

TOSHIBA MEDICAL SYSTEMS CORPORATION

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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.

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2016 **CSR REPORT** ◆◆◆

TOSHIBA MEDICAL SYSTEMS CORPORATION

BASIC COMMITMENT

Toshiba Medical Systems Corporation (TMSC) 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 the basic commitment of Toshiba Medical Systems Corporation.

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

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MESSAGE FROM THE PRESIDENT

Innovation for the next 100 years

In more than 100 years in the medical equipment business (which began with research and development of X-ray tubes in 1914), based on our management slogan, "Made for Life", we have dedicated ourselves to building partnerships with our customers, meeting their needs with cutting-edge technologies. We have continuously pursued our goal of contributing to the future of healthcare.

In March 17, 2016, we became independent from the Toshiba Group, and we are moving forward as a reborn Toshiba Medical Systems Corporation under new management. We are facing significant changes in the healthcare environment due to aging populations, and there is growing need for advanced medical care. We will implement further innovation in partnership with those involved in healthcare services around the world through timely provision of a broad range of optimal solutions, allowing early detection, accurate diagnosis, and treatments that reduce the burden on the patient. Over the next 100 years, we will continue our efforts under the management concept "Made for Life", which expresses our resolve to move forward together 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 TMSC 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 global warming, 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 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.

TMSC is contributing to healthcare while working to achieve a sustainable environment.

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

TMSC is committed to all stakeholders, and strives to contribute to communities around the world.

Objectives and main results for FY2015/Objectives and plans for FY2016



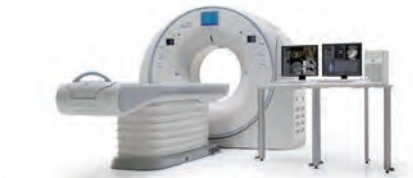



Social Report

Contents	Main results for FY2015	Objectives and plans for FY2016
<p>Organizational governance/ Fair operating practices</p> 	<ul style="list-style-type: none"> Promotion of CSR management aimed at contributing to resolution of social issues Implementation of activities for cultivation of compliance awareness (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 Implementation of various compliance promotion policies at TMSC Group worldwide (education, appointment of a compliance counselor, and meetings on compliance topics)
<p>Human rights/Labor practices</p> 	<ul style="list-style-type: none"> Education on "Standards of Conduct for Toshiba Medical Systems Group" and cultivation of respect for human rights Continued surveys regarding use of conflict minerals Reduction of overtime work hours, encouraging employees to take compensated leave by promoting policies such as workstyle innovation Further enhancement of supporting measures for employees using the child-care/family care leave system Maintaining and expanding the level of the legal employment rate for disabled people 	<ul style="list-style-type: none"> Continued education to promote human rights awareness Continued surveys regarding use of conflict minerals Reduction of overtime work hours, encouraging employees to take compensated leave by promoting policies such as workstyle innovation Further enhancement of supporting measures for employees using the child-care/family care leave system Maintaining and 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 Health support for employees Activities to prevent cerebrovascular diseases and lifestyle diseases Activities to prevent mental health problems 	<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>Consumer issues</p> 	<ul style="list-style-type: none"> Establishment of global quality management system Provision of education for service engineers and customers at TMB academy training center Efforts to enhance maintenance services through development of a remote maintenance system Interior design proposals using 3D CAD 	<ul style="list-style-type: none"> Promotion of product quality and safety assurance Improvement of customer support
<p>Community involvement</p> 	<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 	<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

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 FY2015	Objectives and plans for FY2016
<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"> • Continuation of contents from FY2015
<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 	<ul style="list-style-type: none"> • Achieving all environmental targets • Further enhancement of environmental management system and internal control
<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 (TOSMEC Aventy™ 2.0, Aquilion ONE™/GENESIS Edition, 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 the 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>Promotion of biodiversity conservation</p> 	<ul style="list-style-type: none"> • Conservation of biotope • Tree planting and observation of local flora and fauna 	<ul style="list-style-type: none"> • Continuation of contents from FY2015
<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



We make every effort to contribute to healthcare sites around the world

The Russia-Japan Cardiac Imaging Training Center has been established in order to improve the healthcare environment and medical technologies in Russia.

Cardiovascular disease ranks as the leading cause of death in Russia, accounting for 62% of all deaths (according to Federal State Statistics Service of the Russian Federation). In order to further expand cardiac diagnostic imaging technologies and treatment techniques in Russia, TMSC established the Russia-Japan Cardiac Imaging Training Center at the I.M. Sechenov First Moscow State Medical University, (the leading medical university in Russia), and the A.L. Myasnikov Institute of Clinical Cardiology. As part of the establishment of base sites outside Japan implemented under the Japanese government's overseas medical expansion policies, installation of the equipment at the Center is partially funded by subsidies from Japan's Ministry of Economy, Trade and Industry. The center is operated through cooperation between Medical Excellence JAPAN, I.M. Sechenov First Moscow State Medical University, and A.L. Myasnikov Institute of Clinical Cardiology.

A ceremony was held in September 2015 for the opening of the center, attended by Japanese government officials and the Minister at the Embassy of Japan in Russia. During the ceremony, Dr. Sergey K. Ternovoy (Head Professor of the Department of Radiology, I.M. Sechenov First Moscow State Medical University) was appointed Director, Dr. Rustam Bakhtiozin (General Director of ZAO Toshiba Medical Systems) was appointed vice president, and Dr. Shigeru Ehara (Professor at the Department of Radiology, Iwate Medical University) was appointed as a council member.



I am delighted to have been professionally involved, from the first installation of a CT system to the latest developments in CT.

Professor Sergey K. Ternovoy, Director, Russia-Japan Cardiac Imaging Training Center



Since the installation of the first CT scanner in the USSR back in 1987, I have been involved in various clinical studies and development of CT. I am now affiliated with the CT department of the Russia-Japan Cardiac Imaging Training Center, and involved in conducting less-invasive coronary artery interventions. The device to be used is decided based on determination of the location and the extent of stenosis identified through heart examination using the 320-row CT system Aquilion ONE / ViSION Edition. We develop optimal algorithms for early diagnosis of CHD and the best timing for minimally invasive treatment. We pay great attention to determination of the volume of pericardial and visceral fat encountered in metabolic syndrome.

Aquilion ONE / ViSION Edition has a wide range of clinical application, and has a greater role in functional evaluation in orthopedics and decision-making in medical and surgical treatments. I am happy to be working with the most advanced equipment in the world.



Training equipment installed at sites

I.M. Sechenov First Moscow State Medical University

Aquilion ONE / ViSION Edition
 Aplio500
 INFX-8000V

A.L. Myasnikov Institute of Clinical Cardiology

Aquilion ONE / ViSION Edition



Cardiovascular ultrasound system
 Aplio™500



320-slice area-detector CT system
 Aquilion ONE™ / ViSION Edition



X-ray angiography systems
 INFX-8000V

Results and future plans for utilization of the training center

In Russia, it is mandatory for healthcare professionals to receive a 35-hour designated national training course per year. The training program provided at the center is certified as a designated national training course, and provision of training for 240 personnel per year is planned. The training course served 47 medical staff and 69 physicians by the end of March 2016.

First seminar held

It is planned to hold two seminars per year at the training center, with support from the Japan Radiological Society (JRS) and the Japanese Circulation Society (JCS). In the first seminar held after opening of the center on September 8, 2015, Dr. Kitagawa of Mie University Hospital delivered a lecture entitled "Cardiac CT Imaging: Now and Future", and Dr. Kawase of Gifu Heart Center delivered a lecture entitled "Coronary Artery Diseases and Intervention in Japan". The second seminar is scheduled to be held in May 2016 around the same time as the Russian Congress of Radiology.

Through the establishment of training centers, we are contributing to improvement of healthcare technologies in many countries.



I.M. Sechenov First Moscow State Medical University A.L. Myasnikov Institute of Clinical Cardiology



Social Report

We aim to be a better company by fulfilling the expectations of our various stakeholders.

We are promoting CSR management on a global scale in order to contribute to society through our business activities.

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).



"In cooperation with each department/section, we are fostering an environment in which sales activities are conducted fairly and ethically."

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

As a system for ensuring that all business negotiations are conducted fairly, we are working with the department responsible for compliance issues and checking observance of laws and regulations by setting checkpoints at appropriate stages of each business negotiation conducted by each sales department. 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. Periodic meetings on compliance topics are also being held to promote education and creation of an organizational climate in which compliance is ensured. Under the slogan "No compliance, no business", we are continuously providing education to personnel and improving our infrastructure to foster an environment in which sales activities are conducted fairly and ethically.



We aim to contribute to solving social issues through our global business management.

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.

Promotion of workstyle innovation

In cooperation with the TMSC labor union, we are promoting workstyle innovation to enable employees to work conscientiously and efficiently while making the most of their life outside work. This encourages rejuvenation and self-improvement so that employees can add higher value to their work.











Supporting the careers of employees raising children, caring for family members, etc.

Based on our Action Plan*, and through discussions with the employees' labor union, we are striving to foster a work environment that allows employees to maintain an active role by taking maternity leave and child-care/family-care leave, or using the reduced working hours system as necessary.

As a "company supporting child care", we have received certification for the third time.



Toshiba Medical Systems Headquarters was certified by the Tochigi prefectural labor bureau as a "company supporting child care" in February 2016 for the third time (previously in 2011).

Outline of working systems and number of participants		2011	2012	2013	2014	2015
Child-care leave system	Applicable period: until the child is 3 years old, regardless of the working status of the spouse	 Female:26; Male:2	 Female: 26; Male: 1	 Female: 21; Male: 1	 Female: 43; Male: 1	 Female: 40; 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: 25; Male: 0	 Female: 37; Male: 0	 Female: 22; Male: 0	 Female: 65; Male: 0	 Female: 57; Male: 0

<As of March 31st, 2016> * Toshiba Medical Systems Corporation only

* Action Plan: This specifies a target period, measures to take, and timing of implementation, in order to achieve a working environment appropriate to helping our employees balance work and child care, as well as environments that are friendly to those engaged in other types of care. Action Plan is based on the Next Generation Education and Support Promotion Act, under which creation, notification, publication, and promotion of an action plan is mandatory for companies with more than 100 employees.

* Kurumin mark* (or Next Generation Support Certification Label), which is based on the Next Generation Education and Support Promotion Act. This certification is given to companies which have established and implemented an action plan* to create a working environment encouraging child care, and which 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.

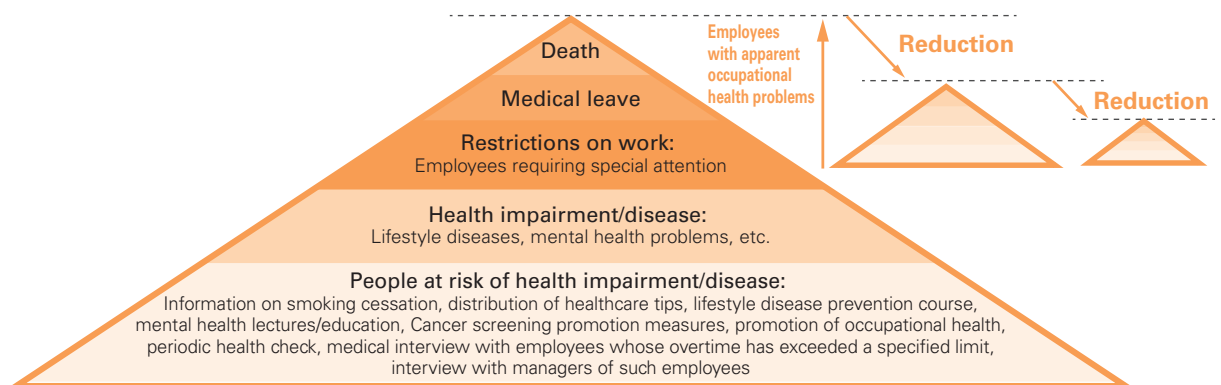
Occupational health and safety management system

In February 2008, TMSC 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

Based on the results of annual health checks, 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

In 2015, with the purpose of promoting the mental and physical wellness of employees, we invited a lecturer to provide an education program 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, TMSC 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.

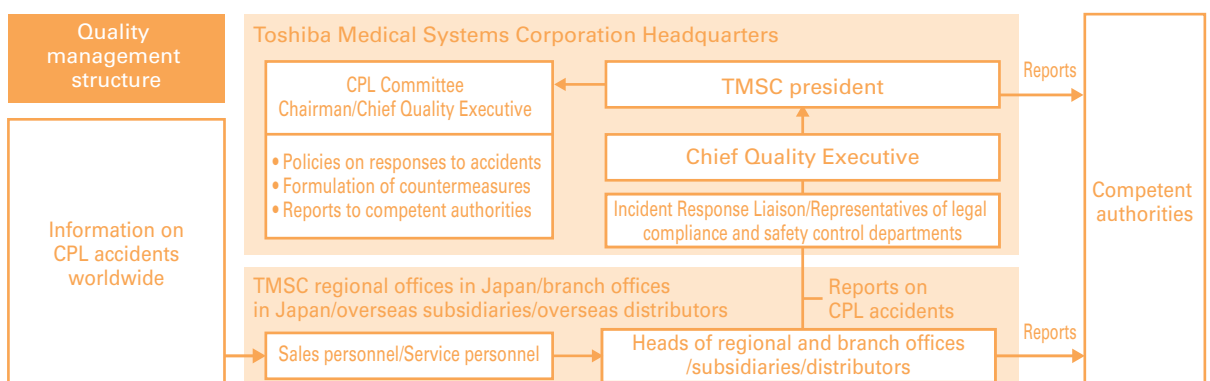
Quality conference with overseas subsidiaries

The Global Meeting was held at TMSC Headquarters in May, 2015, with representatives from 8 subsidiaries and 3 group companies outside Japan. At the meeting, information and issues regarding regulatory trends, quality promotion activities, and other topics related to their region were shared. Normally, most communication between the headquarters and the subsidiaries takes place via email or telephone. This meeting gave us an opportunity to communicate with each other face-to-face, facilitating numerous questions and discussions. TMSC Group will continue to work together as a team to achieve TMSC's vision.

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 TMSC 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 TMSC 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.



In order to make medical care sites more comfortable, we are improving the training environment and implementing the latest technologies.



Top: TMB trainee

Bottom: Training center located in the TMB manufacturing facilities

Establishment of the TMB training center

Toshiba Medical do Brazil Ltda. (TMB) started shipment of made-in-Brazil products outside Brazil from its Campinas factory for the first time in 2015. In October 2015, TMB Training Center was established at the Brazil factory with the purpose of educating customers, service engineers, and application specialists.

"Realization of practical, comfortable learning environment"

TMB Training Center offers training using actual medical systems such as ultrasound, CT, and MRI systems, providing a practical learning environment with the lecture room and the hands-on training room located next to each other. At the learner's desk, a network LAN is installed to allow direct connection to the modality console. With a plan for addition of accessibility to the remote maintenance system InnerVision™Plus, comfortable learning environment will be available.

"Provision and expansion of high-quality education"

14 types of training programs are now available, targeting service engineers in TMB and the area covered by our distributors in South America. In the future, in cooperation with TMSC*¹ Headquarters, we will make our effort to expand high-quality education programs, and we will also make efforts to add value by providing education on clinical applications and primary maintenance for our customers in Brazil and the South America region.

STAFF'S VOICE

"We are happy and proud to see the establishment of our long-awaited training center."

Hilton Shimoda, Quality of Services and Technical Training Supervisor, TMB

I have been mainly involved in education throughout the 20 years of my career at TMB, sometimes serving as an instructor. When there were no educational facilities available in TMB, we had to travel all the way to TMSC*¹, TAMS*², or TMSE*³ to conduct training using their facilities. Looking back on those times, I have no words to express how happy I am now about the establishment of our long-awaited training center, and I am very proud of TMB and the TMSC group. I believe that instructors and service engineers who use this center will be highly motivated, and will continue to maintain that motivation while performing their work.

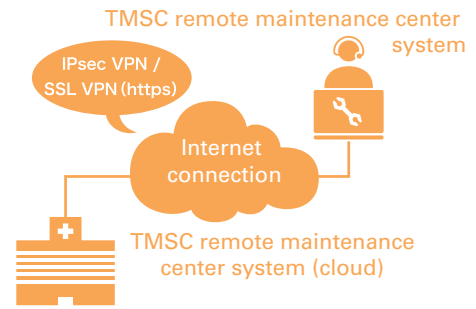
*1 TMSC: Toshiba Medical Systems Corporation

*2 TAMS: Toshiba America Medical Systems, Inc.

*3 TMSE: Toshiba Medical Systems Europe B.V.

A new method is employed in the maintenance system to enable enhanced maintenance service

We are offering early detection of problems as well as rapid analysis and correction of failures in systems installed at our customers' sites by making optimal use of our remote maintenance system InnerVision Plus, which incorporates a high-speed data communication line to connect the installed system with our technical call center via a secured environment. In addition to our conventional center system, a new system is established that uses the internet environment at our customers' site, allowing easy connection to InnerVision Plus. Employment of SSL (Secure Sockets Layer) encrypted communication technology allows provision of services with a safer and more secure environment.



Medical facilities

IoT (Internet of Things) platform to connect our customers with us while providing comfortable, quick, and secure services

Interior design proposals using a 3D CAD system to show installation of virtual skylights for increasing spatial comfort

By utilizing a 3D CAD system, we are offering our customers proposals for interior design that closely resemble the actual interior.

Last year we worked with Ito Hospital in Tokyo, which specializes in thyroid diseases. An Elekta Synergy radiation therapy system is installed at the hospital. To meet their need to provide a sense of space in their radiotherapy room, and for a design appropriate to the image of the Omotesando neighborhood, we proposed the provision of virtual skylights on the ceiling of the radiotherapy room. In addition to system positioning, we also made a comprehensive proposal that included designs for wall cabinets and indirect lighting to promote a sense of openness in the vertical direction, making the room seem larger.

We will continue our efforts to ensure greater customer satisfaction by proposing site planning using 3D technologies.



Radiotherapy room at Ito Hospital with an Elekta Synergy® system installed



"The user-friendly interior design, which provides a sense of security, was beyond our expectations."

Mr. Tsuji, Chief Radiological Technologist, and Mr. Masuda, Radiological Technologist, Radiologic Examination Room, Ito Hospital

The renovated interior (ceiling height, wall cabinets, lighting, etc.) turned out much better than we expected. Devices such as laser projectors are retracted, reducing gaps in the scan room that give a sense of smallness. The monitors and sink counters in the wall cabinet are positioned for ease of use. As a result of this renovation, the actual space in the radiotherapy room was reduced. However, none of our customers feel confined by the smaller space. To suit the image of the Omotesando neighborhood, the examination room is designed to be bright, simple, and clean, providing a sense of security not found at other hospitals or clinics.

From left: Mr. Tsuji and Mr. Masuda



For the benefit of people and society, we engage in a variety of activities to serve the local community.

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. (Photo 1)

The 27th Yoichi no sato Otawara-shi Sangyo Bunka-sai (Otagawa City industry festival)

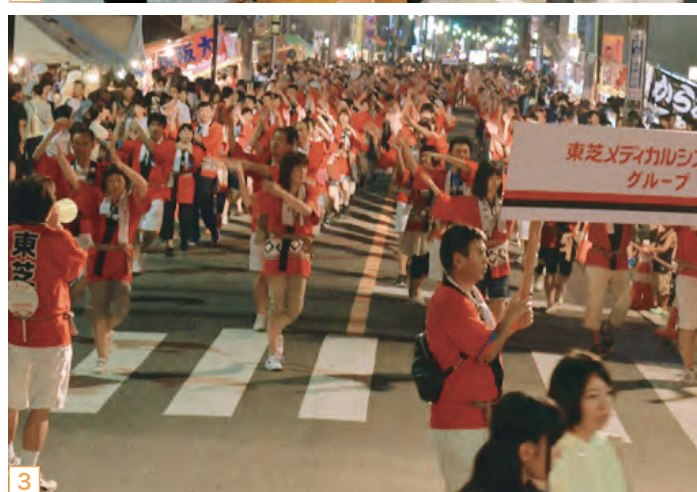
At the 27th Otawara City Industry Festival, we exhibited a breast cancer screening vehicle and demonstrated a portable diagnostic ultrasound system as part of our Pink Ribbon activities. More than 100 visitors came to the booth. We have been raising breast cancer awareness and communicating the importance of early diagnosis and detection to people from the local community through this annual exhibition. (Photo 2)

Participation in the 35th Yoichi Festival

With the aim of promoting communication with local communities, Toshiba Medical Systems headquarters holds exhibitions and participates in various local events. In cooperation with the employees' labor union, 220 TMSC Group employees, including company executives and non-Japanese staff members, participated in the 35th Yoichi Festival dance in Otawara. By regularly taking part in this lively event, we are promoting communication with the local community. (Photo 3)

Periodic cleaning activities in areas around TMSC Headquarters

At TMSC Headquarters, as part of activities to serve the local community, employees have been volunteering to conduct periodic cleaning activities since July 2013. At the Kyushu Regional Office, continued cleaning activities for the area around the office are implemented in cooperation with group companies. (Photo 4)





5

Blood donation activities

In cooperation with the Tochigi Red Cross Blood Center, TMSC Headquarters has been continuing to encourage employees twice a year to donate blood, and raising awareness of bone marrow registration. (Photo 5)



6

Table tennis seminar

As part of its activities to enhance communication with the local community, TMSC held the 4th Table Tennis Seminar. 210 students from local junior high schools participated. The easy-to-understand coaching by TMSC skilled table tennis players was highly appreciated, not only by the students but also by their teachers. (Photo 6)

Factory tour for children with cancer

A factory tour was held in cooperation with the Children's Cancer Association of Japan. Children with cancer and their families were invited to the factory in Nasu. As it is common for children with cancer to fear or feel uncomfortable with medical equipment, this event is aimed at providing them with an opportunity to overcome such fears through hands-on experience with the medical equipment. (Photo 7)



7

Sponsorship of a professional golfer

Masato Koyamada is a local 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. TMSC is supporting Mr. Koyamada through sponsorship. (Photo 8)



8

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



[USA]

Volunteering to pack meals for children

Toshiba Medical Research Institute USA, Inc. (TMRU) joined the volunteer program Feed My Starving Children (FMSC), a non-profit organization sending food to starving children around the world. Their food has been sent to over 70 countries. This organization runs without government assistance. At this time, 14 TMRU employees volunteered to pack meals for malnourished children. TMRU employees packed rice, soy nuggets, and vitamins in small pouches in preparation for shipment. (Photo 1)

Donating toys through the Toys for Tots program

The US Marine Reserve runs a program called "Toys for Tots", in which toys are collected and distributed as Christmas gifts in December to less fortunate children. TMRU has been participating in this donation program since 2011. This year, TMRU placed donation boxes in two facilities, giving employees the chance to donate toys, and delivered these gifts to children in Lake County, Illinois, in cooperation with the US Marine Corps Reserve. (Photo 2)

Participating in highway cleanup program

Employees of TMRU conducted a cleanup of an adopted stretch of highway in Lake County, Illinois. Ten environmentally conscious employees volunteered to pick up litter alongside the highway, contributing to a cleaner environment. (Photo 3)

Blood donation to the American Red Cross

Employees of TMRU donated blood to the American Red Cross in July for patients in need of blood transfusion. Thirteen employees donated blood, which is estimated to be sufficient for 39 patients. In addition to blood donation, another 7 employees volunteered to help the program. (Photo 4)

[Australia]

Supporting people with disabilities by sponsoring a service dog

Toshiba Australia (TAP) aims to show its commitment to society through participation in a variety of welfare activities. In 2015, TAP sponsored a service dog that will be trained to assist people with disabilities. Training a service dog is expensive and can take up to 2 years. TAP is providing sponsorship for a puppy named Shiba. This sponsorship includes the cost of training, food, equipment, veterinary care, and vaccinations. Shiba, sponsored by TAP, will one day grow up to assist in providing greater freedom and independence for a person living with disabilities. (Photos [5] and [6])

Supporting a student at the University of Technology Sydney (UTS) with an engineering scholarship

TAP sponsors the scholarship program of UTS, with the aim of supporting students who are interested in diagnostic imaging systems such as ultrasound, CT, X-ray, and MRI. TAP supports UTS, helping students expand their engineering knowledge through exposure to actual engineering practice in the field of diagnostic imaging. The total value of the scholarship is A\$29,000, including a 24-week internship. This year, Ms. Mimi Tha has been selected as a scholarship student. She is receiving training for CT, MRI, and ultrasound systems. (Photo [7])

Funding for graduate diploma in cardiac electrophysiology

The Cardiac Electrophysiology Institute of Australia (CEPIA) offers a graduate diploma program for professionals working at clinical sites. The course covers the whole of cardiac electrophysiology, from the basic concepts to advanced 2D and 3D techniques. Through theoretical and practical lectures, hands-on sessions, tutorials, and case studies, the participants can learn diagnostic or electrophysiological procedures. TAP provided sponsorship of A\$7000 for a candidate who was selected for the program.

UNICEF donation

TAP has a program that creates a link between the servicing we provide and donations to UNICEF. When a TAP engineer makes a service visit to a customer site, a short survey is provided to the customer. For every survey TAP receives back, one dollar is donated to UNICEF. This activity enables the clinical community of which TAP is a part to support communities in need. (Photo [8])



5



6



7



8



1

[Singapore]

Proactive donation to save human lives

Toshiba Medical Systems Asia PTE., LTD. (TMA) has proactively participated in donation activities. Last year, TMA donated S\$8135 to support people affected by the Sabah earthquake in June 2015. In addition, TMA donated S\$1000 to the 1000 Enterprises for Children-in-Need program. This program raises funds to support children, youth, and families in need. In addition, TMA donated S\$5000 to Breakthrough Missions, an organization providing rehabilitation programs for drug addicts. (Photo 1)

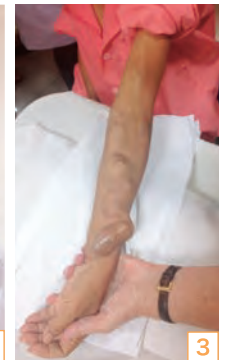


2

[Vietnam]

Hemodialysis access training course

Cho Ray Hospital, which is the main referral hospital in Vietnam, established a hemodialysis access training program in 2009 in order to improve skills in arteriovenous (AV) access. A diagnostic ultrasound system was introduced in 2012 for better diagnosis and treatment. Acquisition of new treatment techniques requires education, and a team of specialists from Australia joined to assist the project. The goal of the training program was to improve treatment techniques, develop practical application technologies, and improve patient care and management. Through international team efforts between Toshiba Australia and Asia, a diagnostic ultrasound system and an application specialist were sent to assist the project. (Photo 2 and 3)



3

[Brazil]

Campaign for Prevention and Control of Aortic Disease and Hypertension

Every year, Toshiba Medical do Brazil (TMB) participates in a campaign for prevention and control of aortic disease and hypertension, which is held annually at Hospital Filantrópico Santa Marcelina. The campaign aims to raise awareness concerning the risk of high blood pressure and aortic diseases.

This event was held for the sixth time in September 2015. 5000 people from neighboring communities participated in the program. TMB participated in the event by lending a diagnostic ultrasound system and sending an application specialist. (Photo 4 and 5)



4



5



6

[China]

Donating books to local people

With the aim of contributing to local communities, Toshiba Medical Systems R&D (Dalian) Co., Ltd. (TMRD) conducted a book donation program in December. Approximately 220 employees participated in the program. Thanks to the enthusiastic support of the employees, around 400 books were collected and donated through an NGO. (Photo 6)

[Scotland]

Support for Alzheimer Scotland

Toshiba Medical Visualization Systems (TMVS) has been supporting Alzheimer Scotland since 2013. Alzheimer Scotland provides a wide range of specialist services for people with dementia and their carers. They offer personalized support services, community activities, information and advice. TMVS has been holding activities since 2013. One is a company-wide 5km "Memory Walk" held in September. The other is the annual "Formalities for Charities" day, where employees pay £2 and come to work in formal attire, which is held in October. (Photo 8)



7

[Turkey]

Tree Planting in Ankara

Toshiba Turkey Tibbi Sistemler A.S. (TMST) joined the tree plantation program of Middle East Technical University (METU), which is one of the leading institutions in development and preservation of forest ecology. In association with this program, METU conducted the "You Plant a Tree, We Build a Forest" campaign. The program was held at Ankara Science High School and around the lake area within the university in May 2015. 20 TMST employees participated in the campaign along with their family members. (Photo 7)



8



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

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 global warming, efficient utilization of resources, and control of chemical substances.
- (3) Promoting biodiversity conservation activities in cooperation with communities.

Maximizing disclosure and enhancing 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, TMSC Group has established a certification system for industry-leading eco-products*. In FY2015, three of our products were additionally recognized as such products.

*Industry-leading eco-products: TMSC Group's internally recognized products that, at the time of release, achieved excellent environmental performance in terms of "prevention of global warming", "effective use of resources", and "management of chemical substances".

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

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 systems at major exhibitions held in many countries worldwide. In 2015, in addition to Japan, Europe, and South America, we have exhibited our systems 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

TMSC 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).



"We not only conduct our own environmental activities, but also support customers' environmental activities."

Yasuo Nobuta, Senior Vice President, Environmental Officer
















Over the life cycle of diagnostic imaging systems, most of the CO₂ emission occurs at the usage stage in the hospital or facility. Moreover, CO₂ reduction during daily clinical examination is very limited if we depend only on efforts by the user. TMSC contributes to energy conservation at hospitals by including cutting-edge technologies in products that achieve energy conservation without placing a burden on the users. In 2015, TMSC produced 3 products certified as "industry-leading eco-products" with excellent energy conservation and resource savings while delivering excellent clinical efficiency. 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 is promoting the establishment of environmental targets and environmental plans. Target values are set for each major category and TMSC 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 FY2015 results and major projects for FY2016

Item	Target for FY2015	Achieved value/evaluation	Additional information	Target for FY2016
Mitigation of climate change	Reduction of energy-originated CO ₂ emissions per production unit	11% reduction (compared to FY2010)  18% reduction 	Achieved by improvements in manufacturing process, evaporator operating efficiency, and reduction of power costs by use of public sewerage system.	20% reduction (compared to FY2010)
	Reduction of logistics-originated CO ₂ emissions per production unit (for logistics in Japan)	12% reduction (compared to FY2010)  12.8% reduction 	Achieved by expanding modal shift, reducing transportation distance for reimported products and optimizing shipping container use.	12.8% reduction (compared to FY2010)
Effective use of resources	Reduction of the total amount of waste generated per production unit	38% reduction (compared to FY2010)  38% reduction 	Achieved by expanding system for converting waste plastics into objects with value and reducing organic sludge by processing through public sewerage system.	40% reduction (compared to FY2010)
	Improved utilization of municipal water	14% reduction (compared to FY2010)  18% reduction 	Controlling the amount of water used for flushing toilets Reusing nickel plating, wastewater, etc.	23% reduction (compared to FY2010)
Management of chemical substances	Reduction of chemical substances handled per production unit	22% reduction (compared to FY2010)  27% reduction 	Reduction of IPA by changing process at drying stage	28% reduction (compared to FY2010)
Further expansion of environmentally conscious products	Making industry-leading eco-products	53% or more  53% 	Sales ratio increased by expanding industry-leading eco-products and by increasing quantity sold.	55% increase
	Improvement in product eco-efficiency Product total factor	3.80 or more  3.81 	Setting processes to make industry-leading eco-products Improvement of product value and reduction of environmental impact	3.95 or more
Conservation of biodiversity	Biotope maintenance Biological research Holding events	Implemented as planned 	At the observation event in which TMSC employees planted butterfly feeder weeds in the butterfly habitat, and TMSC employees with their family members learned names of plant and insect species and planted oak seedlings.	Biotope management Protecting specified index organisms Holding observation event

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, level-specific training is provided for all employees aiming to learn basic environmental knowledge. At facilities which may affect the environment, task-specific training is provided with the aim of giving employees the specialized knowledge they require to be leaders in environmental activities. Level-specific training is implemented through e-learning introduced in order to enhance training efficiency.

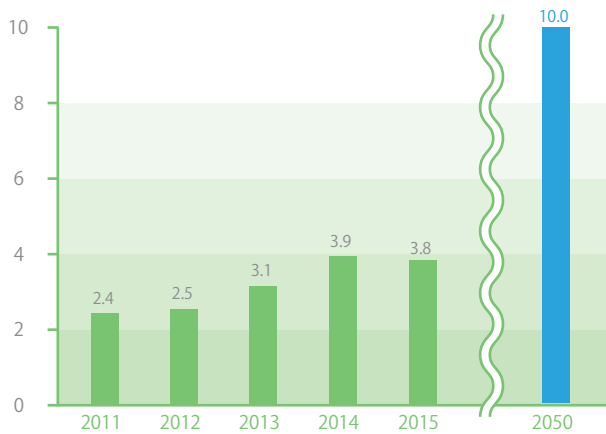


We are committed to making as many products as possible that achieve the industry's highest level of environmental performance.

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.

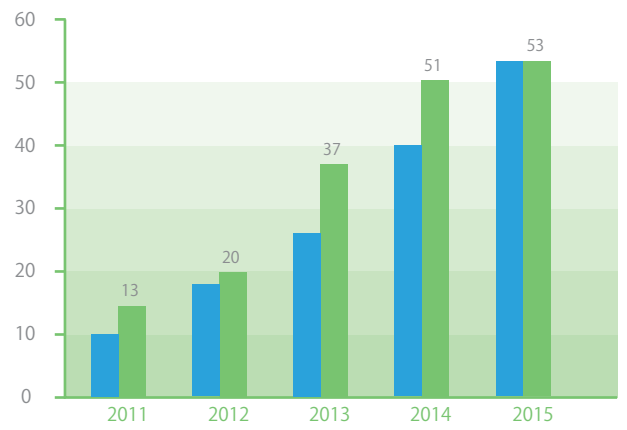


Average factor among all TMS products

Expanding development of industry-leading eco-products

TMSC 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 FY2015, sales of industry-leading eco-products increased due to the increased number of such products in our lineup. 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 (%)

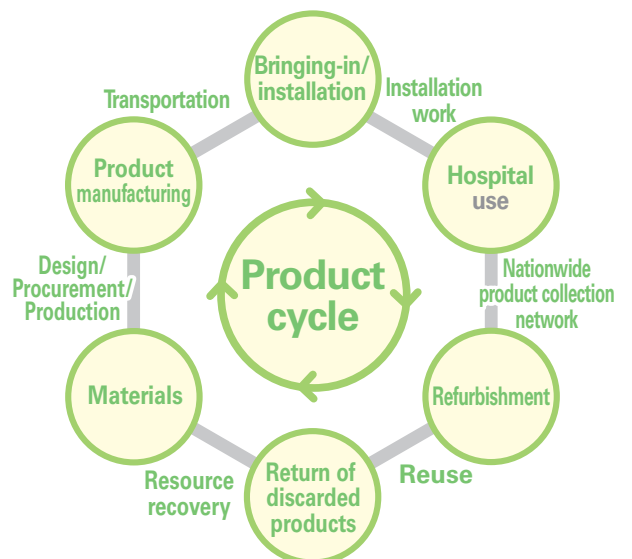
Target (%) ■ Result (%) ■

Promoting creation of environmentally conscious products

TMSC 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. TMSC 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 (issued in July 2007). 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.

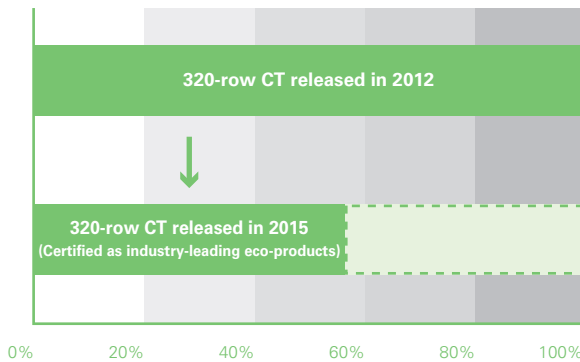
Outline of product life cycle



Efforts to prevent global warming

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!



Changes in CO₂ emission ratio (%) at the usage stage for CT.

Promotion of effective use of resources

With the aim of achieving a recycling-oriented society, we have been promoting "3R design" by reducing the size and weight of our products, actively employing recycled parts, and increasing the use of renewable materials. We also take various measures to reduce the amount of packing materials used for transportation of products and parts. Such measures include optimizing the packing method according to the delivery destination, reducing the size of packaging, increasing the use of returnable containers, and shipping onward in the manufacturer's own packaging.

Efforts to manage 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.

In FY2015, we completed compliance with the EU RoHS directives which became mandatory for clinical laboratory systems in July 2016 for shipment of products to Europe.

Green procurement initiatives

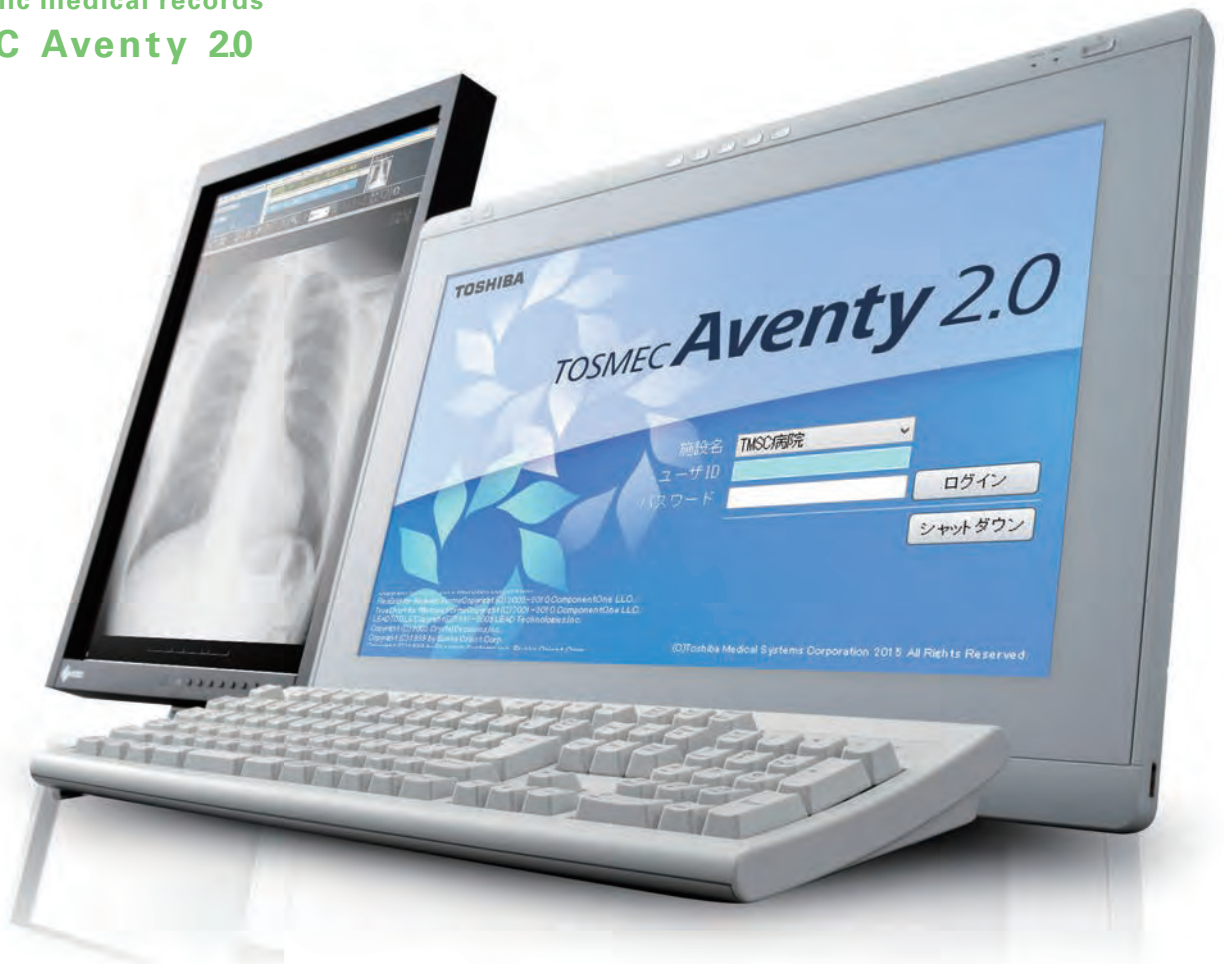
We have established an "environmentally controlled substances investigation system" that enables investigation and registration of substances to which the latest regulations apply. At the same time, we have revised the TMS "Guidelines for Green Procurement", and held an orientation meeting for all our 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.



"System refurbishment" implemented by Toshiba America Medical Systems (TAMS)

An environmentally conscious product that integrates medical accounting, electronic medical records, image filing, and billing for nursing care improves operational efficiency.

Integrated system for medical accounting
and electronic medical records
TOSMEC Aventy 2.0



*This system is available only in Japan.

**Certified as
industry-leading
eco-products
in FY2015**

TOSMEC Aventy™ 2.0 has functions such as high medical accounting performance with advanced calculation, medical accounts receivable management to support the user's business, filing of electronic medical records for document management, and an image viewer that enables diagnosis. From diagnosis to billing at medical facilities (including billing for nursing care), this system can improve efficiency for a range of duties involving clerical staff and doctors.

CO₂ reduction effect

1.4t/year
over the entire product
life cycle

0.8t/year
at the usage stage

Resource saving

31.6%
reduction
in product weight

Power saving

Up to 30%
reduction in power consumption/year

*Compared to our models released in FY2009 (including peripheral equipment)

Major environmentally conscious design features

Improved operational efficiency with 4-in-1 system

With billing for nursing care added to one server along with medical accounting, electronic medical records, and image filing, time-consuming procedures such as entering patient information twice is eliminated. As a result, operational time for doctors is reduced (160 hours per year), overtime for clerical staff at the end of the month is reduced, saving labor costs.

* Effects of improvement are estimated based on expected system use

Up to 30% reduction in power consumption with 4-in-1 system

By integrating functions into one server, power consumption is reduced by approximately 540 kWh per year.

* Improvement efficiency is calculated based on system configuration and expected system use.

Up to 28% reduction in installation area with 4-in-1 system

Because of a system configuration requiring only one server, the area required for installation became smaller with limited restrictions in the installation location. System downtime is also reduced, as shorter maintenance time is required



"A small partner powerfully supports management in clinics"

Naoki Sasaki, Director of the HIS Division

An advantage of using this system at clinics is that processes related to electronic medical records, image filing, medical accounting, and nursing care with one system are handled using shared patient information. Our environmentally conscious products reduce power consumption by integrating multiple functions into one system and eliminate paper use by digitizing medical record storage and billing. Using a high-speed, energy-efficient SSD as the system storage device, this system reduced power consumption by up to 30% compared with conventional products. The TOSMEC series is used by approximately 6,000 clinics. We will continue to make efforts to reduce environmental impact by implementing replacement of existing systems with Aventy 2.0.



The new-generation 320-row area-detector CT system flexibly adapts to the installation environment at the facility.



X-ray CT system
Aquilion ONE/GENESIS Edition

Certified as industry-leading eco-products in FY2015

For Aquilion ONE™ / GENESIS Edition, enhancing functions of conventional 320-row detector (area detector) CT systems, such as X-ray output, detector performance, and image reconstruction, achieves reduced exposure dose as well as improved image quality and throughput. The gantry is redesigned, and has a minimum installation area of 19 m², allowing it to fit flexibly into a variety of facility installation environments. In addition, the power supply capacity is reduced, contributing further to energy saving. Because the cost over the system life cycle, from installation to operation and disposal, can be minimized, we also contribute to management efficiency at facilities that install our systems.

CO₂ reduction effect	112.4t/year over the entire product life cycle	Usage stage	84.7t reduction	Resource Saving	17% reduction in cost of packing materials
Power saving	Up to 20% reduction in power consumption/year	Dose reduction	75% reduction		

*Compared to our model (64-row) released in FY2008

Major environmentally conscious design features

Small installation footprint Minimum required installation area of 19 m²

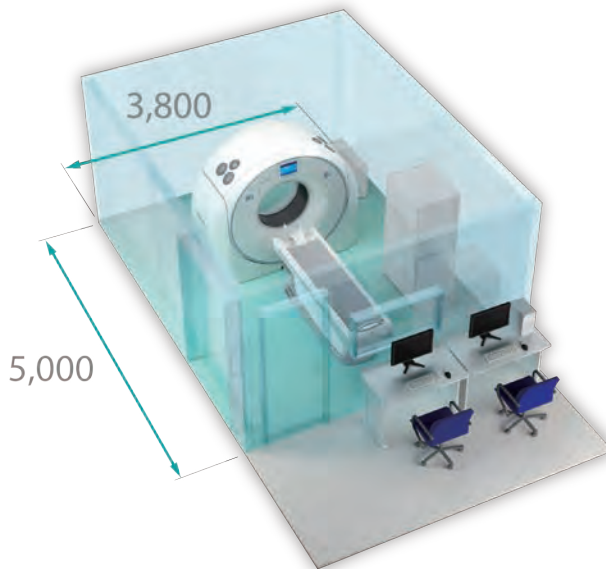
Compactness and advanced clinical performance are achieved at the same time. Because the system can be installed in the area required for installing 64-slice CT^{*1}, modification work for the CT room^{*2} is minimized. The smaller product size and weight allows easier carrying-in procedures, and the smaller installation footprint reduces the time and cost of installation.

*1 Aquilion 64, Aquilion CX, Aquilion CXL

*2 Planning based on the actual CT room and system operation is required.

Minimum
installation
area

19m² (5,000mm x 3,800mm)



Power consumption reduced by 20% compared to 64-row CT

An electricity regeneration mechanism which converts residual rotational energy in the gantry into electricity after scanning is completed. This allows power consumption to be reduced by 20% per year^{*3} compared to Aquilion™ 64. Various standby modes are available, resulting in a 25% reduction in standby power consumption compared to our conventional systems (Adaptive Power Saver).

*3 Actual power consumption differs depending on use and customer contract.

Low-dose scanning and high image quality are both achieved.

The advanced technology FIRST enables significantly improved high resolution while achieving low-dose scanning. The exposure dose for patients is reduced by up to 75%^{*4} with the low-dose scanning technology AIDR 3D Enhanced. Furthermore, detection sensitivity in the PURE ViSION detector is improved through enhanced manufacturing technologies, while the use of expensive detector materials is reduced.

*4 Compared to the systems without AIDR 3D



**"Creating a CT system that considers both the patients
to be examined and the hospitals using our systems"**

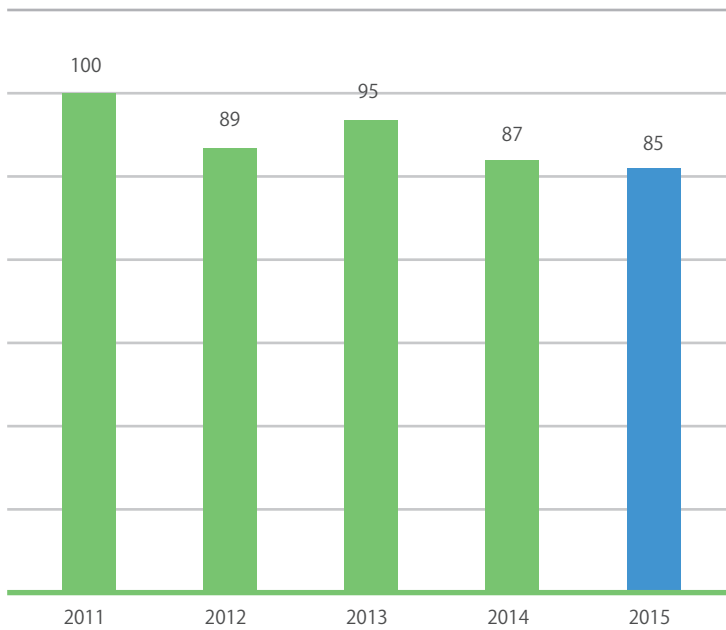
Wataru Taguchi, General Manager of the CT Systems Division



Aquilion ONE / GENESIS Edition is a patient-friendly CT system which reduces patient anxiety during scanning with cutting-edge exposure dose reduction technologies and a gantry design that minimizes feelings of claustrophobia. In addition, the smaller system size reduces carrying-in and modification work for system installation. Power consumption when the system is in operation is reduced. The system is designed to be both user friendly and environmentally friendly. We will continue to make efforts to produce CT systems with improved functions and environmental performance.



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).

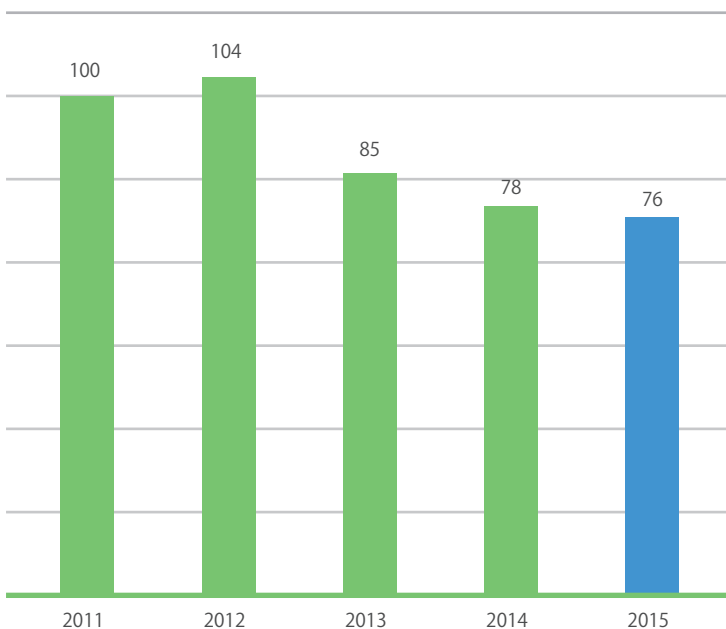
* The FY2011 result is assumed to be 100.

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 2015. 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 FY2015, 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 result for FY2011 is assumed to be 100

Reduction of materials used in systems

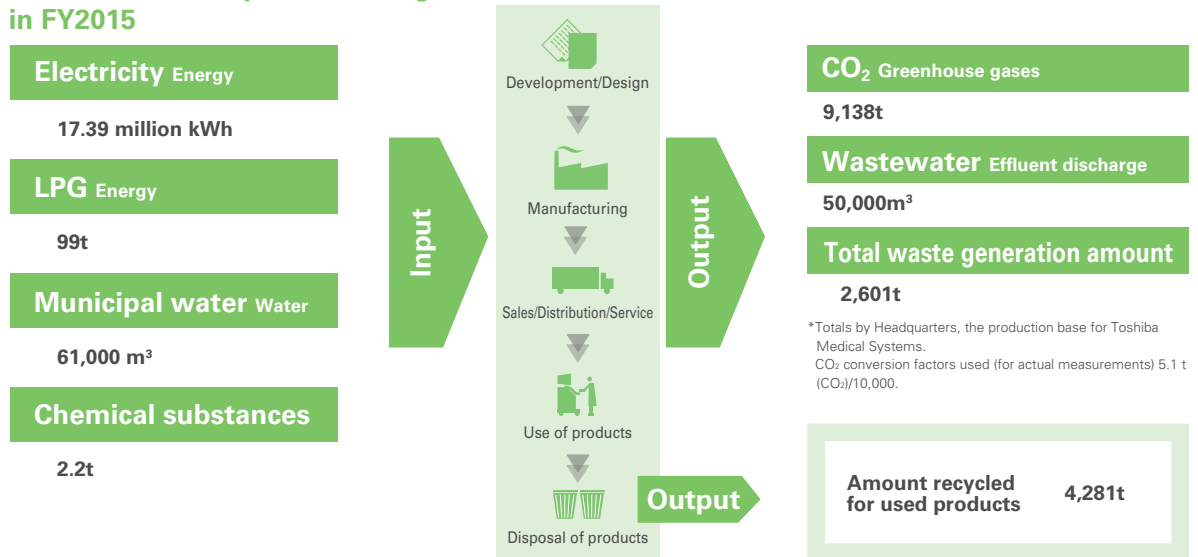
The figure on the left shows variation in the index calculated based on the total weight of products shipped divided by total sales.

Although the total weight increased in FY2012, materials used in systems were reduced significantly in FY2013 due to release of an MRI system certified by TMSC as an industry-leading eco-product. After continuous progress in reducing the product weight and size, the total product weight is 24% lower in FY2015 than in FY2011.

This result demonstrates that we develop business with high efficiency and using fewer resources, and at the same time we are growing as a company that has a lower impact on the environment.

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

Environmental impact flow diagram in FY2015



We are assessing the costs and benefits of our environmental protection activities to serve as a guideline in our business activities.

Environmental accounting report

• Environmental protection costs

Unit: million yen

Classification		Contents	Business investment expenditure		Environmental conservation costs	
Business area costs	Pollution prevention costs	At headquarters, switching wastewater treatment from private plant to public sewerage system	129	628	120	695
	Global environment protection costs	Introducing high-efficiency air conditioners and low-emission hybrid vehicles. Updating electrical substation facility etc.	499		445	
	Resource circulation costs	Reduction of waste, separation of waste, recycling for resource recovery etc.	0		130	
Upstream/downstream costs		Green procurement initiatives, improving efficiency in transportation and packaging, recycling used products etc.	0		129	
Administration costs		Environmental management system, environmental education, observation and measurement of environmental impact, environmental protection measures, advertising etc.	0		273	
Research and development costs		Research and development of environmentally conscious products, etc.	0		2,515	
Social activity costs		Donation to organizations, financial support, membership fees, etc.	0		0	
Environmental remediation support costs		Soil repair costs	0		0	
Total			628		3,612	

• Environmental protection costs

Unit: million yen

Classification	Contents	Effectiveness index	
Customer benefits	Reducing energy consumption during use of products	Reduced electrical consumption 29,189MWh	Economic benefit 525

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

Applicable period: April 1, 2015 to March 31, 2016

Environmental protection costs are calculated according to the Ministry of the Environment's "Environmental Accounting System Guidelines" Environmental protection benefits are assessed according to Toshiba Medical Systems Group standards.

With the aim of achieving a sustainable society, we are endeavoring to create a business environment that promotes harmonious coexistence with local habitats.

TMSC promotes biodiversity conservation activities in cooperation with local communities based on our environmental policy.

In 2014, under the concept of "greening the grounds in harmony with the natural landscape for enjoyment in all seasons", and with the aim of creating a business that promotes harmonious coexistence with local habitats, part of the green space at TMSC Headquarters used as a relaxation area for employees was developed into a natural habitat. Employees also benefit from the change, with planted trees providing an opportunity to enjoy seasonal variations in the landscape.

To maintain the balance between habitats, we are promoting activities aimed at conserving biodiversity and coexistence with nature.



Before development as a habitat (left), and the same area in 2015 (right)

Observation of local flora and fauna and planting seedlings

Our employees and their families took part in this event under a clear autumn sky. At the butterfly habitat, to which we made improvements last year, we observed several species such as dragonflies and grasshoppers as well as butterflies. In addition, we planted 60 rose and *Quercus serrata* seedlings, and prepared potted *Quercus serrata* seedlings.



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"

TMSC is involved in group cleaning activity of the industrial complex in Nozaki, Otawara city. This is a volunteer activity held every year in June by nine companies in the industrial complex in which our headquarters is located. The purpose is "contribution and service to the local community, environmental beautification, and raising the environmental awareness of employees". This was the 22nd year that we have held this activity.



Holding a lecture in 3R promotion month

In October every year, we hold a variety of events for 3R (Reduce, Reuse, Recycle) promotion month. In 2015, we invited a lecturer to our headquarters to talk about environmental management aimed at creation of a sustainable recycling-oriented society.



Factory tour for local elementary school students

A factory tour is offered as part of our environmental and community service activities. In December 2015, the tour was conducted for local elementary school students. The students observed systems being dismantled for recycling and learned about environmental protection activities, which include purification processing of factory waste water to make it cleaner than river water.



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	10,010 (as of March 31, 2016)
Group consolidated sales	416.9 billion yen (FY2015 results)
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 healthcare IT solutions).

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 FY2015 (from April 1, 2015 to March 31, 2016), 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 date

July 2016 (previous publication: October 2015; next publication: June 2017 (projected))

Reference guidelines

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