

Harmony with the Environment

Establishing Eco-Design

To establish Eco-design (see page 3) in our business activities and thereby fulfill our responsibilities toward the realization of a sustainable society, we have formulated the Basic Environmental Plan and will incorporate it into the Corporate Strategic Plan. We will continue our company-wide efforts to reduce our environmental burden.

Priority Measures and Targets

Olympus Group Environmental Charter

The Olympus Group defined its Environmental Charter in August 1992 (revised in October, 2005) to be a responsible corporate citizen and establish a healthy environment and a society in which sustainable development is possible. The Environmental Charter articulates the Olympus Group's basic position on the environment and sets out ambitious environmental protection goals that require specific actions.

Olympus Group Environmental Charter (abstract)

Environmental Protection Declaration

The Olympus Group respects people's security and health and the natural mechanisms that realize this. We are also contributing to the realization of a sustainable society and sound environment through environmentally compatible technological development and corporate activities.

Guidelines for Environmental Action

In all business activities, the Olympus Group will give priority to environmental protection and will apply itself with dedication to this task, both on an organizational and individual basis.

1. Technology Development
2. Drawing up Norms and Assessing Results
3. Protection of Natural Resources and Prevention of Pollution
4. Compliance and Active Support
5. Education and Total Staff Participation
6. Structure to Promote Activities

Olympus Group Medium-Term Basic Environmental Plan

The Olympus Group formulated the 2006 Basic Environmental Plan (for the five years from 2006) as part of our ongoing efforts to establish Eco-design in our business activities and become an environmentally advanced company to fulfill our responsibilities toward the realization of a sustainable society.

2006 Basic Environmental Plan (summary)

I. Eco-products

Creating Sophisticated Environmentally Conscious Products

- Expanding the sales of environmentally conscious products

II. Eco-facilities

Implementing Eco-Efficient Management

- Preventing global warming:
Reducing CO₂ emissions from energy systems (per unit) by 50% compared with FY1990 (globally)
- Accelerating the effective use of resources and reducing waste finally disposed in landfills:
Reducing waste generation (per unit sales) by 50% compared with FY2000 (globally)

III. Eco-management

Practicing Global Environmental Management

- Improving the system for complying with environmental laws and regulations

IV. Eco-communication

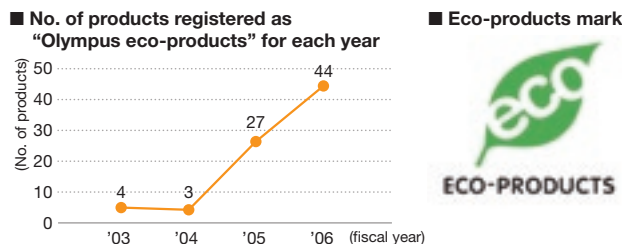
Enriching Environmental Communication

Achievements in FY2006

I. Eco-products

• Expanding sales of "Olympus Eco-products"

The Olympus Group has formulated its own standards for environmentally-conscious products, based on the four pillars of "environmental preservation," "energy saving," "resource saving," and "information disclosure." These internal standards, which conform to the ISO 14021 Type II "Environmental Label" international standard, are used to certify products that meet our environmental performance requirements as "Olympus Eco-products." As of March 2007, a total of 78 products are on the market as such.



►►WEB <http://www.olympus.co.jp/en/eco-products>

II. Eco-facilities (page 28)

• Preventing global warming: CO₂ emissions from energy systems reduced by 37% compared with those in FY1990 (per unit sales)

Energy-origin CO₂ per unit sales in FY2006 was 14 ton-CO₂/100 million yen, which is down 37% from FY1990. Continuous and further reduction is being made through our daily efforts in energy saving activities and improvements to production technologies. On the other hand, CO₂ emissions from non-energy systems and distribution-origin CO₂ emissions went up by 8% and 30%, respectively, over FY2005. We have now redoubled our effort to reduce CO₂ emissions from non-energy and distribution fields.

• Accelerating the effective use of resources and reducing waste finally disposed in landfills: Waste generation reduced by 32% over that in FY2000 (per unit sales)

Waste generation was 5,238 tons, 32% down from that in FY2000. We have been promoting the Minimization of Landfill¹⁾ project since FY2003 toward the "reduction of the final amount of waste disposed of in landfills" and an "improvement in the recycling ratio." In FY2006, we evaluated the status of the Minimization of Landfill efforts at every facility and site in Japan to help sustain these endeavors and ensure waste risk management. We intend to promote Minimization of Landfill at overseas sites in addition to those in Japan.

¹⁾ According to Olympus's definition, when "the final amount of waste disposed in landfills is reduced to less than 1% of waste generation discharged," this is when Minimization of Landfill is achieved.



Evaluation of the status of Minimization of Landfill effort at Tatsuno Plant



III. Eco-management

• Improving the system for complying with environmental laws and regulations

For the purpose of reducing the impact on the environment and human health, regulations on specific chemical substances are being tightened both inside and outside Japan. In FY2005, we set up the in-house Environmental Laws and Regulations Liaison Meeting to promote the sharing of information related to environmental laws and regulations and review relevant measures. In FY2006, a working group was set up to make preparations for compliance with the administration of the Control of Pollution Caused by Electronic Information Products of China².

²: The Administration (No. 39) was enforced on March 1, 2007.

• Strengthening environmental risk management

Following submission of a notification on specific facility disuse for the former Sakaki Branch of Olympus Opto Technologies Co., Ltd., we investigated the soil and groundwater at this site as per Article 3 of the Soil Contamination Countermeasures Law. The results of the soil investigation found some values beyond the designated upper limits, while others were within the acceptable range. The groundwater survey found no substances whose concentration exceeded the designated upper limit. The soil whose contamination was beyond the acceptable limit was totally replaced with clean soil under the administrative instructions, and all the contaminated soil was purified.

Substance detected	No. of above-limit points/ No. of points investigated	Maximum measurement (no. of times the upper limit)	Designated upper limit	Depth of maximum value detection
Lead and its compounds	3/370	970 mg/kg (6.5 times)	150 mg/kg or under	0 to 0.5 m
Fluorine and its compounds	1/370	1.2 mg/l (1.5 times)	0.8 mg/l or under	0 to 0.5 m

IV. Eco-communication

• Enriching environmental communication

We held in-house environmental education and carried out various events including participation in Eco-Products 2006 exhibition. We also enriched communications through our website (page 30).

Future Targets

In order to further contribute to realizing a society with sustainable development and a sound environment through our business activities, we decided to reinforce our environmental management system in FY2007 throughout product life cycles³ in each business plant—in addition to our ongoing EMS (environmental management system) activities at each plant—thereby promoting environmental activities in all our business activities.

³: Product life cycles refer to product life styles that covers planning, development, design, procurement, production, logistics, sale, use by customers, disposal, and 3Rs.

Targets in FY2007

I. Eco-products

Creating Sophisticated Environmentally Conscious Products

- Ratio of Olympus Eco-products to new products: 100% (excluding OEM products and accessories)

II. Eco-facilities

Implementing Eco-Efficient Management

- Preventing global warming:
CO₂ emissions from energy systems reduced by 6% compared with FY2006 (per unit sales)
CO₂ emissions from non-energy systems reduced by 30% compared with FY2006
Distribution-origin CO₂ emissions reduced by 5% compared with FY2006 (per unit sales)
- Accelerating the effective use of resources and reducing waste finally disposed of in landfills:
Waste generation reduced by 6% compared with FY2006 (per unit sales)

III. Eco-management

Practicing Global Environmental Management

- No violation of any environmental laws and/or regulations

IV. Eco-communication

Enriching Environmental Communication



Yumiko Kawamura
Director, Fundraising & Marketing Communications, World Wide Fund for Nature (WWF) Japan

From a Stakeholder

I think the environmental communications conducted over many years using Mitsuki Iwago's photographs are excellent, in particular, GWW (Global Warming Witness) (See page 20) is unique to Olympus as it can convey the message of an imminent threat of global warming that couldn't be otherwise sent if still images alone were used. In the future, I think a more effective way of information provision, such as incorporation of multi-faceted and strategic media approaches into the stage of management plan development, will become even more important.



Kaoru Maeda
General Manager
Environmental Development Dept.,
Quality and Environment Administration Div.,
Olympus Corporation

From Olympus

It is important for each employee to be keenly aware of the importance of the environment and carry out slow but steady actions in order to fulfill our mission toward the realization of a sustainable society, continuously reducing environmental loads through business activities. We will continue environmental communications, including provision of information to outside people who gave us opinions and in-house environmental education to enhance employees' environmental consciousness. We will also promote the development of products, services, and technologies with smaller environmental impacts and carry out more environmentally friendly business activities.

Feature 3: Harmony with the Environment

The new Mishima Plant standing in front of a blue sky. Large protruding glass windows use low-e double glazing that isolates the inside of the building from outside temperatures. These windows improve insulating performance on the west side of the building, which receives a high thermal load, thereby significantly reducing air-conditioning energy consumption.



Opening of a “Visually Attractive Plant” in Terms of the Environment

The new Mishima Plant was opened in April 2007 on the softly sloping plateau that commands views of Mt. Fuji to the west and of Suruga Bay to the southwest. Located at the core area of “Pharma Valley¹,” a project promoted by Shizuoka Prefecture, the site serves as the base for the Life Science field of the Olympus Group and also plays the role of an environmental model project.

¹: Pharma Valley is a project promoted by Shizuoka Prefecture to integrate advanced health-related industries at the foot of Mt. Fuji, with the Shizuoka Cancer Center as its core facility.



Measuring 5 m in diameter, 25 m in height and with a water capacity of 483 m³, this vertical heat storage tank is designed to capitalize on the thermodynamic properties of water and its specific gravity variation with temperature. The system utilizes the lower temperature of cooled water at the bottom of the tank to cool the building during summer.

New Mishima Plant of Olympus Corporation—Completed in March 2007

Of the two buildings at the new Mishima Plant, the four-storied Life Science Techno Center engages in the development and production of automatic blood analyzers used for biochemistry, and immunity and blood transfusion checks. It also houses the Academy Training Room, where customers, such as inspection engineers who are going to use our analyzers, receive training on use of the equipment. A separate two-storied building serves as a biomaterial works, engaged in the production of artificial bone.

“The idea was to make it a ‘visually attractive plant’ for not simply visiting trainees but also general customers,” says Noriaki Takahashi, Representative Director and President of Mishima Olympus Co., Ltd., who worked like a dynamo to realize the new plant. One of the “visually attractive” objects is the environment. This is, after all, the environmental model plant for the Olympus Group, and they are expected to play it right.

The new plant uses highly insulating materials in the roofs, exterior materials, and window glass, introducing outside air to minimize the load necessary for air-conditioning. We also

make use of more environmentally-conscious night-time power as a source of heating. The plant has achieved a remarkable reduction in lighting energy by using an automatic dimming system and automatic on-off systems based on motion sensors. The new Mishima Plant reuses waste water generated in the process of water deionization (deionized water is used in the production of automatic blood analyzers) for toilet flushing and stores rainwater in the basement for reuse in the garden. There is also a plan to install solar panels on the rooftops. Various state-of-the-art technologies and systems to reduce energy consumption and environmental loads are in place. But these are not yet sufficient to class it as a “model plant.”

“You can get some payback from a building if you spend a decent amount of money. But you need to use it wisely if you want a successful outcome,” says Takashi Tabara, Customer Support Dept., Diagnostic Systems, Life Science Company, Olympus Corporation. Based on this concept, the new plant has a central energy monitoring system. This system allows us to see instantly how much improvement is being made in terms of energy saving or CO₂ reduction. We aim to reduce CO₂ emissions by 21% with the new buildings and systems, and further reduce the level by over 30% through resourceful operations. Themes of training to customers also include energy and water conservation at locations where the equipment is to be used. These activities will help us to develop products with less environmental impact, or “eco-products” as they are known. A “visually attractive” plant will generate useful activities and product development, which will further encourage the Olympus Group and its customers and local community. Such is the role this new plant is expected to play.

New Building for KeyMed Ltd. — Completed in May 2007

Overseas-based Olympus Group companies are also active in environmental action. KeyMed Ltd., an Olympus Group company engaged in the sale, repair, development, and production of medical endoscopes in the United Kingdom, is actively promoting social and environmental measures under the principle that “The pursuit of profit alone is an empty vessel” Awarded the Queen’s Award for Enterprise in the Sustainable Development Category in 2004 for its excellent



The vertical closed loop geothermal system used by KeyMed (artist’s rendition). The loop absorbs energy (winter) and discharges energy (summer) to provide heating and cooling.

activities, the company has further introduced a variety of equipment that enhances energy efficiency within its medical device manufacturing center. The building features enhanced thermal insulation and it is fitted with a cooling-heating system utilizing the steady temperature in the ground. Solar panel systems provides 75% of hot water, and a lighting system with motion sensors; a rainwater recycling system; and a leading-edge building energy management system with complete specifications. Through these advanced systems, the building is designed to improve energy efficiency by 30% and reduce water consumption by 25%.

Head Office Building of Olympus in the Americas. — Completed in July 2006

Olympus America Inc. (OAI), which operates marketing, sales, and management of Olympus medical and life science products in the United States, and Olympus Imaging America Inc., which operates marketing, sales, and management of Olympus consumer products in North and South America, introduced environmental standards to their offices. Their new headquarters, completed in July 2006, are equipped with an under-floor air distribution system that serves both ventilation and temperature control; highly energy-efficient utilities and lighting fixtures; and water-saving toilet and water supply systems. Air-conditioners and fire-fighting equipment are CFC-free so as to help protect the ozone layer. Other devices designed to protect the surrounding natural environment include external lights that prevent scattering of light, and greening with local plants. Employee-friendly facilities include ergonomic design in work stations and a full-service child care center that accommodates up to 90 children, including infants through kindergarten-aged children.



From the Representative Responsible for Promoting Local Environmental Actions

Good buildings, utilities and services won’t make a facility environmentally friendly if it lacks heart. How to use them and how to demonstrate how they are used is what counts. Every employee needs to be aware of the environment and pursue their job, which is the key to providing “safety and security” to our customers.

Noriaki Takahashi
Representative Director and President,
Mishima Olympus Co., Ltd.



From the Manager Responsible for Transforming Our Environmental Viewpoint to Customer Satisfaction

The Customer Support Dept. will become the Quality Environment Service Dept. in the spring of this year. Our mission is to change our products into environmentally friendly ones and let our customers know how to use them in an environmentally friendly manner. We must shift toward the idea that environmental actions themselves are contributors to our business.

Takashi Tabara
General Manager, Customer Support Dept., Diagnostic Systems,
Life Science Company,
Olympus Corporation



From the Staff Responsible for Promotion of In-house Improvement

This plant is “environmentally friendly” as a whole, but not just in terms of the technological ideas or equipment used here. In addition, all those basic technologies and items of equipment overall form a major integrally controlled operational system. Looking at the actual situation, you will be surprised to see just how fast improvements are made and how much motivation is aroused.

Kaname Hasegawa
Group Leader assistant,
General Affairs Group,
Mishima Olympus Co., Ltd.