



2021

EIZO INTEGRATED REPORT

Visualizing a better tomorrow for all



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Editorial Policy

We have been issuing the EIZO Integrated Report since 2020 (replacing the CSR Report) in order to provide shareholders, investors, and other stakeholders insights on EIZO's mid to long-term initiatives for enhancing our corporate value by integrating financial information including business performance and non-financial information such as business strategy and environment, society, and governance (ESG) issues.

Reference Guidelines

International Integrated Reporting Council "International Integrated Reporting Framework"
 Ministry of Economy, Trade and Industry (Japan) "Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation"
 GRI Sustainability Reporting Standards 2016/2018
 Ministry of the Environment (Japan) "Environmental Reporting Guidelines 2018"

Date of Publication

September 2021 (previous report: August 2020, next report: September 2022)

Scope of the Report

- Organizations covered
EIZO Group
(Exceptions to the scope of coverage are explained in the relevant sections.)
- Reporting period
April 1, 2020 to March 31, 2021
(Dates for content on activities that occurred outside the period covered by the report have been clearly stated.)

Website

<https://www.eizoglobal.com/>

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Corporate Philosophy

Through the pursuit of imaging solutions with advanced technologies, we enrich people in their professional and personal lives.



EIZO Group Principles of Conduct – Seven Promises

1. We provide solutions including high-quality products, systems and services loved by customers through creating and offering new values by unique technologies and ideas.
2. We implement our advanced environmental commitment to both our products and business activities.
3. We value a broadminded corporate culture and work with a global outlook and mindset.
4. We conduct open and fair business.
5. We seek to build and maintain strong bonds of trust with our stakeholders (i.e. business partners, employees, shareholders, and the local community).
6. We respect human rights, diversity and ensure a healthy work environment for all.
7. We comply with the letter and spirit of the law and act ethically.

 EIZO Group Principles of Conduct – Seven Promises is published in its entirety on our website. <https://www.eizoglobal.com/company/information/conduct/>



Disclaimer on Forward-Looking Statements

Any statement in this report, other than those of historical fact, are forward-looking statements about the future performance of EIZO Corporation and its group companies, which are based on management's assumptions and beliefs in light of information currently available. These statements include apparent or potential risks and uncertainties including forex impact and risks related to supply and demand. Actual results may differ materially from these forecasts.

History of EIZO Value Creation

Since our foundation in 1968, more than 50 years ago, we have been exclusively focused on visual imaging technologies.

As exemplified by our Business & Plus (B&P) product line, the backbone of our products, we have been delivering solid value that contributes to social development by creating solutions that capture the changing times.

As a Visual Technology Company, EIZO will continue to provide imaging solutions that enrich future society.

Black and White TVs **1968**



CRT Monitors

1985



FlexScan

LCD Monitors

1997



FlexScan

Tabletop Gaming Monitors



1978

Business & Plus (B&P)

2004

FORIS.TV

LCD TVs



Home Entertainment

FORIS

Amusement (AMU)



EIZO Visual Systems (EVS)

Healthcare (HC)

RadiForce[®] CuratOR[®]



Creative Work (CW)

ColorEdge[®]



Air Traffic Control (ATC)

Raptor[®]



Security & Surveillance (S&S)

DuraVision[®]



Maritime (MRT)

DuraVision[®]



Compliant with MIL standards*

Talon[™]



*U.S. defense standards and assessment guidelines used to achieve standardization objectives by the Department of Defense.

EIZO's Origins

- In 1968, Nanao Electric Co., Ltd. (currently EIZO MS Corporation) in Nanao City, Japan began as an original equipment manufacturer (OEM) of black and white televisions.
- In 1973, Nanao Corporation (formerly Hakui Electric Corporation) started, a predecessor of EIZO Corporation.



Amid the transition from black and white to color TVs, EIZO began OEM production of other products related to visual imaging, including tabletop gaming monitors and VTRs.

Creating the Brand

EIZO decided to withdraw from OEM production and began selling CRT monitors under the EIZO brand name in Europe. This was followed by sales of its NANAO brand CRT monitors in North America and Japan.



From CRT to LCD



- In 1996, EIZO discontinued using the NANAO brand, adopted "EIZO" as its global brand name and introduced a new EIZO logo.
- In 1997, EIZO developed and manufactured LCD monitors, bringing one of the first ever LCD products to market.

Business Expansion (Specific Markets / Sales Structure)

- EIZO was listed on the Second Section of the Tokyo Stock Exchange in 2002 and on the First Section in 2003.
- EIZO entered the Healthcare and Creative Work markets.



- EIZO accelerated business by acquiring organizations overseas (including manufacturers), which demonstrated a high affinity with specific markets.
- EIZO strengthened worldwide production and sales structures by establishing a manufacturing facility in China and commencing direct sales in Europe.

▶ See pages 5 and 6 for details.

Toward Further Growth

- In 2013, the company name was changed from EIZO Nanao Corporation to EIZO Corporation. The new name embodies our continued commitment to "EIZO" (Japanese for "Image")—Visual Imaging Technologies.

- EIZO is further strengthening all products and systems businesses, not only monitors, to amplify our imaging value.

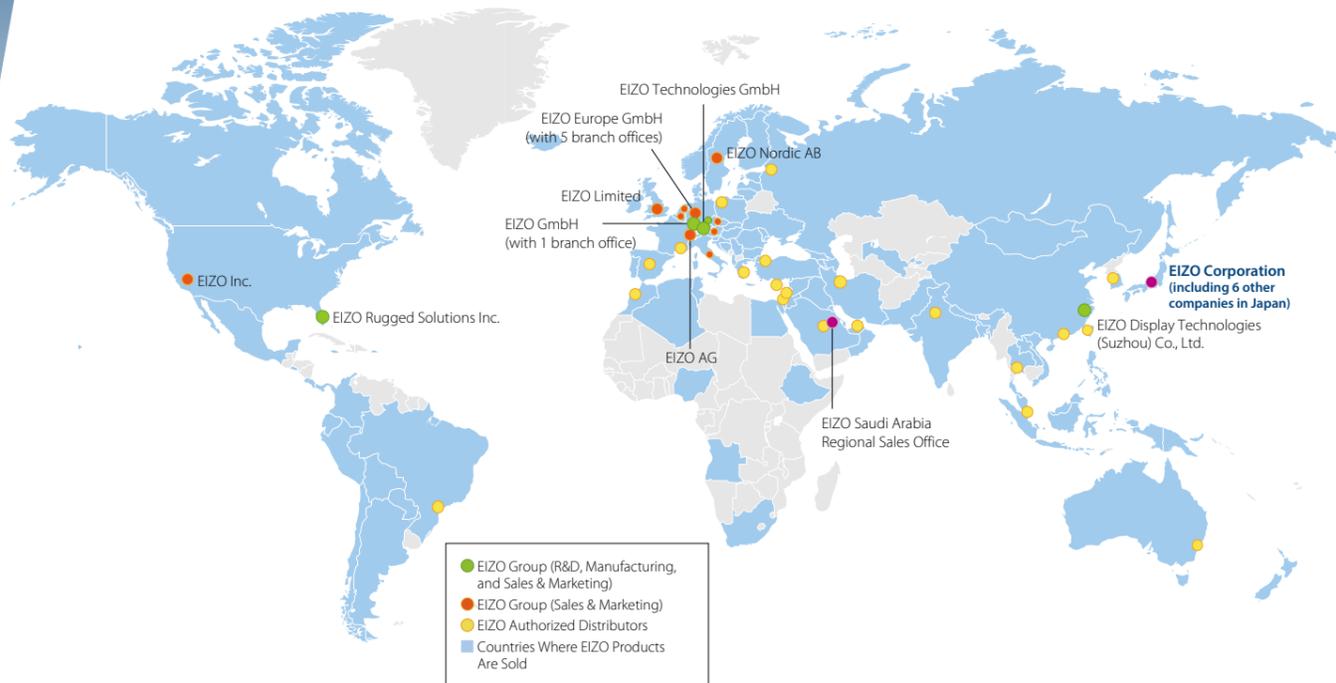


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History of EIZO's Value Creation

EIZO's Expansion—A Stronger Group

EIZO have been steadily expanding its business domains and establishing a sales network that responds to user demands and needs by aggressively embracing M&A and other expansion strategies. All EIZO Group companies are collaborating to develop business globally.



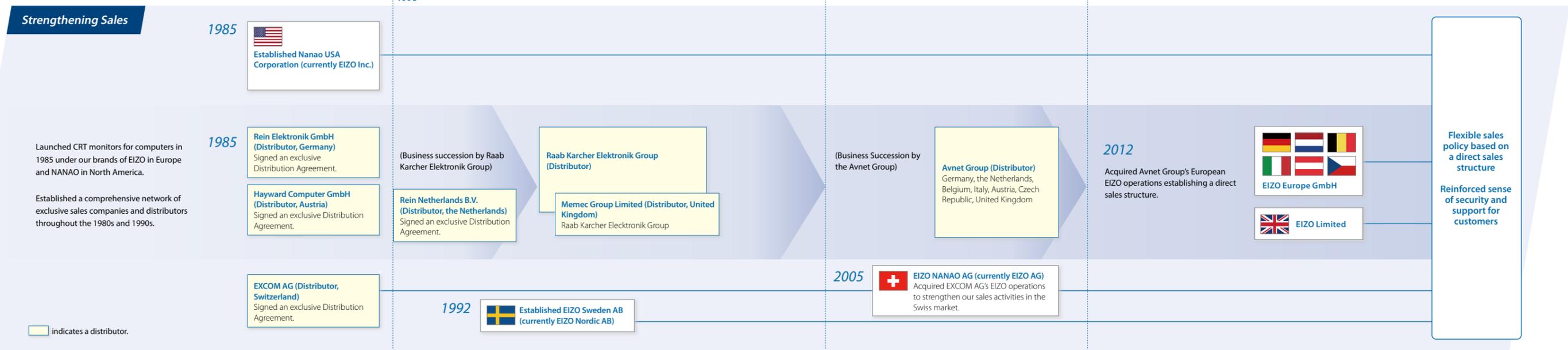
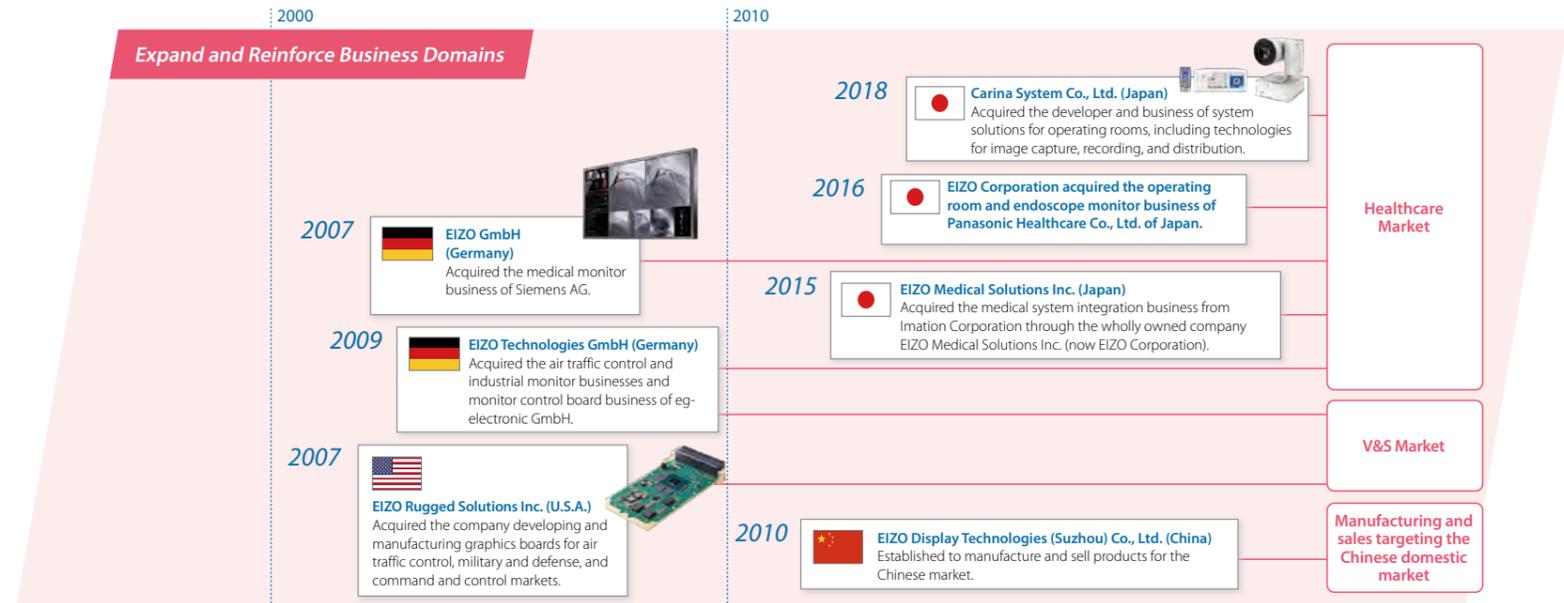
EIZO Technologies GmbH commenced operations at a new R&D and manufacturing facility (July 2020)



EIZO Europe GmbH relocated to a new company building (August 2020)



EIZO MS Corporation completed construction of a new manufacturing building (October 2020)

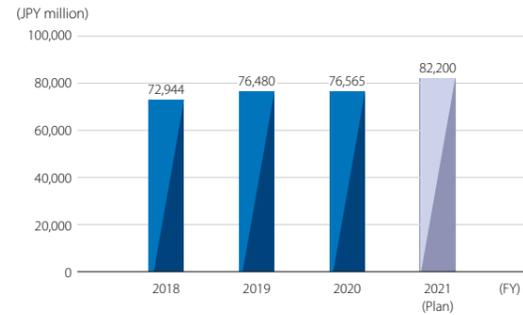


Financial and Non-Financial Highlights

Financial Information (Consolidated)

Net Sales

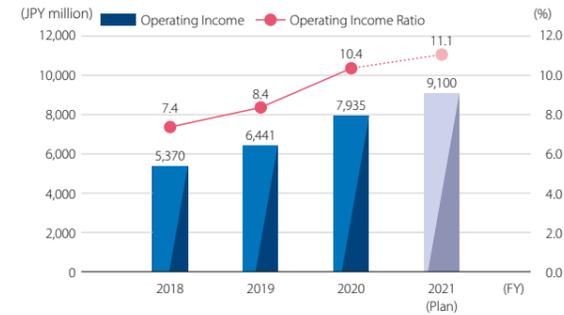
JPY **76,565** million



Operating Income and Operating Margin

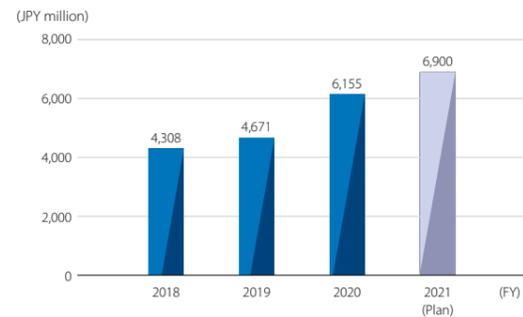
Operating Income
JPY **7,935** million

Operating Margin
10.4%



Net Income Attributable to Owners of the Parent

JPY **6,155** million



Dividends and Total Payout Ratio

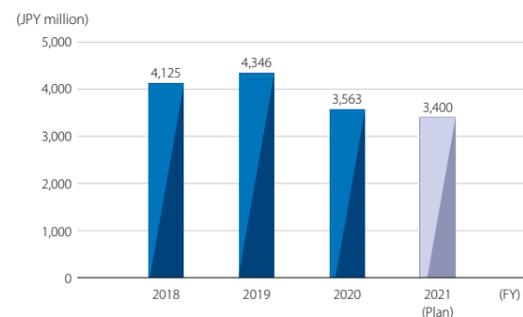
Dividends
JPY **115**

Total Payout Ratio
39.8%



CAPEX

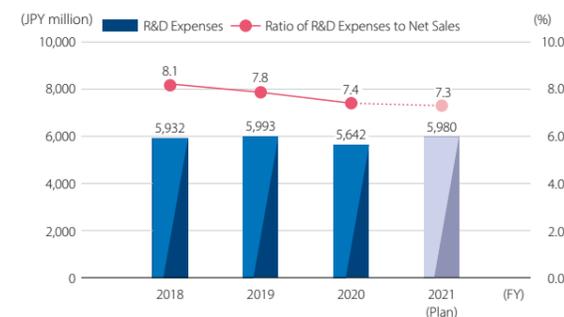
JPY **3,563** million



R&D Expenses and Ratio of R&D Expenses to Net Sales

R&D Expenses
JPY **5,642** million

Ratio of R&D Expenses to Net Sales
7.4%



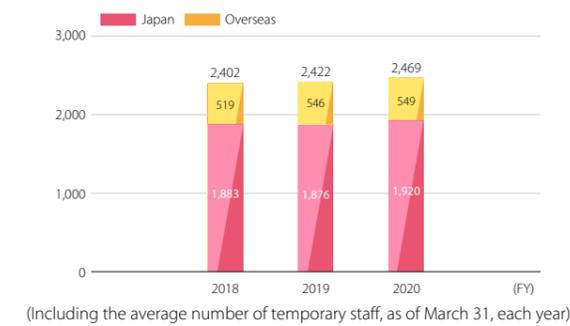
Non-Financial Information

Number of Employees

On a Consolidated Basis
2,469

Japan
1,920

Overseas
549

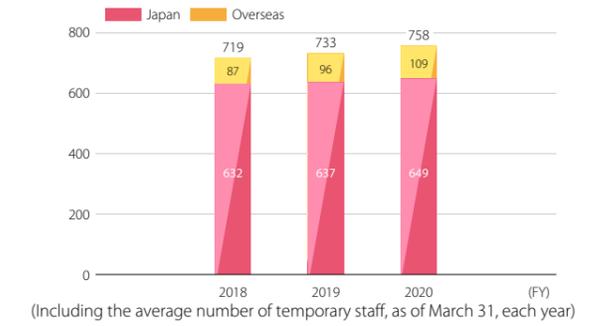


Number of R&D Personnel

On a Consolidated Basis
758

Japan
649

Overseas
109

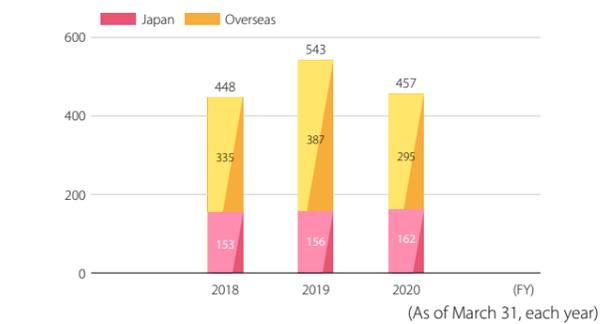


Number of Patents Owned

On a Consolidated Basis
457

Japan
162

Overseas
295

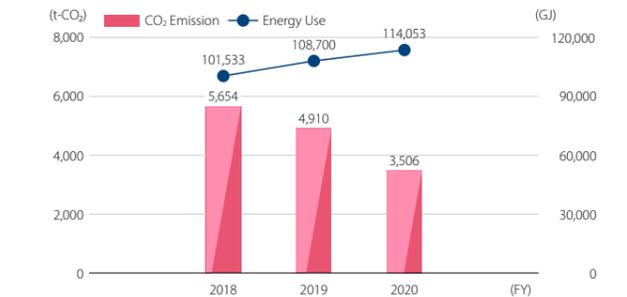


Note: Patent terms are extended after reviewing the necessity, taking into consideration the size of the market of the respective products, intellectual risks, and regional status of patents.

CO₂ Emissions and Energy Use

CO₂ Emissions
3,506 t-CO₂

Energy Use
114,053 GJ



Scope: EIZO Corporation Headquarters (Japan), EIZO MS Corporation (Japan), EIZO Display Technologies (Suzhou) Co., Ltd. (China), EIZO GmbH (Germany), EIZO Technologies GmbH (Germany)

Percentage of Female Managers

On a Consolidated Basis
12.4%

Japan
3.5%

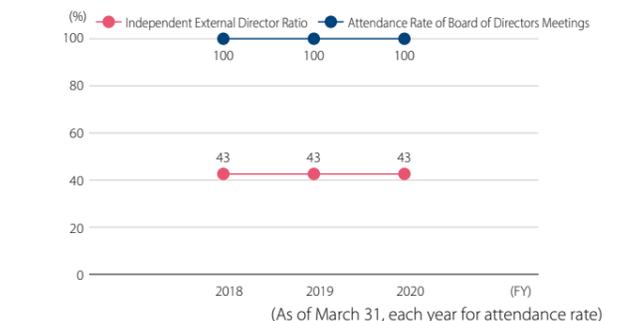
Overseas
24.4%



Independent External Director Ratio and Attendance Rate of Board of Directors Meetings

Independent External Director Ratio
43%

Attendance Rate of Board of Directors Meetings
100%



CEO Message



Evolution, the DNA of EIZO

Enhance both Hardware and Software

September 2021
President & CEO, EIZO Corporation

Yoshitaka Jitsumori

Reflecting back on the financial results for the fiscal year 2020

How has COVID-19 impacted business?

There are both negative and positive aspects. In the Healthcare Market, which is our largest market by sales value, sales were negatively affected by the strong trend to postpone capital investment in Japan and the United States. On the other hand, sales for diagnostic applications were strong in Europe, and the need for remote diagnosis also supported sales. For the Creative Work market, sales for video production were sluggish, but there was a need for telework among game creators.

In summing up the results for the fiscal year 2020, I would not say that any particular market was particularly good or bad. We can say that we were able to demonstrate the overall strength of EIZO's business model, which covers a wide range of markets and applications, as well as many regions around the world. Due to the nature of our business, we inevitably experience ups and downs due to market conditions and demand cycles. However, when one market or region is in a difficult situation, we will do our best to recover in another market segment or region. We have been practicing this kind of tough management for some time.

There was also the issue of tight supply and demand for LCD panels and semiconductors during the fiscal year under review

In response to this challenge we had been able to maintain a stable supply thanks to our strategically accumulated physical inventory of components needed. In addition, as we develop and manufacture 100% of our products in-house, we are able to make design changes as needed to overcome any complications, such as a shortage of a specific component without inconveniencing our customers. Also, operations are centrally located, we are able to seamlessly coordinate production and shipping schedules to ensure a dynamic operation. One of our strengths is that we have total control over our product manufacturing so can respond to any challenges in an extremely flexible manner.

Even during these turbulent times, we have steadily and without postponement continued investing as planned in our R&D as well as our infrastructure to enable future growth. When the global economy starts to recover, we will be in a state of readiness.

A Vision for Growth in the 7th Mid-Term Management Plan

How will EIZO evolve under the new medium-term management plan?

In 2015, we established an internal project called "Design 2025" and have been discussing and envisioning our business model for the year 2025. The 7th Mid-term Business Plan announced this year is a more concrete presentation of our direction toward this goal.

The electronics industry is shifting its focus from hardware to software, but we dare to choose to enhance both hardware and software to make our products even stronger. Our unique system, called EVS (EIZO Visual Systems), which integrates hardware and software, will further enhance the convenience of images. Dramatically

increasing customer trust and peace of mind through both these products and systems will lead to our company's medium- to long-term growth.

We have continued to evolve since our inauguration in 1968 with OEM production of black and white TVs. We are not satisfied with the status quo and continue to pursue ongoing evolution. This is an important part of EIZO's DNA.

Employee's Growth will Create the Future of EIZO.

Please tell us the kind of traits you are looking for in an employee.

We only hire people who are willing to constantly evolve and not settle for the status quo. We place importance on an attitude of challenging new things without seeking stability. In addition, with the world evolving at an ever faster pace, it is important to have the sensitivity to foresee the future.

Opportunities for employee growth are not limited to the provision of specific programs, but are always present in all aspects of our business activities, including daily communication, presentations and discussions at meetings, and so on. Discovering and challenging various issues, large and small, and overcoming them. These repetitions are important.

In fiscal year 2021, we will place renewed emphasis on the education of managers who lead teams in each division. From there, we will develop the capabilities of each employee and solidify the future of EIZO.

EIZO's Integrated Strengths Gaining Worldwide Recognition

How do you manage and empower group companies spread across the globe?

This March, on the occasion of the 100th issue of our company newsletter, which was first published in 1998, I took a look back at how our group has expanded in the 23 years since its inception. The number of countries where our products are sold has increased from 34 to 103, the number of overseas group companies has increased from 2 to 10, and the number of employees has increased from 1,584 to 2,469.

One of the characteristics of our group management is that they are managed and operated by local people who are well versed in local business practices. In addition, each group company collaborates with each other across national borders to support customers who are expanding globally, not just point by point, but in terms of surface movement.

The members of the EIZO Group are from many different countries and regions. Naturally, we are diverse not only in our business practices but also in our thoughts and belief. But we share a single set of values as EIZO. This is why we are able to provide our customers with unchanging peace of mind and trust in more than 100 countries around the world.

A company where employees can thrive and play an active role

Your employees carry high expectations. Is there anything that the company takes into consideration for them?

One of the characteristics and strengths of our company is our free and open corporate culture. In an open workplace, everyone can freely express their opinions

and participate in discussions, and we are given opportunities to play an active role and are evaluated fairly. This enhances creativity and is utilized to create better products.

In this way, we recognize that creating an environment where employees can thrive is the foundation for the development of the company, and from the perspective of sustainability, we have set this as a goal and are focusing on it.

For example, we are focusing on improving work-life balance by proactively working to increase work efficiency and reduce overtime, as well as building a system for fair and equitable evaluations regardless of gender and fostering a corporate culture.

We are also working to ensure the health and safety of our employees and promote their health. In 2019, EIZO Corporation and EIZO MS Corporation acquired the ISO 45001 occupational health and safety management system. In March 2021, EIZO Corporation and its group companies in Japan were certified as a 2021 Health and Productivity Management Outstanding Organization under the large enterprises category.

Of course, in order for our group to conduct business, it is essential to address sustainability from a global perspective. For this reason, we have endorsed the United Nations Global Compact since 2012, and in January 2020, we joined the Responsible Business Alliance (RBA). We are working to maintain and improve our ability to take appropriate measures to protect human rights and occupational health and safety throughout our global supply chain.

In addition, I believe that one of the most important tasks of a president is to motivate employees, so I walk around the company whenever I can to talk to employees and give them encouragement, and try to actively communicate with them.

Contributing to Sustainability

When it comes to sustainability, EIZO has been an early adopter of environmentally friendly practices.

Yes, we have. Since the beginning of our development, production and sales of CRT monitors, we have always been committed to the most advanced environmental considerations while meeting the strict requirements of Europe, an environmentally advanced region. This is the basis of our manufacturing and has taken root as a matter of course. In addition to our ongoing efforts to reduce the power consumption of our products, we continue to take on the challenge of shifting the parts used in our products to those that have less of an impact on the environment, as well as the packaging and accessories of our products.

In addition, in our business activities, we expect to achieve the target of "50% reduction in CO₂ emissions by fiscal year 2030 (compared to fiscal year 2017)" ahead of schedule by the end of fiscal year 2021, and we are working toward the new target of zero CO₂ emissions by fiscal year 2040. Furthermore, in May 2021, we announced our support for the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD)* in order to properly understand our current situation and take appropriate actions. We will continue to analyze the risks and opportunities that climate change poses to our business, and strive to address climate change from an international perspective and expand the disclosure of relevant information.

*The Task Force on Climate-related Financial Disclosures (TCFD) was established by the Financial Stability Board (FSB) at the request of the G20 to examine climate-related disclosures and responses by financial institutions. The Task Force recommends that companies disclose climate-related risks and opportunities in governance, strategy, risk management, indicators and targets.



Value Creation Process

We aspire to enrich future society and enhance corporate value by investing the resources we have accumulated for over 50 years since our founding to deliver imaging-related products and solutions.

Management Resources

Intellectual Capital & Manufacturing Capital

100% In-House Development and Production
 Development Sites: **7** worldwide
 Production Sites: **7** worldwide
 R&D Expenses: JPY **5.9** billion (FY2021 Plan)
 CAPEX: JPY **3.4** billion (FY2021 Plan)

- In-house production of all products in Japan, Germany, China, and the United States
- Stringent quality control in collaboration with the R&D, quality control, and manufacturing departments
- Advantage in procurement of components and stable supply of products to customers

Human Capital

23 sites, **17** companies, **15** countries
 Number of employees: **2,469**
 (consolidated, as of March 31, 2021)

- Active engagement by diverse personnel

Natural Capital

Usage Rate of Renewable Energy:
 FY2020 **30%** → FY2021 **50%**

- Aggressive efforts to reduce CO₂ emissions

Social and Relationship Capital

Countries and Regions with Sales Activities:
103 (as of April 2021)
 Number of suppliers (primary): **184**

- Global sales network, supply chain

Financial Capital (FY2020)

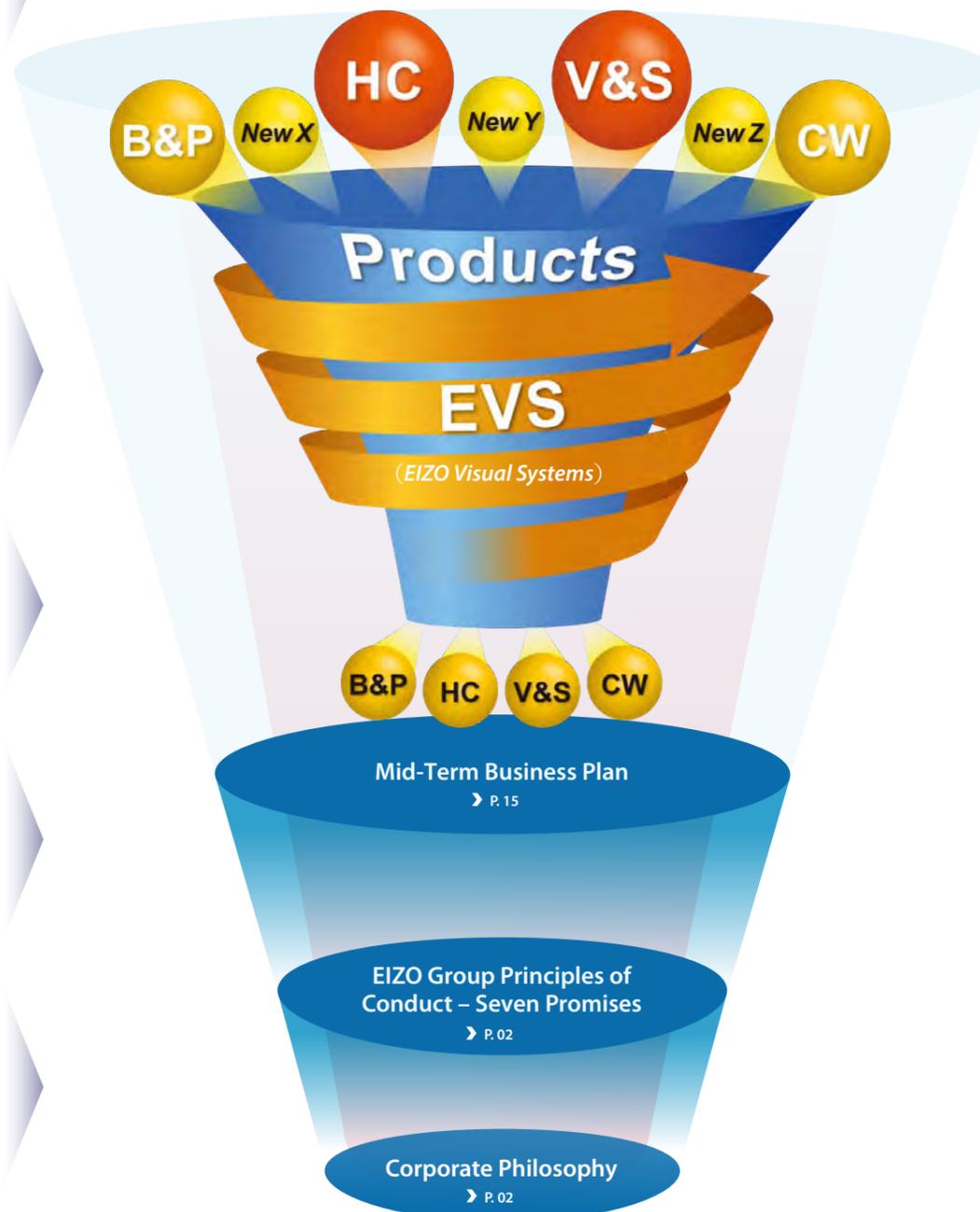
Equity Ratio: **76.3%**
 Operating Margin: **10.4%**

- Sound financial base
- Aggressive investment in high-growth areas

Business Activities (Business Model)

Strengthen Products through Systems and Enhance Systems by Strengthening Products

By leveraging our technologies from capturing to recording, distributing, and displaying, we can provide imaging solutions centered around high-quality, high-performance monitors



Value for Society

- Financial Institutions**
Superior image quality and reliability supporting financial trading operations
- Office and Educational Facilities**
Realizing ergonomics and energy conservation
- Home**
High-definition monitors for greater satisfaction
- Hospitals**
Visual environments for sustaining accurate diagnosis and cutting-edge surgery
- Creative Work**
Precision color reproduction improves operational efficiency and accuracy
- Railway**
Supporting platform monitoring by providing high visibility
- Factory**
Responding to the distinct needs of each facility
- Commercial and Leisure Facilities**
Supporting the security management of operations
- Marine Vessels**
Ensuring safe navigation and onboard security

E: Environmental Responsiveness in Products & Business Activities > P. 41

Strive to achieve zero CO₂ emissions by FY2040

Originally set to be achieved by fiscal year 2030, the goal of reducing CO₂ emissions by 50% compared to fiscal year 2017 is on course to be met nine years ahead of schedule.

S: Working Environment that Enables Everyone to Work with Vigor > P. 47

2021 Certified Health and Productivity Management Organization (large enterprises category)

The Ministry of Economy, Trade and Industry (Japan) certifies enterprises involved in health and productivity management efforts based on initiatives for overcoming regional health-related challenges or promoting activities that raise health awareness led by the Nippon Kenko Kaigi.



G: Governance > P. 57

Established the Nomination and Remuneration Advisory Committee

DX-Certified Business Operator

The Ministry of Economy, Trade and Industry (Japan) authorizes DX-ready enterprises that address the basic points of the Digital Governance Code.



Enriching future society with visual imaging

7th Mid-Term Business Plan (FY2021–2023) Amplify Imaging Value

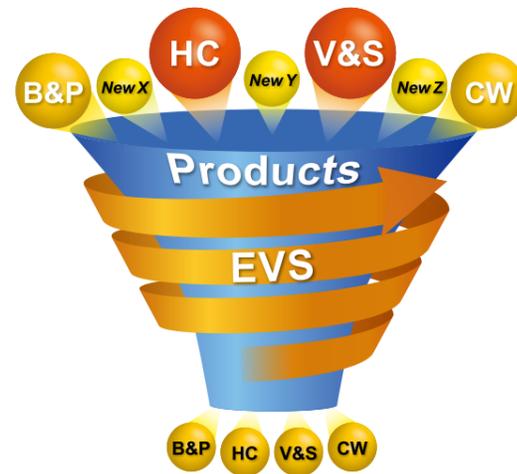
In May 2021, EIZO developed our 7th Mid-Term Business Plan commencing in FY2021. We will further evolve our business model under the slogan: Amplify Imaging Value.

Mid-Term Business Plan Basic Policy

The 7th Mid-Term Business Plan is intended to enhance the value of “Imaging” through products and systems and expand our business fields.

In terms of Products, we intend to strengthen, expand, and enhance each product portfolio, from monitors and cameras to video encoders, by applying EIZO’s own algorithms and AI as key elements.

In addition, to amplify the value of “Imaging,” EIZO will further develop our Systems business utilizing an “Imaging Chain” that consists of our Products. We call this system business EIZO Visual Systems (EVS) and will evolve the EIZO business model to the next stage by strengthening products through systems and enhancing them with stronger products.

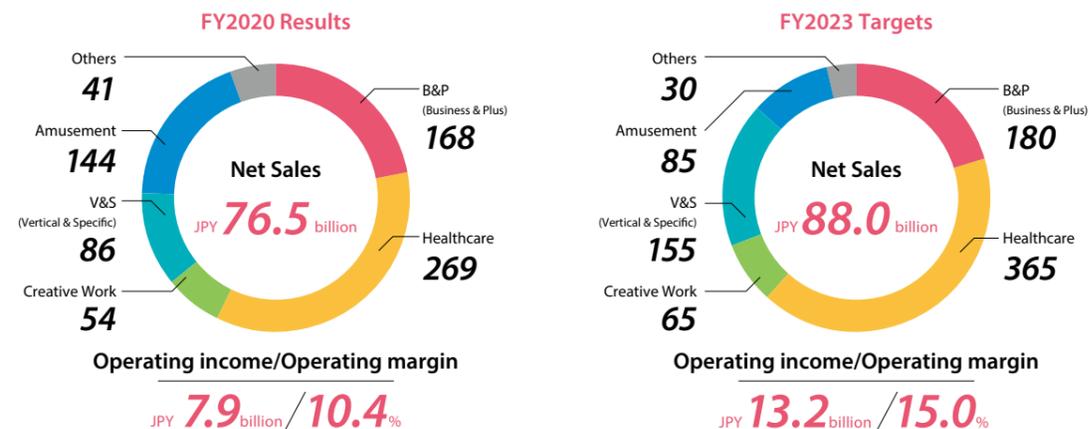


EIZO Imaging Chain



Numerical Targets

In fiscal year 2023, the final year of the plan, we aim to achieve record-high income, with consolidated net sales of 88.0 billion yen, operating income of 13.2 billion yen and an operating margin of 15%.



Business Strategy by Markets

B&P

- Attain safety and security needed for display systems as the basic model of EIZO business
- Achieve industry’s highest level of environmental performance
- Support customer with PLM, TCO*

Healthcare

- Expand EVS for the healthcare market from operating rooms (OR) to intra and inter hospital
- Further expand the whole healthcare business through the synergy with EVS in PACS, HIS, Modality, Endoscopy, IVR, etc.

Healthcare Market Goal



Creative Work

- Realize differentiation through original technology with an industry-leading reputation
- Offer products that meet the industry’s increasing demand for display performance and color management as DX infiltrates the market
- Cross-sell products to cover the entire workflow
- Expand the target market to OTT (over the top) and video game production

V&S

Security & Surveillance

- Drive EVS with image optimization technology and ultra-high sensitivity cameras
- Enhance connectivity in large scale installations through integration with VMS, which controls the entire video monitoring system
- Strengthen cyber-security



An optimized image with EVS for surveillance

Air Traffic Control (ATC)

- Expanded the facility in Germany dedicated to ATC products to increase production capacity for meeting growth in demand
- Provide a system that enables video recording and centralized management on a server
- Drive business expansion in China (sales and service system)



Operations began in July 2020 at a new office building of EIZO Technologies GmbH, Germany.

Amusement

- Contribute to the development of the industry together with our partners by leveraging the EIZO Group’s comprehensive strengths
- Advance the business by utilizing our unique strengths in comprehensive capabilities which contain hardware & software technologies, procurement and production
- Maintain and expand business volume by increasing market share in a shrinking market

*The total of all costs arising from the overall holding period of products. We provide unique value to customers by supporting stable, long-term usage with highly reliable, high-quality products.

Investment in Growth Opportunities

We will draw on our sound financial base, which is one of our strengths, to aggressively invest in high growth areas to realize our 7th Mid-Term Business Plan.

R&D

- Reinforce designs that consider the environment
- Enhance hardware and software developments with core technologies developed in house, including our own algorithms, AI, edge computing, Hi Fi video codecs and next generation devices
- Invest in substantial growth of EVS including enhanced application development
- Strengthen cyber-security related technology

CAPEX

- Advance Digital Transformation through IT infrastructure innovation for manufacturing, R&D, sales, etc.
- Drive increased productivity including labor savings throughout the whole process from R&D to production
- Streamline logistics by new warehouse construction

Create Value through Digital Transformation (DX)

We strive to reinforce business and create value by both expanding our business fields and improving efficiency and productivity.

Reinforce Business & Create Value

Drive business expansion and expand business fields

Strengthen Products
Strengthen “Imaging Chain” consisting of products such as monitors, cameras, and video encoders

Drive EVS

Streamline imaging, where volumes of information related to images are increasing and improve user experience with added convenience to create value

Increase efficiency and productivity through IT infrastructure innovation

Manufacturing
Respond to customer demands by achieving flexible customizability

R&D

Transform R&D processes Support 100% in house development and production

Customer Relations

Centralized management of customer information to strengthen relationships with customers

7th Mid-Term Business Plan (FY2021–2023) Amplify Imaging Value

The following questions and answers from key persons indicate the direction of EIZO's business under this plan.

Business Model Enhanced by Products & Systems



Masaki Kita

Senior Manager, R&D, Visual Products
Operating Officer
EIZO Corporation

Q. Has the company's approach changed in this age of volatility, uncertainty, complexity, and ambiguity—otherwise referred to as VUCA?

To respond to the recent explosive increase in data and substantial development of digitalization, we have added capturing, recording, and distributing to the traditional category of displaying and have begun to deal with images through the collective power of advances in technology and product development.

This trend has been confirmed over the past year by the growing importance of images as observed in telemedicine and remote conferences. We view this rapid change as a major

opportunity and have recently redefined our system business as EIZO Visual Systems, or EVS, to strengthen company-wide efforts beyond product design and development.

Q. How will the business model evolve through these activities?

Our goal in the system business is to conduct businesses in both product and system fields to enhance their value to an unparalleled level. We will therefore strive to strengthen our entire product portfolio of capturing, recording, distributing and displaying. In addition, we will realize the systems for specific markets through the creation of Imaging Chain formed of strong products, combining effective applications and software.

In this manner, the next move to maximize the value of images, such as using accumulated data, can only be possible after constructing a system to encompass the entire Imaging Chain. We have already engaged in technological development to that end, including our own algorithms and AI, for several years. I hope to achieve the next stage of our business soon.

Striving to Support Inter-Hospital Connectivity by Means of Images to Become Unique



Hideyuki Honda

Senior Manager,
Strategic Business Development,
Healthcare Solutions
EIZO Corporation

Q. Have requests from the healthcare market changed due to the impact of COVID-19?

Our monitors have been used by customers who require high-level display performance for applications in areas such as diagnosis and operations. Current advances in network technology including 5G and storage have facilitated the transmission and recording of high-definition images. In addition, the spread of COVID-19 created unavoidable environmental changes such as limited access. Under these circumstances, there is an increasing demand from doctors to remotely share high-definition images for diagnosis and treatment. This ultimately increases the diversity of fields in which our technologies can be applied beyond displays.

Q. How is EIZO approaching telemedicine?

EIZO launched medical imaging products using mobile networks ten years ago. And many of our medical monitors have been used for remote image interpretation that had already been in general use overseas. From now on, our group member Carina System Co., Ltd. will apply its expertise to a surgery video system developed in Japan to support the recent popularity of inter-hospital cooperation beyond operating rooms or intra-hospital settings. It will also propose video systems that can contribute to medical safety and improved quality.

Q. What are the plans for overseas deployment?

Our company was founded for the purpose of envisioning the future of devices from the viewpoint of an assembly manufacturer. In a similar manner, we will use our perspective of a system vendor, which constructs systems using our products in Japan under our systems business, develop more user-friendly product systems, and then expand into overseas markets. This will enable us to grow in terms of both products and systems.

In the Security Market, We Collaborate with Users to Meet Their Objectives with Unique Visual Solutions in Addition to Offering High Reliability and Usability



Brian Cote

Vice President, Sales & Marketing
EIZO Inc. (U.S.A.)

Q. IP decoder product sales are successful in the North American market. Why are they made?

As EIZO users in the Banking, Healthcare and Government were migrating from analog to IP security, they had a difficult time displaying live video remotely. Displaying live video with analog systems was easy. These users already knew EIZO and trusted us as experts in visual solutions. We introduced our line of IP Decoding Solutions as a simple yet elegant solution to display live video at any location with a network connection.

Q. Is there any market change caused by COVID-19?

COVID-19 had a major impact on most of our security projects. Many were postponed, canceled or reimaged.

Customers were looking for solutions to take advantage of new AI capabilities. With EIZO's web API, users could tie our IP decoding monitors into their entry systems, alarm notification and VMS systems. EIZO's solutions became an integrated part of the overall security system and allowed for better access to AI alarms.

Q. How do we contribute to the security market?

EIZO customers have a tradition of demanding more. One area they push us in is cyber-security. Over the past few years, we have been an industry leader because we incorporate LDAP credentialing into our IP Decoding monitors, supporting Signed Certificate Authority certificates and HTTPS as both a server and a client. These features allow EIZO products to be installed in the most sensitive areas and on highly secured networks.

We also lead the way by supporting the latest video transmission protocols that increase security and lower bandwidth. EIZO's uniqueness in terms of high reliability and long-term supply capability match the security market's requirement.

EIZO contributes to hospitals in leading countries in Healthcare IT DX to improve safety and efficiency with high image and product quality.



Per Hertz

President & CEO
EIZO Nordic AB (Sweden)

Q. Nordic countries started PACS installation earlier than the other European countries, and RadiForce has quite a high market share. What is the background of PACS?

As you know, the countries have very high levels of welfare services and invest aggressively for digitalization to improve efficiency of medical procedures and minimize disparity of service levels between regions where population density varies. A good example of this are the national screening programs for preventive medicine, which require efficient systems. This is one reason PACS installation was accelerated for the documentation of patient records. EIZO monitors have been well appreciated by hospitals for many years thanks to their high image quality to assist with image reading and

allowing for high product reliability as well as our capability to continuously provide high-quality management.

Q. How about digitalization of the operation room, or OR?

Digitalization of operating rooms, otherwise called ORs, for multiple purposes has gotten under way, such as for a treatment history record, remote training during surgeries, documentation, and planning for the efficient management of surgeries. EIZO products with high image quality and our OR video management system with easy operation has a high reputation for securing the quality and safety of surgeries.

Q. How do you expect EIZO's business to expand in the healthcare market?

Digitalization for better quality and higher efficiency of medical treatments will be accelerated more and more, and visual information and image data has become increasingly important for such purposes. EIZO has been aiming to contribute to hospitals with high-quality image displays and will expand our capabilities with more visual products and a system to accelerate the use of images. It will also assist with a safe and reliable workflow for improvements in quality and the safety of medical treatments.

Value Creation by Market

Business & Plus (B&P)

- Financial Institutions
- Public Authorities
- Educational Facilities
- CAD
- Commercial Facilities
- Business and Home Use



Choose EIZO, Work Better

The FlexScan series offers excellent image quality and reliability as standard performance features. It also includes advanced features and functions resulting from years of dedicated work in environmental performance and ergonomics, such as minimizing eye fatigue.

EIZO products achieve the most advanced environmental performance in the industry, including an energy-saving design that contributes to reducing CO₂ emissions and improved recyclability. They have also been designed so users can work comfortably for extended periods and offer a virtually frameless design for a seamless view across multi-monitor configurations and reduced screen brightness and reflection. Moreover, we have a variety of models that incorporate USB Type-C for compatibility with notebook PCs to contribute to user productivity in the office and while teleworking.

EIZO products are friendly to the environment and ergonomically sound, and widely used within financial trading institutions as well as in offices and educational facilities.

Case Study NEW AG



Germany

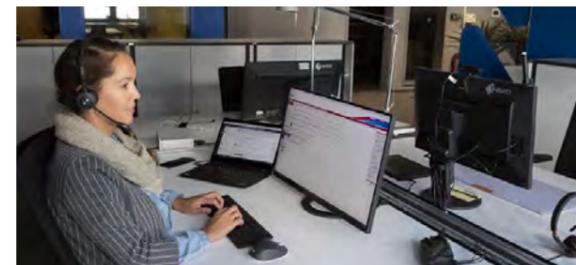
Recognized for its Corporate Attitude to Sustainability in Addition to its Products & Services

NEW AG provides public services such as electric power, water and transportation, mainly in the lower reaches of the Rhine River. Satisfied with the durability of our products and after-sales services, they have been exclusively using EIZO products since 2000. As part of their work style reform, they plan to install an additional 1,800 FlexScan EV2795 units by 2022.

With a single USB Type-C cable connection, the EV2795 can be used as a docking station for powering notebook PCs as well as connecting wired LAN and PC accessories, simplifying the wiring on their desks and freeing up more work space.

In addition, they place importance on sustainability, including environmental considerations. Therefore, various energy-saving design features for EV2795, such as the Auto

EcoView function to adjust screen brightness, were decisive factors in product selection.

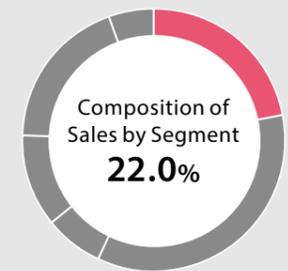
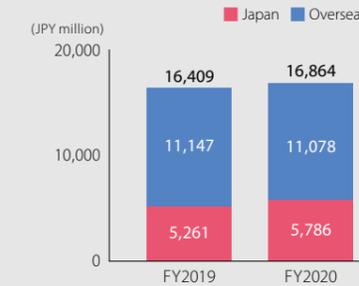


©NEW AG

Case Study <https://www.eizoglobal.com/solutions/casestudies/>

Net Sales

JPY 16,864 million
(up 2.8% year-on-year)



FY2020 Actual Results

Although some countries enacted regulatory measures such as lockdowns or halted economic activities due to COVID-19, sales overseas remained steady and on par with last year due to strong investment demand for IT equipment in some European countries.

Sales in Japan, in addition to the high level of demand for home and satellite offices, and demand for capital investment by corporations, which had been postponed because of COVID-19, increased in the fourth quarter of fiscal year 2020, exceeding the sales of the preceding period.

FY2021 Outlook

We will offer products to support the diversification of working practices, such as the Premium Series, released in 2020, which incorporate USB Type-C and LAN ports for reliable online meetings and the transmission and reception of large files, exploiting the investment demand for IT equipment. Overseas sales are expected to remain steady mainly in Europe. In Japan, we anticipate solid sales by capturing demand for capital investment by corporations.

Management Environment

In the B&P Market, larger and higher definition monitors are increasingly required for higher work efficiency. In addition, demand for environmentally sound products is expected to rise due to an increased awareness of sustainability. Moreover, there is a growing need for advanced functionalities, including compatibility with notebook PCs, in the wake of changing lifestyles and working practices due to COVID-19.

Voice

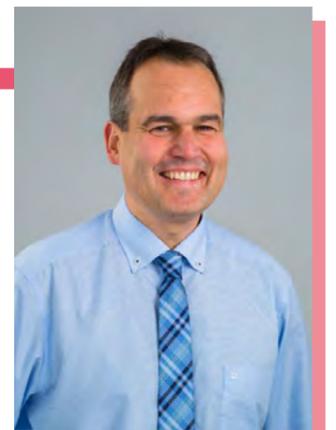
Despite the difficulties the pandemic has created for EIZO and everybody else, we have been able to serve our customers during this severe time almost like usual—in the best manner and the highest availability of products.

The close relationship with our partners combined with our products' connectivity created new opportunities for EIZO, e.g., home-office. A professional approach and fast adaptation of EIZO to the new ways of communication such as webinars, video conferences and video tutorials even in the deepest phase of a lockdown really helped us and our customers.

Our partners and customers are very grateful that EIZO managed a high availability of products that could also be used for their long-term projects. EIZO was able to deliver on time, despite complications due to COVID-19, to our existing customers. In fact, we found new customers who now trust in EIZO as we could support their projects on time.

After COVID-19, the main pillars of EIZO's success will remain: highest product quality, a portfolio of innovative products, a broad channel approach and, last but not least, the best service for our customers!

Holger Ginditzki
Head of Sales Office & Graphics, EIZO Europe GmbH



Value Creation by Market

Healthcare (HC)

Diagnosis / Medical Examination Medical Treatment / Operation Healthcare IT



Making Each Life Visual

The importance of medical imaging is growing in our current healthcare service along with advanced medical devices.

In case of team medical care for surgery, doctors and other medical staff need to simultaneously share the patient's information and a huge amount of numerical data, images, and videos. Also, the surgery videos may also be used for research and education as well as records of the medical treatment.

To achieve this kind of effective imaging operation, EIZO provides consulting services to propose comprehensive visual solutions and soundly address user needs that encompass image display equipment, peripheral equipment, software, and network layout, enabling the construction of an optimal visual environment. By taking full responsibility for the entire process from capturing, recording, distributing and displaying, we are able to revolutionize the video environment in hospitals, including operating rooms.

Case Study **Klinik Landau**



Germany

Patient Information & Image Data Needed for Medical Operations Can Be Centrally Managed & Operated

Klinik Landau is a large hospital with over 200 beds. EIZO's visual solutions for operating rooms were introduced when four operating rooms were constructed and are currently used for approximately 3,500 surgical procedures per year. Before the introduction of the solution, the hospital had used different visual solutions for each medical device and had suffered from higher follow-up costs for implementation, data maintenance and licensing.

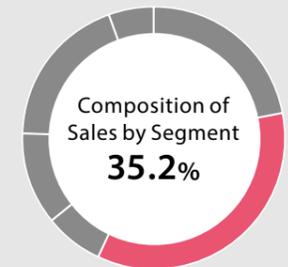
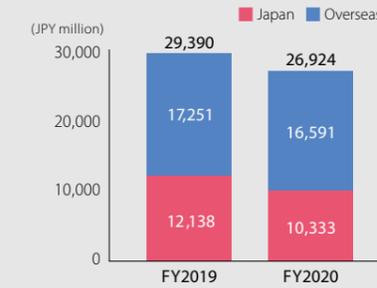
After introducing solutions such as CuratOR Surgical Panel SP2-46-24 and operating software such as Caliop, the necessary information including patient information and image data could be easily displayed on monitors during medical operations. In addition, users appreciated the space-saving design.



Case Study <https://www.eizo.com/solutions/casestudies/>

Net Sales

JPY 26,924 million
(down 8.4% year-on-year)



FY2020 Actual Results

Overseas sales were on par with those of last year because demand for diagnostic applications remained steady in Europe and demand for tele-radiology also contributed to sales. Sales of endoscopy monitors were steady, especially in China.

Sales in Japan recovered as hospitals eased entry restrictions, despite some postponements of CAPEX due to COVID-19.

FY2021 Outlook

Sales of diagnostic monitors are expected to remain steady in Europe, where we have the top market share, in addition to Japan. We expect the recovery of sales for operation rooms in North America, which decreased in FY2020 due to COVID-19. We also plan to increase sales of endoscopy monitors with a focus on high-functional products.

Management Environment

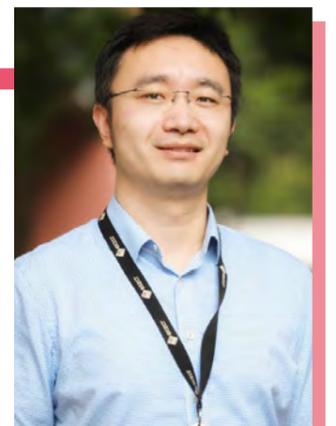
Demand for diagnostic applications is expected to increase because demand for high-definition monitors is up in developed countries; mainly in Europe, the United States and Japan. This is not only for the purpose of improving image interpretation but also because medical demand is increasing in China and emerging countries. Tele-radiology, which is being introduced in Europe and the United States, is expected to expand to other regions as well.

With regard to applications for endoscopy and operating rooms, as demand for advanced medical care including minimally invasive surgeries increases, demand for equipment-related images such as high-definition monitors for operating rooms, operative field cameras, video recording and distribution systems is likely to rise. Meanwhile, we are faced with hospital entry restrictions and postponements of CAPEX both in Japan and overseas due to COVID-19, but the situation is going to improve as vaccines are rolled out, especially in developed countries.

Voice

The China healthcare market keeps strong and increases even as we are in a difficult situation with COVID-19. EIZO occupies an increasingly important position compared to before. In particular, we have been a leader of an imaging display for the endoscopy and operating rooms fields. We believe that EIZO is able to keep expanding business for a future in the healthcare market.

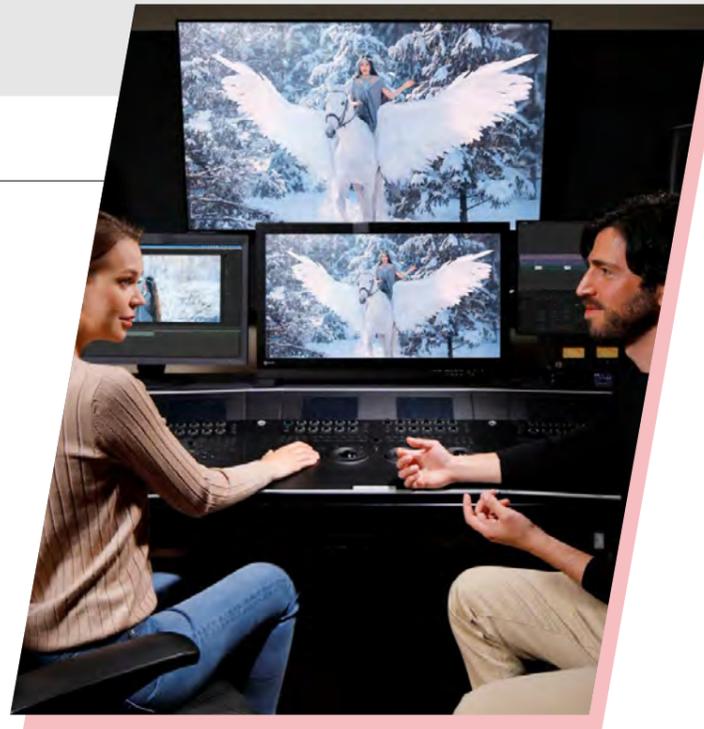
Shaojie Fan
Vice President & Senior
Manager, Sales & Marketing,
EIZO Display Technologies
(Suzhou) Co., Ltd.



Value Creation by Market

Creative Work (CW)

- Media & Entertainment
- 3D Computer Graphics
- Photo Editing
- Illustration
- Design
- Publication / Printing



Pure Vision. True Precision.

Our ColorEdge series, which we were committed to the color reproduction quality, increases accuracy and work efficiency in creative settings including photo editing, design, printing and video production by achieving and maintaining accurate color display.

Built-in calibration sensors and EIZO's own color management software enable users to adjust their monitor settings to their individual needs. Also, its own color management solution enables users to simultaneously set the color mode for multiple ColorEdge monitors over a network. This, in turn, enables them to maintain uniform color display throughout the entire workflow, from production to referencing, even when finishing a product with remote work environments, including video production at multiple sites, which boosts the work efficiency of the monitor administrator.

Case Study The National Gallery



United Kingdom

Displaying Precise Images of Some of the Greatest Works of Art Ever Created

The National Gallery holds one of the greatest collections of paintings in the world, telling the story of European art.

The purposes for the gallery to produce prints of the paintings are not only to sell the prints to the public and document the paintings when they were cleaned but also to perform a range of imaging techniques that help them better understand the paintings and investigate how they were made, how they have been treated and consider how best to care for them.

A color profile is applied to the photographs that is specific to the cameras, lens, light sources and sensors used, resulting in images with an incredible level of detail, color and tonal precision. When creating such precise image data, a similarly precise monitor is needed to recreate it authentically. As the ColorEdge CG279X is processed using a 16-bit LUT, it can produce the smoothest gradation of tones ever seen on the previous high gamut monitors using just a standard LUT.

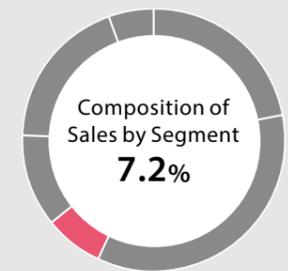
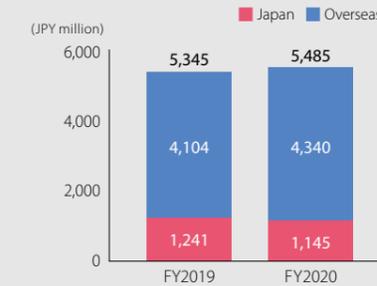
Also, the CG279X is equipped with a built-in sensor, giving peace of mind, knowing it calibrates itself regularly. Because of this, the gallery staff appreciate the CG279X, as it boosts both precision and productivity.



Case Study <https://www.eizoglobal.com/solutions/casestudies/>

Net Sales

JPY 5,485 million
(up 2.6% year-on-year)



FY2020 Actual Results

Overseas sales were sluggish mainly in the video production field in the first half of the fiscal year but did well in the second half, partially driven by the new models launched in Europe, which resulted in our exceeding the sales of the preceding period.

In Japan, product sales for game content creators remained steady mainly for the ColorEdge CS Series until the first half of the fiscal year, but demand ran its course in the second half and sales consequently went below that of the previous year.

Management Environment

In the still image field, demand for photography and printing applications, where color reproducibility is important, remains steady. In the moving image field, as the production environment for 4K / HDR is spreading, demand especially in the businesses of movie production and video streaming service is growing.

Although the demand especially for video production was temporarily weak due to COVID-19, it is expected to recover as vaccinations are rolled out.

FY2021 Outlook

We expect to increase sales by taking advantage of our broad lineup of top-end to standard color management monitors. In the video production field, we will expand sales to meet an increasing demand from video streaming distribution services and the video game industry. Also, we anticipate that sales in North America, which were sluggish in fiscal year 2020 due to COVID-19, will recover.

Voice

It's a comforting feeling when meeting with a prospective customer knowing that I'm representing the company that makes the undisputed BEST solution they can buy for their studio. Side by side competitive comparison? Bring it on! ColorEdge wins every time. Top customer references? No problem. Industry awards? We've got those too. So far in 2021 we have won several large net-new competitive engagements, where the competition was half our price. How? EIZO has the best solution for their needs and provides better value even at twice the price.

Kevin Burke
Sales and Product
Manager, EIZO Inc.



Academy of Motion Picture Arts and Sciences Scientific and Technical Award

Special Website
<https://www.eizoglobal.com/library/management/coloredge-academy/>

EIZO worked closely with the technical stakeholders at the top TV and movie studios in Hollywood to understand the roadblocks and bottlenecks in their color workflow. Listening to and closely collaborating with these artists and engineers resulted in the automated calibration and stabilization technology in our ColorEdge

monitors that provides 100% color confidence for literally thousands of content creators making Oscar-worthy movies and shows today. In recognition of the outstanding technology developed, our engineering team was honored with this year's Academy Award for Scientific and Technical Achievement.

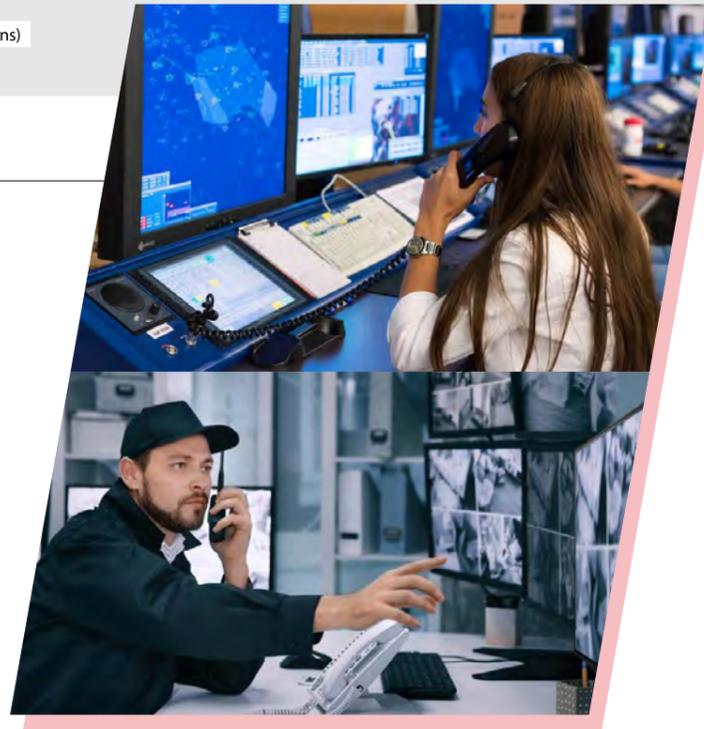


Value Creation by Market

Vertical & Specific (V&S)

For Various Mission Critical Environments, Infrastructure and Industrial Equipment

- Air Traffic Control (ATC)
- Maritime
- Security & Surveillance (S&S)
- MIL-STD compliance
- Other Industrial Fields (Including Touch Panel Applications)



Durability × Quality × Everywhere

EIZO provides visual environment solutions used in specialized applications and environments in areas such as air traffic control, maritime, security and surveillance, railway and factory automation.

We serve diverse needs ranging from improving visibility to ensuring high reliability and display performance that can withstand harsh operating environments. We meet each and every requirement including small quantity production, flexible customization, stable long-term supply, and reliable long-term maintenance by harnessing the visual technology and know-how we have accumulated over the years.

Case Study **Royal Netherlands Air Force**



The Netherlands

Adopted for Training Facilities at Air Traffic Control (ATC)

Air traffic control (ATC) simulators and training systems were introduced by a leading company, Micro Nav, for the integration project of training facilities at Royal Netherlands Air Force and Netherlands Air Traffic Control Bureau. EIZO Raptor RP4325 monitors were adopted for the Radar controller workstations of the training systems.

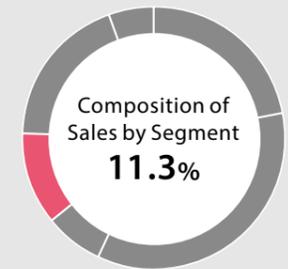
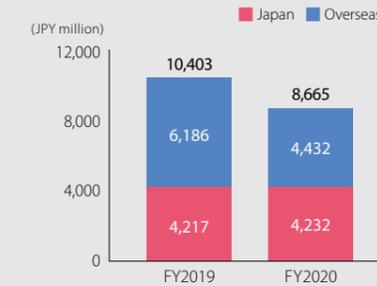
The Raptor RP4325 is the industry's first 4K × 2K (3840 × 2160) resolution 42.5" monitor developed specifically for ATC. The monitor can also display video feeds from up to four sources simultaneously. The ability to simultaneous display of multiple input sources and 24/7 operational reliability, were key in the decision-making process.



Case Study <https://www.eizoglobal.com/solutions/casestudies/>

Net Sales

JPY 8,665 million
(down 16.7% year-on-year)



FY2020 Actual Results

Overseas sales were lower compared to the previous period due to completion of some programs for ATC in North America and postponements of sales for automotive and other industrial markets caused by COVID-19.

Sales in Japan were steady due to advanced product customization to meet customer needs.

FY2021 Outlook

While some programs for customized products in Japan have run their course, overall V&S sales are expected to be the same level of sales as in FY2020. We will expand sales in ATC in various regions, including China and the Middle East to further enhance our number one market share position. Moreover, sales for automotive and other industrial markets, which were sluggish in fiscal year 2020 due to COVID-19, are expected to recover.

Management Environment

Broad demand growth can be expected due to diversity in targeted industries and fields.

We maintain the top position in terms of worldwide market share (as of April 2021, according to our calculations) in the ATC market. Although demand is projected to decline temporarily due to COVID-19, replacement demand not only in the United States but also worldwide, as well as demand for new centers demanding specialized and high-definition monitors, is expected to increase in the medium to long term.

Demand in the area of security and surveillance was temporarily down due to COVID-19, but the market is expected to expand against the backdrop of increased awareness of security threats worldwide.

In the maritime market, steady demand for monitors certified with maritime type approvals is predicted along with the digitization and systemization of ship bridges. Additionally, there are interesting movements in the market such as the increasing need for surveillance on ships and research activities aimed at realizing automated navigation systems.

Voice

I have been with the company for 22 years. EIZO has granted me the opportunity to work with the different international teams that function together to supply the market with solutions. I have enjoyed the opportunity to work closely with both EIZO Corporation (Japan) and EIZO Technologies GmbH (Germany) from an engineering, marketing and sales perspective in the ATC Market. Each EIZO Group company brings unique skill sets and perspectives to the table that make the collective team extremely diverse and talented. Through our collective effort over the years, we have seen EIZO become the number one supplier of display technology in ATC.

Brian Barrelle
Senior Manager, ATC Products, EIZO Rugged Solutions Inc.



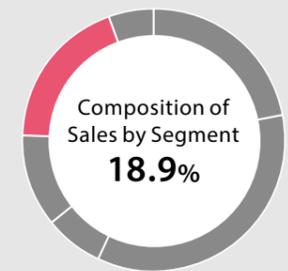
Value Creation by Market

Amusement (AMU)

LCD-mounted pachinko and slot machines

Net Sales

JPY 14,446 million
(up 50.4% year-on-year)



Providing Comprehensive Capabilities by Combining EIZO Hardware with Irem Software

We entered the market at the dawn of the pachinko era and have since sought to create amusement products that amaze users, enticing them to continue playing. We have been a key long-time partner of the market's leading amusement machine manufacturer, producing extremely popular products including the "Sea Story" and "Hammerin' Harry" series.

Our track record has been supported by the comprehensive capabilities of the EIZO Group. We develop and manufacture the hardware and software for monitors installed in pachinko machines and supply them to the amusement machine manufacturer as an integrated unit.

Our in-house capabilities encompass production planning, video production and software insertion in addition to hardware development and production. This comprehensive capability gives us a major advantage over other manufacturers and video production companies.



©SANYO BUSSAN CO.,LTD.

EIZO's In-house Development & Manufacturing System



Irem's Content Production Technology

We have established a unique presence in the digital entertainment industry by developing arcade and console games as well as video software for pachinko and slot machines. We are very familiar with amusement machine technologies and therefore able to produce a diverse array of high-quality products in any genre, including videos for 3D real-time rendering and 2D movies.



EIZO's Hardware Development Technology

We have developed in-house and installed our own image processing ASICs in high-quality and highly reliable monitors that can meet the demands of ever-evolving game machines. Moreover, we incorporated the full capabilities of our 3D real-time image processing technologies cultivated in our gaming business into our amusement products.



EIZO's Flexible Production System

We produce monitors for both B&P and amusement in the same factory and have a production system that can respond flexibly to changes in orders thanks to our multi-skilled staff and efficient facilities.

Irem Software Engineering Inc.
<https://www.irem.co.jp/> (Japanese only)

FY2020 Actual Results

Replacing existing models with those that comply with new regulations progressed in this fiscal period in time for the compliance deadline to remove old models according to the regulatory reform enacted in February 2018. Therefore, sales exceeded those of the preceding period.

FY2021 Outlook

Demand for new models is expected to remain strong until the compliance deadline in January 2022, by when all existing models must be replaced in accordance with the regulatory reform. This may cause a more dynamic volume of orders than usual so we be flexible armed with a very stable supply system in addition to our strong production and procurement capabilities. Even after the completion of these replacements, we will work with our partners as one unit to promote the businesses and strive to expand our market share based on the EIZO Group's comprehensive capabilities in hardware & software technologies, production and procurement.

Management Environment

The size of the amusement market is decreasing each year due to factors such as the shrinking gaming population and regulatory reform.

Due to the impact of COVID-19, the transitional period for the installation of old regulation machines, which was up to the end of November 2021, has been extended to the end of January 2022, except for certain models. Accordingly, the period for the replacement of models that comply with new regulations will also fall in line with that period.

Voice

I am developing video software for the pachinko series entitled, "Sea Story." My goal is to provide a thrill and pleasure to pachinko users through videos. So, I join the initial planning meetings of the amusement machine manufacturer, our business partner, so that I can later create visual expressions to add new entertainment that pachinko machines can offer.

In the development stage, I make the most of EIZO's hardware capabilities for high-quality video expression by controlling 3D real-time rendering and 2D movies to attain a higher quality in the visual expressions. Although I sometimes face challenges, I find that my job, as a software developer, is about solving these problems, and it is enjoyable and rewarding.

I will cultivate my skills as a specialist in video production and try something new in the future.

Yudai Takai
Main Programmer,
Software Development
Department, Irem Software
Engineering Inc.



Foundation for Sustainable Growth

Visualizing a better tomorrow for all

The EIZO Group contributes to the development of a prosperous society using our unique technologies and inherent principles resulting in sustainable growth together with society.



EIZO's Approach to Sustainability

EIZO upholds our corporate philosophy of pursuing imaging solutions to enrich society. We contribute to society's sustainable development by providing products, systems, and services that help resolve social issues using our unique technologies and inherent principles. We also contribute to the sustainable development of society by conducting business activities in good faith with due consideration for the environment, human rights, and ethical conduct and participating in the sustainable

development of local communities.

To ensure our actions reflect our corporate philosophy, we revised the EIZO Group Principles of Conduct, which serves as a guideline for every individual member of the EIZO Group to follow in order to share EIZO's approach to sustainability with our employees and stakeholders.

▶ Please see page 02 for the EIZO Group Principles of Conduct.

Sustainability Promotion System

Following the revision of the EIZO Group Principles of Conduct, we reorganized our CSR management system and established a new sustainability promotion system.

The Sustainability Committee is chaired by the President & CEO. It strives, with the involvement of top management, to promote sustainability throughout the Group.



Toward Achieving Sustainable Development Goals (SDGs)

We identify issues to which we should contribute from the 17 goals and 169 targets of the SDGs, and we are promoting initiatives to achieve them while linking them to our own sustainability goals and measures.

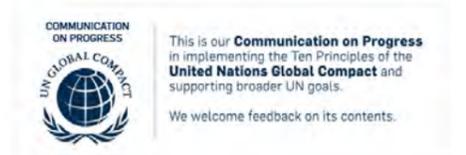


Participation in the UN Global Compact

We have been participating in the UN Global Compact (UNGC), a global framework for achieving sustainable growth, since September 2012. Participants contribute to the development of this framework by exercising responsible and creative leadership as good members of society.

As a UNGC participant, EIZO is committed to the realization of the global framework by consistently implementing the ten core CSR principles on protecting human rights, eliminating wrongful labor practices, respecting

the environment and preventing corruption. We will continue our efforts in realizing these principles.



Membership in the Responsible Business Alliance (RBA)

In January 2020, EIZO Corporation became a member of the Responsible Business Alliance (RBA), which seeks to promote CSR throughout the global supply chain in the electronics industry.

The goal of the RBA is to ensure that both companies and their global supply chains fulfill their social, ethical and environmental responsibilities. It establishes the Code of Conduct to ensure that working conditions are safe, workers are treated with respect and dignity, and that business operations are environmentally responsible and conducted ethically.

EIZO supports the vision and mission of the RBA, and we are aligning our business activities to be in compliance with the RBA Code of Conduct in stages. We also take the initiative to ensure that the entire supply chain is aligned with the Code of Conduct.



Endorsing TCFD Recommendations

In May 2021, EIZO announced its support for the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD).

Since the launch of our own brand, we have been consistently working on the most advanced environmental measures, pursuing the energy-saving performance of our products, setting targets for reducing CO₂ emission across all business activities, and taking other actions to combat climate change. Going forward, we will analyze the risks and opportunities posed by climate change to our business under

the new sustainability promotion system while also taking the necessary actions and more broadly disclosing relevant information.



▶ Please see pages 41–46 for our environmental initiatives.

Voice

Customers are becoming more aware of our green credentials because consumers are more aware. Men, women and children care about the climate and what legacy we leave. Consumers have started to make greener choices, and we need to join them in helping achieve their goals showing that we also care.

Natalie Focosi
Compliance Manager,
EIZO Limited



Foundation for Sustainable Growth

In our policy on sustainability set forth in the EIZO Group Principles of Conduct, we have positioned the following to be of high importance from the perspective of both stakeholder expectations and our management strategy, as outlined in our Medium-Term Sustainability Goals, and are implementing the PDCA cycle each fiscal year.

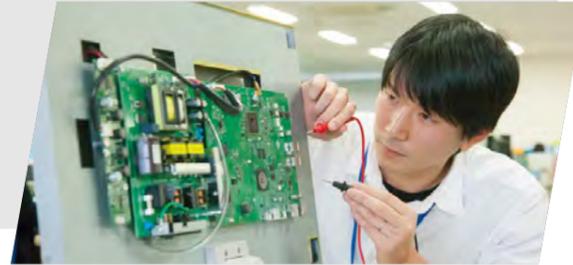
Mid-Term Sustainability Goals	Major Initiatives	FY2020 Major Activities	Related Pages	Related SDGs
<p>Contribute to society with new value created through Imaging Chain × Innovation</p>	<ul style="list-style-type: none"> ● Provide visual imaging products, systems and services that amplify imaging value and address social needs 	<ul style="list-style-type: none"> ● Provided solutions that contribute to society and ensure safety and security <ul style="list-style-type: none"> · Released an image optimization system to improve visibility for surveillance, infrastructure maintenance, image analysis and more (DuraVision EVS1VX) · Participated in the experimental program for full autonomous ship organized by the Nippon Foundation ● Enhanced OR systems that contribute to medical safety and improve quality <ul style="list-style-type: none"> · Released a new 4K network encoder (ADMENIC NEO) and made functional additions to the Large Monitor Manager (LMM0802) ● Certified as a DX-Certified Business Operator by Japan's Ministry of Economy, Trade, and Industry in recognition of the above effort  	<p>P. 15–28 P. 33–40</p>	
<p>Accelerate the pace of reducing environmental impacts</p> <p>Products Industry-leading environmentally responsible development</p> <p>Operations · Reduce CO₂ emissions by 70% compared to FY2017 levels by FY2030 · Achieve net zero CO₂ by FY2040</p>	<ul style="list-style-type: none"> ● Reduce the environmental impact of products through the reduction of plastics, use of recycled plastics, reduction of packaging materials and other activities ● Reduce the environmental impact of operations by cutting greenhouse gas emissions and promoting energy conservation 	<ul style="list-style-type: none"> ● Continuously reduced the power consumption of monitors ● Achieved 50% recycled plastic usage rate in products (FlexScan EV3895, etc.) ● Used molded pulp as cushioning material (RadiForce RX370) ● Increase the rate of green electricity use at factories to 50% in Japan and 100% in Germany 	<p>P. 41–46 P. 71</p>	
<p>Promote sustainability in a concerted effort throughout the supply chain</p>	<ul style="list-style-type: none"> ● Promote sustainability including social, environmental and ethical responsibility throughout the supply chain while asking our suppliers to implement the directive of the EIZO Supplier Code of Conduct ● Conduct initiatives to ensure responsible sourcing of minerals, including prohibiting the use of specific minerals associated with illegal acts 	<ul style="list-style-type: none"> ● Revised and published the EIZO Group Principles of Conduct and EIZO Supplier Code of Conduct to enhance EIZO's sustainability initiatives ● Improved accuracy and operation of responsible sourcing of minerals (including cobalt) 	<p>P. 53–56</p>	
<p>Create a working environment that enables everyone to work with vigor</p>	<ul style="list-style-type: none"> ● Conduct initiatives for sustaining a motivating workplace ● Promote initiatives on occupational health and safety ● Promote diversity and inclusion 	<ul style="list-style-type: none"> ● Facilitated COVID-19 workplace prevention and corresponding work styles (Offered COVID-19 vaccinations at worksites in Ishikawa Prefecture in summer 2021) ● Adopted a total ban on smoking during working hours ● Recognized as a 2021 Certified Health & Productivity Management Outstanding Organization under the large enterprises category by Japan's Ministry of Economy, Trade, and Industry  <ul style="list-style-type: none"> ● Implemented measures to achieve the Action Plan for Women's Advancement and the employment rate of persons with disabilities ● Increased the rate of male employees taking parental leave 	<p>P. 47–52 P. 72</p>	

Creating the World's Best

Development

Development Capabilities Ensuring the World's Best

The EIZO Group will continue creating the world's best products. We have established a fully integrated in-house system for product planning, development, manufacturing, quality control and after-sales service. This has enabled us to accumulate a wealth of visual technologies and expertise within our organization.



Accumulating Unrivaled Visual Technologies

We have accumulated a wide variety of visual processing technologies by meeting the high requirements of specific markets such as healthcare, creative work, and Vertical & Specific (V&S) based on developments incorporated in monitors for the Business & Plus (B&P) market.

In particular, the unrivaled quality and reliability essential for these specific markets are realized in both hardware and

software technologies. The impressively high image quality and performance associated with our advanced hardware technology is thoroughly managed by a variety of software technologies. The solutions created in this way have been successfully deployed for professional applications that require a consistently high degree of accuracy over long periods of use.

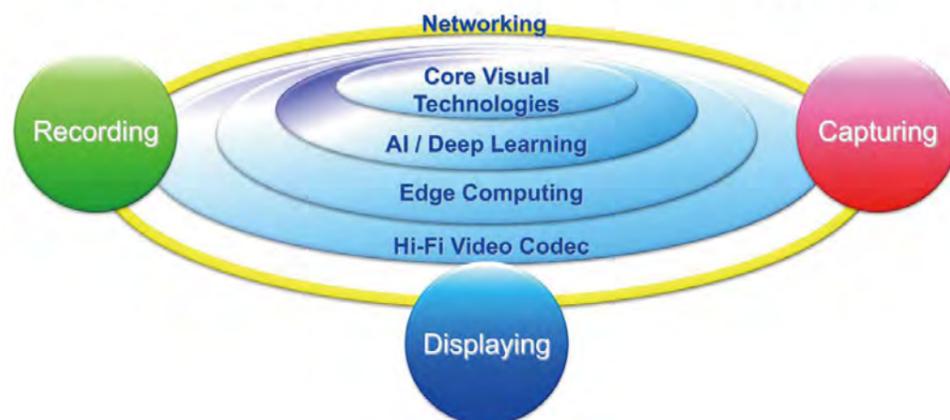
Increasing the Convenience of Imaging with New Technologies

We are focusing on developing the technologies necessary to make imaging more convenient, from viewing to functionality. Specifically, we are striving to dramatically improve performance through the integration of our proprietary algorithms and AI technology, develop edge computing that implements these algorithms to achieve the ideal processing for each application, and develop Hi-Fi video codecs to robustly transmit visual information in mission-critical markets. We will apply these technologies to drive the evolution of

monitors, cameras, video encoders, and other products to form an imaging chain from the initial input to output of visual data, including image capturing, recording, distributing and displaying, to fully develop our system business: EIZO Visual Systems.

With the accelerating influence from DX the role of imaging technology is becoming increasingly important. We will provide a system for monitoring, recognizing, identifying and judging visual data to support user operations by automating, streamlining and improving accuracy.

Monitoring, Recognizing, Identifying and Judging



Devices Creating Products Committed to Exceeding User Expectations

Novel devices and image processing technologies are vital for creating innovative products. We therefore pay close attention to the performance of key display devices in strong partnerships with each device manufacturer. In addition, we develop and produce specialized display devices in-house through our unique technology development and manufacturing methods or apply special processing to display

devices as needed, for example, to meet special applications or super-reliability requirements.

Moreover, we have developed our proprietary control systems (firmware) that maximize the ability of display devices to even surpass necessary performance levels, as well as our very own ASIC and FPGA image processors.

Sharing the Spirit of Global Development

EIZO maintains R&D and manufacturing facilities in multiple locations globally. Each year, EIZO Group companies responsible for R&D gather at the headquarters to introduce their technologies at the in-house exhibition 'EIZO Technology Showcase' in order to continue to create the world's best. This is an important opportunity not only for engineers to

exchange information but also for sharing EIZO's future strategy and vision with sales, planning and manufacturing staff from around the globe.

We also hold global meetings by market to share detailed information on needs and technologies.

Note: Due to risks surrounding COVID-19 we canceled the 'EIZO Technology Showcase' for fiscal year 2020. Global strategy meetings for each business unit were held online.



Voice

At Carina System, we plan and develop hardware and software based on the extensive knowledge and abundant experience gained through our system integration business in the healthcare and broadcasting fields. Our strength is in understanding the operations of our customers and responding to feedback and advice from onsite professionals using our high technical capabilities. I am striving to create added value for visual assets using AI technology and realize low-latency, highly reliable visual communication using proprietary technology. I will continue to proactively collaborate with other EIZO engineers to ensure development of EIZO Visual Systems with our technical capabilities.

Takuya Katayama
Senior Engineer,
Development Department,
Carina System Co., Ltd.



Creating the World's Best

Manufacturing

EIZO-Style Manufacturing Creates the World's Best

“Stop looking for the reasons why you cannot do it. Think seriously how you can do it!!” This statement originates from an EIZO production site and is now widely shared as the philosophy of EIZO's manufacturing. Each and every employee embodies this philosophy, taking pride in their work.



Manufacturing Unity through Integrated Group Production

EIZO products are manufactured within the Group in an integrated manner, from manufacturing of electronic circuit boards to assembly and inspection of finished products. Circuit boards are manufactured by EIZO MS Corporation (Ishikawa Prefecture, Japan) and supplied to EIZO factories in Japan, China, and Germany for assembling finished products. They are then used in EIZO monitors sold worldwide.

At each factory, our R&D and manufacturing departments work together from the development stage, freely exchanging

ideas for improving manufacturing operations. In addition, our Information Systems Department joins to analyze the massive volume of quality data accumulated daily in the production process. This is to ensure the data is fully used to constantly improve the development of new products, production systems and process design. EIZO's proven strength is not only in realizing high quality and reliability but also in creating a strong sense of unity as a group across departments and countries.

The Spirit of Manufacturing and Technologies

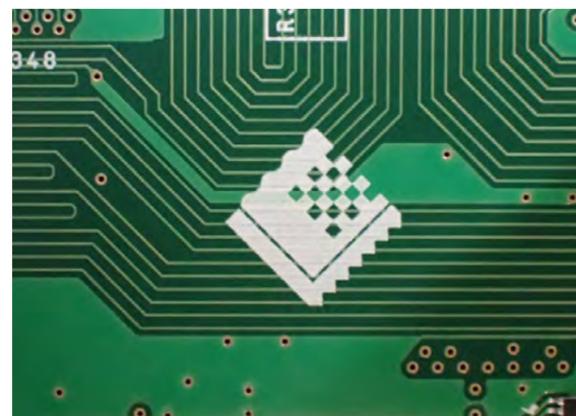
We have consistently incorporated state-of-the-art technologies into EIZO products, which requires the continual refining of our manufacturing expertise and skills. Thus, we provide regular training to all workers at our production sites to

Note: Due to risks surrounding COVID-19, factory tours were not conducted in fiscal year 2020.

continually improve their skills. We also organize annual factory tours for employees of our group companies to share EIZO's manufacturing spirit and technologies globally.

Manufacturing Circuit Boards Meeting High Quality Standards

To maintain high quality standards in the mounting of electronic components, the latest equipment is used to adjust the mounting position at micron levels. X-ray inspection prevents defective components from leaving the line by checking areas that cannot be inspected visually, and automated optical inspection confirms the mounting status of all components. The EIZO logo is firmly printed on all circuit boards made to prove the high reliability of EIZO monitors.



Advanced Production Facilities Using AI, Robotics, and IoT

Approximately 80% of the EIZO monitors worldwide are produced at the headquarters factory in Japan. Here, monitors are mass produced on four production floors, each with its own characteristics, as shown in the table below, using the optimal production method according to product characteristics, required production volumes and delivery date requirements.

The hybrid floor has a state-of-the-art production line that promotes labor saving and automation by taking advantage

Production Floor	Products Produced
Belt conveyor floor	Products for business applications with high production volume per model (mainly B&P)
Cell floor	Various products in small lots for specific markets (mainly V&S), each product requiring different adjustments and inspections
Hybrid floor	Products that are difficult to adjust and therefore time-intensive because of the many adjustment and inspection items (mainly healthcare and creative work); two-thirds of the entire process can be fully automated
Master floor	Products with our uniquely customized panels (mainly V&S); includes a large clean room and special equipment

of AI, IoT and robotics. This production system collects data in real time such as production progress, the operating status of equipment and measuring instruments and the state of product adjustment. Analyzing this big data supports continual improvements in the product quality and processes.

In addition, we promote the digitization of onsite records using tablet terminals at production sites. We are striving to further improve productivity by accelerating data analysis.



Inspection System for Catching the Smallest Abnormality

For every single unit we perform a thorough inspection, both visually and mechanically. After going through automated inspection processes, such as screen uniformity, the final image quality inspection is conducted visually by inspectors who have been certified in-house. Monitors are products that people constantly stare at, so we believe in the importance of inspection using the human eye.



Voice

I am engaged in the operation of circuit board production equipment on the surface mount technology (SMT) line for circuit boards, which are the heart of our products.

I am striving to improve my skills while keeping up with the daily evolution of the production systems toward realizing a Smart Factory, including high-density mounting, automated switching of production line models and digitized forms using tablets.

Going forward, I will continue to focus on manufacturing high-quality circuit boards while gaining more experience.

Naoya Tsuchida
SMT Manufacturing,
Manufacturing Department,
EIZO MS Corporation



Creating the World's Best

Quality

Premier Quality Assurance Creating the World's Best

We never compromise on quality and always strive to deliver high-quality products, systems and services that enhance the convenience and increase the value of our customers' visual environments.

Please see page 73 for the EIZO Group Quality Basic Policy.



Ensuring Quality in Planning & Development—Strengths of In-house Development

At the planning and development stages, by taking advantage of the concentration of departments related to manufacturing, such as planning, development, and production, we have achieved superior standards of quality through application of the Group's fully integrated in-house development system. In addition to complying with the laws, regulations and standards of each country, we are rigorously assessing risks for each market and application to conduct verification, based on our

own reliability standards that reflect diverse events and cases. We also have our own in-house testing equipment for EMI, EMS and other safety standards, including reliability tests such as high and low temperature tests as well as vibration and drop tests. EIZO's prompt and careful quality tests in accordance with international standards as well as smoothly delivered feedback to the design and manufacturing teams play major roles in continuously maintaining and improving quality.

Main Testing Equipment

MIL-STD-810 Environmental Testing and Assessment
EIZO in-house testing equipment and facilities are capable of conducting tests under harsh conditions such as extreme temperatures and humidity, vibration and shock in accordance with the standards and assessment guidelines for materials procured by the U.S. Department of Defense. Passing the evaluation proves products are able to operate safely in extreme environments.



Anechoic Chamber
We obtained EMC testing facility certification in 2002 from the U.S. National Voluntary Laboratory Accreditation Program of the U.S. National Institute of Standards and Technology (NIST), based on ISO/IEC 17025 requirements. We also obtained certification from TÜV in 2003.



Ensuring Quality in Procurement

EIZO procures more than 10,000 parts from around the world. To provide stable products, systems and services, it is essential to source only quality components. In addition to establishing procurement policies and guidelines and providing them to suppliers, we achieve our quality goals by collaborating with suppliers to ensure quality through the evaluation and verification of samples during the development stage.

To maintain quality even after mass production, we also audit the manufacturing sites of our suppliers and strictly confirm quality. We also develop and share our know-how

and market feedback with suppliers as part of building a collaborative and mutually beneficial partnership enabling us to grow together over the long term.



Ensuring Quality in Production

At each stage of production, important key parameters such as brightness and contrast are automatically recorded and saved and analyzed from various perspectives for real-time quality

monitoring. We use this big data to quantify quality control standards, improve production efficiency and provide feedback for new product development.

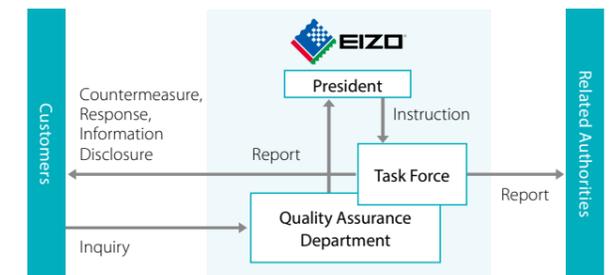
Ensuring Quality in Sales and After-Sales Service

EIZO conducts sales and after-sales activities through our 17 group companies and 20 authorized distributors (as of August 2021).

Working closely with our group companies and authorized distributors through our global network, we are constantly sharing the latest information. In each territory we provide prompt and solid support as well as reliable after-sales service to users by playing a role in monitoring and collecting market quality information and providing feedback on customer needs.

We focus on preventing quality-related incidents. In the unlikely event of an issue related to safety or quality, we will take prompt and appropriate measures (e.g., cause

investigation, countermeasure implementation, product repairing, information disclosure, etc.).



Voice

Even with the high quality and performance EIZO products deliver it is important to have a dedicated service department ensuring the quality of service matches the products. I feel this demonstrates EIZO's commitment to quality. We provide service from a customer-oriented standpoint to ensure that our products are used properly, easily and for a longer time after they are purchased.

And because we provide such a customer-friendly service, fortunately there is feedback from customers that the service department is able to receive, which helps and encourages us to create better products.

We will continue to seek even greater customer satisfaction to contribute to EIZO's quality through our service.

Takuma Kameda
Section Leader of the Field Solution Department, EIZO Support Network Corporation



Creating the World's Best

Intellectual Property

Intellectual Property Initiatives Vital to Business Growth

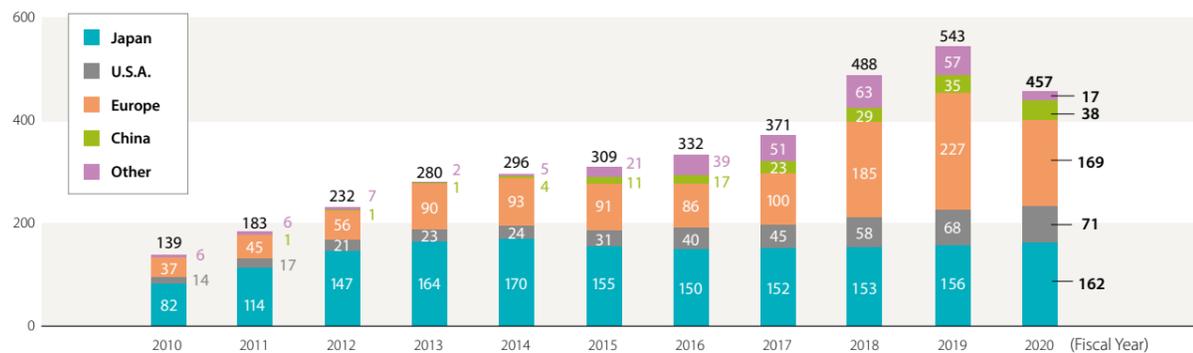
We believe technology and design created in the process of product development to be one of the most important assets for EIZO and actively seek to obtain patents and design rights to protect them. We also strive to obtain and maintain trademark rights in order to protect and enhance EIZO brand value.



Number of Patents Held by the EIZO Group and Countries with EIZO Trademark Protection

Our focus has been on attaining patents and design rights in countries and regions where we expect product sales to grow, such as China and India, in addition to Japan, Europe and the United States, currently our main markets. We are striving to construct a global patent and design network and acquire and maintain trademark rights for our corporate brand and product names in each country.

▶ Number of Patents Held by the EIZO Group (as of March 31 of Each Fiscal Year)



Note: We conduct reviews based on the market size of the target products, intellectual property risks, and the status of patent holdings in each region to determine the need to renew or continue patents.

▶ EIZO Trademark Holders (as of March 31, 2021)



Centralized Management of EIZO Intellectual Property

We centrally manage all EIZO intellectual property obtained globally (including patents, design rights and trademarks). By doing so, we have established a system to facilitate the use of intellectual property and sharing of related information within the EIZO Group.

To properly manage our intellectual property, we periodically evaluate each intellectual property based on technology trends and implementation status.

Securing Patents and Designs and Obtaining Rights

We have incorporated a survey and application procedure for patents and designs into our product development process to prevent missed opportunities for identifying new core and peripheral technologies as well as designs created during the process.

We secure patents or rights for all technology or design that can be a powerful and beneficial asset for EIZO. To achieve this, we strategically select appropriate countries for the applications in accordance with the area and characteristics of the technology or design. We then develop an optimal network of patents and design rights.

Encouraging Creation of Patents and Designs

We have established and manage an incentive program for employee inventions to encourage staff to secure patents and designs.

We also have an internal awards program for inventors who have secured patents or rights to designs that have contributed to our business.

Respecting Third-Party Intellectual Property Rights

During the initial stages of product development, we identify new technologies and designs and incorporate them into the product plan. We then investigate to confirm if there are any related third-party patent and design rights. Should such a right be confirmed to exist we exercise the utmost care to ensure that we do not infringe upon any third-party intellectual property rights by taking action such as excluding the use of the technologies or designs, or by obtaining permission to use a technology or design from the third party.

In determining a new product name, we confirm in advance that there is no possible infringement of any third-party trademarks in any countries where the product is to be sold.

Protecting EIZO's Intellectual Property Rights

In the event that a third party is found to have infringed upon EIZO's intellectual property rights, we will seek appropriate measures from the third party to be taken to protect these rights.

Voice

The Intellectual Property Management Department strives to obtain patents, design rights, and trademark rights for EIZO's newly created technologies, designs, and brands while optimizing cost performance and taking advantage of the differences in intellectual property systems between countries. While maintaining consistency with our product strategy, based on the results of research and analysis of a large volume of literature on prior applications in various countries, we are working with the R&D and Product & Marketing departments to create products that do not infringe on the intellectual property rights of third parties.

By protecting our products through these intellectual property rights, we will support the creation of products unique to EIZO that other companies cannot imitate.

Mingxia Liu
Intellectual Property
Management Department,
EIZO Corporation



Products and Business Operations that Address Environmental Issues

The Environment

Products and Business Operations that Address Environmental Issues

EIZO has been working to reduce the environmental impact of our products and business operations since we launched our own brand of CRT monitors in Europe in 1985. We will continue to address environmental issues with advanced solutions to play our part in creating a sustainable society.



● Development of Environmentally Sound Products and Response to Climate Change

EIZO Corporation has obtained ISO 14001 and ISO 50001 certifications and operates under an energy and environmental management system.* We strive to address environmental issues throughout the product life cycle, from manufacturing to usage and disposal, and respond to climate change risks by reducing greenhouse gas emissions.

*EIZO Group companies with factories have also obtained relevant certifications. EIZO MS Corporation has obtained ISO 14001 and ISO 50001 certifications, while EIZO GmbH, EIZO Technologies GmbH, and EIZO Display Technologies (Suzhou) Co., Ltd. have obtained ISO 14001 certification.

▶ Please see page 74 for EIZO's Energy and Environmental Basic Policy.

EIZO Initiatives for Reducing Environmental Impact

These statements refer mainly to our initiatives for the FlexScan EV series.

Compliance with the Latest Environmental Standards



Our products comply with environmental standards such as TCO Certified Generation 8, EPEAT, and ENERGY STAR 8.0.

Enhancing Power Saving Features



We equip our monitors with numerous features that reduce power consumption and CO₂ emissions.

Reduction of Plastics in Products



Recycled plastic is used in more than 50% of the external housings of our monitors. We also make limited use of plastic and paints containing flame retardant to reduce the impact on the environment and on humans and to enhance the recyclability of our products.

Resource Saving in Packaging and Cushioning Materials



EIZO products are packaged in cardboard boxes made of recycled paper, and we use molded pulp and 100% recycled materials for cushioning. We are also working with our suppliers to reduce packaging materials for the parts we purchase.

Collection and Recycling of Products



We collect used monitors for recycling in Japan, Europe, and the U.S. to realize our responsibility even beyond the usage lifetime of our products.

Reduction of Greenhouse Gas Emissions



The EIZO Group will reduce its CO₂ emissions to net zero by fiscal year 2040. Additionally, we will promote reductions in CO₂ emissions throughout the product life cycle.

Reduction of Supply Chain Environmental Impacts



We have established our own EIZO Green Procurement Standards and preferentially procure environmentally sound products, components, and materials (including simplified packaging) that adhere to our quality, function, and cost requirements.

Independent Monitoring of Chemical Substances



We thoroughly comply with the laws and environmental standards in Japan and overseas that regulate chemical substances in product components or that prohibit or otherwise control substances. We also conduct surveys pertaining to chemical substances in the components we procure from suppliers.

Voice

We have only one planet Earth. It is our responsibility to protect it as much as possible. EIZO is always looking for possibilities to minimize the environmental burden on the planet. From 2021, the factory of EIZO Technologies GmbH (Germany) is operated using renewable energy only. While moving into our new building, we of course did not only focus on using renewable energy but paid a lot of attention to the use of power saving LED lighting and light sensors to minimize our power consumption as much as possible.

As a further small contribution to saving bees, butterflies and other insects, we have created more than 2,000 square meters of flower meadows on our estate around the factory.

Andy Kürz
President & CEO, EIZO
Technologies GmbH



Products and Business Operations that Address Environmental Issues

● Environmentally Sound Product Development

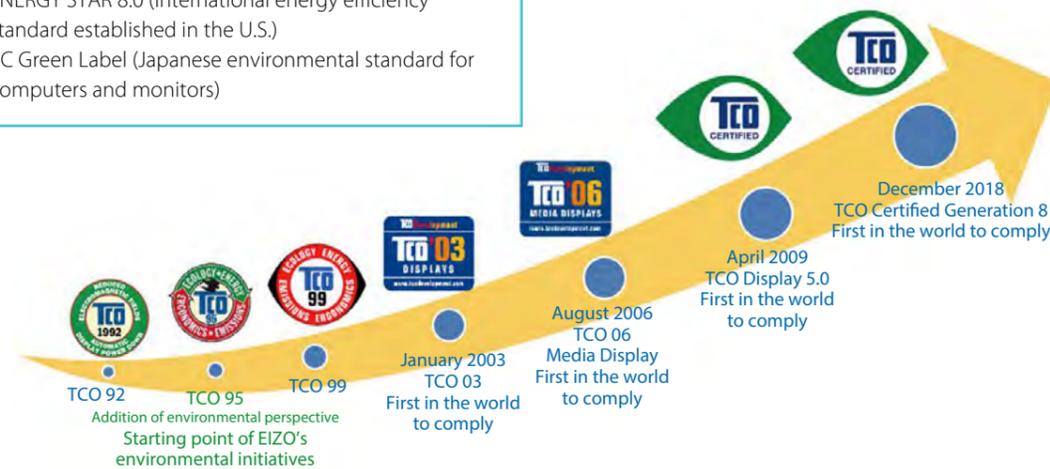
Environmentally sound product development, including the efficient use of materials and energy, has been part of EIZO's corporate DNA ever since we entered the market with our CRT monitors.

Compliance with Environmental Standards and Legal Requirements

Not only do we abide by environmental laws and regulations in Japan and overseas, but major EIZO products are also in compliance with the main environmental standards in each market. In particular, European laws and regulations tend to be adopted as global standards.

- **Examples of European regulations**
 - WEEE Directive (collection and recycling of discarded electrical and electronic equipment)
 - RoHS Directive (restriction of use of certain hazardous substances in electrical and electronic equipment)
 - REACH Regulation (management of chemical substances)
 - ErP Directive (eco-designing for energy-related products)
 - WF Directive (database registration for managing substances of concern for waste disposal)
- **Examples of environmental standards**
 - EPEAT (international environmental standard for computers and monitors, established in the U.S.)
 - ENERGY STAR 8.0 (international energy efficiency standard established in the U.S.)
 - PC Green Label (Japanese environmental standard for computers and monitors)

In particular, Sweden's TCO, a de facto global environmental standard for monitors, was the starting point for our response to environmental issues. This comprehensive standard requires compliance in safety, electromagnetic waves, and ergonomic design in addition to environmental requirements. It has recently expanded to include CSR and corporate governance, placing corporate activities as a whole under scrutiny. EIZO has sought to achieve advanced and effective standardization by participating in the formulation of the TCO standard. As a result of our ongoing efforts, we became the first in the world to achieve compliance with TCO Certified Generation 8, as soon as the standard came into effect. EIZO will continue to pay close attention to regulatory trends and aim to develop products with a lower environmental impact.



Multiple Power Saving Features

Our products are equipped with multiple power saving features, including automatic brightness control that reduces backlight, low power consumption during standby mode, power save mode, and a function that confirms the amount of power saved. Users can substantially reduce electricity consumption for an entire office by using our freely available power management software to simultaneously adjust the brightness and power of multiple monitors centrally.

We conducted a product life cycle assessment to evaluate the environmental impact at each stage from manufacturing to usage and disposal. As a result, we discovered that CO₂ emissions are particularly high during component manufacturing and product usage stages. We will reinforce our energy saving functions to reduce CO₂ emissions throughout the product life cycle.

Reduction of Plastics in Products

We use recycled plastics for over 50% of the monitor housing (EV3895, etc.). We also avoid the use of paint by using flame-retardant-free plastic. Through these efforts, we pay due consideration for the environment and the health of workers by reducing the discharge of chemical substances into the

environment while also improving recyclability by reducing the use of chemical substances.

We also pursue lightweight design for our products. This can reduce the use of plastics and enhance logistics efficiency, which reduces the carbon footprint of product transportation.

Resource Saving in Packaging and Cushioning Materials

We use cardboard boxes made of recycled paper as packaging for our products and are gradually replacing plastic with paper for bags containing accessories.

In addition, molded pulp and 100% recycled materials are used for cushioning. We strive to reduce resources and energy used during transport by packing multiple units in one box for customers who order larger quantities and by shipping products without unnecessary cables where possible.

Moreover, we are seeking to reduce packaging materials from the parts procurement stage by working with our suppliers (through measures such as ending the use of plastics for individual packaging).

In addition, when transporting items to some of our customers, or between group factories, we reduce packaging materials by adopting reusable containers or reusing packaging boxes and materials.

Collection and Recycling of Products

EIZO complies with environmental laws and regulations in each of the countries we operate by collecting and recycling used products. This helps us fulfill our responsibilities in the after-use stage of our products.

Japan

EIZO collects and recycles used monitors from homes and offices in compliance with the Waste Disposal Act, the Law for Promotion of Effective Utilization of Resources, and the PC Recycling Mark program.

▶ Please see page 71 for the results of our collection program for used monitors.

Europe

The European WEEE Directive came into effect in August 2005 to reduce the environmental impact through promotion of the 3R's of reduce, reuse, and recycle for discarded electrical and electronic equipment. EIZO has complied with the directive by establishing a collection and recycling system for applicable products sold in Europe.

United States

The EPEAT standard requires the provision of a collection service for used electric and electronic equipment. EIZO has met this requirement by establishing a collection and recycling system for products sold in the U.S.

Column

Initiatives for Reducing CO₂ Emissions

For our FlexScan EV3895 ultrawide curved monitor, launched in October 2020, we reduced the page size of the user manual and other documents packaged together with the product to half and completely revised the layout.



We reduced paper use by 10% to 30%, compared to use of our past documents, by adopting a simple and lean layout, thereby protecting forests so they can maintain their capacity for CO₂ absorption. While the smaller page size meant more pages, the added strength allowed us to end the use of plastic bags that had

been necessary to contain the documents.

We also adopted the use of molded pulp for cushioning material, starting with the RadiForce RX370 3MP color medical imaging monitor, launched in July 2021.

By switching from Styrofoam packaging to molded pulp made of recycled paper, we reduced CO₂ emissions from the procurement of raw materials for cushioning to delivery by 28%.

EIZO remains committed to reducing CO₂ emissions throughout the product life cycle.



Products and Business Operations that Address Environmental Issues

● Reduction of Environmental Impact in Business Operations

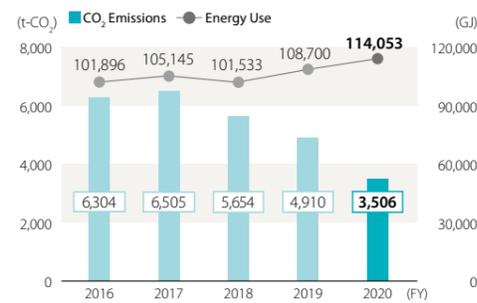
We proactively work to reduce the environmental impact of our business operations and entire product life cycle.

Response to Climate Change

As part of our response to climate change, we have designated the following targets for reducing greenhouse gases derived from energy use at the EIZO Group's business sites (Scope 1 and Scope 2 emissions).

- FY2030 Target** Reduce CO₂ emissions by **70%** (compared to FY2017 levels)
- FY2040 Target** Achieve net **zero** CO₂

▶ CO₂ Emissions and Energy Use (Japan, China and Germany)



Note: Calculations of CO₂ emissions associated with power consumption are based on the conversion factor and the calculation methods of each country.

Under our energy and environmental management system, we will work to achieve these targets by advancing the necessary actions such as enhancing solar power generation equipment, raising the ratio of green electricity use, and switching to energy-efficient equipment.

Moreover, to reduce the volume of CO₂ emissions across the entire product life cycle, we will seek to obtain a more accurate picture of indirect emissions that occur in our procurement of components, manufacturing, distribution, usage, and waste disposal (Scope 3 emissions) and encourage reductions by setting concrete quantitative targets.

In May 2021, EIZO declared its support for recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD). We will analyze the risks and opportunities of climate change on our business operations to respond as necessary and expand our disclosure of related information.

Initiatives for Environmentally Sound Procurement

● Green Procurement

In order to maintain and strengthen our environmental protection initiatives and fulfill our social responsibility, we established our own EIZO Green Procurement Standards to guide material procurement activities. We prioritize business with suppliers that offer a proactive environmental response, and we preferentially procure products, components, and materials (including packaging) that meet our requirements for quality, performance, and cost, as well as environmental soundness.

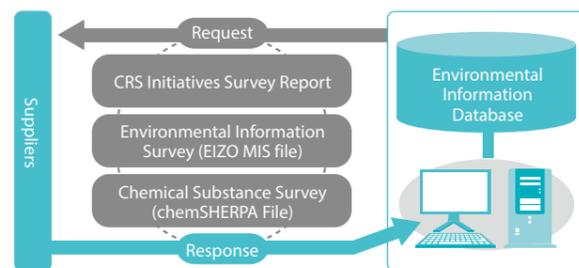


● Management of Chemical Content Information

As part of our green procurement, we prohibit or control the use of regulated substances* in accordance with the prevailing laws and environmental standards worldwide. To this end, we conduct surveys on chemical substances for all the materials we procure as well as surveys on environmental initiatives by suppliers. We compile and manage the survey results in a database to determine which materials and suppliers best align with our values and to evaluate the environmental compliance of our own products.

*Examples of regulated substances: mercury and lead (including their compounds), ozone depleting substances, halogen substances, and beryllium

▶ Flow of Chemical Content Survey



Overview of the Environmental Impact of Our Business (FY2020)



Scope of calculation: the following six areas

▶ Environmental Impact by Area

Area	EIZO Corporation Headquarters (Japan)	EIZO MS Corporation (Japan)		EIZO Display Technologies (Suzhou) Co., Ltd. (China)	EIZO GmbH (Germany)	EIZO Technologies GmbH (Germany)	Total
		Hakui	Nanao				
Operations	Development and Manufacturing of Monitors	Production of Circuit Boards	Assembly of Monitors	Development and Manufacturing of Monitors	Development and Manufacturing of Monitors	Development and Manufacturing of Monitors	
Energy usage (GJ)	55,391	34,760	8,181	1,874	9,881	3,966	114,053
Energy Resources	Electricity (10,000 kWh)	500.1	348.6	82.2	18.8	57.9	1,032.8
	LPG (t)	124.9	—	—	—	—	124.9
	LNG (1,000 m ³)	—	—	—	—	—	40.4
	District heating (10,000 kWh)	—	—	—	—	114.1	—
Copier paper (kg)	3,227	861	221	308	1,315	—	5,932
Water usage (m³)	19,173	3,611	3,396	1,064	738	—	27,982
CO₂ emissions (t-CO₂)	1,806	989	227	115	245	124	3,506
Waste	Industrial waste (t)	240.8	44.9	149.5	—	31.9	493.1
	General waste (t)	13.0	2.2	1.4	—	1.0	17.6
	Wastepaper (t)	283.5	75.4	176.9	—	25.6	14.1

Greenhouse Gas Emissions by Scope (FY2020)

Scope and Category	Emissions (t-CO ₂)	Composition (%)	Scope of Calculation
Scope 1	447	12.8	Consolidated
Scope 2	3,059	87.2	Consolidated
Total (Scope 1 + 2)	3,506	100	Consolidated
Scope 3	350,489	100	—
1. Purchased products and services	117,441	33.5	EIZO Corporation headquarters
2. Capital goods	8,088	2.3	Consolidated
3. Fuel and energy-related activities not included in Scope 1 or 2	704	0.2	Consolidated
4. Upstream transportation and distribution	595	0.2	Shipment volume of products as cargo owner
5. Waste generated in operations	270	0.1	Consolidated
6. Business travel	272	0.1	EIZO Corporation headquarters
7. Employee commuting	815	0.2	Group companies in Japan
11. Use of sold products	221,865	63.3	Consolidated
12. End-of-life treatment of sold products	439	0.1	Consolidated

Creating an Environment for Employees to Demonstrate Their Abilities and Thrive

Human Resources

Creating an Environment for Employees to Demonstrate Their Abilities and Thrive

People are one of the most important elements supporting the EIZO brand. Upholding our free and open corporate culture, we constantly work to create an environment in which each employee can demonstrate their abilities and thrive.



● Laying the Foundation for a Motivating Workplace

We strive to maintain a comfortable working environment so that employees remain highly motivated in their jobs.

Broadminded Corporate Culture

We have been cultivating a free and open corporate culture that encourages flexible and active communication between departments. Open exchanges take place between EIZO members regardless of position. Employees are encouraged to freely voice their opinions and are given opportunities to

take on new challenges. Our broadminded corporate culture is one of our strengths, which enables individual employees to fully demonstrate their abilities and in turn allows us to provide excellent products and services in addition to continually improving our internal environment.

Success of a Diverse Workforce

EIZO comprises 17 companies globally (as of August 2021) and we harness the talents of our diverse workforce. While respecting the human rights of each employee and promoting a mutual understanding of different cultures, the entire

group strives to develop our business with a sense of unity. Overseas group companies are led by local managers, and we pay careful consideration to the circumstances, cultures and customs of each country to ensure the most suitable working environment.

▶ Number of Employees by Nationality (including the average number of temporary staff, as of March 31, 2021)

Japan	Germany	China	United States	United Kingdom	Myanmar
1,884	276	74	59	35	24
Sweden	The Netherlands	Italy	Switzerland	Austria	Czech Republic
15	11	11	10	10	8
France	Belgium	Romania	Colombia	Croatia	India
8	7	5	3	3	3
Kosovo	Saudi Arabia	Russia	Turkey	Cuba	Denmark
3	2	2	2	1	1
Ecuador	Jamaica	Macedonia	Pakistan	Portugal	Serbia
1	1	1	1	1	1
Slovakia	Spain	Lebanon	Vietnam	Australia	Egypt
1	1	1	1	1	1

● All Functions Completed Within the Group

EIZO is characterized by 100% in-house development and production, which means that all functions—from planning, development, procurement and production to sales and services—are handled within the EIZO Group. We exchange information smoothly about the different functions and inspire each other, leading to the creation of better products.

▶ Number of Employees by Function (including the average number of temporary staff, as of March 31, 2021)

	R&D	Sales	Manufacturing	Administration	Other
Japan	649	243	714	165	149
Overseas	109	247	161	32	—
Total	758	490	875	197	149

● Diversity

We ensure that all employees are fairly and equitably evaluated with respect to hiring and promotion, regardless of gender. To improve the percentage of female managers in group companies in Japan, EIZO has an Action Plan for Women's Advancement and we are working to improve the working environment so that female employees can play leading roles in their workplaces. Our plan incorporates measures such as dispatching female employees to management training seminars, providing training for selected mid-level employees, active participation of female employees in recruitment activities and consideration of a personnel system that takes into account diverse work styles.

▶ Number and Percentage of Female Managers (as of March 31, 2021)

Group total	25 (12.4%)
Overseas (10 companies)	21 (24.4%)
Japan (7 companies)	4 (3.5%)

▶ Please see page 72 for the composition of managers.

Respect for Human Rights

We comply with EIZO Group Principles of Conduct, which clearly states that we will never engage in speech or actions that discriminate on the basis of race, gender, sexual orientation, disability, religion or creed; never use forced labor, bonded labor or child labor; and never tolerate harassment in any form. We also participate in the United Nations Global

● Hiring Persons with Disabilities

EIZO strives to ensure fair employment and develop worker-friendly environments for persons with disabilities by fully observing the laws of each country, so these employees can demonstrate their talents in a variety of workplaces. In Japan, we are actively engaging in recruitment efforts such as participating in joint company information sessions for people with disabilities and accepting internships. We are always seeking to improve our workplace environment while creating work opportunities for people with disabilities as we expand our business.

▶ Number of Employees with Disabilities

Employment rate of employees persons with disabilities (Japan) (as of the end of each fiscal year)			Number of employees with disabilities
FY2018	FY2019	FY2020	March 31, 2021
2.13%	1.91%	1.60%	Japan: 22 Overseas: 8

Developing Trust-Based Labor-Management Relations

Mutual understanding is the cornerstone of labor-management relations. In keeping with this fundamental point, we encourage dialog between labor and management. We have established a consultation conference and a labor committee in each group company under the laws and specific circumstances of each respective country. We take advantage of these opportunities to develop good labor-

management relationships. One example is the V-work Council, which has been set up in Japan as a consultation forum for the company and employees. In addition to concluding a labor-management agreement, the council also discusses topics such as reducing overtime, improving the work-life balance and employee benefits.

Voice

We strongly support all employees' efforts to balance their work and family life. We pay additional benefits for childcare, assist with organizing parental leave and part-time work and provide equipment, including an office structure enabling work from home. I myself, as an HR manager, received the benefit of parental leave for three months and then worked part-time for a year. Also, when the schools were closed due to the pandemic, I was able to work at home.

Jochen Wingerter
Executive Director
General Manager,
Controlling, Accounting &
Human Resources,
EIZO GmbH



Creating an Environment for Employees to Demonstrate Their Abilities and Thrive

Supporting Diverse Work Styles

To enable employees to maintain a balance between life events such as childcare, nursing care and their work, we provide various programs to support diverse work styles

while complying with the laws of each country. These include programs such as paid leave for childbirth, childcare, nursing care and shortened work hours.

Human Resource Development

We are developing personnel who share the “EIZO mindset” and thrive by upholding the EIZO commitment to creating the world’s best.

Enhancing Education and Training

In order to develop a diverse range of human resources to support EIZO’s business, we plan and implement a variety of training and education programs in Japan, including training by job level and function, global human resource development and assistance for self-development, while keeping abreast of internal education and training needs.

In our overseas group companies, we organize training opportunities for the entire company and individuals for developing the respective skills required by product development and sales operations. Moreover, we seek to raise skills by making use of on-the-job training and external seminars.

System of Training and Education (Japan)

	Position-specific training	Function-specific training	Development of global human resources	Support for personal development
Managerial Position	Training for Executives Training for Section Chiefs Training for newly appointed Section Chiefs			Distance learning, e-learning, acquisition of qualifications Business knowledge training (management, accounting and finance, legal affairs, labor management, market trends, understanding the overseas group companies)
Leadership Position	Training for Sub-Section Chiefs & Group Leaders Leadership position training Training for female employees Training for mid-level employees	Group training for sales personnel participation in outside training and seminars Education on specialized knowledge and skills within departments Exchange and training with other companies	Seconding to overseas group companies Overseas trainee system	
Responsible Staff	Technical training for new employees Training for new employees		Business skills training Over-the-counter sales training Systematic OJT	

Personnel Exchange within the Group

We are encouraging personnel exchanges within our group companies in which young engineers are dispatched for short-term or long-term training. These programs are intended to

increase the number of employees who can work effectively in different cultures and manage technology from a global perspective as well as to cultivate new technological expertise.

Cultivating the EIZO Mindset

We are working to nurture and sharing the “EIZO mindset” of creating the “world’s best” to unite EIZO in creating and delivering state-of-the-art products and services to customers globally.

While we were unable to speak in person during the pandemic, we fully leveraged online tools to communicate and foster an EIZO mindset with a sense of unity.

Global Meetings

We carry out a variety of meetings across EIZO every year. These include global meetings for raising the level of quality control throughout EIZO, a EURO Meeting for discussing sales strategies within EIZO (in Europe), and other business unit meetings. In fiscal year 2020, all meetings were carried out online.

EIZO United

EIZO holds the annual EIZO United conference at EIZO Corporation (Japan), attended every year by around 100 participants from EIZO Group companies and EIZO Authorized Distributors*. During the conference, we share our latest technologies, the status of sales in each country, various initiatives and the overall product and business direction. Not only does this deepen everyone’s understanding of our future direction but it also fosters a strong sense of unity within our network through mutual exchanges. This also provides opportunities for employees in various departments to present their department’s initiatives to cultivate a sense of belonging to “One EIZO.”

*The conference was cancelled in fiscal year 2020 to prevent the spread of COVID-19.



Voice

I was responsible for developing graphics boards for air traffic control and involved in wide-ranging operations including system design and evaluation, facility selection, and the creation of evaluation manuals. Working in the multicultural environment of the United States was a stimulating experience that also presented many hurdles. However, my experience of working with a different development style and learning business communication in the real-life setting of a different culture has become an invaluable asset. I also think it enabled me to enhance the proactive attitude of accurately appealing to your own abilities to get the job, which is necessary for international positions, as well as the flexibility for embracing differences in values and opinions associated with diverse backgrounds. I intend to draw on my experience gained from this technical exchange to continue developing competitive products in collaboration with overseas group companies and contribute to the development of EIZO as a global enterprise.

Hiroya Saito
R&D, Rugged Systems
Department,
EIZO Corporation
(worked at EIZO Rugged
Solutions Inc. from FY2018
to FY2020)



Creating an Environment for Employees to Demonstrate Their Abilities and Thrive

● Providing a Safe Working Environment

To enable employees to work with energy and demonstrate their abilities clearly, it is important to create a workplace environment in which they feel comfortable and can maintain sound physical and mental health. The EIZO Group upholds its EIZO Group Health Declaration in implementing a number of initiatives.

EIZO Group's Health Management

Guided by the EIZO Group Health Declaration, we seek to contribute solutions to public health issues and maintain and improve the mental and physical wellbeing of our employees. We are also striving to establish sound workplace environments by fostering our broadminded corporate culture and raising operational efficiency to reduce work hours and encourage employees to take paid leaves.

In recognition of these activities, the EIZO Group in Japan was certified as a 2021 Health and Productivity Management Outstanding Organization under the large enterprises category in March 2021, by Ministry of Economy, Trade and Industry Japan.



Promoting the Occupational Health and Safety Management System

To consistently maintain and develop activities for occupational health and safety, we have introduced an occupational health and safety management system at EIZO Corporation and EIZO MS Corporation, both located in Japan,

which account for approximately 80% of total EIZO production. We promote health and safety activities that cover all onsite staff based on this system, and we have obtained ISO 45001 certification.

Risk Assessment and Prevention of Industrial Accidents

The EIZO Group companies in Japan seek to educate employees and increase safety awareness through periodic workplace patrols and hazard prediction training. In addition, we strive to mitigate risks by applying a risk assessment method to investigate potential hazards and toxicity as well as implement countermeasures, assess the risks involved in handling chemical substances, check targeted substances using safety data sheets and enforce the use of appropriate protective gear for onsite work.

Furthermore, we seek to prevent industrial accidents at EIZO's overseas companies through initiatives such as organizing employee training and distributing handbooks on industrial accidents.

▶ Total Occupational Accidents at EIZO Group Japan

	FY2018	FY2019	FY2020
Number of occupational accidents	1	3	9*
Lost work accidents	0	0	4
Fatal accidents	0	0	0

*Four cases were falls and injuries while walking.

▶ Initiatives for Health and Safety (Japan)

FY2020 Goals	Results	FY2021 Goals and Key Activities
Achieve zero occupational accidents (zero fatal and lost work* accidents) *One day or more	Occupational accidents: 9 cases (including 4 lost work accidents)	U • Zero occupational accidents, zero fatal and lost work accidents • Zero occupational accidents at sales and support bases
Conduct a risk assessment for all sites including business partners	Conducted a risk assessment of business partners located within the EIZO Corporation headquarters area	R • Implement measures for managing the health and safety of elderly staff • Introduce management based on the Age-Friendly Guidelines • Incorporate the results of risk assessment into the goals
Incorporate the results of the risk assessment into the goals of each division	Implemented in some divisions	P • Set goals for at least one item in all divisions

U: Unrealized P: Partially realized R: Realized

Protecting Employees from COVID-19

To protect our employees and their families, we designated and complied with action guidelines against COVID-19 governing internal and external activities from the perspectives of preventing infections, infection risks and incidence of internal clusters.

In addition to stringently enforcing hand washing and wearing masks, we implement creative means to maintain appropriate social distance in offices and common areas. We also strictly implement measures such as staggered commuting and employee office hour schedules. In particular, we seek to prevent infections when taking off masks while dining and in other business settings through practices such as refraining from dining with others both in and outside the company and installing partitions in cafeterias and conference rooms.

Furthermore, we offered workplace COVID-19 vaccinations for group employees, their families and our external staff during summer 2021, and 1,500 applicants received their vaccinations at our headquarters (Ishikawa, Japan).



Activities for Safeguarding Employee Health

We actively pursue measures for safeguarding employee health and improving the workplace environment. These include conducting regular health checkups, follow-up guidance, mental stress checks and holding events for maintaining good employee health. For staff who frequently work overtime, we provide one-on-one consultation and guidance to improve work processes and reduce mental stress. In Japan, we also work to maintain employee mental health by assigning in-house staff as contact points for responding to employee concerns and issues.



Improving the Work-Life Balance

We believe that feeling mentally and physically refreshed is important for employees to work with a sense of fulfillment, accomplishment and happiness. To enable employees to effectively use their free time to refresh their minds and bodies or pursue personal development, EIZO encourages balanced work styles through a broad range of benefits for diverse needs and supports club activities and recreational events.



Strong Bonds of Trust with Our Stakeholders

Society

Strong Bonds of Trust with Our Stakeholders

We seek to sincerely engage with stakeholders to forge and maintain strong bonds of trust.



● Stakeholder Engagement

We are engaging with stakeholders in productive dialogue to forge and strengthen bonds of trust.

EIZO's Stakeholders	Our Responsibility	Methods of Communication	Page in Report
Customers	<ul style="list-style-type: none"> Delivering products and services that satisfy customers Providing support in response to requests and inquiries 	<ul style="list-style-type: none"> Consultation points Information provided via websites and other means Showrooms, seminars, exhibits 	53
Suppliers	<ul style="list-style-type: none"> Forging long-term partnerships aimed at achieving mutual prosperity 	<ul style="list-style-type: none"> Exchange of information during visits Supplier Code of Conduct Company presentation for suppliers 	54
Employees	<ul style="list-style-type: none"> Respecting each individual and creating a workplace environment in which employees can thrive Fostering a broadminded corporate culture in which employees remain highly motivated and demonstrate their abilities 	<ul style="list-style-type: none"> Formulation of principles of conduct and strict adherence to them Employee education Safe and comfortable facilities and office environments Development of an internal whistleblowing system Support for leisure activities Establishment of a labor-management consultation conference 	47
Shareholders	<ul style="list-style-type: none"> Maintaining sound corporate growth and returning profit Providing fair and accurate information on our management policies, business strategies, and financial performance and maintaining corporate management transparency 	<ul style="list-style-type: none"> General shareholders meeting Timely disclosure Disclosure of earnings materials Company presentation for investors Publication of an integrated report One-on-one meetings 	55
Community	<ul style="list-style-type: none"> Fulfilling responsibilities as a member of the community and contributing to its development Striving to forge a favorable relationship with the community 	<ul style="list-style-type: none"> Activities that contribute to the community Collaborations with the community Factory tours Environmental consideration 	56

● Exceeding Customer Expectations

EIZO communicates with customers in various ways to exceed their expectations and ensure they can confidently select and use EIZO products and services.

Providing a Wealth of Information for Complete Customer Confidence in Choosing EIZO

We provide product information at our showrooms and through sales and marketing activities while offering clear explanations in response to inquiries and during consultations through customer liaisons so that customers can depend on EIZO with complete confidence.

In fiscal year 2020, the COVID-19 pandemic limited the opportunities for customers to experience EIZO directly, so we focused on producing and distributing promotional videos and materials introducing EIZO products.



Support that Instills a Sense of Security When Using EIZO Products

In addition to delivering highly reliable products, EIZO offers monitors with long-term assurance through a five-year warranty*. Customers can also choose from different repair

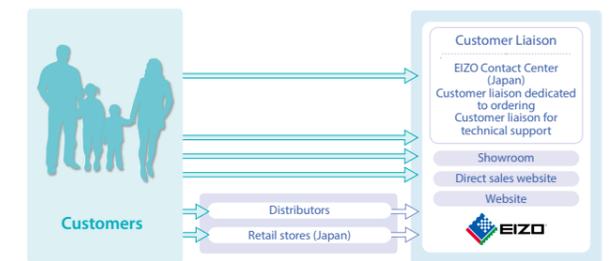
services depending on the product and user environment, such as product returns for repair or onsite repairs.

*Excluding some products. Some repairs within the warranty period are subject to additional charges in accordance with the specific terms of the applicable warranty.

Customer Feedback

Customer inquiries and feedback are quickly disseminated within EIZO to improve product specifications and functions as well as our services by leveraging our integrated product development, production, sales, and customer support capabilities. R&D staff accompany sales representatives on visits to corporate customers so they can listen directly to them and later reflect their requirements in product development.

▶ Feedback System for all Types of Customer Input



● Powerful Partnerships with Suppliers

With respect to suppliers, we are committed to forging relationships of trust based on mutual prosperity to build successful, long-term partnerships.

Partners in Safeguarding Quality

The key points for creating excellent products that satisfy customers are the quality, delivery schedules, cost, and environmental soundness of components and materials procured from suppliers. We work fairly with all suppliers, setting selection standards based on such aspects as technological excellence, quality, supply capacity, environmental preservation activities, and legal compliance, selecting only suppliers who meet our standards. In addition, to safeguard product and service quality in a collective effort, we share our management policies, technical strategies, and current issues with suppliers and periodically provide opportunities for exchanging views.

● EIZO Supplier Day (Japan)

In Japan, where 80% of our production takes place, EIZO Supplier Day is held once a year with suppliers to explain and seek their cooperation with EIZO procurement policies as well as our business strategies and future initiatives.

Partners in CSR

We ask suppliers to actively engage in CSR activities, including compliance, respect for human rights, environmental preservation, and safety and health, by promoting the EIZO Supplier Code of Conduct and obtaining Supplier Declarations from them in order to ensure compliance. Suppliers report on their level of compliance based on a self-assessment, and we undertake onsite audits on a regular basis and as needed.

Strong Bonds of Trust with Our Stakeholders

● Participation in the Responsible Minerals Initiative

To ensure conflict-free sourcing of minerals used in EIZO products, we require all suppliers across our entire supply chain to maintain initiatives aimed at eliminating the use of regulated minerals associated with illegal activity. We also conduct an annual survey on the place of origin of regulated minerals (tantalum, tin, tungsten, gold, and cobalt)

to investigate and confirm that they are being procured from suppliers not involved in illegal activity. EIZO Corporation is a member of the Responsible Minerals Initiative (RMI).



Fair and Equitable Transactions

The EIZO Group Principles of Conduct unequivocally prohibit the offering or accepting of entertainment, gifts, or other benefits that violate the law or deviate from generally accepted business practices. In addition to complying with the principles of conduct, we ensure that our suppliers share a common understanding with us.

● Promotion of Shareholder and Investor Awareness Community Engagement

We conduct IR activities, including shareholder relations, to promote a greater understanding among our shareholders and investors by providing fair and accurate information on our management policies, business strategies, and financial performance.

Information Disclosure Policy

We disclose information in a timely and appropriate manner in compliance with the Financial Instruments and Exchange Act and related regulations as well as the "Timely disclosure rules and other regulations for issuers of listed negotiable securities

or valuable instruments" of the Tokyo Stock Exchange (TSE). Furthermore, we strive to ensure that any other material information which may affect investment decisions is also delivered to all market participants in an equitable manner.

Shareholder and Investor Engagement

● General Shareholders Meeting

We schedule our annual general shareholders meeting after taking the convenience of shareholders into careful consideration and avoiding days on which many shareholders' meetings are held by other companies. Invitations are sent far in advance to provide sufficient time for shareholders to examine the proposed resolutions and state of our operations.

In fiscal year 2020, we held the meetings amid the COVID-19 pandemic by adopting a hybrid format, in which we implemented stringent measures to prevent infections at the venue, asked shareholders to refrain from attending in person, and shared a video taken that day via the Company website.



To nurture greater understanding of the Company, we organize an explanatory meeting to share our initiatives and field questions from shareholders.

● Communication with Institutional Investors

We conduct briefings for institutional investors to report on our earnings twice a year as well as actively organizing one-on-one meetings. We also promote active communication by inviting them to factory tours so they can become more familiar with our operations.



▶ Meetings and Events for Institutional Investors

	Earnings Result Briefings	One-on-One Meetings
FY2018	Twice (total: 91 participants)	111 organizations
FY2019	Twice (total: 64 participants)	107 organizations
FY2020	Twice (total: 69 participants)	98 organizations

● Community Engagement

EIZO Group companies aspire to help develop and invigorate local communities in their respective countries and contribute to creating better environments as members of their communities through efforts that leverage the strengths of EIZO technologies and products.

Examples of EIZO Efforts

EIZO Europe GmbH (Germany)

We donated money to a project that distributes free workbooks on learning first aid skills to children at local elementary schools.



EIZO Limited (United Kingdom)

We donated books to support the activities of "ABC to read," an organization that provides training and support for children with reading disabilities.



EIZO Inc. (United States)

We donated money to The Movember Foundation, which conducts activities for raising awareness of male health issues (prostate cancer, testicular cancer, and suicide).



EIZO AG (Switzerland)

Through our support for the Sternschnuppe Foundation, which works to realize the dreams of children with disabilities, we made a dream come true for an 11-year-old boy with Asperger syndrome who wanted to ride the Glacier Express and spend a night in Zermatt.



EIZO GmbH (Germany)

We donated monitors to the local fire department and offered the use of Company premises for fire drills.



EIZO Corporation (Japan)

EIZO Rugged Solutions Inc. (United States)

We invite blood donation vehicles to the Company and support blood drives.



EIZO Technologies GmbH (Germany)

We donated money to Sternstunden e.V., an organization involved in various projects that provide support to children suffering from illness, disability, poverty, and other circumstances.

EIZO Nordic AB (Sweden)

We donated to the Swedish Childhood Cancer Fund, Barncancerfonden.

All EIZO (Japan, China, Germany, Switzerland, United Kingdom, United States, Sweden, Italy, The Netherlands, Czech, Austria)

The EIZO Group supports the Pink Ribbon movement. Each year, various efforts are made by our group companies to raise awareness of breast cancer and collect donations.



Corporate Governance

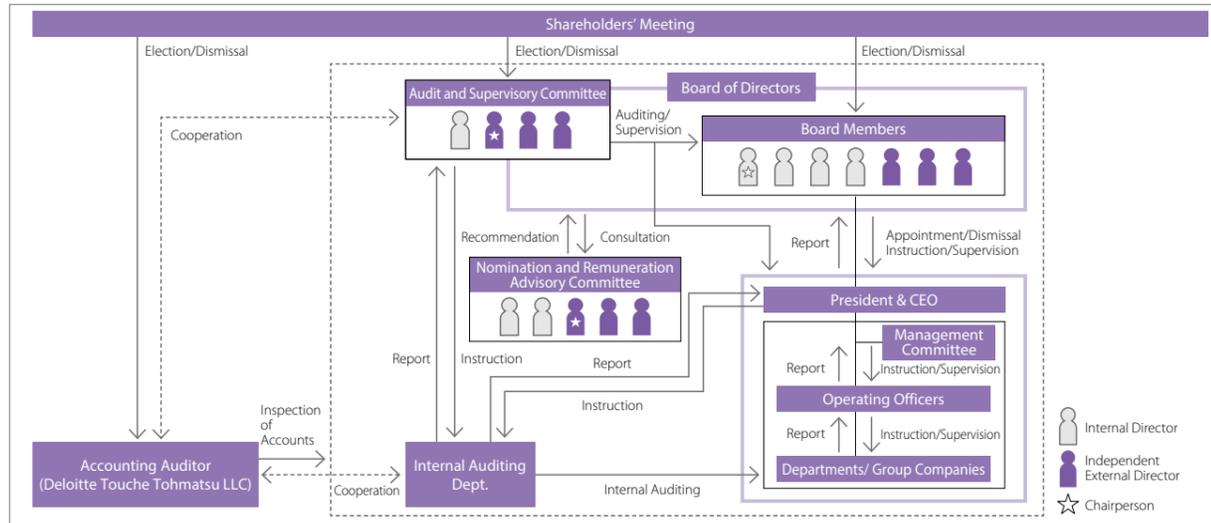
EIZO's Approach to Corporate Governance

We strive to be a company that builds and maintains relationships of trust with stakeholders who support us and that continuously enhances our corporate value. To this end, ensuring sound, transparent, and efficient management is essential. Therefore, we position the ongoing enhancement of corporate governance as a vital management concern.

Overview of the Corporate Governance System

We adopt the organizational design of a company with the Audit and Supervisory Committee. With this structure, we have worked to accelerate decision-making, strengthen the execution of operations, and—with the active participation of independent External Directors—enhance the effectiveness of the audit and supervisory functions of the Board of Directors to improve the transparency of corporate management.

Corporate Governance System



Board of Directors

The Board of Directors deliberates on key management decisions and receives regular reports on the status of operational execution. Members engage in lively discussions for decision-making and reinforce the supervisory function for management.

Audit and Supervisory Committee

The Audit and Supervisory Committee, in accordance with the audit policy and plans, audits and supervises the execution of duties by the Board of the Directors by attending the Board of Directors and other important meetings as well as examining corporate operations and assets.

Nomination and Remuneration Advisory Committee

The Nomination and Remuneration Advisory Committee (an optional committee) was established as an advisory body to the Board of Directors in order to ensure transparency and objectivity of decisions on the nomination and remuneration of Directors. It deliberates and makes recommendations on matters related to the nomination policy, election and dismissal of Directors as well as the system determining the amount of remuneration for Directors.

Management Committee

The Management Committee is mainly composed of internal directors and operating officers and is convened to accelerate strategic decision-making, respond to important issues, and deliberate or report on the status of operations and other matters. In addition to reporting on monthly consolidated business performance, it meets in a timely manner to ensure agile management.

Operating Officer System

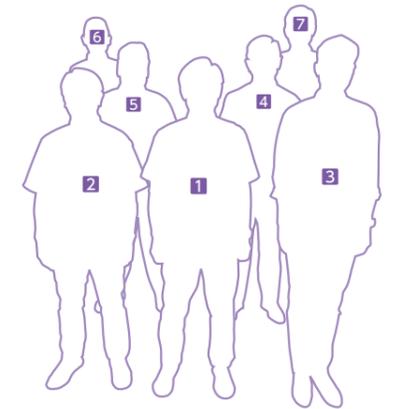
We operate an Operating Officer System to separate management supervision from operational execution and expedite the implementation of operations.

Note: Please see page 62 for Operating Officers.

Internal Auditing System

The Internal Auditing Department, which is in charge, carries out internal audits based on the Basic Annual Audit Plan and reports its results to our President & CEO. In addition, the Internal Auditing Department cooperates with the Audit and Supervisory Committee and the Accounting Auditor to carry out highly independent and effective audits.

Board Members



- 1 Yoshitaka Jitsumori
- 2 Masaki Ebisu
- 3 Manabu Arise
- 4 Masaaki Suzuki
- 5 Kazuhiko Deminami
- 6 Atsushi Inoue
- 7 Hiroji Takino

Name	Career Summary	^{*1} Attendance at a Board of Directors Meeting	^{*2} Attendance at Audit and Supervisory Committee Meetings
Yoshitaka Jitsumori President & CEO	Worked at Murata Europe Management GmbH (currently Murata Electronics Europe B.V.) as a Geschäftsführer before joining EIZO as an Executive Director in May 1994. Served as Senior Executive Director and Executive Vice President before being appointed President & CEO (current position).	100%	—
Masaki Ebisu Director (Operating Officer)	Worked at The Long-Term Credit Bank of Japan, Limited. (currently Shinsei Bank, Limited.) before joining EIZO in August 2004. Served as Senior Manager of the Procurement Department, Accounting & Finance Department, and General Affairs Department. Appointed as Operating Officer in October 2016 and Director in June 2021.	—	—
Manabu Arise Director (Operating Officer)	Joined EIZO in April 1992. Gained management experience at overseas group companies. Served as Senior Manager of the Accounting & Finance and Procurement Departments. Appointed Operating Officer in July 2017 and Director in June 2021.	—	—
Masaaki Suzuki External Director (Member of the Audit and Supervisory Committee)	Served as Managing Executive Officer at Mizuho Bank, Ltd., Senior Managing Executive Officer at NIPPON TOCHI-TATEMONO Co., Ltd. and Managing Director at Hokuetsu Pulp Co., Ltd., and President & CEO at Hokuetsu Package Co., Ltd. before joining EIZO as External Director in June 2012. Appointed External Director serving as an Audit and Supervisory Committee Member in June 2016 (current position).	100%	100%
Kazuhiko Deminami Director (full-time Member of the Audit and Supervisory Committee)	Joined EIZO in March 1982. Served as Senior Manager of the Accounting & Finance and General Affairs Departments, Operating Officer and Director of a group company before being appointed Director serving as an Audit and Supervisory Committee Member in June 2016 (current position).	100%	100%
Atsushi Inoue External Director (Member of the Audit and Supervisory Committee)	Served as Director, Senior Executive Vice President and Executive Counsellor at Murata Manufacturing Co., Ltd. before being appointed External Corporate Auditor at EIZO. Appointed External Director serving as an Audit and Supervisory Committee Member in June 2016 (current position).	100%	100%
Hiroji Takino External Director (Member of the Audit and Supervisory Committee)	Served as Managing Executive Officer of Hokuriku Bank Ltd. before being appointed External Director serving as an Audit and Supervisory Committee Member in June 2018 (current position) and President & CEO of Hokutate Co., Ltd., in June 2018 ^{*2} .	100%	100%

*1 Attendance at the Board of Directors meeting (Audit and Supervisory Committee meetings) held in fiscal year2020

*2 Hokutate Co., Ltd. has no special interests with EIZO.

Corporate Governance

Evaluation of Board of Directors Effectiveness

The Board of Directors annually evaluates its overall performance to continuously improve the effectiveness of key management approval processes and operational execution supervision.

In fiscal year 2020, we examined the following items from various perspectives and confirmed that an adequate level of

- Diversity of personnel composition, knowledge and experience
- Frequency of meetings and time allocated for deliberation
- Appropriateness of discussion criteria
- Legislative process
- Prior distribution of materials and information to determine content appropriateness
- Content of discussions
- External Director's understanding of corporate activities and communication with management

effectiveness was achieved.

We will continue to address changes in society and the business environment while optimizing our governance system based on decisions made through active discussions.



Composition of the Board of Directors (Skills Matrix)

The Board of Directors is composed of the following members (as of June 24, 2021)

Name	Audit and Supervisory Committee Member	External Director	Independent Director	Nomination and Remuneration Advisory Committee	Main Areas of Expertise						
					Corporate Management	Overseas Business Management	Accounting and Finance	HR & HR Development	Internal Control, Legal and Compliance	R&D	Supply Chain Management
Yoshitaka Jitsumori				○	●	●	●	●	●		●
Masaki Ebisu							●		●		●
Manabu Arise						●	●		●		●
Masaaki Suzuki	◎	○	○ Leading Independent External Director	◎	●	●	●		●		
Kazuhiko Deminami	○			○			●		●		
Atsushi Inoue	○	○	○	○	●	●					●
Hiroji Takino	○	○	○	○	●		●	●			

• The double circle (◎) represents the chairperson, who is selected from the External Directors of each committee.
 • The above table does not show all areas of expertise of each Director.

Policies and Procedures for Nomination and Remuneration of Directors

● Nomination and Remuneration Advisory Committee—Involvement of Independent External Directors

We established the Nomination and Remuneration Advisory Committee as a voluntary committee to ensure transparency and objectivity in matters related to nomination policy and the appointment and dismissal of Directors as well as in decisions on the remuneration system and the amount of remuneration Directors receive (excluding anyone serving as an Audit and Supervisory Committee Member).

The majority of the Nomination and Remuneration Advisory Committee members are Independent External Directors appropriately engaged in the decision-making process of the Board of Directors, a process through which their opinions are reflected.

● Policy and Procedures for Nominating Directors

Individuals with proven ability and experience in corporate management, along with excellent character and insight, are appointed as candidates for Directorship. In addition to these qualities, each candidate for External Director must also fulfill EIZO's "Criteria for Independence of External Directors" and be capable of auditing and supervising company management and execution of operations from diverse perspectives. With the above policy, the Board of Directors decides on the candidates after deliberating with and receiving the recommendations of the Nomination and Remuneration Advisory Committee. The consent of the Audit and Supervisory Committee is obtained in nominating candidates for Directors who are Audit and Supervisory Committee Members.

Note: Reasons for appointing individual Directors and the "Criteria for Independence of External Directors" are disclosed within the Reference Documents for the Ordinary General Meeting of Shareholders, where they were presented for approval.

Notice of Convocation of General Meeting of Shareholders
<https://www.eizoglobal.com/ir/meeting/>

The Remuneration Policy is disclosed in the Corporate Governance Report and other reports (Japanese only).

● Policy and Procedures for Director Remuneration Policy

We pay appropriate remuneration to Directors in accordance with the responsibilities and duties of each under its Remuneration Policy and within the amount approved at the General Meeting of Shareholders. Director remuneration is composed of fixed remuneration and performance-based remuneration. The latter is paid to those responsible for executing operations.

The Remuneration Policy is disclosed in the Corporate Governance Report and other reports (Japanese only).

Procedures

The method for determining remuneration and related matters as well as remuneration criteria by rank are set forth in the internal regulations, which are determined by the Board of Directors after deliberating with and receiving the recommendations of the Nomination and Remuneration Advisory Committee. The specific amount to be paid for each fiscal year is also determined in accordance with the relevant internal regulations and within the scope determined by the Board of Directors after deliberations with and receiving the recommendations of the Nomination and Remuneration Advisory Committee. The Audit and Supervisory Committee holds discussions on the remuneration system, method of calculation, and amount for its members.

► Overview of Director Remuneration (Fiscal year 2020)

	Directors (Excluding Audit and Supervisory Committee Members)	Directors Serving as Audit and Supervisory Committee Members
Upper limit of remuneration (*)	JPY350 million p.a., including performance-based remuneration calculated as 2% of the Consolidated Operating Income for each fiscal year up to JPY200 million	JPY50 million
Number of eligible Directors	3	4 (incl. 3 External Directors)
Remuneration	Total	JPY170 million
	Fixed	JPY83 million
	Performance-based	JPY87 million

*As resolved at the 49th Ordinary General Meeting of Shareholders (June 23, 2016). However, the upper limit of annual remuneration for Directors serving as Audit and Supervisory Committee members was revised to JPY60 million at the 54th Ordinary General Meeting of Shareholders (June 24, 2021) and applied starting fiscal year 2021.

● Performance-Based Remuneration

We pay a performance-based remuneration to Directors responsible for executing operations in accordance with its internal regulations. The amount is calculated as follows.

$$\text{Performance-Based Remuneration for Each Director} = \text{Consolidated operating income for the fiscal year subject to payment} \times 2\% \times \text{Rank-based points given to each Director in accordance with internal regulations}$$

Note that performance-based remuneration is not paid under the following conditions.

1. When the consolidated operating margin is less than 2%.
2. When the consolidated net income is less than JPY1 billion.

Corporate Governance

External Directors share their top priorities and goals

Achieving sustainable growth and increasing corporate value to become a stronger company



Masaaki Suzuki

Leading Independent External Director

Has held top management positions at a financial institution, manufacturer, real estate company and other positions in Japan and overseas. Utilizes his extensive experience and achievements in governance and compliance to contribute to enhancing EIZO's corporate value.

With respect to the revised Japan's Corporate Governance Code (CG Code) which seeks sustainable corporate growth and increased corporate value over the mid to long-term, I believe that it is particularly important to exercise the functionality of our Board of Directors and ensure the diversity of our human resources. In this regard, the Board is an open meeting body that includes Operating Officers and the heads of departments. It allows for sufficient information sharing and also functions as a venue for developing diverse human resources. In addition, in February 2021, the Remuneration Advisory Committee, which is an advisory body to the Board of Directors, was reorganized into the Nomination and Remuneration Advisory Committee, and I was appointed as the Chairperson. Given the extreme importance of the nomination of top management as an aspect

of human resource development and remuneration, I regularly meet with the President & CEO to express my frank opinions on succession planning and development. We have redesigned the remuneration system to realize our mid to long-term management strategy, and for fiscal year 2020 in particular, we reviewed our internal regulations that define the Directors' remuneration table. In my role as Chairperson, I emphasize transparency and conviction.

On the other hand, we are an international company that covers almost the entire world. Since we entrust management to local staff, our audit system for global management is absolutely crucial. We regularly receive reports from the full-time Audit and Supervisory Committee member and the Internal Auditing Department staff, mainly based on the systematic audit by the Audit and Supervisory Committee, and I strive to offer advice based on my own experience in management worldwide. Our challenge is to be a stronger company that is unique and attractive by exercising its creativity and ingenuity. In this regard, it is vitally important to implement a sustainable business model upon a robust financial base to focus more on stakeholders, and to develop global-minded human resources. I believe promoting these efforts will enable us to achieve sustainable growth and increase corporate value over the mid to long-term, as required by the CG Code.

Pursuing human resources development for the company's growth and transparent and honest management of technology through open discussions



Atsushi Inoue

Independent External Director

Has a background in technology and experience in technological management at manufacturers in and outside of Japan. Provides honest opinions on the management of EIZO from a global and diversified perspective based on his experience.

Leveraging my background as an engineer and my role as an External Director, I look at whether the company has or is prepared to have a system that enables it to further develop its technological strengths in the mid to long-term as well as the means for acquiring technologies and capabilities that are lacking. I think that our current production system for our products and the division of roles among our factories in each country are properly functioning and contributing to our business performance.

The key to our future growth will be developing human resources because—in my experience—the cultivation of human

resources tends to fall behind during periods of rapid growth. In the case of EIZO, the Board of Directors is one venue where we can develop our human resources. I feel that we are in an environment that allows us to talk openly about agenda items that have been well considered in advance. I hope that the Operating Officers and the heads of departments who participate in the meetings can also frankly exchange opinions and take advantage of this setting as a driving force for the growth of the company as a whole.

In terms of the company's capacity for technological development and management, I think that product development and technological advances are in general working well in conjunction with each other based on our mid to long-term plan. Our challenge for the future is to further accelerate the deployment of newly acquired technologies including M&A into the business. To this end, it is important for the heads of departments to exert stronger leadership to encourage cooperation and information sharing among departments. I would like to give advice on how the heads of the departments should think about the development of successors and human resources as well as inter-departmental cooperation based on my own experience.

Conveying the attractiveness of EIZO and enhancing corporate value from the perspective of stakeholders



Hiroji Takino

Independent External Director

Participated in the top management of a financial institution and subsequently engaged in the management of a business corporation. Provides helpful advice on the management of EIZO from a wide range of perspectives representing the viewpoint of stakeholders.

Since I am the only External Director who is from the region where EIZO is headquartered, I would like to contribute to the improvement of corporate governance by providing opinions and the necessary information regarding the ways the company should contribute and relate to the local area while drawing from my relationships with local government organizations and businesses.

Corporate governance requirements are becoming increasingly stringent with each passing year, and EIZO is

responding to them in a timely manner. In addition, the company is steadily conducting in-depth audits of its many overseas group companies, which largely differ in ways of thinking and values. I believe these governance initiatives are also highly regarded in the market. Yet despite our efforts to enhance corporate value, there is still the risk of hostile takeovers by large companies seeking to acquire technology or by activist shareholders. I will therefore continue to examine the legitimacy of our measures for stable shareholders and takeover defense. I would also like to educate myself to reach appropriate conclusions when my opinion conflicts with our stakeholders'.

EIZO is often viewed as a smooth sailing company with a sophisticated brand image, but in fact it has steadily transformed the substance of its business in the face of numerous challenges. I think that our corporate culture is aggressive and progressive, based on originality and flexibility, and backed by technological innovation. I believe that by increasing public awareness of our history, depth, and strengths, we will be able to raise our corporate value.

Operating Officer System

We adopt the Operating Officer System to expedite the execution of duties. The outline of Operating Officers' duties is as follows.



Front row, from left

Toshimine Hiraki, Senior Operating Officer, Manufacturing, and Senior Manager, Manufacturing
Masayuki Hashimoto, Senior Executive Operating Officer, Research & Development, and Senior Manager, Intellectual Property Management
Yoshitaka Jitsumori, President & CEO
Kazuhide Shimura, Senior Executive Operating Officer, Strategic Business Development, Sales & Marketing, Global & Japan, and Senior Manager, Strategic Business Development & Overseas Sales
Kenichi Fujii, Senior Operating Officer, and Senior Manager, R&D, Rugged Systems

Back row, from left

Manabu Arise, Director, Operating Officer, and Senior Manager, Procurement
Masaki Kita, Operating Officer, and Senior Manager, R&D, Visual Products
Masaki Ebisu, Director, Operating Officer, and Senior Manager, Accounting & Finance, & Investor Relations (IR)
Hideki Bansho, Senior Operating Officer and Senior Manager, Human Resources
Masataka Shoji, Operating Officer, and Senior Manager, R&D, Healthcare Products
Kiyotaka Hira, Operating Officer, and Senior Manager, General Affairs



Hideaki Takahashi
Executive Operating Officer, Sales & Marketing, Japan

Keiji Maruyama
Operating Officer, Business Development, Carina System Co., Ltd.



Minoru Kontani
Operating Officer, Europe EIZO Sales Company and Distributor

Corporate Governance

Strategically Held Shares

● Corporate Policy

We will hold shares of a business partner only when beneficial to maintaining favorable business relations, encouraging long-standing trust and enhancing corporate value over the mid- to long-term. In accordance with this policy, the Board of Directors conducts an annual review to verify the rationality of ownership with respect to each company stock and decide whether we should continue to hold or sell.

We determine the rationality of owning stock from a comprehensive standpoint and by examining qualitative aspects, such as the purpose of ownership and calculating the quantitative benefits, such as transaction status, stock price, and dividends in order to verify whether they justify capital investment. In addition, we confirm that no transactions involve the holding of such shares that would create a conflict of interest for EIZO and that no transactions are detrimental to EIZO and the common interests of shareholders.

Going forward, we will continue to verify rationality and appropriately manage strategically held shares.

▶ Status of Stock Ownership (as of March 31, 2021)

	Number	Total on Balance Sheet
Unlisted Stock	4 companies	JPY44 million
Listed Stock	22 companies	JPY15,244 million

● Criteria for Exercising Voting Rights

We properly exercise our voting rights on strategically held shares after closely examining the management policy, business performance, agenda and other aspects of each company to determine whether or not they contribute to increasing shareholder value over the mid- to long-term.

Internal Control

We have the “Basic Policy on Internal Control System” in order to ensure that Directors execute their tasks in compliance with laws and regulations and the Articles of Incorporation, and ensure the appropriateness of other business operations. We manage an internal control system under the policy. In addition, we have built and are operating an internal control system for financial reporting based on the Financial Instruments and Exchange Act.

**Basic Policy on Internal Control System” is disclosed in the Corporate Governance Report and other reports (Japanese only).

Column

Discussion Between Group Companies

EIZO Group companies worldwide communicate with each other on a regular basis at a functional level within organizations, such as development, quality assurance, material procurement, sales and marketing. Since the number of online meetings has been increasing, particularly due to the COVID-19 pandemic, we are focusing on ensuring smooth communication and business collaboration.

During the 2021 annual budget meeting, all group companies were connected online, and the executives of each company presented their annual plans and management strategies. They also actively engaged in multifaceted discussions on numerous topics, from market development and product strategy to investment in human resources.

Sharing strategies and addressing issues across the entire group continues to develop the strength and reliability of our consolidated business.



Risk Management

● Corporate Policy

We believe it is essential to appropriately manage risks surrounding the Group to achieve our management objectives and implement our business strategies and we have therefore established and are operating a company-wide risk management system to handle risks in an integrated and centralized manner at the headquarters.

▶ Organizational Chart of Risk Management Committee



● Business Continuity Plan (BCP)

In proactive preparation for the potential impact from major disasters, we have formulated and thoroughly disseminated a BCP throughout the company. In particular, our Disaster Response BCP stipulates procedures for confirming employee safety and facilitating necessary rescue operations in the immediate aftermath of a major disaster and within one month, restoring at least critical operations and resuming the supply of our products.

Natural disasters such as typhoons, heavy rain and unexpected situations such as infectious diseases may complicate material procurement. To address these risks, we are implementing measures such as strategically securing a physical inventory of components and identifying alternative parts at the design stage.

● Group-wide Risk Management System

Organizing and confirming risks by the Risk Management Committee

We established the Risk Management Committee in accordance with the Basic Regulations on Risk Management and hold meetings twice a year during the first and second half of each fiscal year. In the first meeting the committee narrows down important risks from those collected from each department and confirms and organizes the details and countermeasures. In fiscal year 2020, we reviewed the system and integrated the risk collection process with the departmental goal management system to ensure the comprehensiveness of the collected risks and efficiency of the collection process so that we can identify risks in a more timely and effective manner. In addition, the committee centrally grasps the risks of overseas group companies through individual interviews with each company.

Determining important risks by the Management Committee and implementing measures by each department

The Management Committee deliberates on the details confirmed and organized by the Risk Management Committee and identifies the key risks affecting group management. Key risks are communicated group-wide through the head of each department and necessary measures (reduction, retention, avoidance and transfer) are undertaken by the relevant departments.

Grasping the risks for the next fiscal year

In the second meeting, the Risk Management Committee confirms the details and progress of our response to each risk and identifies risks that will continue to require attention in the following fiscal year. We also reflect those risks in the planning of our management objectives and plans for the following year.

● Information Security

To ensure proper handling of confidential and personal information, we established and have implemented regulations on information management. In addition to organizational, physical and technological countermeasures, we have set up a dedicated contact point to deal with information leaks and other incidents to reinforce our information security system.

More aggressive regulations to protect personal information are in effect worldwide and we are implementing necessary measures such as employee training in response to the General Data Protection Regulation (GDPR) (Europe) and California Consumer Privacy Act (CCPA) (United States). In Japan, we are strengthening our efforts to protect personal information and achieved JIS Q 15001 (Privacy Mark) certification in 2018.

Corporate Governance

Compliance

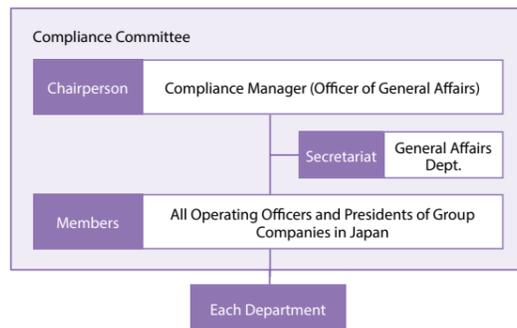
● Corporate Policy

We established the EIZO Group Principles of Conduct* as guidelines for conducting business activities with integrity in consideration of the environment, human rights and ethics toward achieving our corporate philosophy of “enriching future society through imaging solutions.” The Principles of Conduct express our commitment to stakeholders regarding our approach to sustainability and at the same time represent the standards on which we base our decisions and actions in our business activities.

In May 2021, we revised the Principles of Conduct to make them more effective and easier to understand as a compliance guideline for every employee. The revised Principles of Conduct were distributed as a printed card to all executives and employees of group companies in Japan and were also translated into multiple languages and distributed to overseas group companies to instill a thorough awareness of the Principles of Conduct among all our executives and employees globally.

▶ Please see page 2 for the EIZO Group Principles of Conduct.

▶ Organizational Chart of the Compliance Committee



● Internal Whistle-Blowing System

In accordance with “Regulations on Internal Whistle-Blowing,” we have established internal whistle-blowing systems in all group companies worldwide. Also, we strive to ensure the early detection and prevention of serious incidents that could damage corporate value, such as illegal activity or misconduct.

Contact points have been set up inside the company and at independent law firms, and all EIZO members are expected to report any legal or ethical business issues, compliance questions, or concerns immediately, regardless of their own involvement. In addition, we have taken action to alleviate concerns about whistle-blowing, such as by clarifying the procedures for responding to whistle-blowing, protecting the privacy of whistle-blowers, and prohibiting any negative impact for whistle-blowing. We have been disseminating information to employees to improve the content and operation of the regulations so that the system can be easier to use and effective for self-correction.

● Compliance Management System

Implementation of a compliance program by the Compliance Committee

We established the Compliance Committee in accordance with our “Regulations on Compliance.” The committee identifies and evaluates compliance risks within the group each fiscal year and develops and implements a compliance program that includes necessary preventive and corrective measures.

Representative compliance risks to be identified include factors that would inhibit fair business, activities that might lead to corruption (business integrity risk) and the danger of leaking confidential information. We comprehensively examine potential risks to the Group and evaluate the materiality of risks based on the likelihood of their emergence and impact.



Checking and improving the compliance program

Every year, we monitor implementation details and insufficient results in our compliance program based on the regulations. In addition, we periodically review our Regulations on Compliance to continue to improve compliance management.

● Compliance Training

As a group engaged in global operations, we pay the utmost attention to all local and international laws and regulations, the latter of which is becoming increasingly complex year by year. Thus, we integrated legal compliance and education into our compliance program.

We monitor local trends by regularly exchanging opinions with overseas group companies in order to respond to laws and regulations in a timely and appropriate manner and to provide any necessary training.

In Japan, we encourage our executives and employees to update their knowledge of relevant laws and regulations on compliance by offering information through intranet educational and other materials posted by the Legal Department. We organize regular study groups for each department and workshops for each job position, such as for executives, managers, and new employees, so they can develop the knowledge they need, and we use online educational tools to confirm that the knowledge is instilled in them.

We will continue to educate each and every one of the EIZO Group on the necessity and importance of compliance to foster their awareness of compliance.

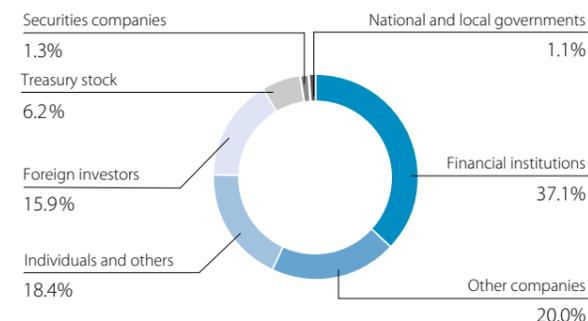
Corporate Information

Corporate Profile and Stock Information (as of March 31, 2021)

Trade Name	EIZO Corporation
Established	March 1968
Capital	JPY 4,425 million
Head Office	153 Shimokashiwano, Hakusan, Ishikawa 924-8566, Japan Phone: +81-76-275-4121 https://www.eizoglobal.com/
Business Locations in Japan	Sapporo, Sendai, Tokyo, Nagoya, Ishikawa, Osaka, Hiroshima, Takamatsu, Fukuoka
Number of Employees	Consolidated: 2,469 Non-consolidated: 1,042 (Including average number of temporary staff)
Business Activities	Development, design, manufacture, and sales of visual display systems, amusement monitors, and related services
Fiscal Term	April 1–March 31 (Ordinary General Meeting of Shareholders : June)
Number of Shares Authorized	65,000,000 shares
Number of Shares Issued	22,731,160 shares (including 1,410,935 shares of treasury stock)
Number of Shareholders	5,558
Stock Listing	First Section of Tokyo Stock Exchange (Securities Code: 6737)
Shareholder Registrar	Sumitomo Mitsui Trust Bank, Limited
Accounting Auditor	Deloitte Touche Tohmatsu LLC



▶ Distribution of Shares by Shareholder Type



▶ Major Shareholders (Top 10)

Name	Number of Shares Held (thousand shares)	Shareholding Percentage* (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,362	11.08
Custody Bank of Japan, Ltd. (Trust Account)	1,985	9.31
The Hokuriku Bank, Ltd.	836	3.93
The Hokkoku Bank, Ltd.	794	3.73
Hiroshi Murata	670	3.15
Hiroaki Corporation, Ltd.	567	2.66
Hazuki Corporation, Ltd.	567	2.66
EIZO Employee Shareholding Association	467	2.19
Yoshiki Sasaki	435	2.04
FUJI CORPORATION	379	1.78

Note: Treasury stock (1,410,935 shares) was excluded for the calculation of shareholding percentages.

Corporate Information

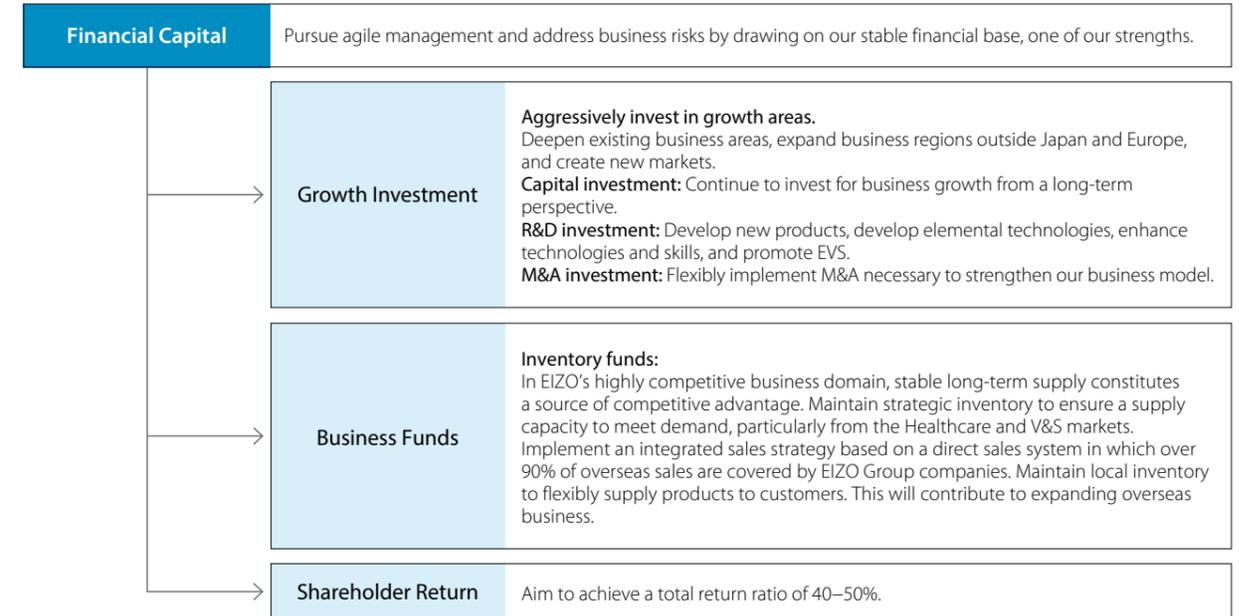
Group Companies

Name and Location	Main Business Activities	Certifications	Representatives
Overseas Manufacturing, R&D, Sales and Marketing Companies			
● EIZO GmbH (Rülzheim, Germany)	Development, manufacture and sales of visual products and related products for the Healthcare market	ISO 9001, ISO 13485, ISO 14001	Peter Ziegler President & CEO
● EIZO Technologies GmbH (Geretsried, Germany)	Development, manufacture and sales of visual products for the V&S market and control boards	ISO 9001, ISO 14001	Andy Kürz President & CEO
● EIZO Rugged Solutions Inc. (Altamonte Springs, FL, U.S.A.)	Development, manufacture and sales of graphics board and other components for the V&S market	ISO 9001	Selwyn Henriques President & CEO
● EIZO Display Technologies (Suzhou) Co., Ltd. (Suzhou, China)	Development, manufacture and sales of visual products and related products	ISO 9001, ISO 13485, ISO 14001	Rujun Zhang President & COO
Overseas Sales and Marketing Companies			
● EIZO Inc. (Cypress, CA, U.S.A.)	Sales of visual products and related products	ISO 9001, ISO 13485	Thomas Waletzki President & CEO
● EIZO Nordic AB (Väsby, Sweden)	Sales of visual products and related products		Per Hertz Managing Director & CEO
● EIZO AG (Wädenswil, Switzerland)	Sales of visual products and related products		CEO Martin Kofler
● EIZO Limited (Ascot, U.K.)	Sales of visual products and related products		Colin Woodley Managing Director & CEO
● EIZO Europe GmbH (Mönchengladbach, Germany)	Sales of visual products and related products		Minoru Kontani Executive Vice President & COO
● EIZO Saudi Arabia Regional Sales Office (Riyadh, Saudi Arabia)	Sales of visual products and related products		Sami M. Alshehri Country Manager
Domestic Group Companies			
● EIZO MS Corporation (Hakui, Ishikawa)	Manufacture of visual products and electronic circuit boards	ISO 9001, ISO 14001, ISO 45001, ISO 50001	Yoshitaka Jitsumori President & CEO
● Irem Software Engineering Inc. (Chiyoda, Tokyo)	Development and sales of amusement software		Masaki Ono President & CEO
● EIZO Support Network Corporation (Hakusan, Ishikawa)	After-sales service for visual products	ISO 13485	Yoshitaka Jitsumori President & CEO
● Carina System Co., Ltd. (Kobe, Hyogo)	Development and sales of hardware and software, including optical equipment and visual recording and distribution systems		Mutsuo Kotoh President & CEO
● Two other companies			

Financial Information

● **Drawing on Our Sound Financial Base to Achieve Sustainable Growth by Aggressively Investing in Promising Areas**
 We intend to improve profitability by aggressively investing in highly profitable growth areas to expand businesses in specific markets. This will in turn lead to higher ROE. We are making necessary investments to achieve our target of 15% in operating margin in fiscal year 2023, the final year of the 7th Mid-Term Business Plan. In addition, we will draw on our sound financial base, which is one of our strengths, to secure the necessary funds for business operations and growth investment.

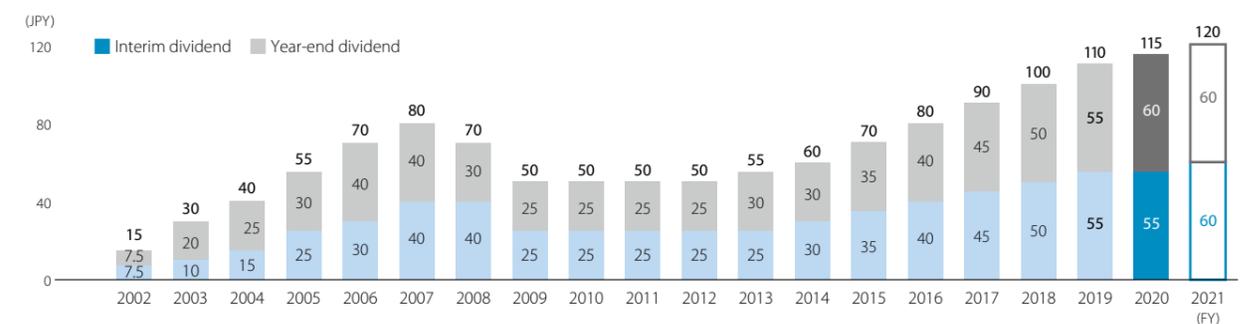
● Approach to Financial Capital Allocation



● Retained Earnings and Shareholder Returns

Shareholder Return Policy

Our policy is to continuously pay stable dividends in accordance with the company's growth. We return profit to shareholders in the form of dividends and share buybacks on the basis of an overall consideration of securing retained profit for capital investments and R&D expenditures required for business expansion. Our target shareholder return ratio (total return ratio) is 40–50% of consolidated net income.



Dividend payout ratio (%)	11.3	9.5	14.4	17.5	20.6	41.0	229.7	22.6	31.5	67.5	66.7	21.6	38.5	35.5	30.1	26.9	49.5	50.2	39.8	37.1
Shareholder return ratio (%)	11.3	9.5	14.4	17.5	20.6	41.0	375.2	22.6	31.5	168.0	66.7	21.6	38.5	35.5	30.1	26.9	49.5	50.2	39.8	37.1

*The shareholder return ratio reflects the share buybacks totaling JPY996 million in fiscal year 2008 and JPY1,661 million in fiscal year 2011.

Corporate Information

● Consolidated Financial Data

Fiscal Year	(JPY million)											(USD thousand)	
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2020*3	
Financial Results													
Net sales	65,204	59,559	58,270	73,641	72,576	74,878	78,284	84,057	72,944	76,480	76,565	696,050	
Operating income	5,150	4,404	2,056	6,833	4,472	5,081	7,033	8,554	5,370	6,441	7,935	72,140	
Profit attributable to owners of parent	3,547	1,636	1,598	5,437	3,321	4,202	5,661	7,138	4,308	4,671	6,155	55,958	
Research and development expenses	5,208	5,311	5,323	5,797	6,049	5,387	5,625	5,908	5,932	5,993	5,642	51,297	
CAPEX	1,236	1,510	2,115	1,383	1,414	4,814	2,512	2,163	4,125	4,346	3,563	32,394	
Depreciation	1,514	1,422	1,353	1,687	2,017	2,052	2,367	2,604	2,751	2,986	3,033	27,580	
Financial Status													
Total assets	77,432	77,032	79,367	92,931	106,519	104,792	115,160	119,497	121,423	125,284	150,061	1,364,198	
Shareholders' equity	59,210	57,678	61,431	69,201	79,293	78,011	85,280	91,521	94,924	95,979	114,453	1,040,482	
Cash Flows													
Operating activities	5,100	(2,736)	2,137	4,685	1,445	6,772	10,533	4,829	5,348	8,157	6,600	60,003	
Investing activities	(1,122)	679	(2,191)	(1,208)	(3,426)	(3,033)	(4,157)	(6,567)	(8,713)	(3,717)	(3,333)	(30,303)	
Financing activities	(1,116)	(2,776)	(1,067)	(1,066)	923	(1,386)	(1,598)	(2,772)	(796)	(2,433)	(2,648)	(24,077)	
Net increase (decrease) in cash and cash equivalents	2,832	(4,877)	(576)	2,942	(1,057)	2,198	4,573	(4,399)	(4,295)	1,842	940	8,552	
Cash and cash equivalents, end of year	21,591	16,714	16,138	19,080	18,022	20,221	24,794	20,394	16,099	17,942	18,882	171,662	
Per Share Information													
Earnings per share (EPS) (JPY)	158.93	74.08	74.96	255.05	155.80	197.10	265.54	334.82	202.09	219.13	288.71	2.62 USD	
Book value per share (BPS) (JPY)	2,652.64	2,705.24	2,881.26	3,245.70	3,719.08	3,658.95	3,999.89	4,292.63	4,452.27	4,501.78	5,368.29	48.80 USD	
Cash dividends per share (JPY)	50	50	50	55	60	70	80	90	100	110	115	1.04 USD	
Total payout ratio (%) ^{*1}	31.5	168.0	66.7	21.6	38.5	35.5	30.1	26.9	49.5	50.2	39.8		
Financial Indicators													
Operating margin (%)	7.9	7.4	3.5	9.3	6.2	6.8	9.0	10.2	7.4	8.4	10.4		
ROE (%)	6.1	2.8	2.7	8.3	4.5	5.3	6.9	8.1	4.6	4.9	5.9		
ROA (%)	6.9	5.8	4.0	9.3	4.7	5.4	6.5	8.1	4.7	5.3	6.4		
EBITDA	7,787	5,119	4,247	9,702	6,723	7,753	9,474	12,113	8,465	9,442	11,622		
Equity ratio (%)	76.5	74.9	77.4	74.5	74.4	74.4	74.1	76.6	78.2	76.6	76.3		
Exchange Rate (Average for Period)													
USD/JPY	85.75	79.08	82.92	100.17	109.76	120.16	108.34	110.85	110.93	108.70	106.10		
EUR/JPY	113.15	109.04	106.78	134.22	138.69	132.60	118.74	129.66	128.45	120.81	123.76		
Net Sales Information by Market^{*2}													
Business & Plus (B&P)			9,504	13,777	15,585	17,991	16,822	18,111	17,787	16,409	16,864	153,315	
Healthcare			16,554	21,632	20,793	23,408	26,097	29,780	30,408	29,390	26,924	244,768	
Creative Work			4,171	5,212	5,548	6,355	5,470	5,749	5,971	5,345	5,485	49,871	
Vertical & Specific (V&S)			3,659	5,083	6,649	6,870	6,956	7,885	7,419	10,403	8,665	78,775	
Amusement			18,074	21,966	15,127	15,279	18,408	15,233	8,583	9,607	14,446	131,327	
Other			6,305	5,969	8,872	4,973	4,527	7,297	2,772	5,324	4,179	37,992	
Total			58,270	73,641	72,576	74,878	78,284	84,057	72,944	76,480	76,565	696,050	

*1 Total payout ratio for fiscal year 2011 includes JPY 1,661 million in share buybacks.

*2 No figures on net sales by market exist prior to fiscal year 2011. Figures for fiscal year 2012 to fiscal year 2016 are net sales previously categorized by product that have been reorganized according to the current market category.

*3 The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥110 to \$1, the approximate rate of exchange on March 31, 2021

Corporate Information

Performance Data

Environmental Data

Overview of the Environmental Impact

Environmental Impact by Area (FY2020)

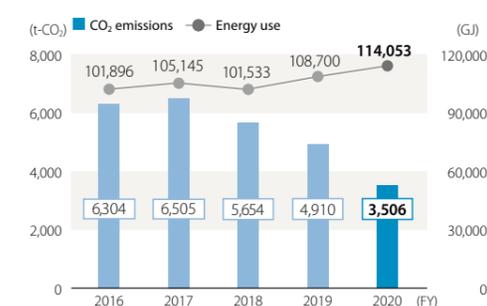
Area	EIZO Corporation Headquarters (Japan)	EIZO MS Corporation (Japan)		EIZO Display Technologies (Suzhou) Co., Ltd. (China)	EIZO GmbH (Germany)	EIZO Technologies GmbH (Germany)	Total
		Hakui	Nanao				
Operations	Development and Manufacturing of Monitors	Production of Circuit Boards	Assembly of Monitors	Development and Manufacturing of Monitors	Development and Manufacturing of Monitors	Development and Manufacturing of Monitors	
Energy usage (GJ)	55,391	34,760	8,181	1,874	9,881	3,966	114,053
Energy Resources	Electricity (10,000 kWh)	500.1	348.6	82.2	18.8	57.9	1,032.8
	LPG (t)	124.9	—	—	—	—	124.9
	LNG (1,000 m ³)	—	—	—	—	—	40.4
	District heating (10,000 kWh)	—	—	—	—	114.1	—
Copier paper (kg)	3,227	861	221	308	1,315	—	5,932
Water usage (m ³)	19,173	3,611	3,396	1,064	738	—	27,982
CO ₂ emissions (t-CO ₂)	1,806	989	227	115	245	124	3,506
Waste	Industrial waste (t)	240.8	44.9	149.5	—	31.9	493.1
	General waste (t)	13.0	2.2	1.4	—	1.0	17.6
	Wastepaper (t)	283.5	75.4	176.9	—	25.6	14.1

Greenhouse Gas Emissions

Greenhouse Gas Emissions by Scope (FY2020)

Scope and Category	Emissions (t-CO ₂)	Percentage of Total Emissions	Scope of Calculation
Scope 1	447	12.8	Consolidated
Scope 2	3,059	87.2	Consolidated
Total of Scope 1 and 2	3,506	100	Consolidated
Scope 3	350,489	100	—
1. Purchased products and services	117,441	33.5	EIZO Corporation headquarters
2. Capital goods	8,088	2.3	Consolidated
3. Fuel and energy-related activities not included in Scope 1 or 2	704	0.2	Consolidated
4. Upstream transportation and distribution	595	0.2	Shipment volume of products as cargo owner
5. Waste generated in operations	270	0.1	Consolidated
6. Business travel	272	0.1	EIZO Corporation headquarters
7. Employee commuting	815	0.2	Group companies in Japan
11. Use of sold products	221,865	63.3	Consolidated
12. End-of-life treatment of sold products	439	0.1	Consolidated

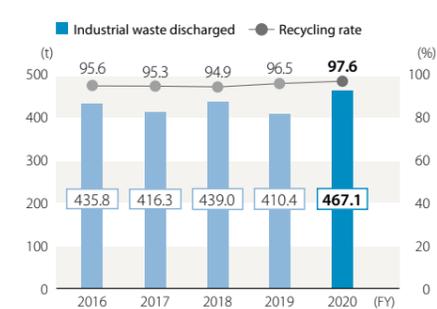
CO₂ Emissions and Energy Use (Japan, China and Germany)



Note: Calculations of CO₂ emissions associated with power consumption are based on the conversion factor and the calculation methods of each country.

Resources Recycling

Discharge of Industrial Waste and Recycling Rate



End-of-Life EIZO Monitors (for Home Use) Collected in FY2020

	CRT Monitors	LCD Monitors
Volume in weight (kg)	7,476.48	27,489.60
Quantity (units)	396	3,818
Recycled volume (kg)	5,816.47	22,061.15
Recycling ratio (%)	77.8	80.25

End-of-Life EIZO Monitors (for Business Use) Collected in FY2020

	CRT Monitors	LCD Monitors
Volume in weight (kg)	182.91	808.98
Quantity (units)	10	122
Recycled volume (kg)	139.99	565.6
Recycling ratio (%)	76.53	69.92

Social Data

Customer Relations

Employees Data (including the average number of temporary staff, as of March 31, 2021)

	Overseas	Japan	Total
	Number of employees	549	1,920
Male	359	1,016	1,375
	Female	190	904
Average age*		40.05	
Average length of service*		16.05	13.4

*EIZO Corporation, not including the average number of temporary employees

Number of Employees by Function (including the average number of temporary staff, as of March 31, 2021)

	R&D	Sales	Manufacturing	Administration	Other
Japan	649	243	714	165	149
Overseas	109	247	161	32	—
Total	758	490	875	197	149

Number of Employees by Age Group (as of March 31, 2021)

	18-29	30-39	40-49	50-59	60-
Male	121	251	280	235	32
Female	263	175	203	141	4

Number of Full-Time Employment (EIZO Group Companies in Japan)

	FY2018	FY2019	FY2020
New graduates	39	43	43
Mid-career	83	54	16
Percentage of mid-career employees (%)	68.0	55.6	27.1
Total	122	97	59
New hire turnover rate (within the first year)	2.56	2.12	3.45

Managers and Directors (EIZO Group Companies in Japan, as of March 31, 2021)

	Male	Female	Mid-career
Managers	111	4 (3.5%)	57 (49.6%)
Directors	15	0 (0%)	10 (66.7%)

Working Hours (EIZO Group Companies in Japan)

	FY2018	FY2019	FY2020
Average working hours	1,957	1,925	1,904
Percentage of paid leave taken	76	84	77

Independent Assurance Statement

EIZO Corporation received the independent assurance statement from Sustainability Accounting Co., Ltd. on the energy usage, greenhouse gas emissions by scope, and water usage for fiscal year 2020.



Independent Assurance Statement

September 23, 2021

To President Yoshitaka Iijima, EIZO Corporation

1. Purpose
We, Sustainability Accounting Co., Ltd., have been engaged by EIZO Corporation ("the Company") to provide limited assurance on specific data disclosed on Integrated Report 2021 which are 114 TJ for the total energy usage, 447 t-CO₂ for the amount of CO₂ emissions (Scope 1), 3,059 t-CO₂ for the amount of CO₂ emissions (Scope 2), 350 kt-CO₂ for the amount of CO₂ emissions (Scope 3), and 28 thousand m³ for the water usage for FY2020 (collectively, "the Environmental Performance Indicators"). The purpose of this process is to express our conclusion on whether the environmental performance indicators are calculated in accordance with the Company's standards. Our responsibility is to independently carry out a limited assurance engagement and to express our assurance conclusion.

2. Procedures Performed
Our assurance engagement has been planned and performed in accordance with International Standard on Assurance Engagements 3000 (ISAE3000) and 3410 (ISAE3410). The key procedures we carried out included:
- Interviewing the Company's responsible personnel in order to understand the Company's standards
- Reviewing the Company's standards
- Performing cross-checks on a sample basis and performing a recalculation to determine whether the environmental performance indicators were calculated in accordance with the Company's standards.

3. Conclusion
Based on the procedures performed, nothing has come to our attention that causes us to believe that the environmental performance indicators are not calculated, in all material respects, in accordance with the Company's standards.

We have no conflict of interest relationships with the Company.

Takashi Fukushima
Representative Director
Sustainability Accounting Co., Ltd.

Corporate Philosophy

Through the pursuit of imaging solutions
with advanced technologies,
we enrich people in their professional and personal lives.

EIZO Group Principles of Conduct

We act in accordance with the following "EIZO Principles of Conduct" in order to contribute to (the development of) a sustainable society and enrich people in their professional and personal lives.

1. We provide solutions including high-quality products, systems and services loved by customers through creating and offering new values by unique technologies and ideas.
2. We implement our advanced environmental commitment to both our products and business activities.
3. We value a broadminded corporate culture and work with a global outlook and mindset.
4. We conduct open and fair business.
5. We seek to build and maintain strong bonds of trust with our stakeholders (i.e., business partners, employees, shareholders, and the local community).
6. We respect human rights, diversity and ensure a healthy work environment for all.
7. We comply with the letter and spirit of the law and act ethically.

(Last revised in May 2021)

Quality Policy

The EIZO Group is committed to continually fulfilling customers' expectations by proposing and offering high quality products, services, and solutions.

We therefore:

1. Aim to develop high quality products by pursuing the world's highest level of technology.
2. Carry out our responsibility for environmental preservation by actively reducing the effects on the environment in every business activity from product development to manufacturing to sales and service.
3. Set the quality target which are carried out and reviewed by all the employees in every business activity.
4. Establish a quality management system, review it periodically, and continually improve it to sustain its validity and suitability.
5. Meet the expectations of both healthcare professionals and those who receive medical treatment by providing medical devices with assured quality, effectiveness, and safety.
6. Comply with legal and social requirements.

Mr. Masayuki Hashimoto, Senior Executive Operating Officer, EIZO Corporation (Last revised in April 2012)

Energy and Environmental Basic Policy

The EIZO Group is aware that one of our key responsibilities is to conduct business taking the environment into consideration. We strive to contribute to the sustainable development of our society by being conscious of the impact our business has on the environment. We will continue our concerted effort in the effective use of resources, climate change mitigation, environmental protection (including the protection of biodiversity and ecosystems), prevention of pollution, and reduction of other environmental risks.

We therefore:

1. Comply with legal, moral and other requirements regarding environmental protection and the effective use of energy.
2. Provide eco-friendly products and services, implement activities to reduce our environmental footprint, and take active measures to prevent pollution.
3. Constantly improve our environmental impact performance when conducting business such as: use of sustainable resources, pollution prevention, green procurement, enhancement of efficient energy use, and reduction of greenhouse gas emissions.
4. Establish an energy and environmental management system that is in accord with business activities and energy and environmental management goals, implement, review and continually improve our performance.
5. Conduct awareness-raising activities targeting our members to improve understanding of environmental protection as well as the use of clean and sustainable energy.

Mr. Masayuki Hashimoto, Senior Executive Operating Officer, EIZO Corporation (Last revised in April 2019)

Occupational Health and Safety Basic Policy

The EIZO Group will create workplaces where all members are able to work safely and in good health. We established the following policies, endeavor to eradicate occupational incidents, and establish and implement activities concerning occupational health and safety.

We therefore:

1. Conduct periodic assessments to identify occupational health and safety risks and implement appropriate countermeasures.
2. Raise awareness of maintaining and improving physical, mental, and emotional health and continually improve the health and safety of our members through on-going collaboration between the companies and its employees.
3. Establish an occupational health and safety management system and occupational health and safety goals, implement, review and continually improve performance.
4. Create opportunities for participation and consultation on occupational health and safety issues between members and the companies and ensure open communication between them.
5. Regularly educate members about occupational health and safety.
6. Comply with legal, moral and all other requirements regarding occupational health and safety.
7. Investigate and analyze the cause of any occupational accidents that may occur and ensure corrective action is taken.
8. Prepare and provide training so that prompt measures are taken should an accident occur.

Mr. Kiyotaka Hira, Operating Officer, EIZO Corporation (Established in April 2019)