

MAKING A DISTINCT CONTRIBUTION

Everything we do at MDS is guided by the Company's Core Purpose of making a distinct contribution to the health and well-being of people. Our innovative products and services help our customers to advance drug discovery and development, and the diagnosis and treatment of disease, thereby assisting them in their efforts to fight disease and save lives.

In this pursuit, MDS is committed to the continuous improvement of its health and safety performance, and the implementation of sound environmental practices. This commitment was recognized with the Company's inclusion in the 2008 Dow Jones Sustainability World Index (DJSI), which tracks the financial performance of the world's leading companies with a focus on sustainable business practices. The DJSI uses a best-in-class approach for measuring economic, social and environmental performance. We believe that the continued protection of our employees and the implementation of sound environmental practices will help us achieve our business goals.

The knowledge that MDS makes a difference is also keenly felt in our shared passion to give back to the communities in which we live and conduct business – a passion that is reflected through our corporate-giving program.

The global fight against cancer is one of the great challenges of our times. In late 2007, we decided to make cancer our Major Corporate Cause, and pledged almost \$1 million to the Geneva-based International Union Against Cancer (UICC), a commitment we formally announced on February 4, 2008 – World Cancer Day. UICC was chosen because, as the world's largest non-governmental association of cancer-fighting organizations, it has a global mission to eradicate cancer.

Our corporate efforts are further complemented by strong community and philanthropy programs. Highlights include:

MDS Analytical Technologies held its fourth annual "Walk Across MDS Analytical Technologies", in which teams of employees wore pedometers and tracked the distances they covered for four weeks. In 2008, the top three teams won \$2,500 each for their designated cancer charity.

MDS Nordion raised close to \$70,000 for the Cancer Care Unit at The Ottawa Hospital with its "2008 Run for a Reason" campaign – where employees walked, ran and volunteered in various capacities at the annual MDS Nordion-sponsored Ottawa Race Weekend. As well, MDS Nordion President Steve West was named head of The Ottawa Hospital's 20/20 Campaign.

MDS Pharma Services maintained its alliance with Alex's Lemonade Stand Foundation in 2008, donating \$125,000 to help fund pediatric cancer research and clinical-trial infrastructure. Employees raised additional funds by hosting lemonade stands. MDS Pharma Services donated an additional \$25,000 to the Wellness Community of Philadelphia, which provides education and support services to people with cancer.

In February 2008, as part of our Environment, Health and Safety (EHS) strategy for world-class performance, we introduced improved MDS Global EHS Standards. These Standards, which are benchmarked against world class companies, make it easier for our people around the world to understand our requirements and implement programs to meet them. Highlights include:

MDS Analytical Technologies' site in Toronto earned certification to the ISO 14001 Standard for Environment Management Systems, heralding its commitment to proactive environmental management.

MDS Nordion was selected as a recipient of the Canadian Industry Program for Energy Conservation Leadership Award in recognition of its LeanSigma initiative to reduce electrical and natural-gas consumption at its Ottawa site.

MDS Pharma Services took action to reduce its impact on the environment as part of a continuing effort to contribute to communities in which it operates. All sites in North America have switched to long-lasting, low-mercury, energy-efficient lighting, and environmentally friendly products are now used for cleaning and general maintenance.



Run for a Reason

Every May, MDS Nordion sponsors the Ottawa Race Weekend's 5K and 10K events. In conjunction with the events, employees raise funds for The Ottawa Hospital's Cancer Centre.