

We will promote our manufacturing and business activities in consideration of reducing their environmental burdens.

We are conscious of the importance of environmental preservation as a common issue for all humankind, and are committed to do our utmost to protect the environment in all aspects of our corporate operations, with particular emphasis on efforts that result in environmentally sound product specifications.

Environmental Policy

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

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

Environmental Management System

After establishing an environmental management system under our Environmental Policy, we obtained ISO 14001 certification* in July 1998. Since then we have implemented measures for waste reduction and reduced resource and energy consumption. We have also taken a step farther in light of a number of factors, including society’s movement toward environmentally sound products and growing public interest in eco products, by operating our environmental management system, which emphasizes environmental targets centered on environmentally sound products.

* EIZO IMS Corporation, EIZO GmbH, EIZO Technologies GmbH, and EIZO Display Technologies (Suzhou) Co., Ltd. have also obtained certification.

Activities under the Environmental Management System

We continued to undertake many tasks for meeting our environmental targets for fiscal 2014 that would achieve results in product specifications. We also sought to accomplish these tasks and targets by sharing them with in-house organizations, including the design and development departments. We successfully reduced power consumption during suspension and use, exercised stricter control over chemical substances used in parts, and manufactured products that meet advanced environmental standards.

Environmental Management System Audits

Our ISO 14001 certification was maintained and updated in fiscal 2014 after a third-party institution conducted an external audit.



Environmental Targets/Performance Report

Scope: EIZO Corporation Headquarters area, EIZO MS Corporation, and EIZO Display Technologies (Suzhou) Co., Ltd.

Environmental Theme	Focus	Environmental Objective	FY 2014 Environmental Target	FY 2014 Actual Results	Self-evaluation	FY 2015 Targets
Efforts to prevent global warming	CO ₂ reduction	Reduced power consumption	Reduce electricity consumption by 8.888 million kWh/year	Maintained electricity consumption under 8.336 million kWh/year	○	Reduce electricity consumption to no more than 9.20 million kWh/year Expand effort to upgrade interior lighting to LED
		Reduced fuel consumption	Reduce consumption of fuel LPG: up to 139 t; kerosene: up to 18 kl	Reduced LPG consumption to 121.2 t/year and kerosene consumption to 19.2 kl/year by optimizing air conditioning	△	Reduce consumption of fuel LPG: no more than 138 t; kerosene: no more than 20 kl
		Environmentally sound product design	Reduce product electricity consumption	EV series developed in fiscal 2014 achieved power consumption of 0.5 W in sleep mode and 0.5 W in off mode Reduced body dimension and weight of models developed in fiscal 2014 by about 40% and 30%, respectively, compared to conventional models	○ ○	Achieve compliance with ENERGY STAR 7.0 Incorporate energy-saving features Promote smaller, lightweight products; conserve resources consumed for packaging materials and circuit boards
Creating a sustainable society	3R (reduce, reuse, recycle)	3R design	Promote product recycling	Reused LCD units of some amusement monitors collected from the market	○	Respond to reuse of amusement monitor components (survey and review)
		3R activities	Reduce industrial waste Maintain industrial waste generation below 385 t and purchase of copier paper below 5.820 t	Industrial waste generation increased to 280.5 t, purchase of copier paper decreased to 5.639 t	○	Maintain industrial waste generation below 360 t and purchase of copier paper below 5.950 t
Environmental issues	Management of chemicals	Reduced consumption of chemicals	Manage and restrict emissions and transport of toxic substances	Continued screening for chemical substances used at facilities and extended scope to bonding materials	○	Reduce use of organic solvents and related waste (including those generated by the new optical bonding facility)
Environmental compliance	Compliance with environmental laws and standards	Standards compliance	Respond to revised RoHS/REACH (SVHC)	Managed chemical substance data based on EIZO Green Procurement Standards, responded to numerous requests for environmental surveys from corporate customers	○	Continue to pursue green procurement
			Respond to ENERGY STAR 6.0	Maintained compliance mainly for EV series products	○	Prepare to obtain ENERGY STAR 7.0
			Respond to TCO Certified Displays 6	Obtained TCO Certified Displays 6 certification for newly developed FlexScan products Responded to annual CSR audit	○	Obtain TCO Certified Displays 7

○: Results exceeding 75%, △: Over 50% and under 75%, x: Under 50%

Status of Group Companies

The current status of Group companies is as follows.

- EIZO Display Technologies (Suzhou) Co., Ltd. (ISO 14001 certification: 2011)
Environmental targets applied to EIZO Corporation Headquarters area and EIZO MS Corporation (Hakui Plant and Nanao Plant) were also applied to EIZO Display Technologies (Suzhou) Co., Ltd. from fiscal 2012 to establish an environmental management system that encompasses all three companies.
- EIZO Technologies GmbH (ISO 14001 certification: 2012) and EIZO GmbH (ISO 14001 certification: 2009)
Both companies operate in accordance with local environmental conditions and regulations, including those for CO₂ emissions reduction, 3R's and management of chemicals.

Basic Product Development Sequence

In product development, we endeavor to meet the legal requirement and standards as well as to enhance the environmentally sound quality of our products including compliance with the legal requirement and standards, domestic and overseas legal requirements and standards, industry trends and social conditions. In addition, we conduct product environmental assessments in accordance with our own Environmental Compliance Standards to measure the environmental soundness of products.

The standards are linked to our system for developing, implementing and meeting companywide environmental targets for each fiscal year, and are revised every year toward improving the environmental soundness of our products. We also evaluate and control chemical substances throughout our supply chain in line with our Green Procurement Standards so that they comply with chemical substance regulations.

Green Procurement

Our Philosophy on Green Procurement

Our Environmental Policy for preserving the global environment applies to all our business operations, and respect for the environment is incorporated into product development to create a recycling-based society.

Our Green Procurement Standards were established to guide material procurement and to meet the expectations of customers and society as a whole by maintaining and strengthening our environmental preservation activities. The standards were also intended to fulfill our social responsibility by enabling us to quickly respond to the evolving environmental rules and regulations in each country.

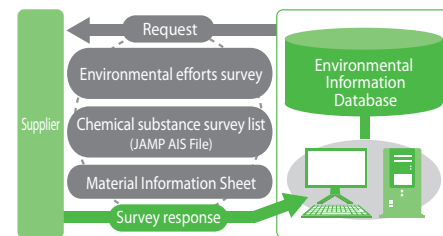
Our suppliers' efforts to reduce environmental impact and preserve the environment are just as important to us as their quality, prices, delivery schedule, services and technological excellence. In selecting products, parts and materials, including packaging, we place higher priority on those that are environmentally sound as well as meeting our quality, function and cost requirements.

These efforts are helping to reduce the environmental impact of our business operations while at the same time expanding markets for environmentally friendly products.

Management of Chemical Content Information

Amid growing concern for the environment across the globe, we voluntarily monitor chemical substances toward obtaining certifications for environmental standards in Japan and overseas, and support our green procurement efforts. These efforts include surveying the

Flow of Chemical Content Survey



environmental activities of our suppliers and the chemical substances contained in the parts we procure from them. We have established a database for collecting and managing the results of these surveys to determine which suppliers and materials best align with our values, and we also use the information in evaluating the environmental compliance of our own products.

Compliance with Environmental Standards and Legal Requirements

In our effort to proactively develop environmentally sound products, we observe the legal requirements of Japan and other countries and comply with major voluntary environmental standards in each market for our flagship products.

In Europe a number of regulations are being enforced, including the WEEE Directive (collection and recycling of discarded electrical and electronic equipment), the RoHS Directive (use of certain hazardous substances in electrical and electronic equipment), the REACH Regulation (registration, evaluation, authorization and restriction of chemicals) and the ErP Directive (eco-designing for energy-related products). These regulations were developed in Europe; however, they have been playing an important role in encouraging other countries and regions to take similar steps. Our products comply with these regulations.

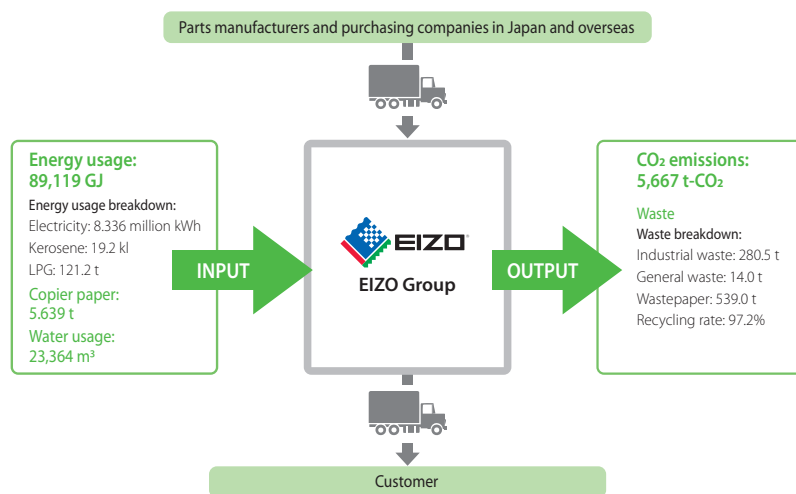
We also respond to environmental labeling standards such as TCO Certified Display 6 (international comprehensive standards for monitors), EPEAT (international environmental standard for PCs/monitors), ENERGY STAR 6.0 (energy efficiency standard established in the United States) and PC Green Label (Japanese environmental standard for PCs/monitors). In addition, we are actively involved in the development of TCO, ENERGY STAR and PC Green Label.

EIZO will continue to focus on developing green products while keeping an eye on the development of environmental labeling.



Environmental Risk Management

Scope of calculations: four areas as listed below



Environmental Impact by Area

Area	EIZO Corporation Headquarters area	EIZO MS Corporation		EIZO Display Technologies (Suzhou) Co., Ltd. (China)	Total	
		Hakuj Plant	Nanao Plant			
Operations	Development and manufacturing (assembly) of monitors	Production of circuit boards	Assembly of monitors	Development and manufacturing (assembly) of monitors		
Energy usage (GJ)	52,394	25,841	9,336	1,548	89,119	
Energy Resources	Electricity (10,000 kWh)	465.3	259.2	93.6	15.5	833.6
	Kerosene (kl)	19.2	-	-	-	19.2
	LPG (t)	121.2	-	-	-	121.2
Copier paper (t)	4,188	974	250	227	5,639	
Water usage (m ³)	17,192	2,622	2,508	1,042	23,364	
CO ₂ emissions (t-CO ₂)	3,333	1,628	588	118	5,667	
Waste	Industrial waste (t)	158.0	31.8	90.7	-	280.5
	General waste (t)	10.9	2.1	1.0	-	14.0
	Wastepaper (t)	249.5	73.9	215.6	-	539.0
	Recycling rate (%)	96.2	95.4	99.7	-	97.2

Prevention of Global Warming, and Energy Conservation

Facility Management

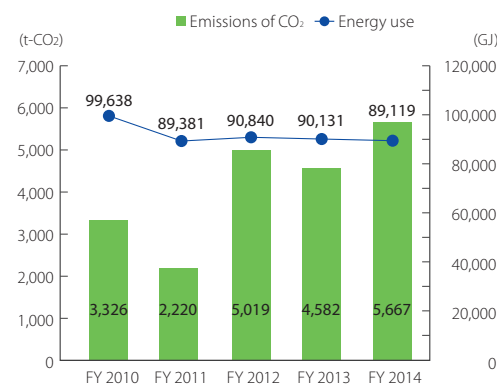
In principle, we ensure compliance with stringent voluntary management standards, including standards not bound by law.

Regulatory Compliance

We strive to comply with regulations governing corporate activities such as the Air Pollution Control Act, the Water Quality Pollution Control Act, and the Waste Disposal and Public Cleansing Act by collecting information on revisions and new regulations and by regularly monitoring and measuring the status of our response. Our emissions of air pollutants NO_x, SO_x, soot and dust are regularly measured in accordance with the Air Pollution Control Act and have remained well below the legal limit. In addition, we adhere to our own voluntary management standards, even in operations for which there are no applicable laws. No compliance problems were found in fiscal 2014, and no administrative guidance, admonitions, orders or reprimands were received. In addition, no complaints about environmental issues were received from our neighboring communities.

Prevention of Global Warming, and Energy Conservation

Emissions of Greenhouse Gases (Japan and China)



With regard to greenhouse gas emissions, we measure CO₂ emissions by converting figures for electricity, kerosene and LPG use into CO₂. We strive to reduce consumption of energy resources to reduce our CO₂ emissions. Although energy usage was almost the same as in the previous year, our greenhouse gas emissions rose during the current fiscal year, mainly due to an increase in the conversion factor for Hokuriku Electric Power Company.

- Calculations of CO₂ emissions associated with electricity use are based on the conversion factor of Hokuriku Electric Power Company and the conversion factor used in China.
- In fiscal 2014, CO₂ emissions doubled from the previous year due to a significant increase in the CO₂ conversion factor for electricity, resulting from an increase in the ratio of thermal power in Japan.

► **Energy Use**

In fiscal 2014, our electricity consumption increased due to the start of operations of a newly constructed clean room at the headquarters plant of EIZO Corporation. However, we replaced the lighting at the headquarters plant with LED lighting and the air conditioning units at the Hakui Plant of EIZO MS Corporation.

As for operations at our facilities, we continued our efforts from the previous year to save energy by optimizing the operation of our air conditioning units. We were not able to achieve our target for kerosene consumption, because the volume of kerosene we consumed was driven up by a change in use for the floor where kerosene is used for air conditioning. Total energy use, however, was essentially the same as in the previous year.

We will continue to pursue Group-wide energy savings while also maintaining comfortable working conditions.

■ **Targets and Actual Results**

	Electricity	Kerosene	LPG
FY 2015 targets	9.35 million kWh	19 kl	138 t
FY 2014 targets	8.888 million kWh	18 kl	139 t
FY 2014 results	8.336 million kWh	19.2 kl	121.2 t
Targets achieved	○	×	○

► **Water Use**

We use only groundwater in EIZO Corporation's Headquarters area (affiliated companies use the public water supply). We monitor water usage and wastewater discharge to reduce the risk of subsidence and stress on wastewater treatment systems. We use water in our corporate buildings as well as for the snow melting system and for watering plants in the summer. Our manufacturing processes do not use any water.

► **Industrial Waste**

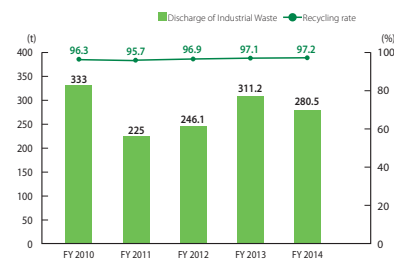
Our total volume of industrial waste increased 9.8% year-on-year to 280.5 t. In compliance with the Act on Special Measures concerning Promotion of Proper Treatment of PCB Wastes, we completed the disposal of used high-voltage transformers that contained trace amounts of PCB and had been stored at our sites.

► **Appropriate Management of Chemical Substances**

We closely manage kerosene and organic solvents in compliance with regulations such as the Fire Service Act and the Industrial Safety and Health Act. We do not use any chemical substances subject to the PRTR Law*.

* Pollutant Release and Transfer Register: Regulation governing the monitoring and promotion of efforts to more effectively manage the release of controlled substances into the environment.

■ **Discharge of Industrial Waste and Recycling Rate**



■ **Collection and Recycling of Used Products**

The EIZO Group has been collecting and recycling used products in compliance with environmental laws and regulations in each of the countries where it operates.

Japan

◆ **Collection of Used EIZO Products from Homes**

In compliance with the Waste Disposal Act and the Law for Promotion of Effective Utilization of Resources, EIZO established its Product Collection and Recycling System for free collection of monitors for home use.

End-of-Life EIZO Monitors (for Home Use) Collected in FY 2014		
	CRT monitors	LED monitors
Volume in weight (kg)	14,252	9,135
Quantity (units)	577	1,305
Recycled volume (kg)	9,359	7,995
Recycling ratio (%)	66	88

◆ **Collection of Used EIZO Products from Corporate Users**

In compliance with the Waste Disposal Act and the Law for Promotion of Effective Utilization of Resources, we have been collecting and recycling used products for business use under our Product Collection and Recycling System.

End-of-Life EIZO Monitors (for Business Use) Collected in FY 2014		
	CRT monitors	LED monitors
Volume in weight (kg)	1,260	2,506
Quantity (units)	51	358
Recycled volume (kg)	867	1,930
Recycling ratio (%)	69	77

Europe

◆ **EIZO Monitors Discarded in Europe**

The European WEEE Directive went into effect in August 2005 toward reducing environmental impact through promotion of the three R'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.