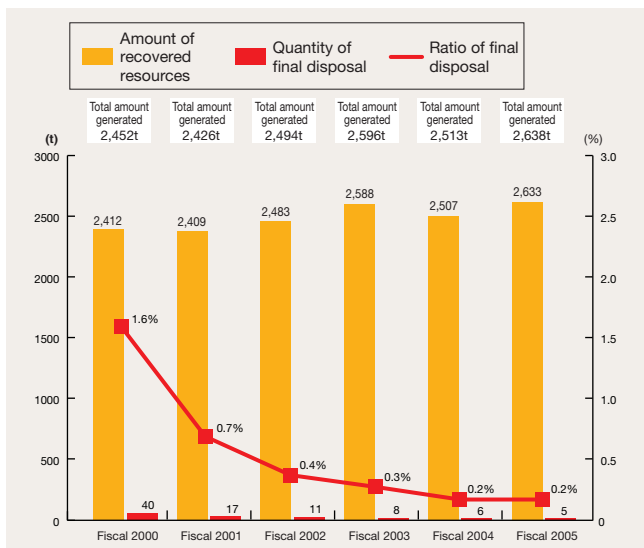


## Reduction of Waste

### Towards improved "zero emission" activities

The Fourth Voluntary Environmental Plan started in fiscal 2005, and a medium-term plan was established for the period until fiscal 2010. With regard to amount of waste generated, absolute amounts are converted to a load per production unit system index, and the target is for a 20% reduction in load per production unit by fiscal 2010 compared with fiscal 2000. Toshiba Medical Systems reached the target far in advance of the schedule with a reduction of 32% by fiscal 2005. We have also already reached the target for quantity of final disposal, which aims for a ratio of 0.5% by fiscal 2010, by achieving a ratio of 0.2% in fiscal 2005. However, we will continue to promote the reduction of waste by setting even stricter targets for fiscal 2006.

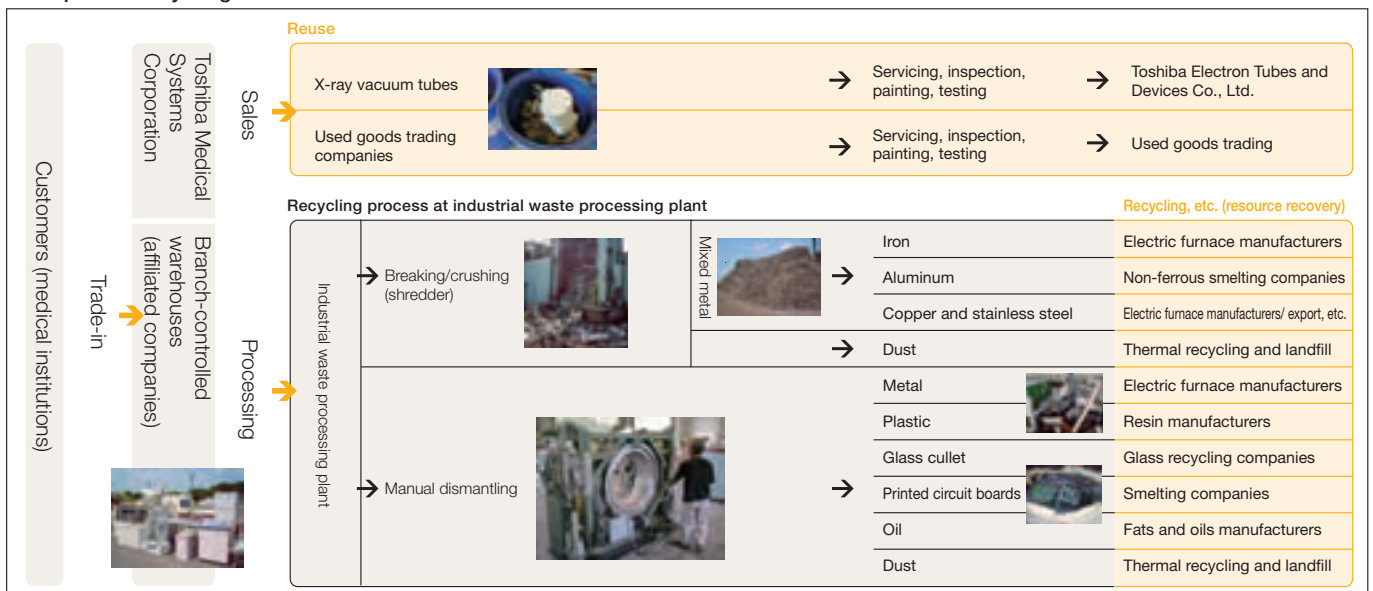
### Trends in Toshiba Medical Systems' total waste discharge amount



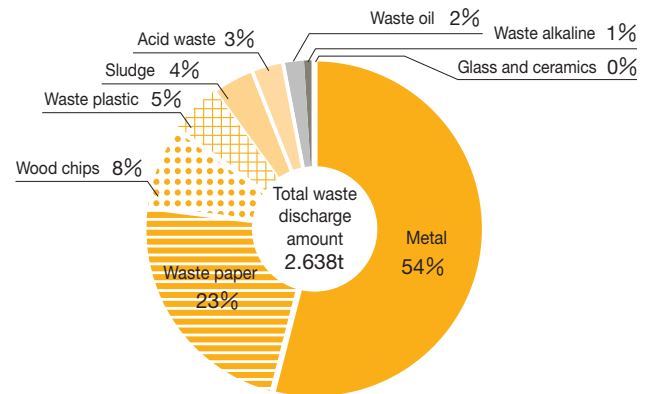
### Reducing discharge of chemical substances, to meet high target values

In fiscal 2005, based on the Fourth Voluntary Environmental Plan, we continued to examine of specified chemical substances used in production plant processes and reduction in total discharge amount, especially with regard to VOCs which have been newly added to the Plan. From fiscal 2006, we will carry out new activities aimed at a 50% reduction in the fiscal 2000 discharge amount by fiscal 2010.

### Examples of recycling



### Breakdown of total waste discharge amount in fiscal 2005



### Major improvements to activities in fiscal 2005

Up until 2004, items of waste plastic generated by Toshiba Medical Systems with a length of over 50cm were classed as large plastic waste and were passed to intermediate processing companies for crushing. 10% of the discharged amount was disposed of at landfill sites. In fiscal 2005, we managed to reduce the final disposal quantity of 1 t by changing our processing partners for this large plastic waste and completely recycling it into cement material. Also, for the second year running, we have returned the wooden pallets generated through procurement to the suppliers for reuse. Through this reuse we managed to reduce waste by approximately 40 t per year. In the future, our attention will be focused on waste packing material from procurement, as we continue our efforts to reduce waste.



CT-FRP cover



Reused wooden pallets

# We are involved in environmental protection activities and CO<sub>2</sub> reduction, aimed at keeping water and the atmosphere clean.

## To protect nature, we are extensively managing the water and atmosphere.

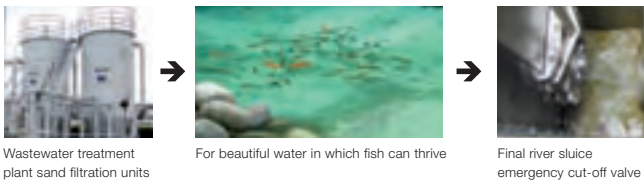
A green belt extends across the region surrounding the Nasu Operations, and the Class-A, Houki River, flows nearby. From the position of owning a factory surrounded by such a wealth of nature, Toshiba Medical Systems formed a Pollution Control Agreement with Otawara-shi and Yaita-shi in 1979, when the plant first began operating. We have also established voluntary control values that are stricter than those in the laws and regulations, and we practice extensive self-management of the water and atmosphere. Our environmental measurements for fiscal 2006 met all of the voluntary control values. These voluntary control values were achieved through continual improvements, and we plan to make them even stricter in the future.

### Establishment of an on-site wastewater treatment plant for water conservation

Since wastewater flows into a Class A river, we are concentrating our efforts especially on protection of the water environment. We established an on-site wastewater treatment plant, and we have not just enhanced everyday management but have also arranged an extremely safe system through extensive water quality testing. In addition, we set more stringent water quality standards and monthly reporting on the facility's organization in the Pollution Control Agreement regulations.

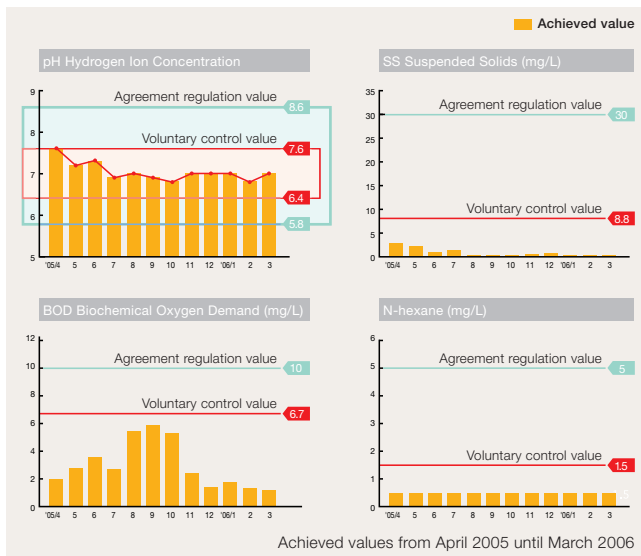
#### Flow of Wastewater Treatment

We filter the wastewater until it is close to natural water. This is achieved through water quality tests that not only involve collecting data but also observing fish in a test tank.



### Water quality measurements (at Nasu Operations final river sluice)

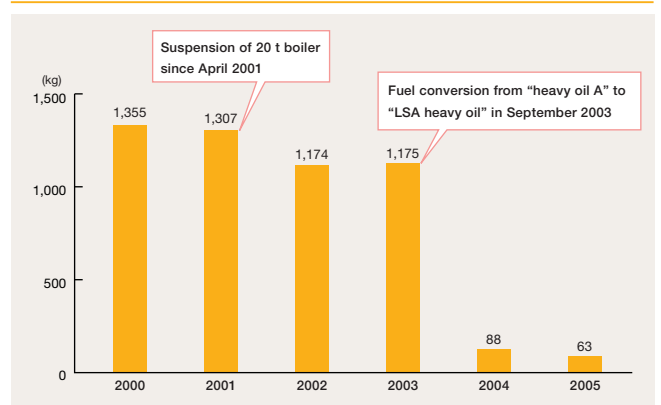
All of the water quality measurements cleared, by a wide margin, the voluntary control values, which are stricter than those of the laws and regulations.



## Substantial reduction in exhaust gas through atmospheric protection activities

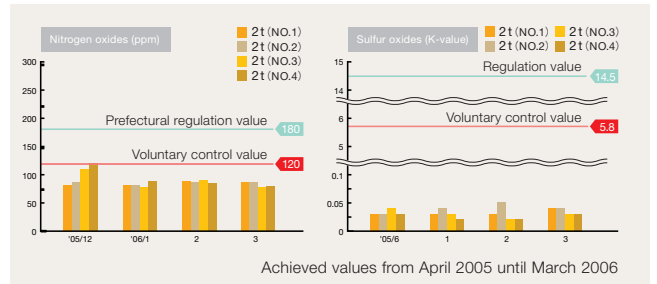
To preserve the atmosphere, Toshiba Medical Systems has used LSA heavy oil, a fuel with low sulfur content, since fiscal 2003. In fiscal 2004, with the aim of improving boiler efficiency, we independently installed gas-firing boilers for coating processes. By implementing these improvements, we reduced the amount of sulfur oxide discharged by 95% compared to fiscal 2000. In the future, we plan to reduce nitrogen oxide by introducing low nitrogen oxide technology when boilers are renewed.

### Trends in SOx discharge amount



### Boiler exhaust gas measurements

The measurements cleared our voluntary control values for both nitrogen oxide and sulfur oxide, which are stricter than those of the laws and regulations, by a wide margin.



## TOPICS

### "A beautiful water environment supporting Miyako Bitterling - a natural treasure"

Miyako Bitterling, designated as a national natural treasure, live in the Houki River into which purified wastewater from the Nasu Operations is discharged. These fish were once plentiful in the streams of the Kanto plains, but they can now only be found in a few locations across the country. We intend to preserve the beautiful Houki River, so that the Miyako Bitterling may live out their lives there.



## We are encouraging the reduction of CO<sub>2</sub> emissions and other energy-saving activities

The prevention of global warming to protect our precious Earth is a task shared by the entire world. Carbon dioxide (CO<sub>2</sub>), as a greenhouse gas with a major impact on global warming, is the subject of important energy-saving activities in our places of business, and we have adopted the target of a 1% annual reduction in CO<sub>2</sub> emissions per production unit. Also, we are trying to save energy during product use by providing products with high energy efficiency, and we are attempting to reduce other greenhouse gases such as sulfur hexafluoride (SF<sub>6</sub>).

### Reducing CO<sub>2</sub> emissions through a variety of activities

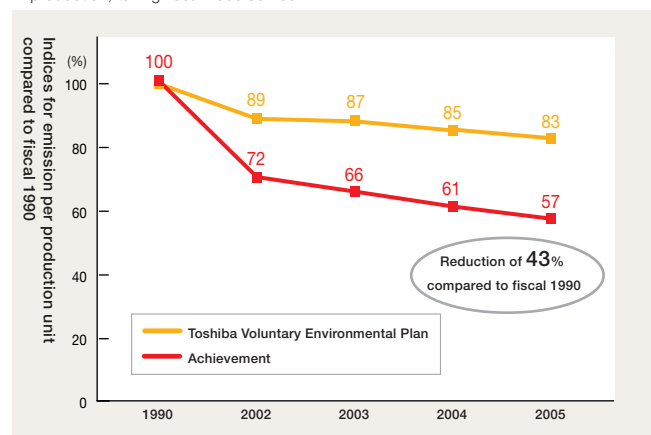
In fiscal 2005, carrying over from fiscal 2004, we tackled the following three items.

- 1) Reduction in energy loss by replacing power plant with high-efficiency models
- 2) Reduction in energy loss by expanding our renewal of air conditioning systems
- 3) Encouragement of energy saving by all employees by setting energy saving targets for all departments.

CO<sub>2</sub> emission per production unit for fiscal 2005 was 4% lower than in the previous fiscal year and it was 57% of fiscal 1990, which far exceeds the target set by Toshiba's Voluntary Environmental Plan. From fiscal 2006, we will continue to work towards achieving the target values of the Fourth Voluntary Environmental Plan.

### Trends in energy-originated CO<sub>2</sub> emission per production unit

- 1) We adopted the respective CO<sub>2</sub> emission factors for electrical power, heavy oil A, and LPG (liquid petroleum gas).
- 2) Indices compared to fiscal 1990 are derived from the ratio of CO<sub>2</sub> emission to production, taking fiscal 1990 as 100.



### Examples of improvements in energy saving activities

#### Optimization of power plant...Annual effect: 25t reduction in CO<sub>2</sub> emission

We reduced energy loss by renewing air compressors to include inverter control systems and optimizing the coordination of operation with demand.

#### Optimization of air conditioners...Annual effect: 195t reduction in CO<sub>2</sub> emission

Since fiscal 2004, we continue to systematically renew air conditioners that have deteriorated due to age. In the office/design buildings, the air conditioning system was changed from a central air conditioning system using large-scale water-cooling to a distributed system using a "building multiple air conditioner method", while in the production areas the conventional water-cooled packaged air conditioners were changed to air-cooled systems. These changes permit the air conditioning to be controlled in each individual area, and we intend them to significantly improve energy consumption efficiency and reduce the energy required for air conditioning.

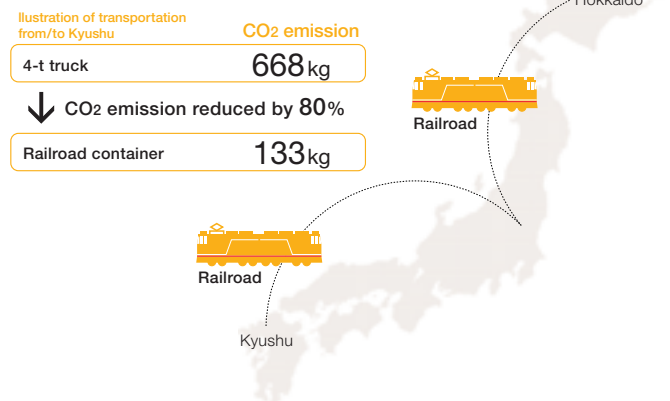
\*Building multiple air conditioner method: A system that allows multiple internal units to be controlled by one set of outside air conditioning units.

### Reduction of CO<sub>2</sub> emission during goods distribution too.

We achieved reductions in CO<sub>2</sub> emission and transportation costs by expanding modal shift. In fiscal 2006, in cooperation with carriers, we will encourage policies for reduction of CO<sub>2</sub> emissions using not just modal shift but also improvements in carrying efficiency and introduction of low-pollution vehicles.

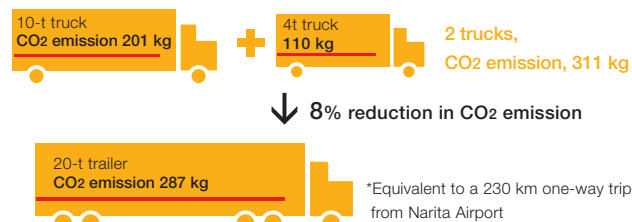
#### Expansion of modal shift

We are reducing CO<sub>2</sub> emissions by implementing a modal shift from truck to railroad container for long-distance transportation,



#### Improvement in transportation efficiency by enlarging cars

We are increasing transportation efficiency in the Tokyo area by using large-scale cars and reducing the number of cars dispatched.



### Discharge amounts and promotion of improvements for chemical substances based on PRTR.

The Toshiba Group has independently practiced assessment and reduction of release and transfer of specified chemical substances, even prior to the PRTR Law (Pollutant Release and Transfer Registration law, which is a law regarding emission of specified chemical substances and promotion for managerial improvement) coming into effect. The amount of substances subject to PRTR Law handled in fiscal 2005 is shown below. Two substances exceeded the reporting level (1 t/year) set by the law, and they were duly reported. In fiscal 2006, we plan to further reduce lead compounds from solder through full-scale adoption of lead-free solder. Also, we are promoting activities for reduction of targeted chemical substances aimed at meeting the Fourth Voluntary Environmental Plan's fiscal 2010 target of halving the discharged amount.

#### Fiscal 2005 Release and Transfer Amounts for Chemical Substances (PRTR for targeted substances based on Toshiba's guidance)

Amount of targeted substances handled: 24.3 t		Unit: t/year
Lead	0.89t	Amount discharged to atmosphere 0.18t
Bisphenol A	17.41t	Amount transferred 0.77t
4,4'-methylenedianiline	5.02t	Amount consumed 23.0t
Zinc	0.47t	Amount recycled 0.36t
Toluene	0.2t	
Other	0.31t	

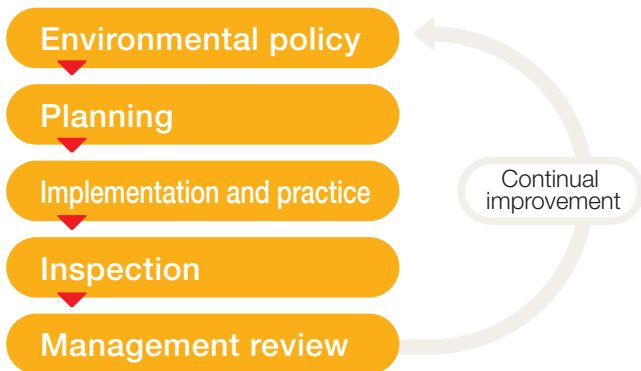
\*PRTR : Pollutant Release and Transfer Register

# We are raising the environmental awareness of each and every employee, and working to continually improve environmental protection activities.

## We are implementing strict audits and training aimed at continual improvement.

At the production base of Toshiba Medical Systems, ISO14001 certification was obtained in March 1996, and we are working to continually improve environmental activities through an environmental management system cycle based on ISO14001. In order to maintain this continual improvement, we established an internal environmental protection activities promotion system. We are also inspected by external organizations, and every three years we undergo an ISO14001 renewal inspection.

### Environmental management system cycle



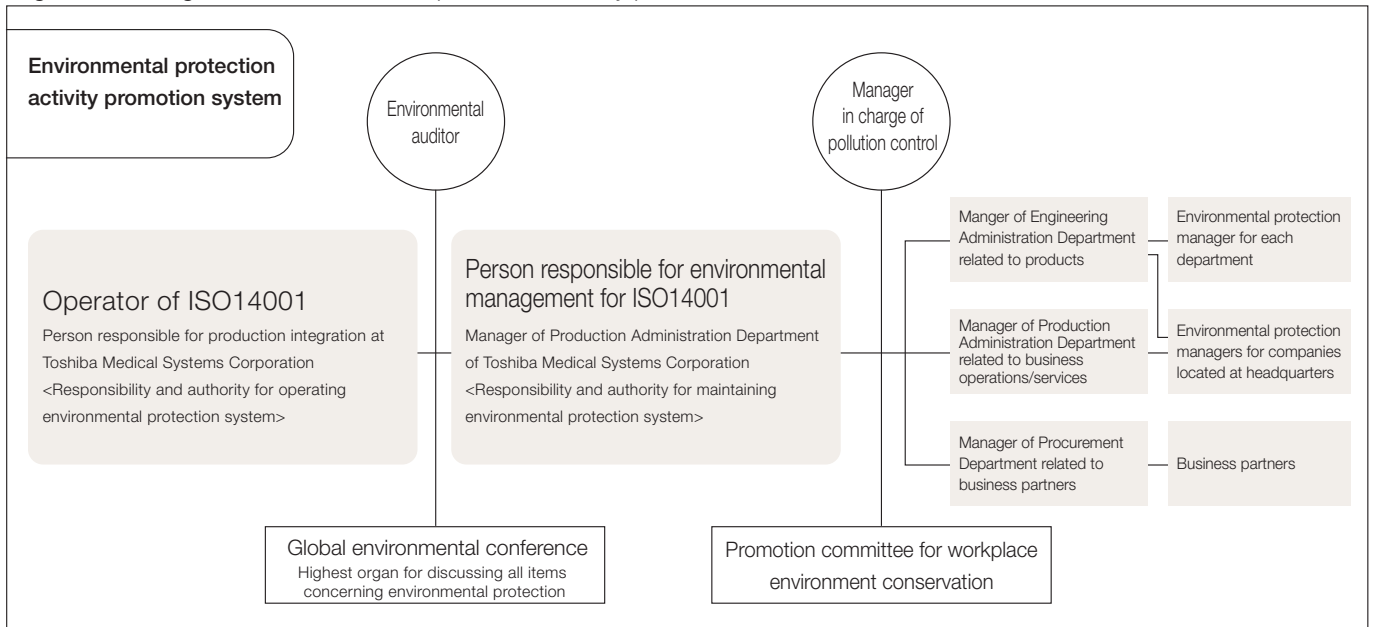
## Regular implementation of three environmental audits

In order to confirm that environmental protection activities are being implemented appropriately, three grades of environmental audits are regularly performed at Toshiba Medical Systems. External audits include a renewal inspection carried out every three years and a surveillance inspection carried out in the interim years. In the third year surveillance inspection carried out in fiscal 2005, we were evaluated as "improved". Internal environmental audits focus on the management of facilities and equipment at our sites, such as confirming complete implementation of the environmental management system and the "5S" rules specify that organization, management, cleaning, cleanliness and discipline, and administration of the principle that indicates that all employees need to participate in management of all facilities in all areas and the actual situation of items should be checked on-site at workplaces.

1	<b>External audit</b> Audit by external organization based on ISO14001	
2	<b>In-house environmental audit</b> Audit based on Toshiba's in-house environmental audit system (EASTER*)	
3	<b>Internal environmental audit</b> Self audit based on Toshiba Medical Systems' environmental audit system.	

\*EASTER : Environmental Audit System in TOSHIBA on basis for ECO Responsibility

## Organization diagram for environmental protection activity promotion



## Increasing the awareness of each and every employee through environmental training

We set up an internal environmental training system within the "Environmental Protection Manual Regulations" aimed at thorough understanding of the importance of the global environment and the necessity of understanding and complying with the management system. We are carrying out environmental training for all employees, including Group companies and branch establishments, and affiliated personnel at Nasu Operations. Since fiscal 2004, we have extended environmental training using "e-learning" (implemented in 2003) to include general employees, and by providing training on environment-related law as well as global trends in fiscal 2005, we plan to improve and maintain the environmental awareness of affiliated personnel as well as all employees. Also, in this fiscal year, we promoted understanding of environmental issues by carrying out training for resident engineers from overseas for the first time.



## Fiscal 2005 Main environmental training and number of participants

Target	Training content	Number of participants
Level-specific training	Managers <ul style="list-style-type: none"> <li>• National and international environmental trends and ISO14001 requirements</li> <li>• Establishment, implementation, responsibilities and authorities concerning the environmental protection system in your department</li> <li>• General employee training content, etc.</li> </ul>	31
	General employees (aimed at all employees) <ul style="list-style-type: none"> <li>• Understanding the "Environmental Protection Manual Regulations" (ISO14001 requirements)</li> <li>• Roles and responsibilities for reaching environmental targets set by environmental policies, environmental objective and environmental targets.</li> <li>• Significant environmental impacts related to business activities (including possible occurrences) and benefits of improvements</li> <li>• Predicted impacts of deviations from set procedures</li> </ul>	4,948
Task-specific training	Specific employees and inspectors <ul style="list-style-type: none"> <li>• Appropriate management and inspection of specific facilities</li> <li>• Impact prediction results and response methods for unusual conditions at specific facilities</li> </ul>	218
	Environmental auditors <ul style="list-style-type: none"> <li>• Overview of national and international environmental trends and related laws and ordinances.</li> <li>• Duties and responsibilities of auditors</li> <li>• On-site training and certification examinations</li> </ul>	8
	Resident engineers from overseas <ul style="list-style-type: none"> <li>• Environmental initiatives of the Toshiba Group</li> <li>• About (TMSO) environmental policies and protection activities</li> </ul>	68

## Environmental accounting

We introduced an "Environmental Accounting System" in fiscal 1999 to assess the costs and benefits of our environmental protection activities and to serve as a guideline for our business activities. In fiscal 2005, we calculated the expenditure invested in environmental protection activities, "environmental protection costs", as well as the actual benefits (energy service charges, waste treatment and disposal costs), assumed benefits (reduction in environmental impact related to wastewater/atmosphere, etc.), and customer benefits (comparison of environmentally-conscious products with conventional products during customer use) resulting from these environmental protection activities. The only point of improvement in fiscal 2005 was the production base totals, but with regard to "environmental protection costs" we are expanding the scope of totals of branch establishments and affiliated companies in Japan that are not production bases. Hereafter, we also plan to expand the scope of totals with regard to "environmental protection benefits" and to raise the accuracy of environmental accounting.

### Environmental protection costs

Classification	Content	Unit: million yen	
		Investment expenditure	Costs during the period
Business area costs	Reduction of environmental impacts 1) to 3)	148	224
└ Breakdown	1) Pollution prevention costs	16	74
	2) Global environment protection costs	132	70
	3) Resource circulation costs	0	80
Upstream/downstream costs	Green procurement, recycling, etc.	0	211
Administration costs	Labor costs for environmental training, environmental protection, etc.	0	129
Research and development costs	Development of environmentally-conscious products, etc.	0	1,334
Social activity costs	Tree planting, disclosure of information, etc.	0	0
Environmental remediation costs	Air pollution levy, etc.	0	0
	<b>Total</b>	<b>148</b>	<b>1,898</b>

### Environmental protection benefits

Classification	Content	Total
Actual benefits	Benefits that can be directly converted into monetary value such as reductions in electricity and water charges	-15
Assumed benefits	Benefits concerning reduction in environmental impact converted into a monetary amount*1	82
Customer benefits	Benefits concerning reduction in environmental impact at the usage stage converted into a monetary amount	543
Risk prevention benefits	Calculated value of reduction in environmental risk before and after investment	0
	<b>Total</b>	<b>610</b>

### Breakdown of actual benefits\*2

Item	Amount of reduction in environmental impacts*1	Monetary value of benefits
Energy	-263Kl	-15
Waste	-125t	1
Water	-4,359m <sup>3</sup>	-1
	<b>Total</b>	<b>-15</b>

### Breakdown of customer benefits

Item	Amount of reduction in environmental impacts*1	Monetary value of benefits
Environmental impact reduction benefits at the usage stage	23,620,000kWh	543

### Breakdown of assumed benefits

Item	Amount of reduction in environmental impacts*1	Monetary value of benefits
Wastewater related	2.1t	73
Atmosphere related	1.1t	9
	<b>Total</b>	<b>82</b>

\*1. The amount of reduction in environmental impacts is the difference between fiscal 2004 and fiscal 2005.  
\*2. Total is for Toshiba Medical Systems Nasu Operations only.

Target scope of totals: Toshiba Medical Systems Corporation and Group companies within Japan  
Totaling period: April 1, 2005 to March 31, 2006  
Totaling method: Environmental protection costs according to the Ministry of the Environment's "Environmental Accounting System Guidelines", environmental protection benefits according to Toshiba's independent standards.

# Local and Branch Protection Activities

## We are serving the local community through environmental protection

At Toshiba Medical Systems, as well as our June "Environment Month" and February "Energy Saving Month", we communicate throughout the year both inside and outside the company.

### Participation in tree-planting activities



We participated in tree-planting activities at the site of a demolished mine in Ashio, Tochigi Prefecture. Wild goats and monkeys live in the area, and we experienced anew the symbiosis between humans, animals, and nature. We will continue to participate in the future so that we can help in a small way towards preventing global warming by planting trees and cultivating forests.

### Visit to municipal incineration and recycling facilities



In "3R Promotion Month", we visited Otawara's incineration and recycling facilities and promoted activities to encourage the effective use of resources.

### Hosting environmental lecture



Each individual employee who listened to the lecture, as a member of a global enterprise, grasped the realities of current global environmental issues and, thinking of the future, became freshly aware of environmental protection activity initiatives.

### Promoting communication



We are encouraging environmental communication for cooperation and solidarity with the local community by enthusiastically interacting with and receiving groups and companies who wish to visit our facilities.

### Group cleaning of industrial complex in Nozaki



Since 1994, in our annual environment month of June, with sponsorship from the Nozaki Industrial Complex Council, we have cleaned streets and parks in the industrial complex area. Many employees use their lunch break to help with the cleaning.

### Environmental commendation



In February and March 2006, we were awarded the Agency for Natural Resources and Energy's Director General's Award and were commended for "Excellence in Pollution Prevention" by Tochigi Prefecture. We will all continue to contribute by participating in environmental activities.

## Branch establishments also involved in enthusiastic environmental protection.

In fiscal 2004, Toshiba Medical Systems began environmental activities involving nine branches/Group companies across Japan, and in fiscal 2005 we implemented regular environmental audits to promote environmental protection activities in eleven branches/Group companies. By confirming compliance with regulations concerning, for example, waste products, and indicating corrections in the case of highlighted items, we are continually improving. We will continue to promote activities and implement checks for compliance by means such as periodically building up our environmental structure, assessing amount of waste, saving energy, and introducing hybrid cars. Also, we are expanding our guidance on promotion of environmental protection activities to include our European subsidiary, Toshiba Medical Systems Europe B.V.



Guiding/supporting business partners



Branch establishment

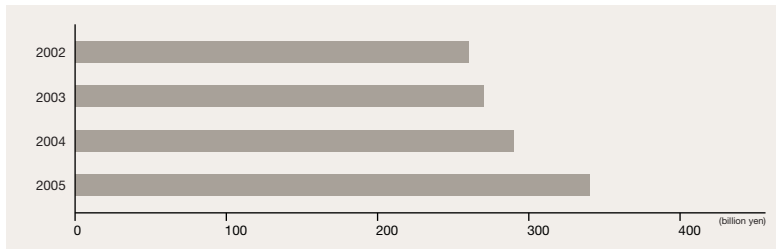


Toshiba Medical Systems Europe B.V.

## Corporate Profile

Company name	Toshiba Medical Systems Corporation
Founded	1930 (October)
Incorporated	1948 (September)
President and CEO	Masamichi Katsurada
Headquarters	1385 Shimoishigami, Otawara-shi, Tochigi-ken, JAPAN Tel:0287-26-6211
Tokyo office	3-26-5 Hongo, Bunkyo-ku, Tokyo, JAPAN Tel:03-3818-2061
Capital	14.7 billion yen
Scope of business	Development, manufacture, sale and technical services for medical equipment (including diagnostic X-ray systems, medical X-ray CT systems, magnetic resonance imaging systems, diagnostic ultrasound systems, radiation therapy systems, diagnostic nuclear medicine systems, medical sample testing equipment, and information systems for medical equipment).

Trends in Group's consolidated sales (billion yen)



Homepage <http://www.toshiba-medical.co.jp>

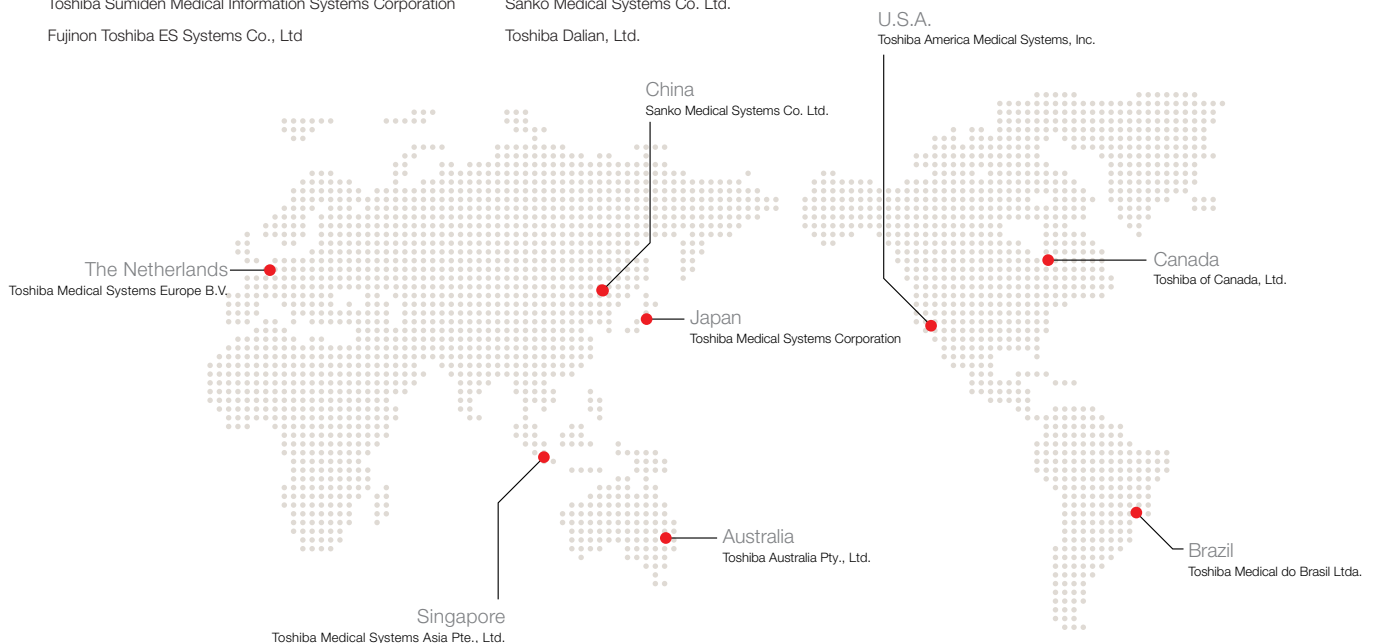
## Toshiba Medical Systems Group

### Japan

Toshiba Medical Supply Co., Ltd.  
 Okinawa Toshiba Medical Co., Ltd.  
 Toshiba Medical Manufacturing Co., Ltd.  
 Toshiba Medical Systems Engineering Co., Ltd.  
 Toshiba Medical Finance Co., Ltd.  
 Medical Supply Japan Ltd.  
 Toshiba Sumiden Medical Information Systems Corporation  
 Fujinon Toshiba ES Systems Co., Ltd.

### Worldwide

Toshiba America Medical Systems, Inc.  
 Toshiba Medical Systems Europe B.V.  
 Toshiba Medical do Brasil Ltda.  
 Toshiba Medical Systems Asia Pte., Ltd.  
 Toshiba of Canada, Ltd.  
 Toshiba Australia Pty., Ltd.  
 Sanko Medical Systems Co. Ltd.  
 Toshiba Dalian, Ltd.





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Toshiba Medical Systems Corporation holds ISO 9001 and ISO 13485 certification, international standards for quality systems.



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