

# CORPORATE SOCIAL RESPONSIBILITY REPORT 2009

---

EIZO NANO CORPORATION



## Corporate Philosophy

The EIZO NANA O Group pushes the limits of technology to create products of new value, inspires its customers through visual display systems and entertainment software, and strives for sound prosperity while coexisting in harmony with the environment and society.

## Principles of Conduct

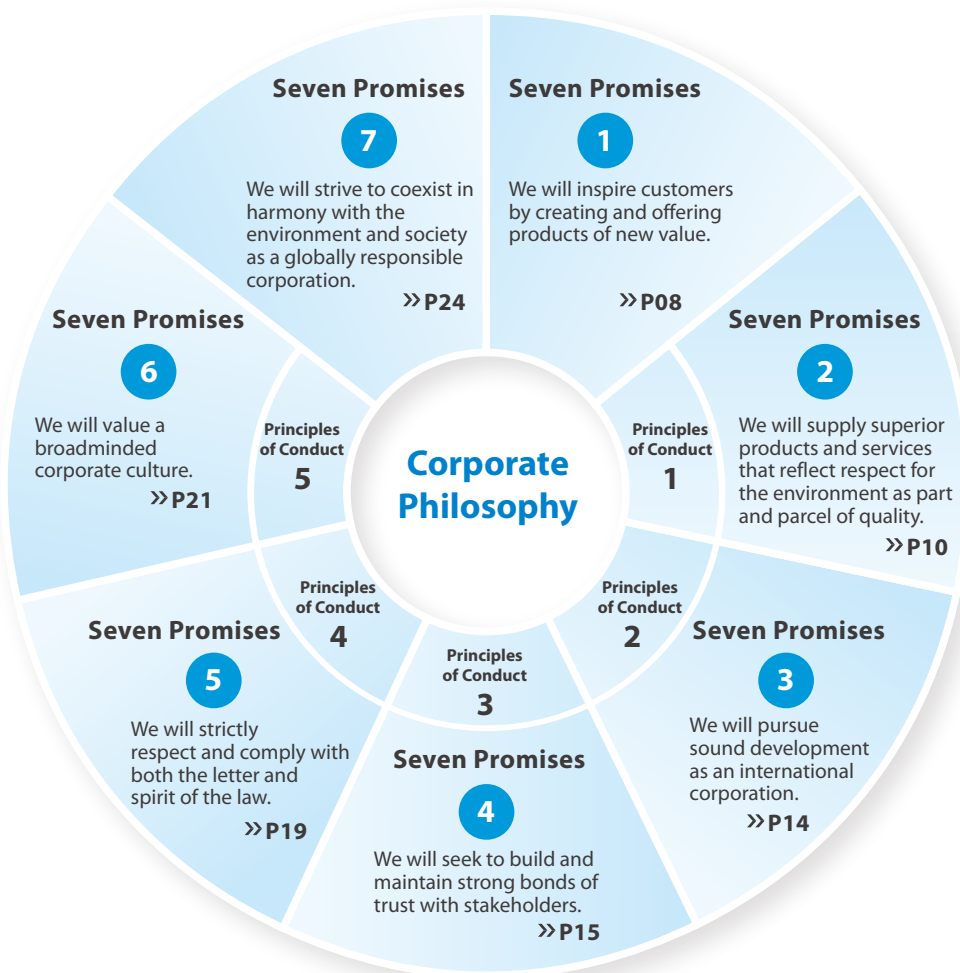
1. We supply superior products and services by focusing on quality and following scientific operation procedures.
2. We act as an international corporation with a global outlook and mindset.
3. We aim to grow in a harmonious manner by building strong bonds of trust with our stakeholders (shareholders, suppliers, employees, and the local community).
4. We respect and comply with both the letter and the spirit of the law as a good corporate citizen.
5. We cultivate a broadminded corporate culture, establishing a vibrant workplace.

## The Seven Promises — Toward Fulfilling Our Corporate Social Responsibility

We established the Eizo Nanao Group Code of Conduct as a statement of our standards for fulfilling our corporate social responsibility.

The Corporate Philosophy and Principles of Conduct stated above are included in the Eizo Nanao Group Code of Conduct, which serves as a foundation for Eizo Nanao on which our promises to stakeholders stand.

From this code, the Seven Promises of Eizo have been derived.



<b>Corporate Philosophy, Principles of Conduct, The Seven Promises</b> .....	02
<b>Contents</b> .....	03
<b>President's Message</b> .....	04
<b>Corporate Information</b> .....	06
<b>Our Products</b> .....	07
<b>Creating New Value</b> ..... <b>Seven Promise 1</b>	
· We will inspire customers by creating and offering products of new value. ....	08
· High-Precision Monitors Spark the Evolution of Medical Practice .....	09
<b>Product Environmental Considerations</b> ..... <b>Seven Promise 2</b>	
· We will supply superior products and services that reflect respect for the environment as part and parcel of quality. ....	10
· Eizo's Original Eco Label—Eizo Eco Products .....	11
· Compliance with Environmental Labeling Standards and Legal Requirements .....	12
· Eizo's Quality Assurance System .....	13
<b>Sound Development as an International Corporation</b> ..... <b>Seven Promise 3</b>	
· We will pursue sound development as an international corporation. ....	14
<b>Strong Bonds of Trust with Stakeholders</b> ..... <b>Seven Promise 4</b>	
· Relationships with Customers .....	15
· Relationships with Shareholders .....	16
· Relationships with Suppliers .....	17
· Relationships with the local community .....	18
<b>Strict respect and compliance with both the Letter and Spirit of the Law</b> ..... <b>Seven Promise 5</b>	
· Compliance and Corporate Governance .....	19
· Risk Management .....	20
<b>Broadminded Corporate Culture</b> ..... <b>Seven Promise 6</b>	
· Laying the Foundations for a Motivating Workplace .....	21
· Promoting Work-Life Balance .....	22
· Human Resource Development Efforts and Securing Safety and Health .....	23
<b>Environmental Management</b> ..... <b>Seven Promise 7</b>	
· We will strive to coexist in harmony with the environment and society as a globally responsible corporation. ....	24
· Overall Environmental Impact of Business Activities .....	25
· Fiscal 2008 Environmental Targets/Performance Report .....	26
· Fiscal 2009 Environmental Targets .....	27
· Environmental Management System and Environmental Risk Management .....	28
· Efforts to Prevent Global Warming and Resource Conservation .....	29
· Reducing Waste .....	30
· Collection and Recycling of Used Products (For Customers in Japan) .....	31
<b>Appendix</b>	
· Social and Environmental Timeline .....	32
· GRI Index .....	33

**Editorial Policy for the CSR Report**

- Editorial Policy: We have compiled an explanation on topics we consider important and a report on the impact and effects of our business activities on society and the environment, using the GRI Guidelines as reference.
- Scope of the report: Eizo Nanao Group  
Exceptions to the scope of coverage are explained in the notes to the relevant sections.
- Period covered: April 1, 2008 to March 31, 2009
- Issue date: August 2009

- Issue date of previous report: July 2008
- Issue date of next report: August 2010
- Contact information: Eizo Nanao Corporation General Affairs Department,  
Tel: +81-76-274-2406
- Changes from previous report: We added more information on the social aspects of our activities, derived from our corporate philosophy and action guidelines the Seven Promises, structured our report based on each promise, and changed the title of the report from the Social and Environmental Report to the CSR Report.

# Doing the right thing comes naturally to Eizo —This is the essence of our Seven Promises

The Eizo Nanao Group began publishing Environmental Reports in 2001 and a Social and Environmental Report in 2005. Now having updated this publication into a CSR (Corporate Social Responsibility) Report, we have expanded its scope in response to changes in the social environment in which the company operates. The report contains subjects we have consistently upheld through our corporate philosophy and action guidelines and have put into practice.

I would like to share my thoughts on these topics by explaining them from the standpoint of our Seven Promises.

## A Corporate Culture of Offering Only the Best Products in the World

Our first promise is to inspire customers by creating and offering products of new value. This is synonymous with our corporate culture of providing only the world's best products to the market.

I believe a brand represents a promise to users. We have built Eizo into a global brand with the promise of outstanding picture quality, high reliability and durability. This is a promise we must keep by all means.

Out of this promise, we publicly announced a product defect in 2002 with the offer of free repairs, despite the risk of incurring a considerable loss. Some users told us they would typically expect to pay for the repair of such a defect. However, we made the decision because we pride ourselves in creating the best products in the world. Keeping in line with our fifth promise of strict respect and compliance with both the letter and spirit of the law, a prerequisite for any company, our announcement went beyond this obligation as an action deeply rooted in our corporate culture.

## Truly Environmentally Sound Products

As expressed in our second promise, Eizo is unique in the sense that we consider respect for the environment as part and parcel of quality.

It has been popular for some time to tout respect for the environment, but I question the superficial concept that products are environmentally sound simply because they were made from environmentally friendly materials. At Eizo, we share the belief that products made to be used over a long period demonstrate significant consideration for the environment from the perspectives of conserving resources and reducing waste.

Naturally, we also emphasize environmentally sound product specifications and were among the first to do so. The Eizo brand was first recognized in Europe in the 1990s in the days before CRT monitors were re-imported to Japan. The recognition we enjoyed in Europe was as much due to our level of environmental consideration as for outstanding picture quality and reliability. We were highly respected as the first company in the world to comply with TCO, the Swedish standard with the most demanding requirements for electromagnetic waves and other

aspects of CRT monitors, as well as for incorporating these standards into all our products.

Our own Eizo Eco Products standard, of which TCO served as the benchmark, has been continuously revised in line with European environmental standards, the vanguard in environmental policies, and we therefore consistently maintained more stringent requirements than other standards generally applied.

In addition, we consider the environment in our production sites and office operations. As stated in our seventh promise, we will strive to coexist in harmony with the environment and society as a globally responsible corporation; this is our promise to remain steadfast in our efforts to protect the environment throughout our operations, based on the awareness that environmental preservation is a goal shared by all humankind.

## Initiatives for Respecting the Diverse Cultures and Customs of Each Country

Our third promise is to pursue sound development as an international corporation. I have learned through my own experiences working overseas that it is counter-productive for a Japanese company operating abroad to blindly enforce the policies and norms of the head office located in Japan. A truly international company can only be realized by demonstrating respect for the cultures and customs of each country and by forging relationships of mutual trust with partner companies.

While we operate through a global sales network, we do not pursue a uniform way of doing business by, for example, establishing a single European headquarters. We operate instead through a one-country, one-distributor system. Europe may in some ways operate as a single region, but local cultures and customs, values and approaches to work vary from country to country. We need this system to work in accord with diversity. And we maintain a commitment to hiring locally instead of dispatching top management from Japan. This is also based on the idea that local management requires local people.



**User Feedback is the Source for Technological Innovation  
The Relationship with Suppliers is the Cornerstone of Stable Supply**

Our fourth promise is to build and maintain strong bonds of trust with stakeholders. Eizo users tend to have strong preferences and high expectations. Their demands are tough precisely because they are enthusiastic about Eizo, and we strive to respond to them. While we may have been unable to meet every single demand, our efforts to respond to as many requests as possible have developed Eizo into the brand it is today. We are firmly resolved to remain true to this stance.

Eizo considers suppliers as partners. We endeavor to maintain mutually satisfactory relationships with the goal of developing a foundation of trust so that stable supply is secured even during times of limited availability.

With respect to our relationship with the local community, we play a significant role behind the scenes in local activities, since our headquarters and factories are concentrated in Ishikawa Prefecture. However, I believe Eizo's greatest corporate contribution lies in making local people proud that we are there.

**Creating an Open Atmosphere  
—Removing Neckties and Getting Out of My Office**

Our sixth promise is to create a broadminded corporate culture. This is synonymous with my own personality and thinking, and to me, a natural course of action more than a promise. In Japan, employees tend to remain silent even when their supervisor makes a mistake and typically will not publicly acknowledge the errors of any division apart from their own. I address these tendencies head on. The reason behind my decision to adopt a casual dress policy and spending as much time as possible working outside my office and among other employees is to encourage a lively exchange that transcends job positions and divisions. So instead of requiring employees to waste energy knocking on the president's office door, they can directly approach me whenever I'm working with them.

I have a deep love for our company, our brand and our employees. I cannot see how anyone can manage a company without such love. Employees too should love their products and their company—that is what it all comes down to. I am convinced that as long as managers and employees work hand in hand, we will continuously strengthen the company and fulfill our Seven Promises.

June 2009  
Yoshitaka Jitsumori  
President, Eizo Nanao Corporation

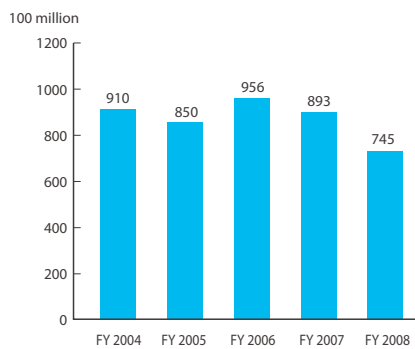
## ● Outline

Company Name:	Eizo Nanao Corporation
Business Activities:	Development, design, manufacture and sales of imaging systems including computer monitors, amusement applications and LCD TVs, and peripheral products
Established:	March 6, 1968
President:	Yoshitaka Jitsumori
Address of Headquarters:	153 Shimokashiwano, Hakusan, Ishikawa 924-8566, Japan
Group Sales:	¥74.5 billion (as of March 31, 2009)
Employees:	1,460 (Consolidated, as of March 31, 2009)
Group Companies:	Seven domestic consolidated subsidiaries and six overseas consolidated subsidiaries

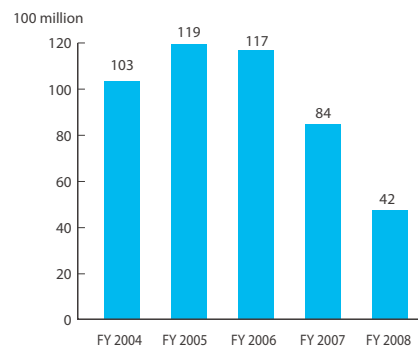
## ● Performance Results

### Financial Information (consolidated)

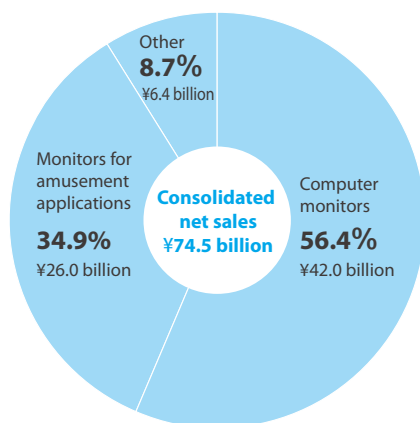
■ Trends in Net Sales



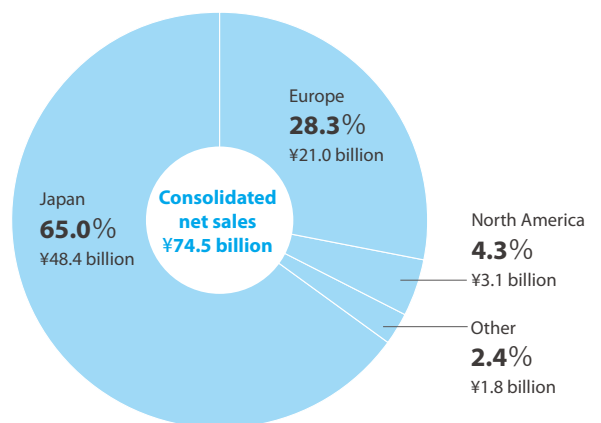
■ Trends in Operating Income



■ Sales and Percentage Breakdown by Product Category



■ Sales and Percentage Breakdown by Region



## Computer Monitors

These computer monitors are designed and manufactured from the perspective of the end-user and feature superior picture quality as well as a variety of functions. While we primarily focus on the most popular standard monitors, we also offer specialized monitors for medical and graphics applications.

### ● General Use Monitors

Computer monitors that are widely used in offices, schools, public facilities and households. These core Eizo products lay the foundation for our specialized monitors.



### ● Monitors for Medical Applications (Monitor Solutions)

A variety of solutions includes monitors for displaying electronic medical records and images from medical equipment, and quality control systems for monitors installed at hospitals.



### ● Monitors for Graphics Applications

Color management LCD monitors that support the high-quality color reproduction required by professionals such as designers, photographers and computer graphics artists.



### ● Monitors for Air Traffic Control Applications

Our monitors are relied upon in air traffic safety for stable, precise display performance and high-definition graphics boards.



### ● Monitors for Industrial Applications

Optimum solutions for diverse industrial needs include units for FA equipment, security control, and kiosk terminals.



### ● Home Entertainment Monitors

Fully HD-capable LCD monitors and LCD TVs are ideal for displaying moving pictures such as digital videos and DVDs.



### ● Color Vision deficiency Simulation Monitors

Color Vision deficiency simulation functions support Color Universal Design.



## Monitors for Amusement Applications

We design and manufacture LCD monitors installed in pachinko equipment. These models combine the Group's hardware technology, gained through the design and manufacture of computer monitors, with amusement software development technology to offer realistic expression, stories with a strong gaming feel, and lovable characters toward our goal of delivering products that become customer favorites year after year.



## Other Products

A broad range of peripheral products incorporates elemental technologies, such as computerized techniques and image processing that we have built up through the development of computer monitors.

### ● PC Mouse with Remote Control Function

The C@T-one combines the functionality of a wireless PC mouse and a TV remote control to eliminate the hassle of shifting between control devices for those who use their TVs and PCs simultaneously.



### ● Multifunctional LCD Monitors with Flexible Arm

Monitors mounted to flexible arms allow users to easily reposition them for comfortably viewing TV or PC screens while lying in a relaxed position, such as in a hospital bed.



### ● High-Definition Graphics Boards

Monitors for air traffic control require specialized high-definition display capabilities; we provide dedicated graphics boards for transmitting data as required by this application.



### ● Game Software

We create and manufacture a colorful variety of game software by developing new genre games and by adapting our titles that are popular in the Pachinko Market as game software for home use.



## Awards

### ● May 2008

#### Color Management LCD Monitor ColorEdge Series Wins Camera Journal Press Club Award at Camera Grand Prix 2008

Eizo was recognized by the Camera Journal Press Club for supporting the work of professionals with high-quality displays and for maintaining a steadfast development stance and ongoing quality-related efforts despite our extensive product line. This marked the first time an award was received for an LCD monitor at the Camera Grand Prix.

### ● October 2008

#### Four Eizo Brand Products Receive Good Design Award 2008

Eizo brand products have received the Good Design Award for 13 consecutive years. In fiscal 2008, Eizo received awards for its integrated wireless PC mouse/remote control, LCD TV with flexible arm, and color management LCD monitors in the 22.0- and 29.8-inch classes.

Seven Promises 1

# We will inspire customers by creating and offering products of new value.

Eizo's computer monitors are used in homes and offices around the world.

The history of our products began with support from design professionals. Since then we have continued to create better products by responding to feedback from these users. As a result, we are providing products today for medical applications and other specialized fields such as air traffic control, which require highly accurate display capabilities. Each field requires different specifications and functions.

Eizo not only listens to customers' requests in each field and responds to them, but also creates and offers a new set of values that reaches farther ahead in our promise to continue turning out products that are valuable to customers.

## Where Design is Created

Design and photography demand extremely accurate color reproduction. Eizo possesses an established reputation for excellent color reproduction and enjoys strong support from creative professionals such as graphic designers and photographers. We broadly support their work by achieving the high level of display functionality they require and by developing and offering monitors compatible with high-definition hardware calibration for constantly maintaining accurate coloring.



## On the Frontlines of Finance

High-quality display and reliability are required on the frontlines of finance to keep pace with constantly changing exchange rates and the need to make instant decisions. Eizo monitors have been widely installed to meet these needs. And for trading room environments with multiple, side-by-side monitors, we offer products with thinner screen rims that do not impede the line of sight, thereby enhancing operational efficiency.



## Enriching Home Use

A broad range of digital devices such as digital cameras and videos are available today for home use. To meet the demands for beautiful display of still photographic images and high-quality playback of moving images, Eizo offers new approaches for household digital environments by equipping monitors with a wide variety of connectors that enable users to hook up the latest digital devices.

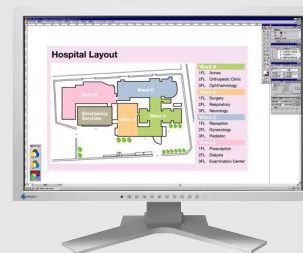
## Eizo's Special LCD TV

Television has become an essential household fixture, and therefore Eizo offers LCD TVs with a unique concept: realizing the "natural comfort" of superior picture quality through natural visual expression; adding an enriched, more realistic sensation and impact to the sound that is integrated with the visual image; and a functional design with a distinctive presence that stands out from the background. We provide fresh ways to enjoy television and visual environments through our very special LCD TV, which seamlessly unifies the three elements of visual image, sound and design.



## Supporting Universal Design

Universal design is a type of design that can be readily understood and used by anyone. Eizo offers color vision deficiency simulation monitors that supports universal design from the perspective of color. Our monitor features a mode that simulates the display of colors as seen by persons who are color blind, enabling users to switch modes during the course of design to efficiently confirm the display of colors from a universal design perspective.





## High-Precision Monitors Spark the Evolution of Medical Practice

In conventional practice, X-ray and CT images were printed on film for diagnostic review. However, just as in the field of photography, an increasing number of medical institutions have recently installed filmless environments in which medical images are stored as digital data and viewed on monitors.

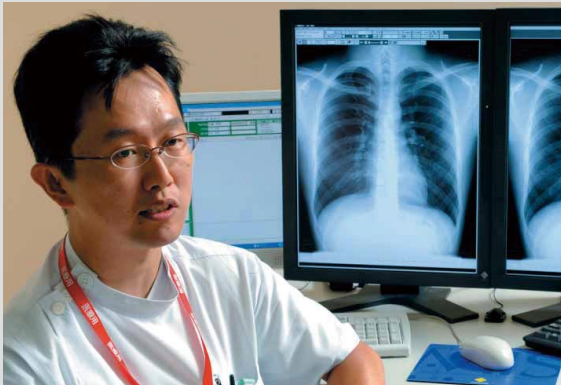
Diagnostic imaging is critical for patient health and well-being, and in the past, film played an important role for its ability to express subtle contrast. Accurate diagnosis in a digital environment therefore requires high-precision monitors that display images

comparable to those captured on film.

Eizo delivers monitor solutions with the high-precision imagery and outstanding reliability required by the medical field, already in use at many medical institutions.

We will continue to provide new advances for the medical field that benefit both patients and medical professionals through monitor solutions based on our own, leading-edge technology.

### Representative Installation



Yoshihiro Chiba,  
medical radiological technologist, Ishinomaki Red Cross Hospital

### Digitization of Medical Practice

In 2006, Ishinomaki Red Cross Hospital installed a diagnostic station incorporating overall diagnostic imaging (radiation, endoscope, echo, fundus examination) and introduced a filmless environment using Eizo's color monitors and RadiNET Pro network quality control system. It has been used for diagnosis based on digital images displayed on the monitors.

### Enhanced Examination Efficiency in a Filmless Environment

"With digital images we can adjust contrast—that is the advantage of monitor-based diagnosis," said Yoshihiro Chiba, a medical radiological technologist at the hospital. "For example, we

previously captured two images on film for CT breast scans, one for the mediastinum (area that includes the heart) and the other for the lungs. A digital system, however, allows us to examine the state of the lungs and bones from a mediastinum image alone by applying a simple process to the digital image. In other words, we can gather more information from a single data set," Mr. Chiba said. The filmless environment has helped improve the efficiency of the examination process, in turn reducing waiting time for patients.

### Reducing the Burden on Patients

Digital imaging also facilitates information sharing, and since data can be retrieved anywhere inside the hospital by accessing the server, patients and nurses no longer need to carry film from one clinical section to another. "It is difficult for patients with arm or leg disabilities to carry film to the examination room. The burden is no longer there because they don't have to carry anything," noted Mr. Chiba. And from the perspective of medical administrators, digitization has eliminated the need for ordering and storage of film.

### Contributing to Post-Installation Quality Control

Just as with film and the maintenance and management required for laser imagers, a filmless environment requires quality control over multiple monitors.

Eizo's RadiNET Pro is a network-based system that integrates the control of several monitors. Post-installation maintenance had been a major issue for Mr. Chiba, who says he found the system's automatic response to minor image degradation particularly appealing.



Patients find color monitors helpful for facilitating understanding in explanations.



Touch-panel monitors that visually confirm operations are easy to use.



With digital images, a wide variety of information can be gleaned simply by changing viewing conditions.

Seven Promises 2

## We will supply superior products and services that reflect respect for the environment as part and parcel of quality.

Based on our awareness that our products have an impact on the environment and our pledge to consider respect for the environment as an integral part of product quality, we have continued to lead the industry in our efforts to reduce the environmental impact of our products.

An environmentally friendly product must, of course, use raw materials and components that are themselves environmentally sound. At the same time, we also believe it is important for a product to be used over a long period of time.

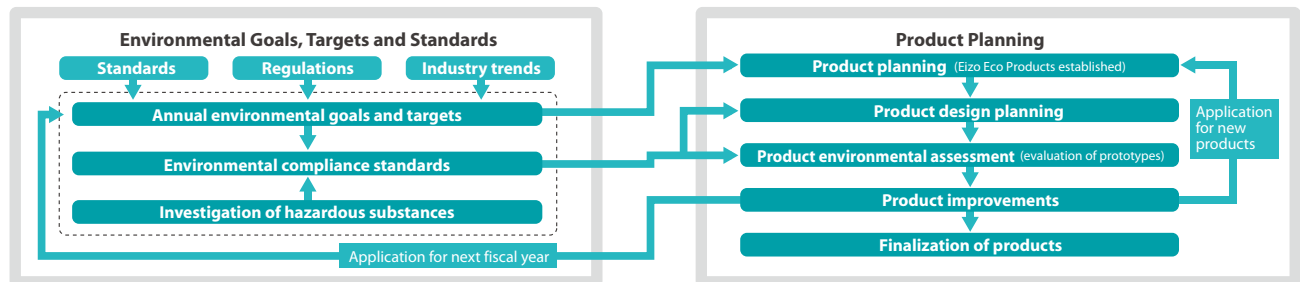
While we vigorously work to ensure that our products comply with environmental standards of third-party organizations, we have also set our own environmental compliance standards to guide our product development.

We believe the promise of the Eizo brand consists of providing products that customers can confidently use for years to come, and we conduct rigorous quality control from development and manufacturing to after-sales service in order to support this promise.

### Basic Product Development Sequence

In product development, we endeavor to enhance the environmentally sound quality of our products, including compliance with domestic and overseas legal requirements and standards as well as due consideration for industry trends and social conditions. In addition, each product is evaluated against our own Environmental Compliance Standards to determine how well they measure up. The results of this assessment are linked to our system for developing, implementing and meeting

companywide environmental targets for each fiscal year. A key theme is ensuring that products are environmentally sound under the “Eizo Eco Product 200X program” (200X refers to the year established), which is also connected to output. In line with our corporate stance of steadfastly maintaining environmental vigilance, we annually revise the Environmental Compliance Standards to reflect changes in laws, regulations and industry trends.



### EcoView—Design Concept that Reduces Burdens on the Environment and the User

Eizo’s environmental design and ergonomic considerations are expressed by our EcoView concept, which, in turn, is reflected in our products. EcoView products include functions such as automatic optimization of monitor brightness to match ambient illumination and quick checks on current power saving levels. In addition, products launched in April 2009 incorporate a presence sensor that sets the monitor to power save mode when the user is away from his or her desk.



#### 1. Auto EcoView function reduces eye strain and power consumption

The sensor makes automatic adjustments by detecting the brightness of the surrounding environment, thereby reducing strain on the user’s eyes and preventing a decline in work efficiency, while also reducing power consumption.

#### 2. EcoView Index function quickly confirms power-saving levels

An indicator displays the level of power saving in relation to the brightness setting, enabling the user to constantly check and remain aware of current power saving levels, thus encouraging power conservation.

#### 3. EcoView Sense function ensures power conservation

The presence sensor automatically switches the monitor to power save mode when it detects the user has moved away from his or her desk. The monitor’s screen automatically turns back on when the user returns, thereby conserving electricity without requiring manual operation.

### Eizo's Original Eco Label—Eizo Eco Products

The Eizo Nanao Group has sought to realize high quality and reliability in product development while at the same time pursuing environmentally sound design. Eizo Eco Products (hereafter EEP) is a voluntary certification system launched in 2002. EEP was established to keep pace with continuously evolving environmental needs and reflect our philosophy of thoroughly considering the environment in product design to further advance our products and corporate system. To that end, EEP not only satisfies existing environmental labeling criteria established and certified by third-party institutions (International ENERGY STAR Program, Sweden's TCO, Japanese Law on Promoting Green Purchasing, PC Green Label, etc.), but also incorporates various industry guidelines and market requirements as well as our own standards.

The latest version, Eizo Eco Products 2009, maintains compliance with previous versions EEP2002 (established October 2002), EEP2004 (established October 2003), and EEP2006 (established May 2006), and is reinforced with more stringent criteria such as lowered power consumption and the visual display of environment-related information.



#### Eizo Eco Products Certification Standard

In addition to complying with items laid out by third-party institutions in Japan and abroad (TCO'03, International ENERGY STAR Program, PC Green Label, etc.), Eizo Eco Products require compliance with self-designated items such as those listed below.

	Item	EEP2009	EEP2006	EEP2004
1	Power consumption at 0 watts when turned off (LCD monitors)	●	—	—
	Power consumption at 0.1 watt or less when turned off (LCD TV)	●	—	—
	Power consumption at 1 watt or less when turned off	—	●	●
2	Power consumption at 1.5 watts or less in power save mode (LCD monitors)	●	—	—
	Power consumption at 2 watts or less in power save mode (LCD monitors)	—	●	●
3	Power consumption meets requirements under the International ENERGY STAR Program Ver. 4.1 during ordinary use (LCD monitors)	●	—	—
	Annual power consumption in compliance with levels stipulated under the Law on Promoting Green Purchasing (FY 2008) (LCD TV)	●	—	—
4	Use of recycled plastic	●	●	●
5	User's manual made of chlorine-free recycled paper or chlorine-free certified paper under forest certification system	●	●	●
6	Use of soy ink in printed materials accompanying product	●	●	●
7	Subject to an internal product environmental assessment	●	●	●
8	Use of plastics made from plant-derived raw materials	●	●	—
9	Use of recycled styrofoam or paper as packaging cushioning materials	●	●	● *
10	Compliance with JEITA personal computer VOC guidelines (applied to all products including LCD TVs)	●	●	—
11	Compliance with RoHS Directives (J-Moss Green Mark may be applied as an alternative for LCD TVs for the Japanese market)	●	●	—
	Use (or partial use) of chrome-free steel plates	●	●	●
	Use (or partial use) of lead-free solder	●	●	●
	Use of lead-free wires in external (supplied) cables	●	●	●
12	Disclosure via the website of product eco profile (environment-related information)	●	—	—

\*Excludes products for overseas markets

## Compliance with Environmental Labeling Standards and Legal Requirements

We not only observe the legal requirements of Japan and other countries but also comply with environmental labeling standards and proactively develop environmentally sound products. Furthermore, we not only ensure the compliance of our own products; we also actively participate in the development of standards as part of our role in reducing environmental impact as much as possible for entire ranges of products, including those made by other companies.

TCO Display 5.0, the next generation standard to TCO'03 and TCO'06, one of the most widely recognized standards of the world, was announced in fiscal 2008 as well as ENERGY STAR 5.0. Eizo involvement in these standards began before 2008. While the requirements of both these standards are extremely stringent, we believe it is our mission to continue developing products that are in full compliance.

### TCO

Efforts to make our company's products more environmentally friendly have proceeded largely in response to the evolution of environmental standards in Europe, starting with ensuring compliance with the TCO'95 standard introduced in Sweden. This standard was subsequently upgraded to TCO'99 followed by TCO'03 and by TCO Display 5.0, the current version. In addition to environmental items, this standard also covers safety, electromagnetic radiation, and ergonomics, giving it a comprehensive character. Eizo has consistently participated in the formulation of TCO standards, and even as we scrutinized the content of the standards to ensure progressive and effective application, Eizo became the first in the world to receive certification for TCO Display 5.0 in April 2009. Nearly every monitor we produce is TCO compliant. In the years ahead we will continue to recognize the importance of meeting this standard in the development of new products.



### ENERGY STAR

The ENERGY STAR Program was launched by the U.S. Environmental Protection Agency in 1993 to help reduce the power consumption of computers and peripheral devices. The International ENERGY STAR Program was adopted in Japan in 1995 on the basis of an agreement with the U.S. government.

We have participated in this program from the very beginning, and since becoming the first registered monitor manufacturer, we have had virtually all subsequent products registered under the program. ENERGY STAR Ver. 5.0 standards, which update the current Ver. 4.1, were announced in March 2009. While the new standards are even more stringent, we are proceeding with the development of fully compliant products.



### RoHS Directive and WEEE Directive

The RoHS Directive is a European regulation restricting the use of hazardous substances that has been enforced within the European Union since July 2006. The directive covers electrical and electronic equipment and restricts or bans the use of six substances that are harmful to the global environment or human health: lead, mercury, cadmium, hexavalent chromium, PBB and PBDE. Products that do not comply with the RoHS Directive cannot be sold in Europe. We began the switchover in 2005 and achieved complete compliance in all products by May 2006.

The WEEE Directive went into effect in the EU in August 2005 toward reducing environmental impact through promotion of the three Rs of Reduce, Reuse, Recycling for used electrical and electronic equipment. We have responded by displaying recovery and recycling symbol logos, providing information on disassembly and hazardous substances for recycling facilities, and developing a system for recovery and recycling.



### EPEAT

EPEAT is a comprehensive evaluation standard for the environmental impact of personal computers and peripheral equipment. It has been applied by the related institution of the U.S. Environmental Protection Agency since 2006. EPEAT consists of 23 mandatory and 28 optional requirements covering a broad range of items including reduction of hazardous substances, recyclable design, long-life design, recovery and recycling, and corporate activities. Products are rated Gold, Silver or Bronze depending on the level of compliance with the optional requirements. Eizo has several monitors that are rated either EPEAT Gold or Silver.



### PC Green Label

This environmental labeling program is administered by the PC3R Promotion Association. The program is based on three concepts: (1) environmentally sound design and manufacturing; (2) post-use recovery and recycling of products; and (3) environmental information disclosure. Eizo has participated in revising the program as a member of the governing expert committee. We have also actively sought certification for our FlexScan and ColorEdge series and intend to maintain this policy.

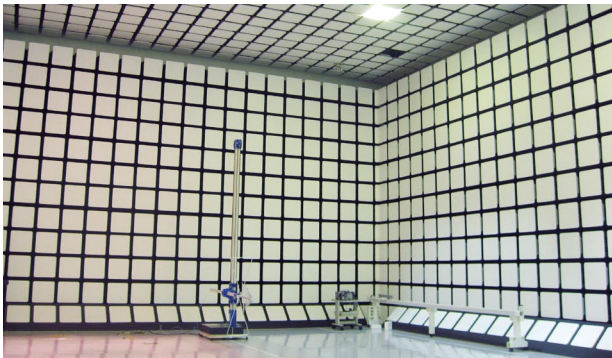


## Eizo's Quality Assurance System

Quality assurance ensures that customers can safely purchase our products and use them confidently over a long period of time and represents a core promise of the Eizo brand. Based on this stance, we conduct thorough quality control from development and manufacturing to after-sales service, and continuously seek to improve our system and processes.

### Development Process

We develop and evaluate our products from the perspective of our customers from every conceivable viewpoint, starting with reliability and safety and including environmental compliance, energy saving, EMC performance, ergonomics, usability and service. In addition, we perform product longevity testing to be certain of how our products will perform over many years.



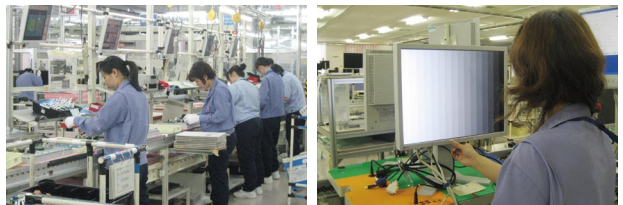
Conducting EMC performance tests in our own anechoic facilities



Longevity testing

### Manufacturing Process

We undertake the entire production process from assembly of substrates to manufacturing of the final finished product at our own factories under stringent quality control.



### After-sales Service

Under our system for ensuring that customers can use our products safely and for a long time, we respond to all requests for after-sales service at the Eizo Support Network Corporation located within our headquarters. Feedback is incorporated into future product development.

## Confidence in Our Quality—Five-Year Warranty

In 2003, we became the first in the industry to offer a five-year manufacturer's limited warranty. We repair LCD monitors\*1 free of cost over this five-year period\*2, reflecting our confidence in the quality of our products based on stringent quality control.

We believe that providing support to ensure continued safe use from the time of purchasing to any necessary repairs is an intrinsic component of our products.



\*1 Some exceptions apply, such as monitors for air traffic control.

\*2 Limited to 30,000 hours of use.

LCD panels are guaranteed for three years.

Seven Promises 3

## We will pursue sound development as an international corporation.

Our headquarters in Japan, Group companies in Japan, Europe and the United States, and distributors in various countries that serve as the backbone of our worldwide sales, maintain strong mutual relationships to support customers and achieve sound corporate growth by ensuring the delivery and ongoing worry-free use of our products worldwide.

As an international corporation, we respect the cultures and values of diverse countries across the world in choosing the best solution, and do not try to force a Japanese way of thinking.

Based on the resulting partnerships, we listen to what customers in each country have to say and consistently respond to their requests.

We believe this is the pathway to sound corporate growth.

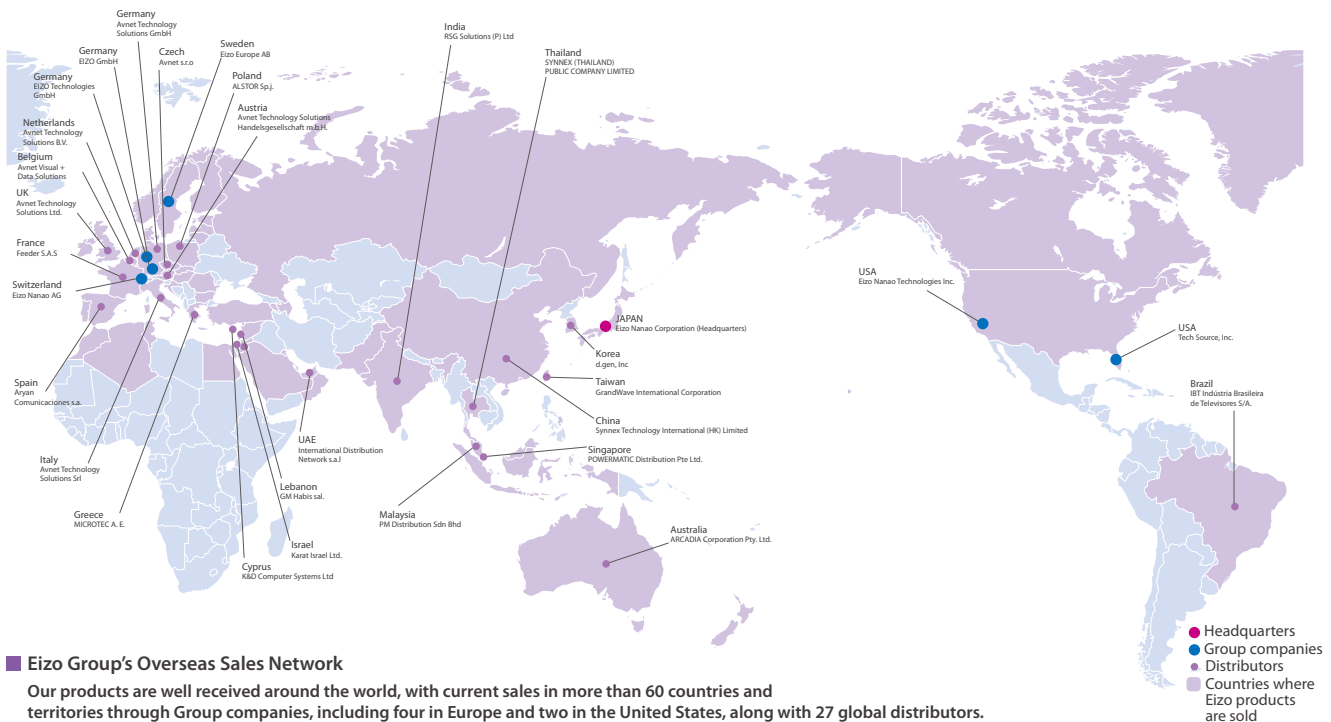
### One Country/Territory, One Distributor System

For Eizo, powerful partnerships between our headquarters in Japan, Group companies in Japan, Europe and the United States, and distributors in various countries, constitute the backbone of sound growth as an international corporation. In our overseas sales, we have adopted a one country/territory, one distributor system in which a single subsidiary or distributor is responsible for the sales of a country or territory. This unique system also enables us to accurately discern customer needs in each country or territory and share information more smoothly.

Having sales handled by distributors who fully understand the culture and values of their respective regions makes it possible for us to appropriately introduce and offer products in each country or territory.

### Eizo United (Distributors Meeting)

Our solid overseas growth is supported by the deep understanding and care distributors have for our products as well as their own passion. Once a year, we convene the Eizo Distributors Meeting, gathering distributors from around the world to share information and to recognize them for their annual sales performance. The event also affords a valuable opportunity for forging friendships and encouraging mutual growth among distributors.



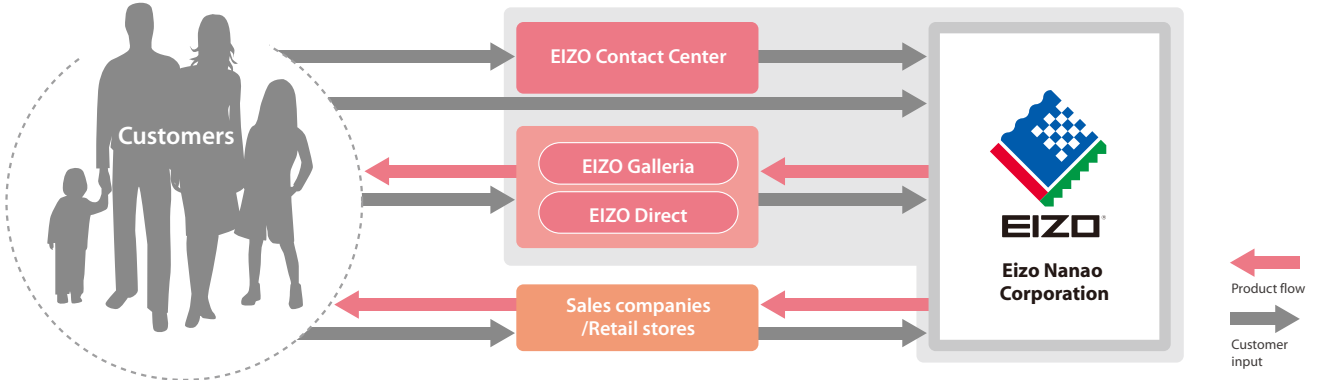
Seven Promises 4-1

## We will seek to build and maintain strong bonds of trust with stakeholders.

### —Relationships with Customers

Eizo strives to establish direct communication with customers through various points of connection to comprehensively answer questions and inquiries, and to respond to customer requests and feedback.

■ Feedback system for all types of customer input

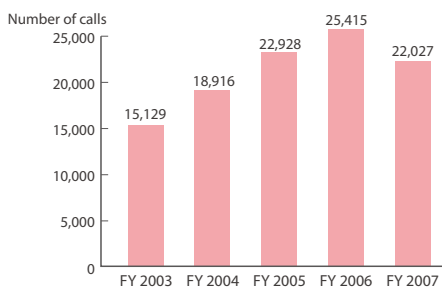


#### Receiving questions and inquiries about our products

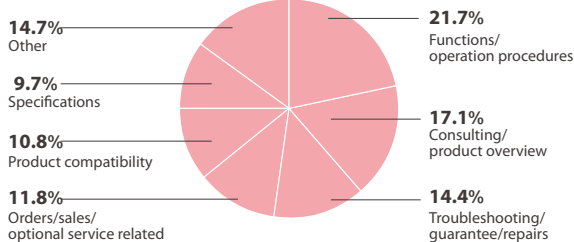
##### EIZO Contact Center\* Customer liaison

Eizo Contact Centers have been set up as a convenient way for customers to communicate with the company. These centers provide answers to inquiries related to product specifications and operating procedures, product purchasing and technical questions through telephone, e-mail and fax. Inquiries and requests received from customers are shared by relevant departments within the company, and we strive to incorporate this information into product development as well as information provision to customers.

■ Number of calls



■ Breakdown of call categories FY 2008



\*These services are currently only available for customers in Japan.

#### Check, experience and ask questions

##### EIZO Galleria\* Showroom

Eizo Galleries have been set up in four locations in Japan as spaces for exhibiting LCD televisions and LCD monitors so that customers can see the actual products and review their performance and functionality. Staff are always on hand to explain the products and respond to questions. We also conduct seminars on color matching and other topics to provide information that helps users better utilize their personal computers and Eizo products at work or at home.



#### Direct from Eizo to customers

##### EIZO Direct\* Online shopping

Customers can enjoy members-only special discounts and purchase exclusive products through our directly-operated online shopping site Eizo Direct, which offers a variety of services designed with the customer in mind, including home setup, collection of used products and installment payments at specially reduced interest rates.



Seven Promises 4-2

## We will seek to build and maintain strong bonds of trust with stakeholders.

### —Relationships with Shareholders

Eizo seeks to earn and maintain the trust of shareholders and investors, and conducts investor relations activities based on the principle of providing fair and accurate information on management policies, business strategies and financial performance to all stakeholders.

#### Basic Policy on Information Disclosure

We are committed to the timely and appropriate disclosure of information in accordance with the Financial Instruments and Exchange Act and other related laws and regulations as well as the Rules on Timely Disclosure of Corporate Information by Issuer of Listed Security and the like laid out by the Tokyo Stock Exchange. We strive to deliver the same key information so all market investors may obtain it equally toward making their investment decisions.

#### General Shareholders Meeting

We try to schedule our annual general shareholders meeting for a date that is convenient for shareholders by avoiding days on which other such meetings are being held. We also make an effort to send out invitations as far in advance as possible to provide enough time for shareholders to examine the proposed resolutions and the state of our operations.

To ensure that participating shareholders can better understand the items being covered in the meeting, we provide visual on-screen presentations. We view these meetings as a valuable opportunity for directly communicating with our shareholders and more clearly explaining our corporate activities through a display corner at which shareholders can directly have a hands-on experience with our products.

In addition, we invite shareholders to an informal gathering following the general shareholders meeting. During these occasions, the president offers a detailed review of Eizo's philosophy and activities. We welcome honest opinions and questions from shareholders and strive to respond as comprehensively as possible. For example, in response to comments at the 2008 general shareholders' meeting, we enhanced shareholder convenience by letting them use their discount privileges for online payment of purchases on the Eizo Direct website.



#### Company Presentations for Investors

We invite institutional investors to our semi-annual earnings results briefings in Tokyo, where we report on our management policies, activities and performance. We also hold briefings for individual investors to promote a greater awareness of our company. In fiscal 2008, such a meeting was held in Kanazawa City, Ishikawa Prefecture in March 2009 to introduce our operations, report the state of our business performance and explain the content of our third medium-term management plan.

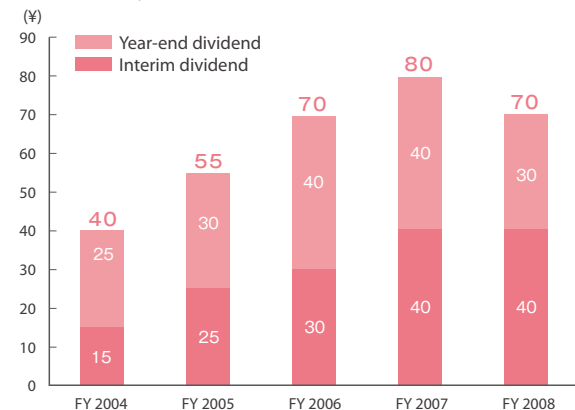


#### Basic Policy on Profit Distribution

Returning profit to shareholders is a key management concern for Eizo Nanao Corporation, and we have followed a basic policy of stable dividend payment in line with corporate growth. We return profit to shareholders on the basis of an overall consideration of securing retained profit for capital investments and R&D expenditures required for business expansion, financial status and future performance. Our target shareholder return ratio is 30% to 40% of net income, and we strive to strengthen our profit base to ensure we achieve this goal. Based on these principles, our annual dividend payment for fiscal 2008 was ¥70 per share (¥40 interim dividend and ¥30 year-end dividend).

In addition, in May 2008 we repurchased 408,900 shares for enhanced capital efficiency and to implement flexible capital policies in response to the changing management environment.

■ Dividend Payments for the Past Five Years





Seven Promises 4-3

## We will seek to build and maintain strong bonds of trust with stakeholders.

### —Relationships with Suppliers

Eizo views suppliers as essential and important partners for the continuation of our business. Therefore, we not only exchange detailed information on individual transactions but also cultivate mutual understanding of management policies and technical strategies to achieve substantial results based on powerful partnerships.

### Basic Stance on Procurement

We deal with suppliers in Japan and overseas on an equal opportunity basis in accordance with procurement policies based on the principles of mutual coexistence and prosperity. Factors we consider essential in evaluating suppliers include a stable management foundation, supply capability, technological expertise, compliance with laws and social norms, and consideration for the global environment. We select suppliers who meet these standards.

#### Selection Standard for Suppliers

- 1 Sound management
- 2 Technological excellence that will contribute to the quality of our products
- 3 Appropriate quality, prices, and delivery schedules for products and materials to be supplied to us
- 4 Stable supply capacity and ability to respond flexibly to fluctuations in demand
- 5 Compliance with relevant laws, consideration for the environment, and active involvement in environmental preservation

### Building Bonds of Trust with Suppliers

As a manufacturing company whose main production operation is assembly, we place a high priority on controlling quality, delivery schedules, and the cost of parts and materials we procure from suppliers as well as on ensuring that their operations are environmentally sound. We provide opportunities for regular exchanges of information addressing these issues and ensure that we and our suppliers share a common understanding of each others' management policies and technical strategies. This approach ultimately results in the achievement of substantial results and the creation of future value that neither partner could have achieved alone. We intend to continue building strong partnerships based on these attitudes and efforts.

#### Materials Procurement Briefing

We conduct materials procurement briefings twice each year for our suppliers. During these briefings we go through our procurement policy and request their support, green procurement trends and information. We also report on the results of quality improvement efforts and explain related policies. Many suppliers attend these briefings, which contribute to a greater understanding of Eizo and to gathering information later utilized in business decisions.



### Eizo Green Procurement Philosophy

(1) Eizo Nanao Corporation conducts business activities to protect the global environment in accordance with its Environmental Policy, supports the establishment of a zero-waste oriented economy and society, and engages in the manufacture of environmentally sound products.

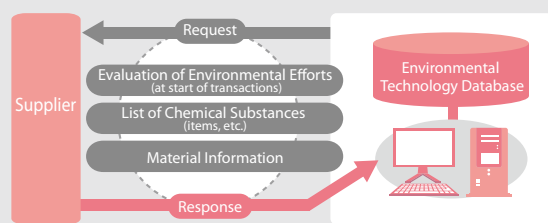
(2) We formulated our Green Procurement Standards as a guideline for our material procurement activities to meet the expectations of the international community, local society and our customers by maintaining and enhancing our environmental protection activities. They are also for fulfilling our social responsibility by quickly complying with ever-evolving environmental laws, regulations and standards in countries around the world.

(3) Eizo Nanao Corporation places high priority on transactions with suppliers who are actively involved in reducing their own environmental impact and protecting the environment in addition to considering quality, price, delivery schedule, service and technological ability. We also vigorously adopt products, parts and materials that have less influence on the environment, thereby reducing the associated impact in the overall business operations of Eizo Nanao Corporation, while at the same time helping to expand the market for environmentally sound products.

### Chemical Content Analysis

Amid rising global concern over the environment, we seek to certify our products under prevailing environmental standards in Japan and abroad and analyze chemical content to expand green procurement. We evaluate the environmental efforts of our suppliers and analyze the chemical content of the parts they supply. The results are stored and managed in a database, which is used to confirm the suitability of specific suppliers and materials as well as to evaluate the environmental friendliness of our own products.

#### Flow of Chemical Content Analysis



Seven Promises 4-4

## We will seek to build and maintain strong bonds of trust with stakeholders.

### —Relationships with the Local Community

Eizo fulfills its responsibility as a corporate citizen through a variety of activities, such as protecting the regional environment, cooperating with regional development and publicly disclosing information. We are committed to developing our business while maintaining good relationships with the local community.

#### Preservation of the Local Environment

We promote environmental preservation initiatives through membership in a variety of environmental organizations.

##### ■ Paper Recycling Initiative

Office Paper Recycle Kanazawa is a united effort by companies and organizations in Kanazawa City and its suburbs for building and operating a regional circle of paper recycling. Participation in this activity involves separating and collecting wastepaper (e.g., copier paper) and purchasing and using recycled products (e.g., toilet paper).

##### ■ CSR Survey and Research Initiative

The Sustainability Communication Network conducts surveys and research primarily on subjects such as CSR, the environment and the daily lives of citizens, toward building partnerships between businesses and citizens for developing a sustainable society. Eizo participates as a corporate member and receives the latest information, particularly related to CSR and the CSR report, which serves as a key communication tool.

##### ■ Major Environmental Organizations Eizo Supports

- Office Paper Recycle Kanazawa
- Sustainability Communication Network
- Green Purchasing Network
- Ishikawa Afforestation Promotion Association
- Ishikawa Environmental Partnership Citizens Association

#### Social Contribution Activity

Our basic social contribution stance is to start close to home. For example, we participate in a program for collecting PET bottle caps toward the donation of vaccines (polio, measles, diphtheria, whooping cough) for children all over the world. The program is led by a nonprofit organization in Kanagawa Prefecture, and the caps we collect are delivered to Kanagawa through local waste disposal companies.

#### For Regional Development

##### ■ Ishikawa Keiei Tensho Juku (Ishikawa Management Tensho School)

The Ishikawa Keiei Tensho Juku is a project aimed at enhancing practical thinking and decision-making skills required for corporate management among young corporate managers and future entrepreneurs who will shoulder the future of the regional economy. The project is mainly undertaken in Ishikawa Prefecture and is managed through the unified efforts of industry, government and academic institutions. As a supporter of this objective, Eizo advises on the operation of this project and offers lectures. Eizo's own story is included as a case study in the curriculum. We also cooperate in producing educational texts and classes.



#### Educational and Cultural Support

##### ■ Special Lectures

At the request of the local Kanazawa University, we presented a special lecture entitled, Corporate Environmental Preservation Activities, to 42 seniors in the Human and Mechanical Systems Engineering Course. While the purpose of the lecture was to nurture a broad perspective and knowledge among students, from our point of view it also provided an opportunity for encouraging open communication between the university and businesses. We introduced concrete efforts for protecting the environment from the standpoints of both environmentally sound products and business operations.

##### ■ Extracurricular Activities for Elementary and Junior High School Students

We actively respond to requests from regional elementary schools and junior high schools for corporate tours and research as part of their general studies. In fiscal 2008, we cooperated with general studies research as part of career education at a local elementary school. Students were encouraged to think about their own future livelihoods by talking with adults who are involved in interesting professions. During this course, an elementary school student who was interested in designing games visited Irem Software Engineering Inc. We also welcomed a visit and interview by local junior high school students to learn about companies operating in the region.

##### ■ Cooperation for Promoting Culture

We co-sponsor Orchestra Ensemble Kanazawa in Ishikawa Prefecture. This also creates an opportunity for our employees to appreciate cultural expression as part of their benefits program. We also co-sponsored La Folle Journée Kanazawa Music Festival with the intention of promoting local cultural events and regional development.



©LFJ Kanazawa Executive Committee

Seven Promises 5

# We will strictly respect and comply with both the letter and spirit of the law.

Corporate operations require absolute legal compliance.

We believe each individual employee must raise their awareness of compliance and the company must conduct sound corporate governance to provide our stakeholders with security, trust and profit through the ongoing creation of corporate value.

## Compliance

### Eizo Philosophy on Compliance

Eizo recognizes compliance as one of the most important concerns of management for fulfilling our social responsibility at the highest levels, and this includes ethical responsibility. Our action guidelines on compliance stipulate that we never become involved in illegal or unethical acts, that we respond immediately and transparently to illegal or unethical actions by taking appropriate corrective and preventive measures, and that we provide sufficient compliance training for all officers and employees. We will, therefore, establish an organizational structure for guaranteeing compliance, develop measures and systems to ensure effectiveness, and steadily promote these measures based on an annual plan from a long-term perspective. We are actively cultivating an ethical mindset among management and employees by providing comprehensive training on the role and importance of compliance.

We established the Eizo Nanao Group Code of Conduct to clarify our corporate philosophy and action guidelines in concrete terms and to serve as a standard in decision-making, evaluation and in the actions undertaken through the course of our business activities. We also seek to instill a thorough awareness of compliance among all Group employees in Japan and overseas while further enhancing our compliance system based on the prior establishment of the Compliance Committee and by further strengthening our management structure.

\*The entire text of the Eizo Nanao Group Code of Conduct can be found on our website:

[www.eizo.com/about/code\\_of\\_conduct.asp](http://www.eizo.com/about/code_of_conduct.asp)

### Strengthening the Information Management System

We ensure proper handling of confidential information in accordance with our Information Handling Guidelines (Action Policy). We have also appointed an information management representative with overall responsibility for establishing a company-wide information management system.

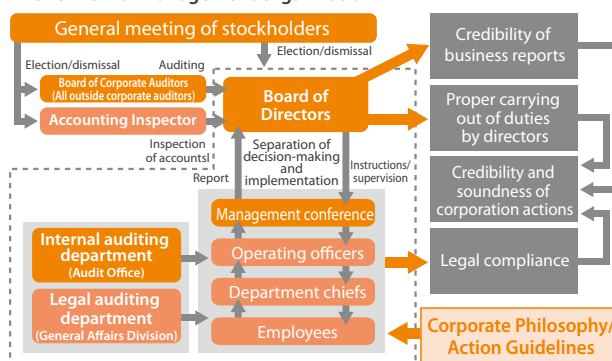
### Internal Notification Program

To further strengthen our compliance system, we set up a liaison point for officers and employees who are seeking advice on questions and problems concerning legal action or the content of the code of action that may arise in the course of our operations. In addition, we strive to ensure early detection of illegal activity and to prevent misconduct by operating an internal notification program that requires officers and employees to report to the liaison point immediately upon learning of activities in violation of laws or ethics, regardless of their own involvement. We ensure that the privacy of the reporter is protected and that the individual will not be placed at any disadvantage for reporting the violation. Based on established procedures, immediate action is taken in response to notification, including a fact-finding investigation, a report to the Ethics Committee and the issuing of a termination order or an operational improvement order.

## Corporate Governance

We strive to be a company that consistently produces satisfactory results with the support of our stakeholders. To this end, we view the ongoing improvement of corporate governance as a vital management concern.

### Overview of Management Organization



### Overview of Management Organization

#### Board of Directors

The Board of Directors meets monthly and as required to support timely decision-making for today's business environment.

All important matters related to the board's decisions are discussed, and progress reports on business tasks are presented.

Among the seven Board of Directors, we have appointed a single outside director to provide supervision and advice from a third-party perspective and thereby increase the transparency of management decisions (as of March 31, 2009).

#### Management Conference

A system of operating officers has been put into place to accelerate strategic decisions and strengthen the business operation system. A management conference is held monthly and as required. The conference studies and reports on key business operation issues, countermeasures and progress. All key, business-related issues are reported at the management conference.

### Board of Corporate Auditors

Eizo has adopted a system of corporate auditors. The board of corporate auditors consists of four members (one full-time and three part-time, as of March 31, 2009) and includes three outside corporate auditors. Corporate auditors attend key meetings of the Board of Directors. The full-time corporate auditor reviews and discusses with directors important documents, such as draft proposals and contracts. He also collaborates with the Audit Office, the company's internal auditing department, on the review of internal regulation functions. The full-time corporate auditor also attends internal audits. The Audit Office reports on the findings of these audits in response to requests from directors. Finally, the full-time corporate auditor attends audits conducted by the accounting auditor and participates in meetings between the accounting auditor and our company.

### Internal Auditing System

The Audit Office reports directly to the president and functions as the company's internal auditing department. It carries out internal audits in accordance with the Basic Regulations on Internal Audits, which specifies audit policies, and with the Basic Annual Audit Plan approved by the president. All findings of these internal audits are reported to the president.

Auditors for each internal audit are appointed by the general manager of the Audit Office as necessary. In fiscal 2008, a quality and environmental management audit was conducted by sixteen auditors, a personal information management audit by ten auditors, and an internal control audit by eight auditors.

### Internal Control System

We established our basic policy underlying a system that ensures directors execute their tasks in compliance with the law and the articles of incorporation, along with a system for ensuring the appropriateness of other operations, at a Board of Directors meeting in May 2006 (revised May 2007). Based on the policy, we have proceeded to develop related systems and to complete the groundwork for establishing an internal control system.

Prior to these efforts, an internal control system for financial transactions was established in accordance with the Financial Instruments and Exchange Act, and we exercise thorough control over our financial operations.

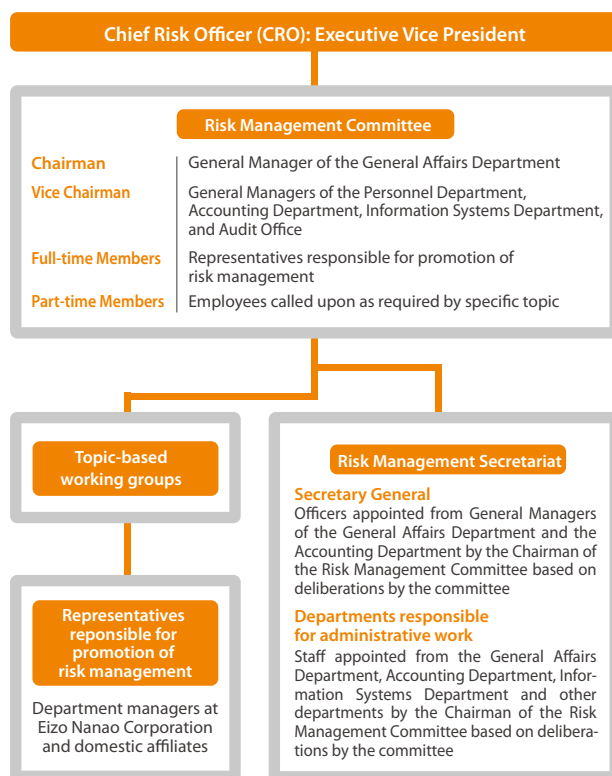
### Officer Compensation System

With respect to bonuses paid to officers, we have endeavored to further clarify directors' management responsibilities for corporate performance. Also, we have introduced a performance-based compensation system that explicitly limits bonuses to within 3% of net income for each fiscal year (up to a maximum of ¥ 200 million) in an effort to ensure transparency of the calculation method.

## Risk Management

As part of our corporate governance, we have established and operate a risk management system based on a group-wide perspective. The Risk Management Committee takes the lead in the company's risk management activities. In fiscal 2008, we identified key risks from among all risks surveyed in the previous fiscal year and confirmed existing countermeasures and implemented additional measures for each risk. In March 2009, we simultaneously conducted our first internal audit as well as an internal compliance audit to review the status of preparation and operation for countermeasures against risks, and we confirmed that they were satisfactory. Looking ahead, we will seek to further reduce exposure to risk by promoting countermeasures against major vulnerabilities while also enhancing our Business Continuation Plan (BCP) related to potential disasters.

### Risk Management System



Seven Promises 6

## We will value a broadminded corporate culture.

Eizo is a company focused on creative development that requires the imaginative ideas and powerful motivation of all its employees. We therefore take various measures to create a broadminded corporate climate by developing an environment that encourages free exchange of opinions and a workplace in which employees have a sense of security.

### Laying the Foundations for a Motivating Workplace

Eizo undertakes various activities to create a motivating workplace environment that cultivates excellent human resources for the sake of the long-term growth of our personnel as well as further corporate development.

#### ■ Paying due respect to human rights

We provide training sessions as part of a full-scale effort to curtail behaviors that undermine individuality at the workplace and in our operations, such as discriminatory remarks and actions and sexual or power harassment.

#### ■ Developing trust-based labor-management relations

Mutual understanding is the cornerstone of labor-management relations. In keeping with this fundamental point, we endeavor to develop trust in labor-management relations by encouraging dialog through the establishment of a consultation conference. These conferences discuss a wide-range of topics, from labor-management agreements to ways for improving the work-life balance and employee benefit packages.

#### ■ Promoting the careers of persons with disabilities

Persons with disabilities at Eizo Nanao Corporation represent 2.29% (12 people) of our workforce, exceeding the legal requirement of 1.8%. These people are pursuing careers in many of our worksites. We intend to continue enhancing the workplace environment and expanding their work opportunities.

#### ■ Actively encouraging post-retirement reemployment

We introduced a post-retirement reemployment program toward becoming a company in which highly motivated and skilled elderly employees can continue to work. Under this program, retired employees have the opportunity of being rehired. We believe this also provides a means for handing down the invaluable skills of experienced employees.

#### ■ Programs that offer employee security

Over the long course of employment, employees may require extended leave due to illness or disaster. To meet this need, we have in place an Expired Annual Paid Leave System. Under this program, unused paid leave is set aside in accordance with certain conditions and can later be used as additional paid leave in the event of illness, disaster or volunteer activities.

#### ■ OLive women's project team in action

OLive is a project team consisting of women who work as Operation Leaders. The team is engaged in a number of advisory requests and activities, and brings a female perspective to broad topics such as corporate image and enhancing operational efficiency. Its activities are intended to create a more supportive corporate climate by sharing experiences and addressing problems to encourage mutual growth, and by forming new networks that transcend departmental barriers.

#### Family Workplace Visits

Each summer, OLive organizes workplace visits for family members of employees. The event is intended to enliven communication at work and at home, promoting an open corporate climate, and deepening children's understanding of work through these visits and work experience. Last year, a total of 35 visitors, including the children, spouses and parents of employees, participated. The visits began with a greeting from the president and included explanations about Eizo products and a tour of the company. Participants expressed surprise at the size of the company and testing facilities, and were impressed by the many processes involved in manufacturing a single product; they left with a stronger interest in the workplace of their family member.



#### ■ Employment (As of March 31, 2008, Eizo Nanao Corporation)

<b>Number of employees (including contract workers): 765</b> Men: 401 Women: 364 <small>*As of March 31, 2008</small>	Full-time employees	738	Graduate recruits	15	*Joined company in April 2009	Average length of service	12.11 years	*As of March 31, 2008
	Contract workers	27	Mid-career recruits	7	*Joined company from April 2008 through March 2009	Employee turnover	2.9%	*FY 2008
	Engineering staff	322	Average age	35.70	*As of March 31, 2008	Average annual working hours	1,952 hours	*FY 2008
	Foreign nationals	15						

### Promoting Work-Life Balance

To respond to diversifying work styles and ensure employees are able to work with a sense of satisfaction, accomplishment and happiness, we believe it is important for employees to have extra time to refresh their minds and bodies.

#### ■ Opportunities for recreation and exchange

We support employees in their varied sports and cultural activities within the company by supplementing costs and permitting use of company facilities to encourage participation.

We also offer opportunities for recreation and exchange through numerous affiliated accommodation facilities and sports gyms.

#### ■ Supporting childcare and nursing care

We have put in place a variety of programs in addition to providing support for maternity leave, childcare leave and nursing care leave.

#### ■ Shorter actual working hours

As part of our efforts to decrease the number of working hours, we undertake work improvement activities on a unit-by-unit basis, observe a weekly no-overtime day, and vigorously encourage employees who have not taken sufficient paid leave to take it.

## Free, Open Atmosphere Gives Rise to Imaginative Ideas



Open-minded ideas are critical to Eizo for creating unique products that meet the specialized needs of our customers. We offer support through various programs as well as a corporate climate that deeply values openness and fairness. This encourages free, unfettered discussion.

#### Freedom is the mother of invention

Under the Working Casual rule adopted in 2003, no employees except for factory workers wear uniforms, and only domestic sales personnel wear suits and ties. Some creative thinking is required to escape the formality of the business suit while still maintaining a professional presence for guests. The goal is to encourage employees to exercise their imagination as well as to facilitate communication among employees regardless of position.

#### Blurring the boundary between the president and employees

While the president has a desk in his office, he also maintains a second desk unpartitioned on the same floor that employees work, creating an environment in which employees can freely and without hesitation talk with the president as needed.

The president shares his daily reflections in the President's Monologue on the corporate intranet, offering employees an opportunity to keep up with what the president is considering.

#### Free discussion in a borderless environment

The workplace environment at Eizo Nanao Corporation facilitates an active exchange of ideas among members of various departments. It also allows for communication uninhibited by job titles. Given this setting, the opinions of a broad spectrum of employees are reflected in various corporate decisions, including product development and planning. We also regularly convene problem-solving sessions to improve operations through discussion among employees and undertake cross-department team activities. Within this framework, initiatives such as the development of a structure and system for raising the efficiency of freight operations were underway in fiscal 2009.



At the company cafeteria, everyone shares a common dining area with no barriers between the president, officers and employees.

Our liberal and broadminded corporate climate generates free discussion inside the company every day.

## Human Resource Development Efforts

### ■ Supporting career development

Apart from seminars and training required for our operations, Eizo Nanao Corporation provides a complete and diverse range of educational opportunities for employees to select from on the basis of their own career plans. These programs vary from support for obtaining qualifications to in-house English language classes.

### ■ Emphasis on educating younger employees

First-year employees are the target audience for programs on organizational detail, basic knowledge required for adulthood and independency, on-site factory training, and on-site sales training to learn about the foundations of our company. For our new recruit engineering staff, we provide technical training to ensure they acquire a broad base of knowledge on our basic technologies. We provide a variety of other training programs specifically targeting young employees.

Our energies are also focused toward on-the-job training (OJT) in each department. Managers draw up three-year career plans in consultation with young employees as the basis for a systematic OJT program.

### ■ Reinforcing management capabilities

We recognize that training management candidates is a key task that is directly linked to cultivating human resources for shouldering the future of the company.

Eizo Nanao Corporation undertakes selective training for this class of employees. Selected members from diverse departments are organized into teams that spend a year tackling their respective assignments to offer proposals to management. This approach affords additional benefits beyond developing the diverse skills required of management, such as the creation of a solid in-house network based on shared team activities. We also offer training for newly appointed managers to deepen understanding of fair job evaluations and appropriate allocation of work.



## Securing Safety and Health

We invest significant management resources into the development, design and production of new products. To continue creating products with high added value, we believe we must maintain workplace safety and ensure the health of our employees. We also consider this to be a vital aspect of corporate risk management and promote various activities for securing health and safety.

### ■ Efforts to Prevent Occupational Hazards

Our efforts to prevent workplace accidents through risk assessment began five years ago and include KYT activities, training to anticipate danger; *hiyari-hatto* activities, training to deal with close calls; and 5-S activities, training focused on the concepts of *seiri* (sorting), *seiton* (straightening), *seiso* (sweeping and cleaning), *seiketsu* (spick and span)

and *shitsuke* (sustaining).

We plan to continue efforts to prevent the occurrence of workplace accidents while working to identify and eliminate or reduce risk factors through ongoing risk assessments and safety audits of new equipment, carrying out safety education to prevent accidents during activities outside the company, and increasing the visibility of risk factors.

### ■ Health Management Efforts

We have been pursuing several initiatives for maintaining physical and mental health. These include timely consultations with physicians, health checkups to prevent chronic physical conditions or illnesses, a thorough array of testing, and the establishment of dedicated liaison points inside and outside the company for receiving employee concerns. We will seek to ensure the psychological and physical well-being of our employees by carrying out mental health consultations when appropriate. This will be done with the goal of preventing chronic physical conditions or illnesses by encouraging employees to take a complete examination as called for by checkup results and reexamination following self care efforts.

### ■ Basic Policy on Safety and Health (Safety and Health Management Regulations)

The basic policy on the safety and health of Eizo Nanao Corporation is intended to create a healthy and safe working environment for all employees. This is achieved through management of risk factors related to safety and health.

Specifically, we constantly strive to identify unacceptable risk factors in the workplace and neutralize them, with the ultimate goal of eliminating workplace accidents.

### ■ Medium-Term Plan (Fiscal 2007 to 2009)

We will completely reevaluate our health and safety-related initiatives in response to changes in the business climate.

### ■ Fiscal 2009 Targets/Key Action Points and Fiscal 2008 Performance

Management area	Targets/key action points	Fiscal 2008 performance	Evaluation
Safety management	Implementation of risk assessment and 20% reduction in high-risk cases Key point: Enhance accident prevention measures for activities outside the company	By implementing risk aversion measures against high-risk items, risk levels of four out of nine cases were lowered	○
Health management	100% follow-up on checkup results Key point: Enhance mental health measures	Compliance rate for follow-up was maintained above 80%	△

**We will strive to coexist in harmony with the environment and society, as a globally responsible corporation.**

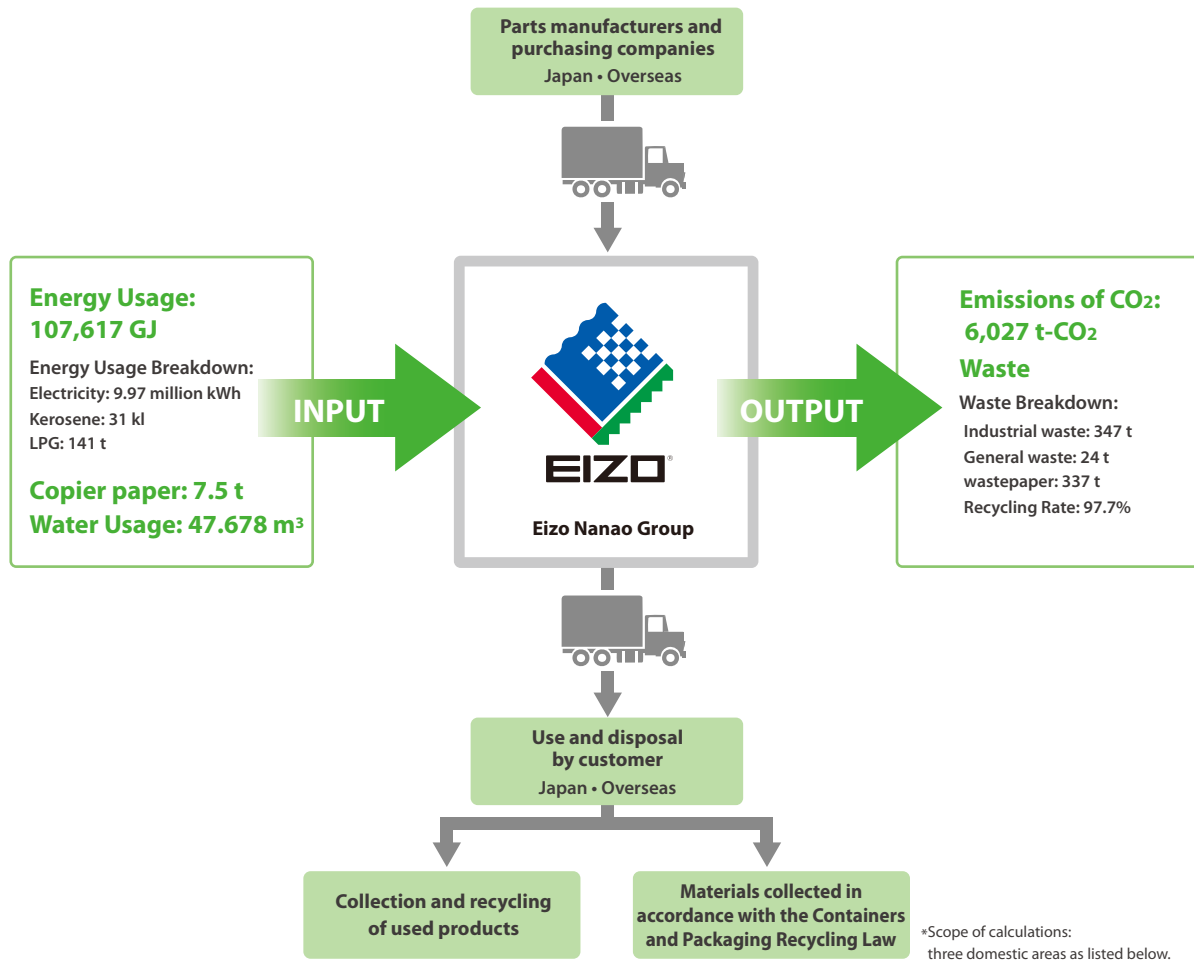
## Environmental Policy

We, Eizo Nanao Corporation, are aware that our products have an impact on the environment. In our product development work we therefore consider friendliness to the environment to be part and parcel of product quality. We endeavor to supply our customers worldwide with products developed to common specifications that meet or exceed the environmental requirements of individual countries as well as our own environmental standards. We are conscious of the importance of environmental preservation as a common issue for all humankind and pledge to do our utmost to protect the environment in all aspects of our corporate operations.

- 1** We endeavor to constantly remain up to date on and to strictly adhere to environmental laws and standards applicable to our corporate operations and products, as well as other environmental preservation requirements of society at large. We determine environmental objectives and targets based on a clear understanding of such requirements as well as the environmental impact of our corporate operations and products. These objectives and targets are reviewed on a regular basis to achieve ongoing improvement of our environmental management system and performance.
- 2** At the research and development stage, we pay careful attention to the design of our products to minimize the consumption of resources and energy, ensure ease of recycling, and reduce the volume of toxic substances. Our aim is a continuous raising of our environmental standards.
- 3** In our corporate operations we give due consideration to conserving energy and resources. We work to reduce the volume of waste products generated by our operations and to dispose properly of all waste generated. We are engaged in positive efforts to promote the collection and recycling of used products discarded by consumers.
- 4** We constantly monitor the latest information related to the environment through our information network, which includes our overseas facilities and affiliated companies. We endeavor to share information appropriately by disclosing and disseminating details of our own environmental initiatives, and we work with others in common efforts aimed at preserving the environment.
- 5** We educate all company members and strive to deepen their awareness of environmental matters, while creating members of a team that will be committed to the effective use of natural resources and energy, and to the protection of our global environment.



## Overall Environmental Impact of Business Activities



### Environmental Impact by Area

Area	Eizo Nanao MS Corporation Nanao Plant	Eizo Nanao MS Corporation Hakui Plant	Eizo Nanao Corporation Headquarters area*	Total	
Operations	Assembly of printed circuit boards for Eizo Nanao Corporation products	Assembly of Eizo Nanao Corporation products			
Total Energy Usage (GJ)	9,671	36,291	61,665	107,617	
Energy Resources	Electricity (10,000 kWh)	97	364	536	997
	Kerosene (kl)	—	—	31	31
	LPG (t)	—	—	141	141
Copier paper (t)	0.3	1.4	5.8	7.5	
Water usage (m <sup>3</sup> )	2,963	3,037	41,678	47,678	
Emissions of CO <sub>2</sub> (t)	537	2,018	3,472	6,027	
Waste	Industrial waste (t)	87	58	202	347
	General waste (t)	5	8	11	24
	Wastepaper (t)	121	78	178	377
	Recycling rate (%)	99	96.4	97.7	97.7

\*Includes data for Irem Software Engineering Inc., Eizo Support Network Corporation and Nanao Agency Corporation located within the area (site).

## Fiscal 2008 Environmental Targets/Performance Report

We shifted the focus of our targets to environmentally sound design starting in fiscal 2008, and as a result, we achieved results exceeding 75% in 13 initiatives, over 50% and under 75% in four initiatives, and under 50% in three initiatives.

Scope: Eizo Nanao Corporation area

Environmental theme	Issue	Environmental objective	In-house environmental target >>Performance and future measures	Evaluation
Efforts to prevent global warming	CO <sub>2</sub> reduction	Reduced power consumption	Reducing consumption of electricity (up to 5.6 million kWh/year) ⇒Sum total: 5.356 million kWh	○
		Reduced fuel consumption	Reducing consumption of fuel (LPG: up to 110 t/year; kerosene: 42 kl/year) ⇒LPG sum total: 140 t; kerosene sum total: 31 kl	○
		Tracking CO <sub>2</sub> volume	Implementing product LCA ⇒Designated as ongoing initiative for fiscal 2009	×
		Environmentally sound product design	Reducing product energy consumption ⇒Developed EV2411 with LED backlight ⇒Zero-watt goal achieved for off mode ⇒Developed new technologies including a presence sensor and EcoView	△
			Reducing product CO <sub>2</sub> emissions ⇒Implemented carbon footprint trend test	×
		Increased transport efficiency	Increasing transport efficiency ⇒Tracked loading ratio and implemented in-house feedback	△
			Measures to increase loading ratio ⇒Created compact container box by changing the shape of the stand	○
Green procurement	Green purchasing of office supplies ⇒Promoted green purchasing by designating in-house recommendations based on green procurement catalogs	○		
Creating a sustainable society	Three R's (reduce, reuse, recycle)	Reduce	Reducing industrial waste (up to 210 t overall)* ⇒Sum total: 202 t	○
			Effective use of resources (up to 6 t for purchases of copier paper)* ⇒Sum total: 5.8 t	○
		Reuse	Promoting reuse of office supplies ⇒Promoted effective use of in-house paid supplies	○
			Recycle	Promoting recycling of industrial waste ⇒Target: 96% recycling* Average annual recycling rate: 97.8%
Expanding use of recycled plastics ⇒Considered expanding use of recycled materials in products	×			
Environmental issues	Management of chemicals	Reducing consumption of chemicals	Management and limitation of emissions of toxic substances	△
		Green procurement	Management of chemicals used in products ⇒Strengthened thresholds for cadmium and hexavalent chromium in product parts ⇒Developed LED backlight models	○
Environmental communication	Maintaining communication	Education and training	Implementation of employee education ⇒Implemented environmental training for all employees	○
		Corporate activity report	Publication of corporate Environmental Report	○
		Survey of market trends	Disclosure of product environmental information Survey of environmental technology	△
Environmental compliance	Compliance with environmental laws and standards	Standards compliance	Compliance with related standards ⇒Prepared in-house system in response to REACH Regulation ⇒Complied with new ENERGY STAR program ⇒Complied with new TCO standard ⇒Complied with Act on Promoting Green purchasing ⇒Implemented trend survey on Eup Directive ⇒Implemented trend survey on Clean Air Act, Water Pollution Control Law, Waste Disposal and Public Cleaning Law	○
		In-house environmental labeling	Complied to Eizo Eco Products ⇒Released Eizo Eco Products 2009	○

○: Achievement ratio of over 75%; △: Achievement ratio of over 50% and under 75%;

×: Achievement ratio of under 50%

\* Excluding Irem Software Engineering Inc.

## Fiscal 2009 Environmental Targets

Starting in fiscal 2009, we plan to add affiliate Eizo Nanao MS Corporation (hereafter EMS) to our conventional target area covering the headquarters of Eizo Nanao Corporation (hereafter Headquarters). This undertaking is to achieve the level of environmental consideration required of a manufacturer by pursuing our efforts at a broader scope.

Environmental theme	Issue	Environmental objective	Environmental target
Efforts to prevent global warming	CO <sub>2</sub> reduction	Reduced power consumption	Reducing consumption of electricity—Headquarters: up to 5.45 million kWh/year ----- Reducing consumption of electricity—EMS: up to 5.0 million kWh/year
		Reduced fuel consumption	Reducing consumption of fuel—Headquarters: LPG: up to 130 t; kerosene: 36kl
		Tracking CO <sub>2</sub> volume	Implementing product LCA
		Environmentally sound product design	Reducing product energy consumption
		Increased transport efficiency	Increasing product transport efficiency
		Green procurement	Green purchasing of office supplies
Creating a sustainable society	Three R's (reduce, reuse, recycle)	Reduce	Reducing industrial waste—Headquarters*: up to 210 t for industrial waste generation, up to 6 t for purchases of copier paper ----- Reducing industrial waste—EMS: up to 150 t for industrial waste generation, up to 1.6 t for purchases of copier paper
		Reuse	Promoting reuse of office supplies
		Recycle	Promoting recycling of industrial waste Target: 96% recycling of waste generated on company premises
Environmental issues	Management of chemicals	Reducing consumption of chemicals	Management and limitation of emissions and movement of toxic substances
		Green procurement	Management of chemicals used in products
Environmental communication	Maintaining communication	Education and training	Implementation of employee education
		Disclosure of environmental information	Disclosure of corporate Environmental Report Disclosure of product environmental information
		Survey of market trends	Survey of environmental technology
Environmental compliance	Compliance with environmental laws and standards	Standards compliance	Compliance with environmental laws and standards • REACH Regulation • ENERGY STAR Ver. 5.0 program • TCO Display 5.0 • Energy Saving Act • Act on Promoting Green Purchasing • EuP Directive • Air Pollution Control Law • Water Pollution Prevention Law • Wastes Disposal and Public Cleansing Act
		In-house environmental labeling	Eizo Eco Products

\*Excluding Irem Software Engineering Inc.

## Environmental Management System

After establishing an environmental management system under our Environmental Policy, we obtained ISO 14001 certification in July 1998. Since then we have focused on and begun achieving results in dealing with waste and reducing resource and energy consumption across the company. However, in light of a number of factors, including a rise in public environmental concern and growing interest for environmentally sound products, we have renewed our stance of expecting our environmental management system to achieve stronger outcomes for products and services while maintaining existing activities. In fiscal 2008, we began operating our environmental management system under a new organizational structure centered on environmentally sound products.

We believe the goal of environmental management is to achieve results not only in the sense of in-house accomplishments associated with handling waste or reducing resource and energy consumption, but also in terms of customer satisfaction with our products and services.

### ■ Activities under the Environmental Management System

We incorporated many tasks for meeting our environmental targets for fiscal 2008 that would achieve results in product specifications and sought to accomplish these tasks and targets by sharing them with in-house organizations, including the design and development departments. More specifically, we held regular meetings of the Environmental Promotion Committee, composed of Environmental Promotion Coordinators selected from each department in the company, to exchange progress reports on targets, accomplishments and tasks. In terms of environmental targets directly linked to products, we successfully reduced power consumption during suspension and use, exercised stricter control over chemicals used in parts, and made our products more compact and lightweight.



### ■ Environmental Management System Audits

In fiscal 2008, we continued to conduct internal audits to confirm that activities under the environmental management system were being satisfactorily implemented. A third-party institution conducted an external audit, and our ISO 14001 certification was maintained and updated. During the external audit, updated in-house regulations and management systems under our new management organization and system were confirmed. Furthermore, in view of the strengthened awareness in recent years of management audits for controlling chemical substances, an audit was conducted by a client specialized in this field.

### ■ Environmental Education Activities

In fiscal 2008, we sought to enhance the shared awareness of our unique in-house activities for environmentally sound products through initiatives of the Environmental Promotion Committee. Environmental Promotion Coordinators for each department provided concrete feedback through the committee on the environment surrounding the company, environmental considerations required for our products, and actual progress achieved through our efforts, thus enabling us to share a more practical awareness of environmental consideration and to more thoroughly educate employees.

## Environmental Risk Management

### ■ Facility Management

Several of our facilities are subject to the Air Pollution Control Law. However, as a fundamental policy, we have established our own management standards encompassing even those operations that are not applicable to be governed by legal requirements. (Detailed measurement data can be reviewed on the Eizo Nanao Corporation website). In addition, annual drills are conducted to practice emergency procedures for dealing with accidental leaks from the oil supplies of climate control systems. With due consideration for reducing environmental impact and conserving energy throughout the entire site, we began using the Energy Center as the heat source for climate control in the production building as well as the research building. We use LPG as the heat source, which emits less CO<sub>2</sub> and air pollutants than fuel oil A.



Emergency procedure drill

### ■ Waste Processing

We train our employees to properly separate and dispose of waste in accordance with items on a list posted at the temporary storage facility. Waste is subsequently transported to a waste storage facility for further separation, delivered to a contracted waste disposal company and sent off for recycling, incineration or landfill disposal.

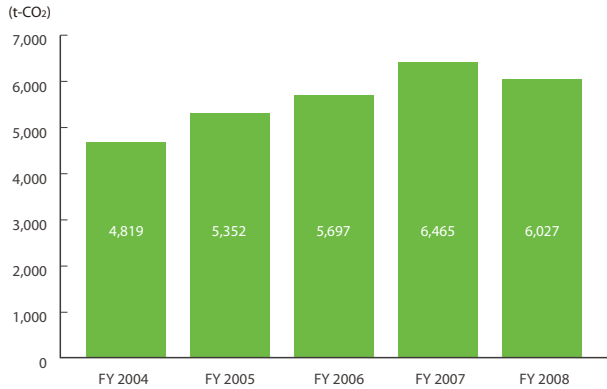
### Efforts to Prevent Global Warming

In fiscal 2008, our total energy input decreased by 6.8% year on year.

#### Greenhouse Gas Emissions

Of six types of greenhouse gases, we produce carbon dioxide, methane and dinitrogen oxide. We track the output volume of these gases in carbon dioxide equivalency values.

#### Greenhouse Gas Emissions



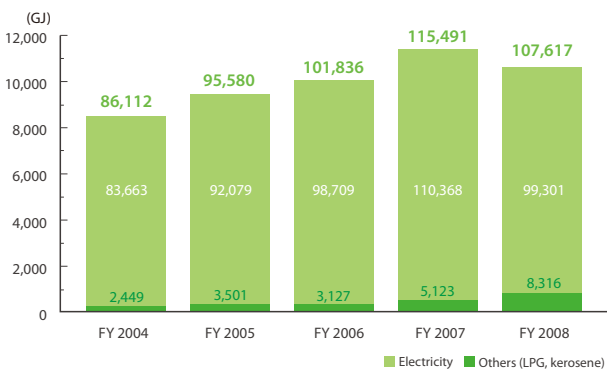
#### Energy Usage

In fiscal 2008, we were able to meet our targets for electricity and kerosene consumption by reducing climate control energy use through upgrades to existing facilities and central monitoring. We were, however, unable to meet our target for LPG. We plan to continue working toward our twin goals of creating a more comfortable workplace environment and higher energy efficiency by remotely controlling the temperature and humidity in individual rooms via a central monitoring system.

#### Targets and Results

	Electricity	Kerosene	LPG
Fiscal 2009 target	10.05 million kWh	36 kl	130 t
Fiscal 2008 target	10.20 million kWh	42 kl	110 t
Fiscal 2008 results	9.97 million kWh	31 kl	141 t
Achieved/not achieved	○	○	×

#### Total Energy Input

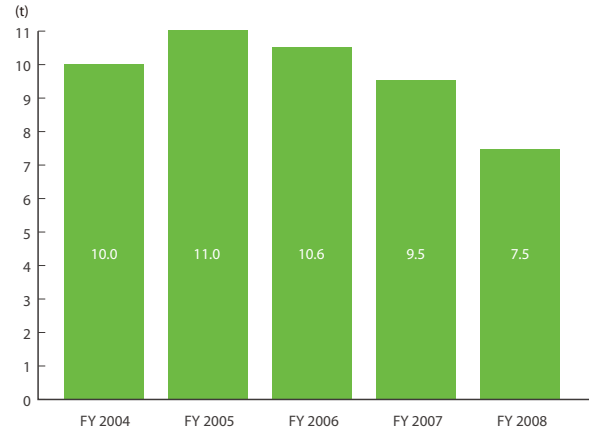


### Resource Conservation

#### Copier Paper Usage

In fiscal 2008, our copier paper usage by volume decreased by 21.0% year on year. This was the result of efforts to promote the use of electronic media and information campaigns encouraging reductions. In fiscal 2009, we will further boost the use of electronic media to reduce copier paper consumption.

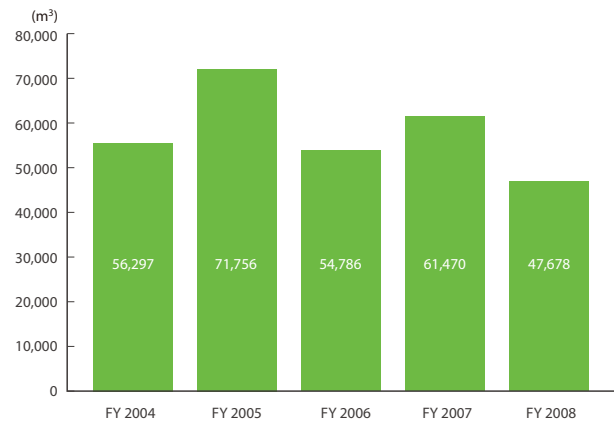
#### Copier Paper Usage



#### Water Usage

While our affiliates use public water and sewage systems, Eizo Nanao Corporation uses groundwater exclusively. No water is used in manufacturing processes, although water is used for snow abatement in winter and for watering plants in summer.

#### Water Resource Input



## Reducing Waste

### Industrial Waste

In fiscal 2008 the recycling rate was 97.7% and the total volume of waste decreased, enabling us to achieve both our targets. Wood scraps (from wood pallets) are now being treated as industrial waste rather than general waste in response to changes in the law, and the expanded screen size of our products led to imports of large-format component parts accompanied by increases in styrofoam and waste plastic from packaging. We were nevertheless able to meet our targets by restraining disposal of unwanted materials and equipment during inventory clearance. We work with waste processing companies to collect waste styrofoam, melt it down, and then mold it into chips that can be used as a raw material for new plastic products. Some of this resource is also used as styrofoam packaging for our products. In fiscal 2009 we will endeavor to reduce the volume of waste plastic and increase the rates of waste products with commercial value.

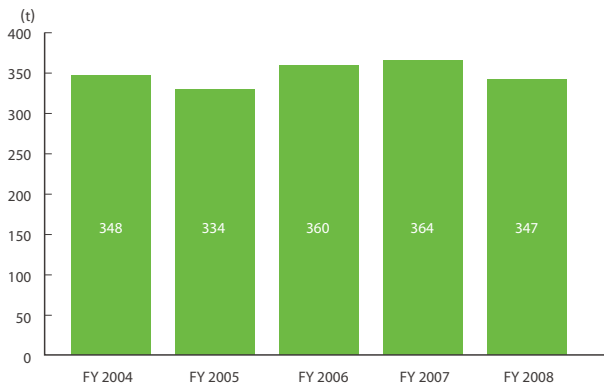
### General Waste

In fiscal 2008, the volume of general waste decreased from the previous year largely due to changes in the law, enforced since April 2008, requiring wood scraps (from wood pallets) to be treated as industrial waste.

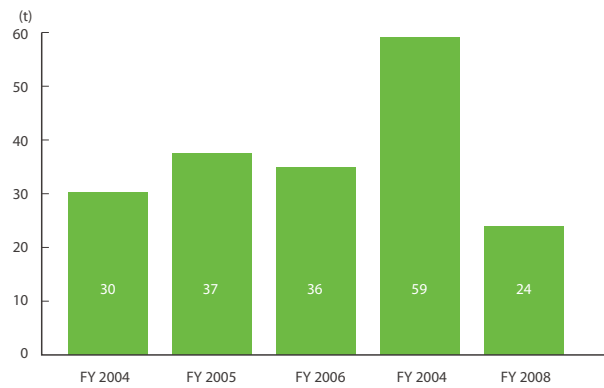
### Disposal of General Waste

Burnable trash	Grass clippings, office supplies (used tea, etc.), non-recyclable items (carbon paper, thermal paper), indoor footwear, etc.
Non-burnable trash	Plastic office supplies

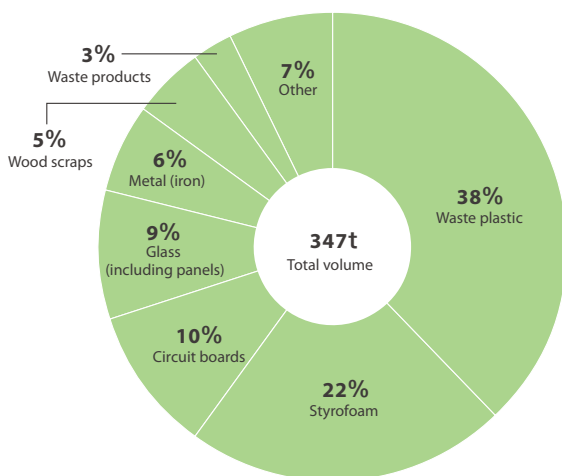
### Industrial Waste



### General Waste



### Industrial Waste (FY 2008)



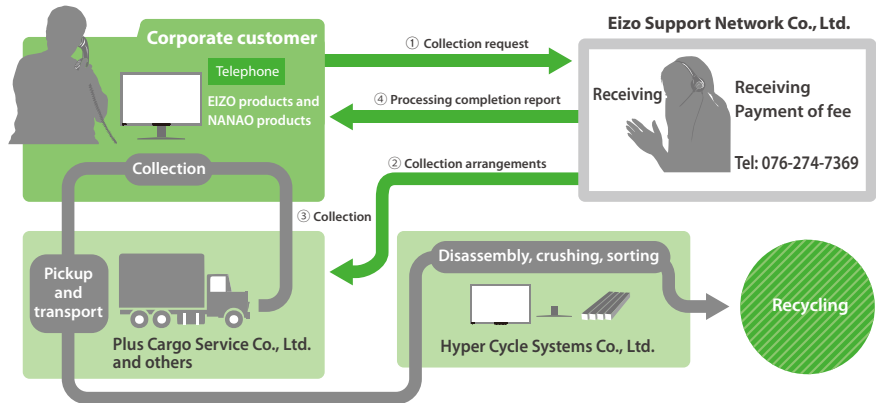
## Collection and Recycling of Used Products (For Customers in Japan)

### Collection and Recycling of Commercial Products

A product collection and recycling system was set up in July 2001 under the Waste Disposal Law and the Law for Promotion of Effective Utilization of Resources. The resulting collection and recycling regime focuses on products marketed to commercial customers. The collected products are disassembled, crushed and sorted by recycling

contractors, and the resulting raw materials are reused to manufacture new products. In March 2005, collection and recycling began under a Designated Wide-Area Recycling Industrial Waste System certified by the Japanese Ministry of Environment.

Collection of Commercial Products (April 2008–March 2009)		
	CRT monitors	LCD monitors
Volume collected (kg)	4,661	178
Quantity collected (units)	173	30
Volume recycled (kg)	2,990	152
Recycling rate (%)	64.1	85.6

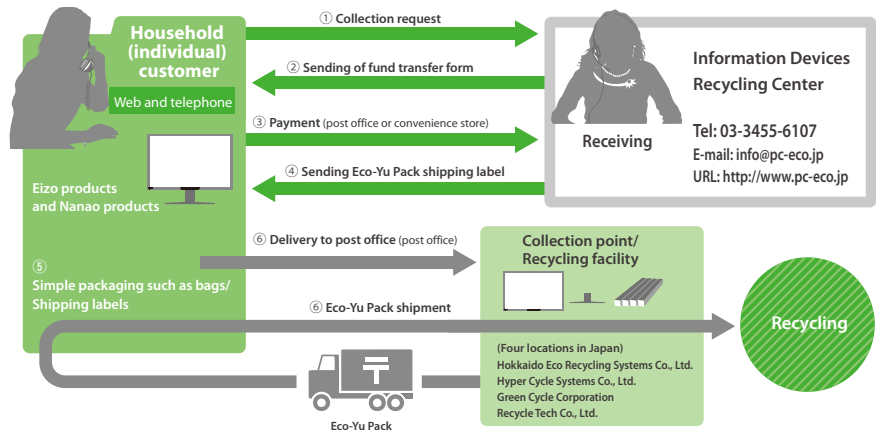


### Collection and Recycling of Household Products

In October 2003, a product collection and recycling system for individual customers was set up under the Waste Disposal Law and the Law for Promotion of Effective Utilization of Resources. We mail

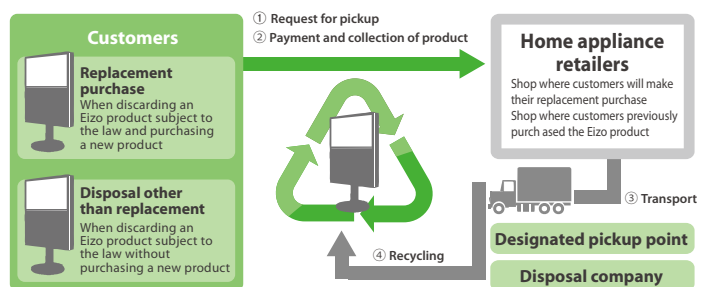
“PC recycling mark” stickers to customers at their request for products purchased after October 1, 2003. Monitors bearing these stickers can be disposed of without any additional cost to the customer.

Collection of Household Products (April 2008–March 2009)		
	CRT monitors	LCD monitors
Volume collected (kg)	54,090	2,437
Quantity collected (units)	2,148	372
Volume recycled (kg)	36,213	1,960
Recycling rate (%)	66.9	80.4



### Television Disposal

LCD and plasma televisions are subject to collection under the revised Home Appliance Recycling Law of April 1, 2009. We therefore established a recycling system to collect and recycle any televisions, whether produced by Eizo or by other manufacturers.



## Social and Environmental Timeline

	Product Standards	Corporate Action
1988	Started utilizing bromine-free flame retardants in plastic parts.	
1992	Started survey of toxic substances in parts (20 substances).	
1993	Began working toward TCO'92 certification. Began working to acquire ENERGY STAR registration (major product models).	
1996	Started utilizing halogen-free flame retardants in plastic parts. Began working toward TCO'95 certification.	Appointment of Environmental Management Officer to General Affairs Division.
1997	Started environmental compliance assessment. Expanded survey of toxic substances in parts (to 34 substances). Started registering products under International ENERGY STAR Program.	Adoption of Environmental Policy. ISO 9001 certification.
1998	Began working toward TCO'99 certification.	ISO 14001 certification.
1999	Began working toward Eco Circle certification. Eliminated cadmium from parts. Expanded survey of toxic substances in parts (to 920 substances).	Closed waste incinerators. Established environmental preservation website on company intranet.
2000		Switched from water-cooled to air-cooled air conditioners.
2001	Began Eco Mark registration. PC Green Label registration.	Issued first Environmental Report. Began collecting and recycling commercial products. Adopted Corporate Philosophy.
2002	Established the company's environmental labeling (established Eizo Eco Products 2002).	Introduced monitoring and computerization systems.
2003	Began working toward TCO'03 certification. Established Eizo Eco Products 2004.	Received Governor of Ishikawa's Green Enterprise award. Received Health Minister's Award for Excellence in health and safety initiatives. Began collecting and recycling household products.
2004	Launched efforts to comply with the RoHS Directive.	Started collecting and recycling commercial products in response to requests and over an expanded region. Implemented energy conservation measures in conjunction with equipment upgrades (climate control, lighting) at Headquarters. Implemented traffic safety guidance in local communities.
2005	Began product shipments in compliance with the RoHS Directive.	Issued first Social and Environmental Report. ISO 14001 certification of Environmental Management System including sales offices. ISO 13485 certification.
2006	Adopted Eizo Eco Products 2006 standards. Launched J-Moss compliance efforts. Started compliance with WEEE Directive (displayed recycling logo and completed providing data on hazardous substances to recycling contractors).	Added Eizo Galleria locations to scope of operations included in ISO 14001 certification.
2007	Started compliance with China RoHS (Management Methods for Controlling Pollution by Electronic Information Products).	Substantial increase in energy consumption as R&D building is completed and brought into use.
2008	Adopted Eizo Eco Products 2006 standards. Began working toward EPEAT certification.	
2009	Began working toward TCO Display 5.0 certification.	Began working toward compliance with the Electrical Household Appliances Recycling Law.



## GRI Index

Item	Indicator [Self-declared GRI application level C]	Report page
<b>1. Strategy and Analysis</b>		
1.1	Statement from the most senior decision-maker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.	3–4
<b>2. Organizational Profile</b>		
2.1	Name of the organization.	5
2.2	Primary brands, products, and/or services.	5, 15
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	5
2.4	Location of organization's headquarters.	5
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	13
2.6	Nature of ownership and legal form.	5, 15
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	5
2.8	Scale of the reporting organization, including: Number of employees; Net sales (for private sector organizations) or net revenues (for public sector organizations); Total capitalization broken down in terms of debt and equity (for private sector organizations); and Quantity of products or services provided.	5
2.9	Significant changes during the reporting period regarding size, structure, or ownership including: The location of, or changes in operations, including facility openings, closings, and expansions; and Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations).	N/A
2.10	Awards received in the reporting period.	6
<b>3. Report Parameters</b>		
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	2
3.2	Date of most recent previous report (if any).	2
3.3	Reporting cycle (annual, biennial, etc.).	2
3.4	Contact point for questions regarding the report or its contents.	2
3.5	Process for defining report content, including: determining materiality; prioritizing topics within the report; and identifying stakeholders the organization expects to use the report.	2
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	2
3.7	State any specific limitations on the scope or boundary of the report.	2
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	N/A
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	N/A
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	2
3.12	Table identifying the location of the Standard Disclosures in the report.	33
<b>4. Governance, Commitments, and Engagement</b>		
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	18
4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement).	18
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	18
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	18
4.14	List of stakeholder groups engaged by the organization.	1
4.15	Basis for identification and selection of stakeholders with whom to engage.	1
<b>Economic</b>		
ES6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	16
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in kind, or pro bono engagement.	17
<b>Environmental</b>		
EN4	Indirect energy consumption by primary source.	24, 29
EN5	Energy saved due to conservation and efficiency improvements.	25, 29
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	9–11
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	25, 29
EN8	Total water withdrawal by source.	24, 29
EN16	Total direct and indirect greenhouse gas emissions by weight.	24, 29
EN22	Total weight of waste by type and disposal method.	24, 30
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	9–11, 31
<b>Social Performance Indicators</b>		
<b>Labor Practices and Decent Work</b>		
LA1	Total workforce by employment type, employment contract, and region.	20
LA2	Total number and rate of employee turnover by age group, gender, and region.	20
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	20–21
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region.	22
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	22
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	22

