

CORPORATE SOCIAL
RESPONSIBILITY REPORT **2012**



Corporate Philosophy / Principles of Conduct – Seven Promises

Corporate Philosophy

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

EIZO Group Principles of Conduct – Seven Promises

We promote our business with integrity and bravery by establishing “Principles of Conduct – Seven Promises –” as follows.

1. We will supply high-quality products and services loved by customers through creating and offering new value by unique technologies and ideas.
2. We will promote our manufacturing and business activities in consideration of reducing their environmental burdens.
3. We will act as an international corporation with a global outlook and mindset.
4. We will conduct open and fair trade.
5. We will seek to build and maintain strong bonds of trust with our stakeholders (business partners, employees, shareholders, and the local community).
6. We will strictly respect and comply with both the letter and the spirit of the law as a good corporate citizen.
7. We will respect basic human rights and value a broadminded corporate culture.

Participation in the United Nations Global Compact



EIZO became a participant of the United Nations Global Compact (UNGC) in September 2012. Through this voluntary initiative, member corporations cooperate in the development of a global framework for sustainable growth by demonstrating responsible, creative leadership in their actions as good corporate citizens.

As a corporate participant, EIZO will engage in an ongoing effort to realize the UNGC's ten CSR principles in the areas of human rights, labor, the environment and anti-corruption, under the personal leadership of the company's president.

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Editorial Policy for the CSR Report

- Editorial Policy: We have compiled an explanation on topics we consider important and a report on the impact and effects of our business activities on society and the environment, using the GRI Guidelines as reference.
- Scope of the report: EIZO Nanao Group
Exceptions to the scope of coverage are explained in the notes to the relevant sections.
- Period covered: April 1, 2011 to March 31, 2012 (FY 2011)
- Issue date: October 2012
- Issue date of previous report: October 2011
- Issue date of next report: October 2013
- CSR Activity System: The General Affairs division is responsible for our CSR activities. Under the supervision of the officer in charge of general affairs, the division reports on its activities to the board of directors
- Contact information: EIZO Nanao Corporation General Affairs Department,
Tel: +81-76-274-2406

President's Message

We place the greatest value on offering our customers the pride of being EIZO users

Consistently Meeting Customer Expectations for EIZO Monitors

We understand the first and foremost meaning of corporate social responsibility (CSR) is pursuing business with integrity and ultimately contributing to society. I believe EIZO does this by realizing the possibilities of technology to provide products that are consistently superior to the many brands of monitors sold across the world. We also contribute to society and drive the sustainable growth of our company by offering customers the satisfaction of using EIZO products and the continual pride of being users of the world's premier products. This has been our approach to CSR and we intend to continue on this path well into the future.

United by Pride

In principle we do not send Japanese personnel to overseas Group companies but instead entrust responsibility for management and sales strategy to local employees. The key to the success of global group management is cultivating a sense of unity, which means that every employee around the world should share the same sense of pride in their roles of delivering EIZO monitors.

We also want residents of the communities in which we operate to be proud of the company's presence and believe this pride also reflects one way we contribute to the local community.

Building Foundations with Communication

A sound management system is an essential part of the foundation for maintaining the sense of pride in our company shared by employees and local residents as well as shareholders and suppliers. This requires firmly

establishing our Corporate Philosophy and Principles of Conduct throughout the entire Group. Over the years we have managed to infuse this shared pride by combining close communication and dedicated activities within the Group, even during our recent efforts to extend the company's global reach.

Moreover, since Group companies represent diverse cultures and operate in different social environments, we have recognized the growing need for sharing and putting into practice common CSR guidelines. One initiative for addressing this need is our participation in the United Nations Global Compact as a corporate participant. We will conduct a group-wide effort to abide by the ten principles of the Global Compact and realize them through our business operations.

EIZO's New Goal: "1000 AGAIN!"*

In May 2012, we announced our fourth Mid-Term Business Plan for the three-year period starting fiscal 2012. We are targeting net sales of 90 billion yen for the plan's last year, compared with actual net sales of 59.5 billion yen for fiscal 2011, and adopted the "1000 AGAIN!" slogan to intensify our efforts to generate 100 billion yen in net sales by opening up new business areas and markets.

We also plan to change our corporate name from EIZO Nanao Corporation to EIZO Corporation in April 2013. Emphasizing "EIZO" in our corporate name will boost recognition of the brand in global markets and reinforce our competitiveness to achieve growth as a Group.

We intend to contribute even more to society by consistently meeting stakeholder expectations in the EIZO brand and continually broadening the scope of our CSR efforts.

*"1000 AGAIN!" is based on 1,000 *okuen*, a Japanese unit equivalent to 100 million yen, and therefore equals 100 billion yen.

October 2012

Yoshitaka Jitsumori
President, EIZO Nanao Corporation

Corporate Information / Our Products

Corporate Information

Company Name	EIZO NANA O CORPORATION
Business Activities	Development, design, manufacture and sales of imaging systems including computer monitors, amusement applications and peripheral products
Established	March 6, 1968
President	Yoshitaka Jitsumori
Address of Headquarters	153 Shimokashiwano, Hakusan, Ishikawa 924-8566, Japan
Group Sales	¥59.5 billion (FY 2011)
Employees	1,553 (consolidated, as of March 31, 2012), excluding temporary workers
Subsidiaries	14 (including five domestic subsidiaries and nine overseas subsidiaries, as of March 31, 2012)
Development, Production, Sales	<ul style="list-style-type: none"> ● EIZO NANA O MS CORPORATION Japan: Manufacturing of computer monitors and amusement monitors ● EIZO GmbH Germany: Development, manufacturing, and sales of medical monitors ● EIZO Technologies GmbH Germany: Development, manufacturing, and sales of industrial monitors, air traffic control monitors and controller boards for monitors ● Tech Source, Inc. USA: Development, manufacturing, and sales of graphics boards for air traffic control ● EIZO Display Technologies (Suzhou) Co., Ltd. China: Development, manufacturing, and sales of computer monitors, etc. ● Irem Software Engineering Inc. Japan: Development, manufacturing, and sales of amusement software
Sales	<ul style="list-style-type: none"> ● EIZO NANA O TECHNOLOGIES INC. USA: Sales of computer monitors, etc. ● Eizo Nordic AB Sweden: Sales of computer monitors, etc. ● EIZO Europe GmbH Germany (and branch offices in Austria, Belgium, Czech Republic, Italy and the Netherlands): Sales of computer monitors, etc. ● EIZO NANA O AG Switzerland: Sales of computer monitors, etc. ● EIZO Limited United Kingdom: Sales of computer monitors, etc.
Others	<ul style="list-style-type: none"> ● EIZO SUPPORT NETWORK CORPORATION Japan: Providing after-sales service for computer monitors, etc. ● EIZO ENGINEERING CORPORATION Japan: Development and designing of computer monitors, and temporary staff services ● NANA O AGENCY CORPORATION Japan: Insurance service

Our Products

For General Markets

Standard LCD monitors featuring a variety of user-friendly functions, consideration for the environment and high reliability that are at the core of our business and products. These computer monitors are widely used in offices, schools, public facilities and homes.



Standard monitors

For Medical Markets

A varied lineup of solutions for a broad spectrum of medical operations, including monitors for displaying CT and X-ray images as well as monitors for operating rooms and electronic medical records.



Medical image display monitors

For Graphic Markets

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



Color management LCD monitors

For Industrial Markets

Optimum solutions for industrial needs, such as units incorporated into FA equipment and monitors for security control inside factories and kiosk terminals.



LCD monitors for industrial use

For Air Traffic Control

Comprehensive solutions that include main monitors for tracking aircraft flight status, auxiliary monitors for displaying air traffic control information, training monitors and specialized high-definition graphics boards for displaying air traffic control data.

High-definition graphics boards
Main monitors for air traffic control

For Home Entertainment

LCD monitors for entertainment systems using proprietary resolution technology, such as the world's first shade visibility improvement function, which enable users to enjoy the maximum impact of digital content on their PCs, game machines and AV equipment.



Entertainment monitors

For Amusement Markets

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

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LCD monitors for pachinko equipment

Financial and Non-Financial Information

Financial Information

Net sales

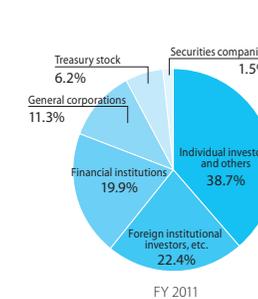


Operating Income/Operating Margin

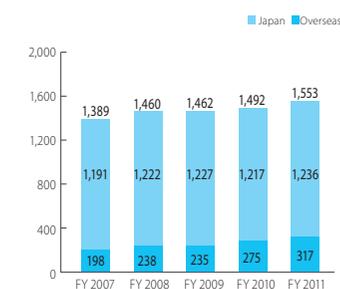


Non-Financial Information

Shareholder Composition

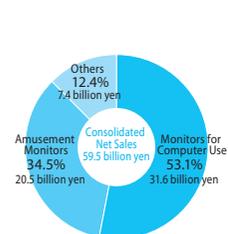


Number of Employees (total)



* Regular employees

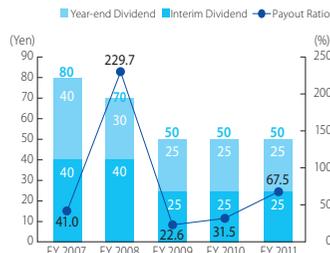
Sales and Percentage Breakdown by Product Category (FY 2011)



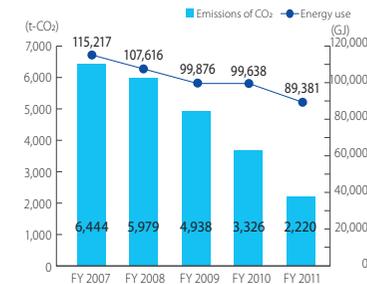
Composition of Net Sales by Region (FY 2011)



Five-year Change in Dividends



Emissions of Greenhouse Gases (Japan)



* Calculations of CO₂ emissions associated with electricity use are based on the conversion factor of Hokuriku Electric Power Company.

With regard to greenhouse gas emissions, we measure CO₂ emissions by converting figures for electricity, kerosene and LPG use into CO₂. We also comply with the Air Pollution Control Act by regularly measuring our emissions of atmospheric pollutants NO_x and SO_x, which are significantly lower than minimum statutory levels.

The Competitive Advantages of EIZO

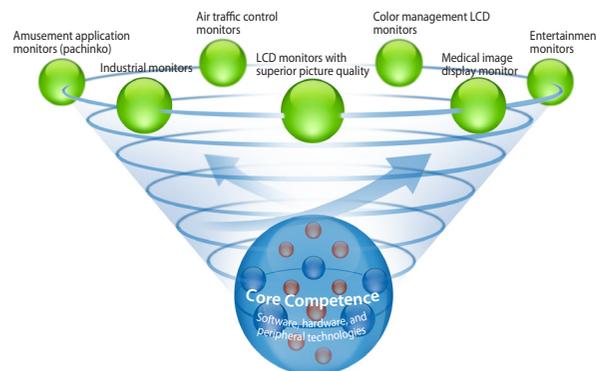
Since its founding, the EIZO Group has consistently focused its technology and passion on creating visual display products. We continue to concentrate our energy and efforts on developing products that are a step ahead of the times by using advanced devices and pursuing cutting-edge technologies. Our goal is to deliver reliable, high-quality products that both satisfy and inspire our customers.

EIZO's competitive advantage is the result of our business model, excellence in development and quality, and our global network.

◆ Business Model

We have built on our core competence* through our work on general-purpose LCD monitors with superior picture quality to expand into vertical markets by developing new products with the additional performance and functions required in various fields. Leveraging the technology, procurement and production synergies among our business units has enabled us to create advanced products with proprietary features to further develop and expand our business. This unique business model has been the major driver of our growth.

■ Business Development Based on Synergies among Business Units



Technology	Procurement	Production
Sharing technologies between business units and developing advanced products with proprietary features	Guaranteed device procurement capability	Production line for flexibly responding to orders

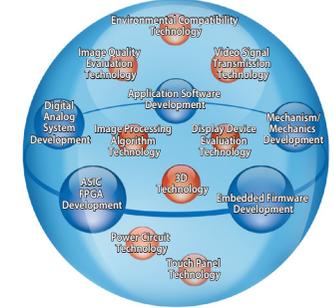
* Our core competence: Technological expertise that allows for a significant competitive advantage

◆ Excellence in Development and Quality

● Development

In the course of creating visual display products, we have gained the full spectrum of technologies required for developing monitors. This in turn has enabled us to quickly deliver new, cutting-edge products and high-quality products with enhanced functionality at reasonable prices.

■ Core Competence Software, Hardware, and Peripheral Technologies



● Quality

- Consistent quality control through 100% self-development and self-production

We have always been committed to 100% self-development and self-production, and we will maintain this commitment to integrate quality control, from development and manufacturing to after-sales service, under a group-wide effort to further enhance quality.
- Development of environmentally sound products

Our proven track record of incorporating the principle of environmental preservation into product development has been highly regarded in Europe, where environmental consideration for the environment is highly prioritized. As public concern for the environment grows, we will work harder to develop environmentally sound products by, for example, actively participating in the formulation of environmental standards.
- Rigorous attention to quality control

The key to the success of our products is the stringent inspections we conduct on the image quality of our monitors at different stages, from development to production. Products are checked by human eye in addition to machine to ensure that the image quality of every unit is reviewed at the highest level of accuracy from the perspective of the user.



◆ Global Network

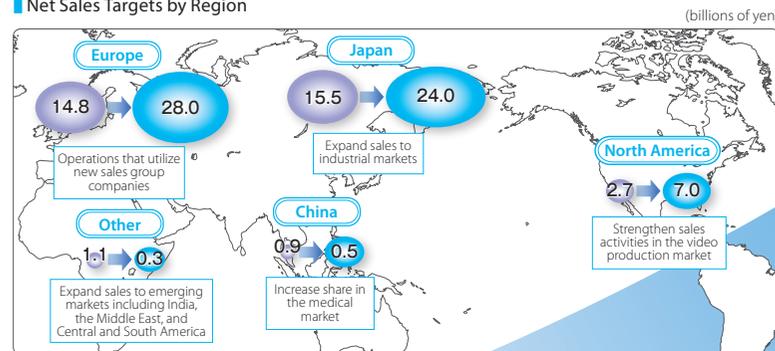
Please refer to page 17.

Fourth Mid-Term Business Plan

Our fourth, three-year Mid-Term Business Plan began in fiscal 2012. Under this plan, with the three focuses seen on the right comprising our policy, we are reinforcing our business foundation so that we can continue to enjoy exceptional customer support. This is made possible by fully demonstrating the comprehensive capabilities we have gained in product development and the commercialization of visual equipment, particularly monitors.

We plan to double overseas net sales with measures that include further solidifying our global system of procurement, development, sales, and logistics across the entire Group and strengthening sales in Europe through our own sales channels, as well as business expansion in China. Meanwhile, we will enhance the added value of our products in vertical markets (medical, graphics, industrial, and air traffic control) by aggressively engaging in R&D to continually deliver new solutions, and consequently cement our unchallenged No. 1 position.

Net Sales Targets by Region



* Figures do not include sales of service and maintenance.

1st Mid-Term Plan (2003–2005)

"Evolving, Exploring, Innovating"

- Growth in vertical markets
- Commenced direct sales
- Reorganized manufacturing subsidiaries

2nd Mid-Term Plan (2006–2008)

"Compelling Differentiation"

- No. 1 in the medical market
- Entered the air traffic control market
- Built up global R&D and product systems through M&A

3rd Mid-Term Plan (2009–2011)

"Undisputed Top Position"

- No.1 in strategic vertical markets
- Commenced development of the industrial market
- Restructured for leaner, more effective corporate operations

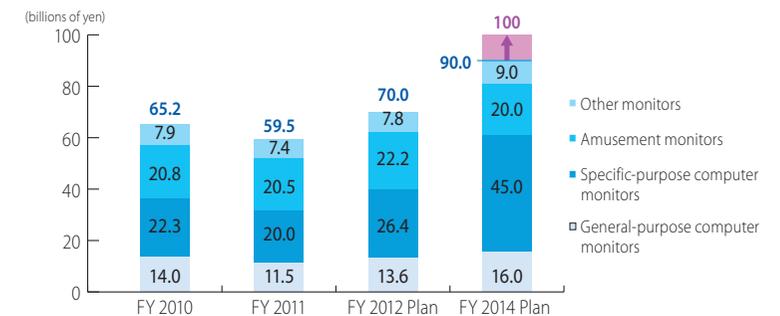
Note: "1000 AGAIN!" represents 1,000 × okuen (Japanese unit for 100 million yen) = 100 billion yen.

4th Mid-Term Plan (2012–2014)

"1000 AGAIN!"

- Expand the scale of the monitor business through a solid global network in Japan, Europe, the U.S. and China
- Solidify No.1 position in vertical markets through innovative R&D and value-added products
- Cement the position of No.1 manufacturer of amusement monitors by strengthening product planning and development

Net Sales Target



Creating New Value

We will deliver high-quality products and services that customers appreciate by creating and offering new value derived from proprietary technologies and ideas.

Our products are used in offices and homes around the world, and each field requires different specifications and functions. Beyond listening and responding to customer requests in each field, we relentlessly pursue proprietary technologies and ideas to create and offer new sets of values that extend our promise to consistently deliver products that customers appreciate.

EIZO's Quality Assurance System

Under our Quality Management Policy, we seek to ensure reliable long-term use of EIZO brand products by establishing an integrated quality control system that encompasses development and manufacturing to after-sales service and making continuous improvement throughout the system.

◆ Development Process

We develop and verify our products from the perspective of our customers from every conceivable viewpoint, starting with reliability and safety and including environmental compliance, energy saving, EMC performance*, ergonomics, usability and service. In addition, we perform product longevity testing to confirm that the performance and functionality of our products are maintained even after long-term use.

*EMC performance : Electro-Magnetic Compatibility

◆ Manufacturing Process

All EIZO products are manufactured under an integrated production process at our own factories, from PCB assembly to the final finished product. All display performance inspections rely on the human eye, from the perspective of customers who will use the product.

◆ After-sales Service

Under our system for ensuring that customers can use our products safely and for a long time, we respond to requests for after-sales service at EIZO Support Network Corporation for our customers in Japan and at our Group companies and distributors for our customers overseas. Feedback is incorporated into future product development.

Quality Management Policy

The Eizo Nanao 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 Respond to the trust of both medical professionals and patients by providing medical equipment with assured quality, effectiveness and safety.
- 6 Comply with legal and social requirements.

EIZO Solutions

◆ In Medical Treatment Settings

Monitors play an increasingly important role in the medical profession, where advances in digitization have meant that a broad array of data, from medical records to images including X-ray results, is now displayed on a monitor. EIZO supports highly accurate medical treatment and enhances operational efficiency through monitor solutions that offer high-precision displays and the outstanding reliability required for diagnosis, along with quality control applications that consistently guarantee the correct display of information.



We also train medical professionals to use the monitors more effectively and efficiently through seminars that explain mechanisms of the monitors, the importance of monitor images in diagnosis, maintenance tips and other topics.



◆ For Broad Industrial Applications Requiring Customization

Monitors built into factory equipment and specialized systems must be fine-tuned to meet their specific requirements. EIZO can quickly and flexibly respond to customization needs through our track record of outstanding quality and reliability, small-lot production utilizing our flexible production system, and the capacity to provide stable, long-term supply based on our procurement capabilities.



◆ In Creative Work Settings

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

While our reputation in the still image market is already well established, we intend to further strengthen our products and present new concepts for the video production market.



*Hardware calibration

Calibration method for setting the monitor display environment to enable users to directly adjust the color display by adjusting internal parameters

◆ A New Standard for Air Traffic Control

For the ATC market, we provide a total solution that includes the main monitors for tracking aircraft flight status, sub monitors for displaying relevant information, training monitors, graphics boards for displaying images, and flight status recording systems. We have also developed a high-resolution main monitor (4096 × 2160 dots) capable of displaying images equivalent to two conventional monitors, which we are proposing as a new standard.



◆ Proprietary Image Processing Technology for Home Entertainment

We are committed to enhancing video display performance in order to provide a higher level of enjoyment in viewing videos for entertainment on PCs, game machines and AV equipment by developing our proprietary image processing technology. (See page 10)

Creating New Value

Creation and Proposal of New Value for Video Displays

In pursuit of higher video display performance, we developed proprietary technology for enhanced visibility. This technology has been incorporated into our FORIS entertainment monitor and DuraVision industrial monitor.

The Three Smart Functions

Smart Insight – Shade Visibility Improvement Technology

Smart Insight analyzes the original image for each scene in a video, automatically detects the less visible areas on the screen, and enhances the visibility of the darker areas by adjusting the brightness of each pixel, thus displaying the image on the monitor as it was seen through the human eye.



Smart Resolution – Super-Resolution Technology

This technology analyzes the original image for noise and blurring and then corrects the blur to the extent needed to sharpen the image. For example, while playing a game or watching a movie, Smart Resolution sharpens the content to make it more vivid.



Smart Detection – Adjustment of Animated Areas

A function of this technology identifies areas of the screen that include animated images from the entire screen and only applies super resolution and shade visibility improvement processing to those areas.



Used in combination, these three “Smart” functions enhance the visibility of various scenes to realize the optimal display. We are working to apply these functions to monitors for games, photograph and online video viewing, and security and surveillance.

Ensuring Continued Safe Use – Five-Year Warranty

We believe that providing support to ensure the safe use of our products from the time of purchase to the point of any necessary repair is an intrinsic component of the products. In 2003, we became the first in the industry to offer a five-year manufacturer’s limited warranty (three years for LCD panels), and in 2012 we expanded our five-year warranty to cover LCD panels as well. Five years is the longest* warranty period for these types of products, which reflects our confidence in our product quality.



We are committed to consistently earning our customers’ trust and meeting their expectations.

* As of June 2012; researched by the company

Awards Good Design Award 2011

ColorEdge CG275W

EIZO received the 2011 Good Design Award for the ColorEdge CG275W, a 27-inch LCD monitor for color management. Specific accolades from judges included these comments: “Superb calibration functions worthy of a professional monitor” and “Deep consideration for the user has gone into creating this design, as evidenced by the ingenious interface features.”

EIZO brand products have received the Good Design Award for 16 consecutive years since 1996.



Environmental Consideration for Our Products and Business Operations

We will incorporate environmental considerations into our manufacturing and business operations.

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

- 1 We endeavor to constantly remain up to date on and to strictly adhere to environmental laws and standards applicable to our corporate operations and products, as well as other environmental preservation requirements of society at large. We determine environmental objectives and targets based on a clear understanding of such requirements as well as the environmental impact of our corporate operations and products. These objectives and targets are reviewed on a regular basis to achieve ongoing improvement of our environmental management system and performance.
- 2 At the research and development stage, we pay careful attention to the design of our products to minimize the consumption of resources and energy, ensure ease of recycling, and reduce the volume of toxic substances. Our aim is a continuous raising of our environmental standards.
- 3 In our corporate operations we give due consideration to conserving energy and resources. We work to reduce the volume of waste products generated by our operations and to dispose properly of all waste generated. We are engaged in positive efforts to promote the collection and recycling of used products discarded by consumers.
- 4 We constantly monitor the latest information related to the environment through our information network, which includes our overseas facilities and affiliated companies. We endeavor to share information appropriately by disclosing and disseminating details of our own environmental initiatives, and we work with others in common efforts aimed at reserving 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 Nanao MS Corporation, EIZO GmbH, and EIZO Display Technologies (Suzhou) Co., Ltd. have also obtained certification to date.

◆ Activities under the Environmental Management System

As in fiscal 2010, we incorporated many tasks for meeting our environmental targets for fiscal 2011 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 achieved manufacturing that meets advanced environmental standards.



◆ Environmental Management System Audits

Our ISO 14001 certification was maintained and updated in fiscal 2011 after a third-party institution conducted an external audit.

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.

Voice from a Worksite

Our division is responsible for the structural design of products, which involves the development of the chassis, external cladding, packaging materials, labels and user's manuals.

Every year, we seek to raise the level of environmental consideration that goes into our products, not only through compliance with the frequently changing environmental regulations and standards of each country, but also by taking into account resource savings and using environmentally sound materials in our product development.

We adopt various approaches to reduce the amount of materials used in our products such as resins and steel plates toward making them smaller and lighter to both save resources and maintain high quality and reliability. We also place high priority on reducing container size and have been able to conserve resources and raise the efficiency of logistics.

In order to quickly introduce environmentally sound materials, we assess and verify recycled resin, ink with less environmental impact and other materials in cooperation with our suppliers.



Yasushi Ikeda
Modeling and Design
Division
Functional Unit
Development
Department

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.

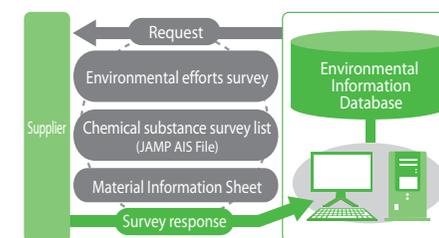
Our suppliers' efforts to reduce environmental impact and preserve the environment are just as important to us as their quality, prices, delivery schedule, services and technological excellence. In selecting products, parts and materials, including packaging, we place higher priority on those that are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

■ Flow of Chemical Content Survey



Compliance with Environmental Labeling 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 environmental labeling standards in each market for our flagship products. Furthermore, as we ensure that our own products are in full compliance, we also play our role in guiding the entire industry by actively engaging in the development of standards, such as the internationally recognized TCO Display 5.0 and ENERGY STAR 5.0.

We will continue to closely monitor trends in environmental labeling to reduce the environmental impact of product development.

◆ TCO

Efforts to make our products more environmentally friendly have proceeded largely in response to the evolution of environmental standards in Europe, starting with ensuring compliance with the TCO'95 standard introduced in Sweden. This standard has evolved into TCO Displays 6.0 following subsequent upgrades. EIZO has consistently participated in the formulation of TCO standards and scrutinizing the content of the standards to ensure progress in their effective application.

EIZO became the first in the world to receive certification for TCO Display 5.0 in April 2009, which was revised in September 2012 into TCO Displays 6.0 and for which we were also the first to receive certification. In the years ahead we will continue to recognize the importance of meeting this standard in the development of new products and maintain our policy of obtaining certification.



◆ ENERGY STAR

The ENERGY STAR Program was launched by the U.S. Environmental Protection Agency in 1993 to help reduce the power consumption of computers and related devices. The International ENERGY STAR Program was adopted in Japan in 1995 on the basis of an agreement with the U.S. government. We have participated in this program from the very beginning, and since becoming the first registered monitor manufacturer, we have had virtually all subsequent products registered under the program. ENERGY STAR Ver. 5.0 went into effect in October 2009. While the new standard is even more stringent, our products have been in compliance since it went into effect. Ver. 6.0 is scheduled to come into effect in 2013, and we will continue to actively seek compliance with these standards for the models we develop in the future.



◆ EPEAT

EPEAT, developed by the U.S. Environmental Protection Agency and managed by the Green Electronics Council since 2006, is a tool for evaluating the environmental impact of computers and peripheral equipment. Products are comprehensively evaluated against 23 mandatory and 28 optional requirements to award them gold, silver or bronze ratings.

Many of EIZO's monitors have been certified as EPEAT Silver, and since 2009 we have been reinforcing our efforts to increase the number of our gold-rated products.



◆ RoHS Directive

The RoHS Directive bans the use of six substances that are harmful to the global environment or human health: lead, mercury, cadmium, hexavalent chromium, PBB and PBDE. We began the switchover in 2005 and achieved complete compliance in all products bound for the EU by May 2006.



◆ WEEE Directive

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

◆ PC Green Label

This environmental labeling program is administered in Japan by the PC3R Promotion Association. The program is based on three concepts: (1) environmentally sound design and manufacturing; (2) post-use recovery and recycling of products; (3) environmental information disclosure.

EIZO has participated in revising the program as a committee member. We have also actively sought certification for our FlexScan and ColorEdge series and intend to maintain this policy.



Collection and Recycling of Used Products (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, we have been collecting used commercial products from individual customers under our Product Collection and Recycling System since October 2003.

For monitors purchased after October 1, 2003, we provide "PC Recycle Mark" labels at customer request. Monitors bearing these labels can be discarded without charge.

Monitors Actual collection from homes (FY 2011)		
	CRT monitors	LCD monitors
Volume in weight (kg)	29,548	7,959
Quantity (units)	1,211	1,137
Recycled volume (kg)	19,777	6,352
Recycling ratio (%)	66.9	79.8

◆ 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 used commercial products from corporate customers under our Product Collection and Recycling System since July 2001. Products collected under this system are disassembled, crushed and sorted by recycling companies for reuse. Since June 2010, we have been collecting and recycling through a system administered by the PC3R Promotion Association.

Monitors Actual collection from corporate users (FY 2011)		
	CRT monitors	LCD monitors
Volume in weight (kg)	1,220	420
Quantity (units)	50	60
Recycled volume (kg)	884	322
Recycling ratio (%)	72.5	76.7

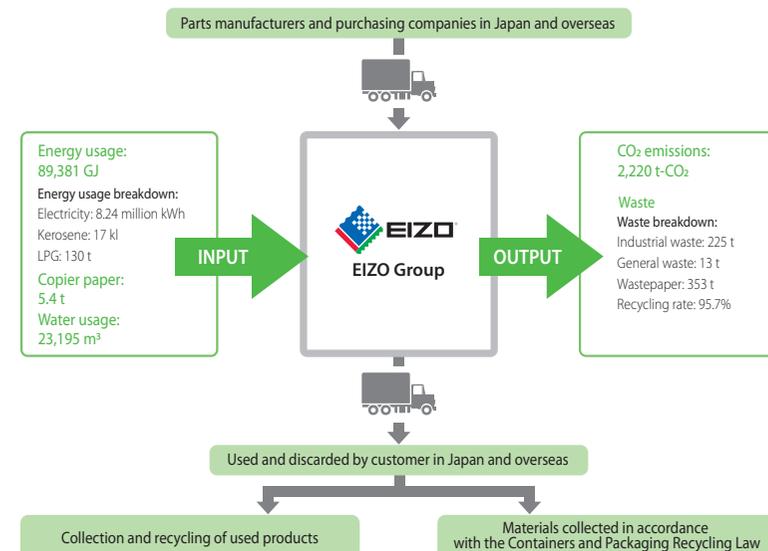
◆ Disposal of TV Sets

The revised Home Appliance Recycling Law that came into effect on April 1, 2009, added LCD and plasma TV sets to the list of appliances covered by the law. EIZO responded by establishing its Product Collection and Recycling System and began collecting and recycling used TV sets regardless of their manufacturer.

LCD TV Sets Actual collection and recycling (FY 2011)	
Quantity collected from designated collection sites (units)	306
Quantity of products discarded for recycling (units)	326
Weight of products discarded for recycling (kg)	5,281
Weight of recycled products (kg)	4,120
Recycling rate (%)	78

Overview of the Environmental Impact of Our Business Operations

Scope of calculations: three domestic areas as listed below



■ Environmental Impact by Area

Area	EIZO Nanao MS Corporation		EIZO Nanao Corporation Headquarters area	Total
	Nanao Plant	Hakui Plant		
Operations	Assembly of monitors	Production of circuit boards		
Total Energy Usage (GJ)	8,774	31,106	49,501	89,381
Energy Resources	Electricity (10,000 kWh)	88	312	424
	Kerosene (kl)	—	—	17
	LPG (t)	—	—	130
Copier Paper (t)	0.1	0.9	4.4	5.4
Water Usage (m³)	2,603	2,388	18,204	23,195
CO ₂ Emissions (t-CO ₂)	197	699	1,324	2,220
Waste	Industrial Waste (t)	68	36	121
	General Waste (t)	1	3	9
	Wastepaper (t)	93	69	191
	Recycling rate (%)	96.1	93.7	96.2

Environmental Risk Management

◆ 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. 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 2011, and no administrative guidance, admonitions, orders or reprimands have been received. In addition, no complaints about environmental issues were received from our neighboring communities.

Prevention of Global Warming

◆ Emissions of Greenhouse Gases and Atmospheric Pollutants

Please refer to “Non-Financial Information” on page 5.

◆ Energy Use

In fiscal 2011, we sought to save energy associated with our air conditioning systems by optimizing the operation of our air conditioning units and replacing some units. Given the current state of electric power supply in Japan, we also reduced electricity use by cutting down on in-house lighting and more frequently turning off unnecessary lights. As a result, we were able to limit total energy use to below 1,500 kl in crude oil equivalent, which is the target for energy efficiency under the Energy Savings Law. We will continue to pursue group-wide energy saving activities while also maintaining comfortable working conditions.

■ Targets and Actual Results Scope: EIZO Nanao Corporation Headquarters and EIZO Display Technologies(Suzhou) Co., Ltd

	Electricity	Kerosene	LPG
FY 2012 Targets	9.26 million kWh	16kl	140t
FY 2011 Targets	9.20 million kWh	20kl	140t
FY 2011 Actual Results	8.24 million kWh	17kl	130t
Level of Attainment	○	○	○

Figures for the goals have increased due to the addition of electricity data from our Group company in China starting in fiscal 2012.

Water Use

We use only groundwater in EIZO Nanao Corporation’s Headquarters area (Group 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.

Waste Reduction

◆ Industrial Waste

Our total volume of industrial waste decreased 32% year-on-year to 225 t, primarily due to production adjustments in the wake of the Great East Japan Earthquake and the historic rise in the yen’s value. The recycling rate of 95.7% fell short of our goal of 96% due to surplus unrecyclable waste generated by separate production activities, including the disposal of unrecyclable desiccants contained in the packaging of materials, and the promotion of voluntary 5S activities.

■ Discharge of Industrial Waste and Recycling Rate



Chemical Substance Management

◆ 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.

Environmental Consideration for Our Products and Business Operations

Environmental Targets/Performance Report

Scope: EIZO Nanao Corporation Headquarters area and EIZO Nanao MS Corporation

Environmental Theme	Focus	Environmental Objective	In-house Environmental Target	Fiscal 2011 Actual Results	Self-evaluation	Fiscal 2012 Targets
Efforts to prevent global warming	CO ₂ reduction	Reduced power consumption	Reduce electricity consumption by 9.20 million kWh/year	Maintained under 8.24 million kWh/year	○	Reduce electricity consumption to no more than 9.26 million kWh/year Upgrade interior lighting to LED
		Reduced fuel consumption	Reduce consumption of fuel LPG: up to 140 t; kerosene: up to 20 kl	LPG: 129.5 t; kerosene: 17.3 kl	○	Reduce consumption of fuel LPG: no more than 140 t; kerosene: no more than 16 kl
		Tracking CO ₂ volume	Implement product LCA	Closely monitored carbon footprint deliberations of the Ministry of Economy, Trade and Industry	×	Potential focus
		Environmentally sound product design	Reduce product electricity consumption	EV series achieved power consumption of 0.1 W or less in sleep mode for analog signal input and 0.1 W or less in off mode	○	Further reduce electricity consumption of products when connected to DVI/Display port—0.5 W for sleep mode and 0.5 W for off mode • Promote lightweight, compact products • Promote slimmer products
		Increased transport efficiency	Increase efficiency of product transport	Implemented compact packaging by separating stand bases	○	Accomplished and removed from Environmental Targets
		Green procurement	Green purchase of office supplies	Disseminated in-house information on recommended products for green purchasing	○	Ongoing focus
Creating a sustainable society	Three R's (reduce, reuse, recycle)	Reduce	Reduce industrial waste by up to 350 t for industrial waste generation and up to 6.2 t for purchases of copier paper	Industrial waste generation: 225 t; purchase of copier paper: 5.4 t	○	Industrial waste generation: 325 t Purchases of copier paper: 6.024 t
		Reuse	Promote reuse of office supplies	Promoted reuse of office supplies and in-house furniture and fixtures through the corporate intranet	○	Effectively use resources (Promote reuse of office supplies)
		Recycle	Expand use of recycled plastic materials in products	Adopted use of recycled materials in EV series	△	Improve recycling rate of waste generated on company premises: 96% Investigate and consider recycling parts for amusement monitors
			Recycling rate of waste generated on company premises: 96%	Recycling rate of waste generated on company premises: 95.7%		
	Disclose product collection system	Disclosed information on product collection through the website and user's manual				
Environmental issues	Management of chemicals	Reduced consumption of chemicals	Use mercury-free backlight units Manage and restrict emissions and transport of toxic substances	Expanded development of models mounted with LED backlight Changed cleansing agent used in the substrate assembly process to reduce environmental impact	○	Reduce use of hazardous substances, and control and review MSDS
		Green procurement	Manage chemicals used in products	Introduced new evaluation and control system for chemical substances and established an operational routine	○	Accomplished and removed from Environmental Targets
Environmental communication	Maintaining communication	Education and training	Conduct in-house education	Conducted environmental training for all employees	○	Conduct in-house education
		Disclosure of environmental information	Report corporate environmental activities	Published CSR Report in accordance with GRI application level B Promoted the wearing of lighter or warmer clothes under the "cool biz" and "warm biz" campaigns, and sought and shared eco-ideas publicly Disclosed product environmental information through the corporate website and catalogs	○	Disclose environmental information for company and products
		Survey of market trends	Provide in-house feedback on market needs and trends	Collected information on local environmental standards from overseas subsidiaries and distributors, and implemented ongoing internal feedback	△	Ongoing focus
Environmental compliance	Compliance with environmental laws and standards	Standards compliance	Comply with environmental laws and standards	Obtained ISO 14001 certification at EIZO Display Technologies (Suzhou) Co., Ltd. Complied with revised Rationalization in Energy Use Law Discontinued acquisition of TCO Certified Edge	△	Respond to ENERGY STAR 6.0 Respond to TCO Certified Displays 6.0

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

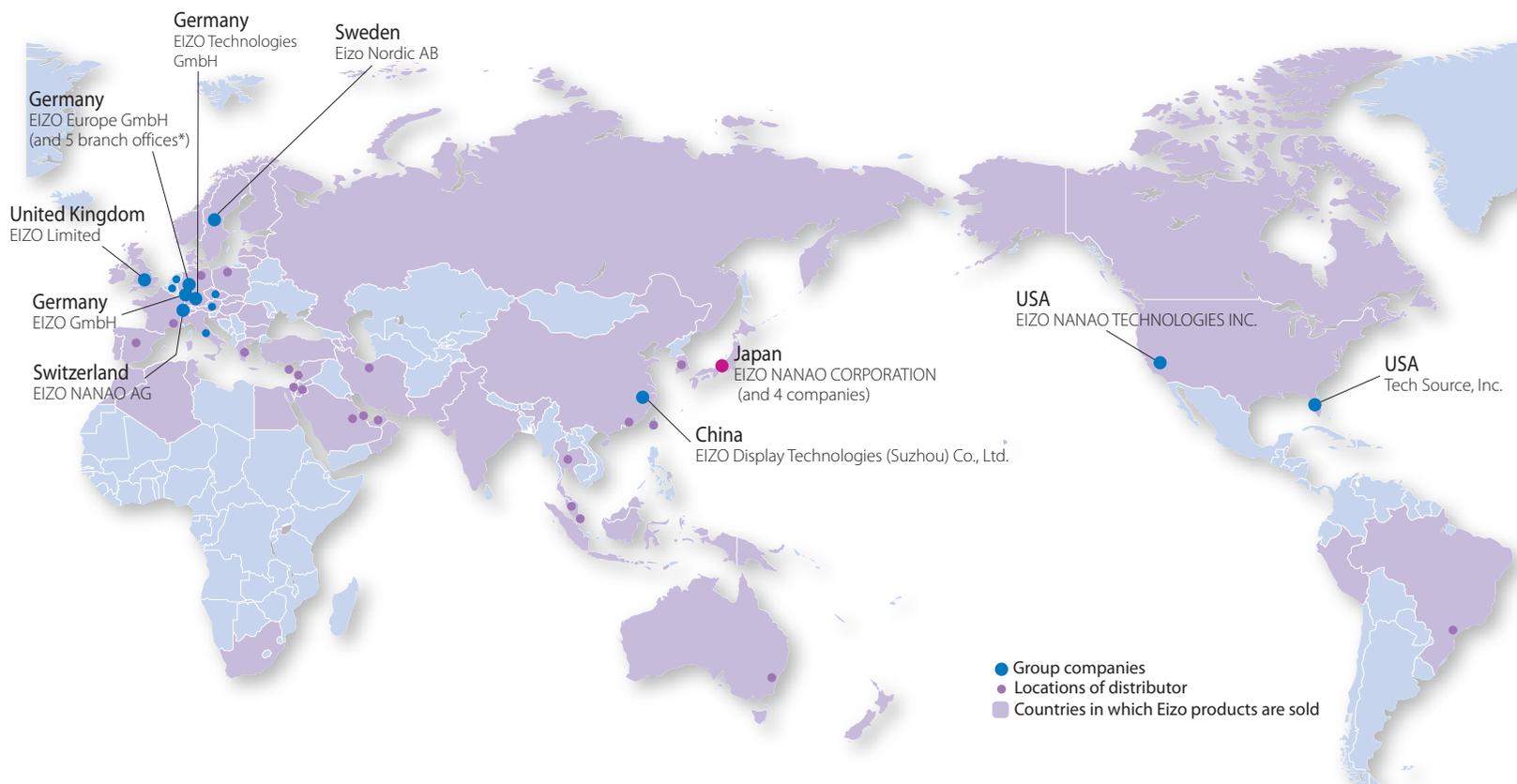
Operating as an International Corporation

We will take on the role of being an international corporation with a global outlook and mindset.

In order to ensure the delivery and ongoing worry-free use of our products worldwide, our group companies in Japan and abroad, and distributors in various countries, maintain strong mutual relationships to support customers and achieve sound corporate growth.

EIZO Group Global Network

The EIZO Nanao Group comprises 14 companies in Japan, Europe, the United States and China. We generate synergies in development, production and sales among our Group companies and utilize our comprehensive, worldwide capabilities to meet the needs of the market while enhancing our product lineup and expanding our market share.



Our products are well received around the world, with current sales in 67 countries and territories through our Group companies and 17 global distributors. (As of September 2012)

* EIZO Europe GmbH is composed of the head office in Germany and five branch offices in Austria, Belgium, Czech Republic, Italy and the Netherlands.

Globalization of Development and Production

The EIZO Group has three production sites in Japan, two in Germany and one in the United States and China, forming a network that maintains a coherent development and production system throughout the Group. This system enables us to apply stringent quality control from development to production, promote the creation of development synergies that maximize the strengths of each base, and construct an optimal production system for each market and customer. In addition, we promptly share information obtained in the course of development and production along with opinions and requests obtained from markets and customers to incorporate into product development and customer support.

◆ Efforts in the Chinese Market

China represents a priority market that is expected to continue growing. We are particularly focusing on expanding into the Chinese medical market. Our basic approach is “local production for local consumption,” in which products sold in the Chinese market are produced by our Group company in China. Our business expansion plans call for introducing products into the medical equipment market and building a competitive advantage through aggressive product development and parts procurement at that company.

Overseas Sales Network

◆ One Country/Territory, One Distributor System

From the very beginning of selling proprietary products in overseas markets, we have adopted a one country/territory, one distributor system in which a single subsidiary or distributor is responsible for all sales within a given country or territory. This unique system enables us to accurately discern customer needs in each country or territory by distributors who fully understand the culture and values of their respective regions and share information more smoothly. It also allows us to offer products through sales methods that are appropriate for each country or territory.

◆ Transition to a Direct Sales System in Europe and Reinforcement of Sales

In addition to general-purpose monitors, we have expanded into vertical markets encompassing medical, graphics, industrial and air traffic control monitors. These vertical markets require close, ongoing communication with customers as well as solid global support. We established sales subsidiaries in the United Kingdom and Germany in August 2011 to more effectively respond to these specific market environments and diversified sales channels. This decision required terminating our contracts with local distributors to initiate direct sales through our Group company in Europe starting in 2012. We plan to reinforce regional sales for further business growth with the two sales subsidiaries and five branch offices showing the way.

◀ EIZO United ▶

Group companies and distributors in each country periodically visit EIZO Nanao Corporation headquarters to tour the production site, directly exchange information with the planning and development departments, and participate in product study sessions to deepen their understanding of EIZO and its products and quality. In addition, annual EIZO United meetings gather Group companies and distributors to exchange information and broaden their collective base of knowledge.



Open and Fair Trade

We will conduct transactions in an open and fair manner.

Our suppliers are essential partners for ensuring the long-term viability of our business.

We therefore ensure transactions are conducted in a fair and equitable manner and strive to forge relationships of trust based on mutual prosperity.

◆ Relationships of Trust Based on Mutual Prosperity

With respect to our suppliers, we are committed to forging relationships of trust based on mutual prosperity to build successful, long-term partnerships, and we strive to conduct transactions that are fair, equitable and transparent.

In overseas sales, authority is delegated in each country to Group companies and distributors who are knowledgeable about local culture and values. This has enabled us to actively engage in overseas sales based on a deep understanding of our products. We have sought to expand sales by building on the relationships of trust and powerful partnerships developed over time, cooperating with distributors in organizing exhibitions, and providing customer support.

◆ Enhancing Employee Awareness

Conducting transactions in a fair and open manner requires each employee to have the necessary level of knowledge and awareness. We seek to deepen employee understanding and awareness with a steady flow of compliance information through our intranet and study sessions. Topics include anti-trust regulations directly related to business transactions as well as procedures for handling confidential information as required by regulations that prohibit insider trading and that govern relationships with suppliers.

◆ Handling of Information Obtained through Suppliers

We obtain confidential information from suppliers and customers through proper channels and will not seek to obtain or use information that is known to have been improperly obtained or disclosed. We also pay the utmost care in handling information we have obtained and follow the appropriate procedures for managing it.

◆ Unequivocal Prohibition of Bribery

We do not offer money or other benefits in violation of the law governing relationships with public servants and employees of public institutions. Likewise in our relationships with suppliers, we do not offer or accept entertainment, gifts or benefits that violate the law or deviate from generally accepted business practices, and we explicitly ensure they understand our corporate stance.

◆ Basic Procurement Policy

We deal with suppliers on an equal opportunity basis in accordance with procurement policies. In conducting transactions, we select suppliers who meet our standards as listed below.

Selection Standard for Suppliers

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

◆ Developing Mutual Understanding with Suppliers

As a manufacturing company that strives to create excellent products that satisfy customers around the world through our primary business operations, we place high priority on controlling quality, delivery schedules and the cost of parts and materials procured from suppliers as well as confirming that supplier operations are environmentally sound. We provide opportunities for regular exchanges of information to address these issues and ensure we and our suppliers share a common understanding of each others' management policies and technical strategies.

Materials Procurement Briefing

We conduct regular briefings with our suppliers to explain our basic procurement policy and request their cooperation. We also discuss the market environment and our future efforts. Many suppliers attend these briefings, which contribute to a greater understanding of EIZO and to gathering information for subsequent incorporation into business decisions.



Strong Bonds of Trust with Stakeholders

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

We will sincerely engage with stakeholders to forge closer bonds of trust through communication channels while fulfilling our responsibilities.

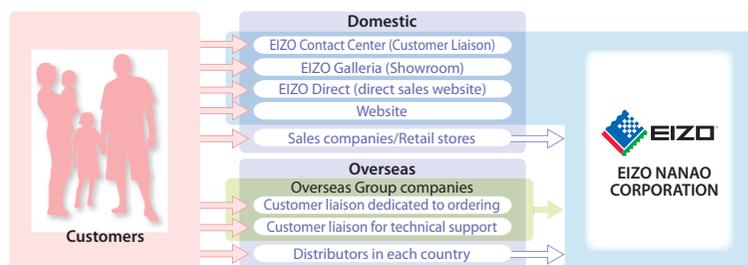
Relationship with Each Type of Stakeholder

EIZO's Stakeholders		EIZO's Responsibility	Communication Channels
Customers P.21	In addition to offering products that satisfy customers, we listen closely to their feedback and provide useful support.	<ul style="list-style-type: none"> ● Creating and offering products with new value. ● Developing products from the customer's standpoint. ● Responding clearly to questions and inquiries. ● Thoroughly responding to customer requests and feedback. 	<ul style="list-style-type: none"> ● Developing better products ● Setting up Contact centers as customer liaison points <ul style="list-style-type: none"> – Responding to questions and inquiries before and after purchase – Listening to customer opinions – Technical support ● Sharing information with relevant departments and considering incorporation into products ● Interacting with customers at showrooms and through direct dialog ● Providing and collecting information through participation in various trade shows ● Providing timely information via the corporate website
Suppliers P.19	We view suppliers as essential and important partners in the continuation of our business, and forges powerful relationships by sharing management policies and technical strategies.	<ul style="list-style-type: none"> ● Building relationships of trust ● Fair business transactions ● Explaining corporate policy and broadening understanding among suppliers 	<ul style="list-style-type: none"> ● Sharing information and creating mutual understanding as partners ● Establishing selection standards, dealing with suppliers on an equal opportunity basis ● Holding material procurement briefings
Employees P.25	We are a company focused on creative development that requires the imaginative ideas and powerful motivation of its employees. We therefore work to create a broadminded corporate climate and a workplace in which employees have a sense of security, and we support our employees in their self-development.	<ul style="list-style-type: none"> ● Motivating workplace environment ● Developing excellent personnel ● Promoting work-life balance ● Securing safety and health 	<ul style="list-style-type: none"> ● Providing various educational programs ● Supporting self-development activity ● Creating workplaces that reflect employee opinions and sound labor-management relations through consultation conferences
Shareholders P.22	We strive to gain the understanding and trust of our shareholders by providing fair and accurate information on management policies, business strategies and financial performance, and by maintaining transparency in our corporate management.	<ul style="list-style-type: none"> ● Timely and appropriate disclosure of information ● Enhanced corporate value 	<ul style="list-style-type: none"> ● General shareholders meeting (holding informal gatherings) ● Stable dividend payment
Local Community P.22	We seek to build solid relationships with the local community to gain their understanding and cooperation in pursuing our business operations. We are committed to fulfilling our responsibilities as a corporate citizen.	<ul style="list-style-type: none"> ● Preventing accidents and disasters at each business site ● Protecting the regional environment ● Cooperating with regional development and promoting culture 	<ul style="list-style-type: none"> ● Receiving company visits (15 groups in 2010) ● Sponsoring various events and organizations ● Supporting environmental conservation activities ● Corporation with Local Community and association ● Participating in local voluntary activities

Relationships with Customers

We provide product information on our Website, at our showrooms and through sales and promotional activities. We strive to directly communicate with customers through various channels in order to fully answer questions and respond to customer requests and feedback.

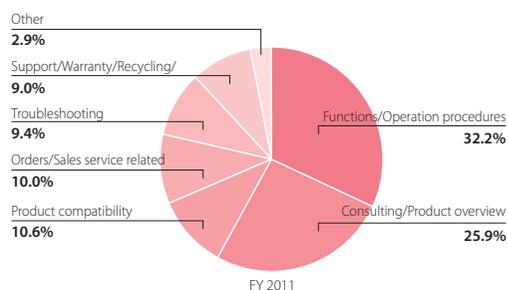
Feedback system for all types of customer input



Customer Liaison

EIZO Contact Centers have been set up as a convenient means for customers in Japan to communicate with the company. These centers provide answers to inquiries related to product specifications and operating procedures as well as questions related to purchasing products through telephone, e-mail and fax. Our overseas Group companies have also established specialized contact centers for customers to place orders or seek technical support. Customer inquiries and requests are shared among relevant departments within the company and utilized to guide product development as well as to prepare information provided to customers.

Breakdown of call categories



EIZO Galleria Showroom (Japan)

EIZO Galleria is a showroom located in the Ginza district of Tokyo where people can test the performance of our products while trying out their different functions. Our dedicated onsite staff introduces products and provides advice to customers who want to know more about them. We also hold seminars there on a variety of topics, such as color matching to provide information on the operating environments of computers for office and home use and on more effectively using EIZO products. The showroom is also used as a communication space for other types of events such as exhibitions of photographs taken by customers.



EIZO Website

Websites delivering timely information to customers in each country are managed by EIZO Group companies within the appropriate cultural and business context of each region.

Via the EIZO Nanao Corporation website, we mainly provide information on our products, along with information on customer support, hiring, corporate data and investor relations. In particular, we present detailed information on our products' features and appealing characteristics using images and movies in an effort to provide customers with information they need in a way that is easy to find and understand, while striving for timely disclosure of necessary information. Our website is updated on a daily basis to present information in a progressively comprehensible manner while incorporating the opinions and requests we receive from customers.



Japan



Germany



Sweden

Relationships with Shareholders

We conduct investor relations activities based on the principle of providing fair and accurate information on management policies, business strategies and financial performance to all stakeholders.

◆ Basic Policy on Information Disclosure

We 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. We strive to ensure any material information that may affect investment decisions is delivered to all market participants in an equitable manner.

◆ General Shareholders Meeting

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

During the general shareholders meeting, we provide opportunities for direct communication with our shareholders, such as by offering explanations about products exhibited at the meeting site. We also invite shareholders to an informal meeting following the general shareholders meeting to listen to their questions and comments.

◆ Company Presentations for Investors

We invite institutional investors to our semi-annual earnings results briefings in Tokyo, where we report on our management policies, activities and performance. We also hold briefings for individual investors to promote a greater awareness of our company.



Relationships with the Local Community

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

◆ Relationships with Local Communities

In Japan we take part in activities that are close to us, such as voluntary cleaning of beaches and shoveling snow, and we donate EIZO products to public facilities. Outside of Japan, every Group company seeks to contribute to their local community in their own way. For example, in the United States, EIZO supports children’s programs organized by local fire and police departments, while in Germany we have established close collaboration with a university and are developing new technologies and technological approaches with young engineers there.

◆ For Regional Development in Japan (headquarters of EIZO Nanao Corporation)

● For Regional Economic Development: Ishikawa Keiei Tensho Juku

The Ishikawa Keiei Tensho Juku is a project undertaken mainly in Ishikawa Prefecture and managed through the concerted efforts of industry, government and academic institutions. The goal of the project is to enable young corporate managers and future entrepreneurs who will bear responsibility for the future of the regional economy to acquire the practical thinking and decision-making skills required for corporate management through lectures and case studies. We support the project by providing operational advice and holding lectures, and EIZO’s own story is included as a case study. We also cooperate in the production of educational texts and provide additional support by holding lectures at our offices and organizing company tours.

● Cooperation in Promoting Culture: Orchestra Ensemble Kanazawa

We co-sponsor Orchestra Ensemble Kanazawa in Ishikawa Prefecture. We have also co-sponsored La Folle Journée Kanazawa Music Festival as a member of the executive committee from the very beginning. We intend to continue contributing to local culture and regional development.

Strict Respect and Compliance with both the Letter and Spirit of the Law

We will respect and comply with the letter and spirit of laws in our commitment to maintain good corporate citizenship.

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

Compliance

◆ Our Philosophy on Compliance

We recognize compliance as one of the most important concerns of management for fulfilling our social responsibility at the highest levels, and this includes ethical responsibility. Our action guidelines on compliance stipulate that we never become involved in illegal or unethical acts, and that we provide sufficient compliance training for all officers and employees. We have established an organizational structure for guaranteeing compliance and have been developing measures and systems to ensure effectiveness, and steadily promoting these measures based on an annual plan from a long-term perspective.

◆ Compliance Training

For officers and other employees, regulatory and other related information are always available on the corporate intranet, and we regularly provide training material to encourage them to update and enhance their knowledge toward establishing full awareness of the role and importance of compliance and cultivating an ethical mindset. We established the EIZO Group Code of Conducts—The Seven Promises to clarify our corporate philosophy and action guidelines in concrete terms and to serve as a standard in decision-making, evaluation and in the actions undertaken through the course of our business activities. We also seek to instill a thorough awareness of compliance among all Group employees in Japan and overseas while further enhancing our compliance system based on the prior establishment of the Compliance Committee and by further strengthening our management structure.

◆ Strengthening the Information Management System

We ensure proper handling of confidential information in accordance with our established guidelines. We have also appointed an information management representative with overall responsibility for establishing a company-wide information management system.

◆ Internal Notification Program

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

Risk Management

As part of our internal controls, we have established and operate a risk management system based on a group-wide perspective. The company's risk management activities are led by the Management Conference and the Risk Management Committee.

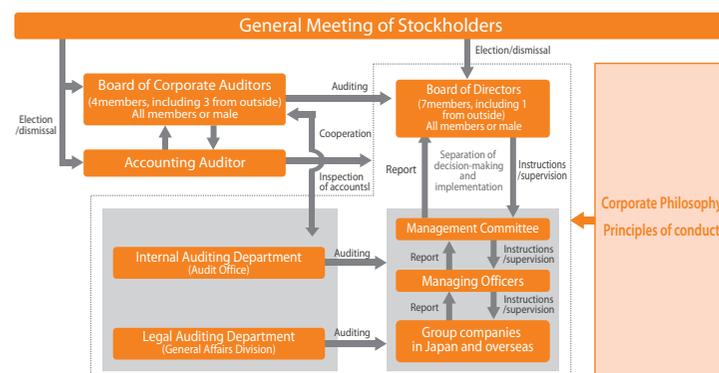
◆ Business Continuity Plan (BCP)

We have formulated a BCP for handling an outbreak of the new influenza virus as well as a BCP for responding to natural disasters, and these plans have been disseminated throughout the company. Work is currently underway on the formulation of a plan that summarizes the concrete steps to be taken by each department. Particularly with regard to our BCP for disaster response, we will build and reinforce a system for minimizing the impact of a major disaster by quickly recovering factory operations, diversifying material procurement channels, ensuring critical devices are sufficiently spread out for greater security, and implementing other measures such as promptly switching to alternative parts.

Corporate Governance

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

Corporate Governance System



◆ Overview of Management Organization

● Board of Directors

The Board of Directors meets monthly and as required to support timely decision-making for today's business environment. All important matters related to the board's decisions are discussed and progress reports on business tasks are presented on a regular basis. Among the seven Board of Directors, we have appointed a single outside director (as of June 21, 2012) to provide supervision and advice from a third-party perspective and thereby increase the transparency of management decisions. We also appointed one outside director and two outside corporate auditors as independent directors as stipulated under Tokyo Stock Exchange regulations.

● Management Committee

The management committee is convened as required to support decision-making by the Board of Directors. The conference studies and reports on measures regarding key business operation issues and tasks at hand and their progress.

A system of operating officers has been put into place to accelerate strategic decisions and strengthen the business operation system, and the management conference is composed of directors (excluding the outside director), a full-time auditor and operating officers.

● Board of Corporate Auditors

We have adopted a system of corporate auditors. The board of corporate auditors consists of four members (one full-time and three part-time, as of June 21, 2012) and includes three outside corporate auditors. Corporate auditors attend key meetings of the Board of Directors. The full-time corporate auditor reviews and discusses with directors important documents, such as draft proposals and contracts. He also collaborates with the Audit Office, the company's internal auditing department, on the review of internal regulation functions.

● Internal Auditing System

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

◆ Compensation System

With respect to bonuses paid to officers, we have endeavored to further clarify directors' management responsibilities for corporate performance. Also, we have introduced a performance-based compensation system that explicitly limits bonuses to within 3% of net income for each fiscal year (up to a maximum of ¥200 million) in an effort to ensure transparency of the calculation method. (Partially revised in June 2012)

◆ Internal Control System

We established our basic policy underlying a system that ensures directors execute their tasks in compliance with the law and the articles of incorporation, along with a system for ensuring the appropriateness of other operations, at a Board of Directors meeting in May 2006 (revised May 2012). Based on the policy, we have proceeded to develop related systems and to complete the groundwork for establishing an internal control system. We have also established in an internal control system for financial transactions in accordance with the Financial Instruments and Exchange Act, and exercise thorough control over our financial operations.

We will respect human rights and value a broadminded corporate culture.

EIZO is a company focused on creative development that requires the imaginative ideas and powerful motivation of all its employees. We therefore take various measures to create a broadminded corporate culture by developing an environment that encourages free exchange of opinions and a workplace in which employees have a sense of security. Many of our top managers at overseas Group companies are local personnel, and we pay due consideration to the diversity of each country's cultures and customs to create the most suitable working environments.

Laying the Foundations for a Motivating Workplace

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

◆ Employment

To ensure that EIZO continues to develop cutting-edge imaging technology for creating and offering new values as a company focused on creative development, we are expanding our engineering staff and creating a motivating workplace for our employees.

■ EIZO Group including overseas affiliates (as of March 31, 2012)

Number of Employees (regular employees)	1,553	Engineering staff	530
		Foreign nationals	327

■ EIZO NANA O CORPORATION (as of March 31, 2012)

Number of Employees (including term employees)	756	Male	400
		Female	356
		Engineering staff	235
		Foreign nationals	17
Graduate recruits Joined company in April 2012	21		
Mid-career recruits Joined company from April 2011 through March 2011	13		
Average age As of March 31, 2012	37.2		
Average length of service As of March 31, 2012	13.8 years		
Average annual working hours FY 2011	1,908 hours		

◆ Developing Trust-Based Labor-Management Relations

Mutual understanding is the cornerstone of labor-management relations. In keeping with this fundamental point, we endeavor to develop trust in labor-management relations by encouraging dialog through the establishment of a consultation conference. These conferences discuss a wide range of topics, from labor-management agreements and reduction of overtime to ways for improving the work-life balance and employee benefit packages. We also maintain good labor-management relations at Group companies under the specific circumstances of each country or company.

◆ Promoting the Careers of Persons with Disabilities

Persons with disabilities are engaged in careers at many of our worksites, and as of March 2012, 17 disabled people are currently employed by the Group. This represents 2.09% of the workforce at EIZO Nanao Corporation, exceeding the minimum legal requirement of 1.8%. We intend to continue improving our workplace environment and expanding work opportunities for the disabled.

■ Percentage of Employees Who Are Persons with Disabilities (EIZO NANA O CORPORATION)

March 2009	March 2010	March 2011
2.21	2.24	2.09

◆ Paying Due Respect to Human Rights

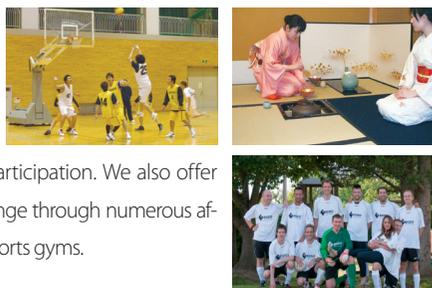
To curtail behavior that undermines individuality at the workplace and throughout our operations, such as forced labor and child labor, discriminatory remarks or actions, and sexual or power harassment, we have clearly stated our position on the matter in our principles of conduct and conduct educational activities to keep all employees, including those at Group companies, informed of this position.

Promoting Work-Life Balance

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

◆ Opportunities for Recreation and Exchange

We support employees in their varied sports and cultural activities within the company by supplementing costs and permitting use of company facilities to encourage participation. We also offer opportunities for recreation and exchange through numerous affiliated accommodation facilities and sports gyms.



◆ Supporting Childcare and Nursing Care

Under the respective laws of each country, we support various programs including maternity leave, childcare leave and nursing care leave, shorter working hours, and leave to care for sick children. We have developed a supportive working environment that includes measures such as reducing working hours up to two hours per day for childcare to flexibly meet employee needs. We plan to enhance our programs for supporting employees with childcare or nursing responsibilities by introducing benefits such as childbirth leave for prospective fathers.

■ Number of Applicants (EIZO NANA O CORPORATION)

	FY 2009	FY 2010	FY 2011
Childcare/Nursing Care Leave	23	29	29
Reduced Working Hours For Childcare or Nursing Care	18	24	31

◆ Shorter Actual Working Hours

As part of our efforts to decrease the number of working hours, we undertake work improvement activities on a unit-by-unit basis and observe a weekly no-overtime day. We also vigorously encourage employees to take compensation days off for working on holidays and

take sufficient paid leave. As a result of these efforts, we were able to reduce average actual working hours in fiscal 2011. We are striving to further improve these results in fiscal 2012.

■ Average Working Hours (EIZO NANA O CORPORATION)

FY 2009	FY 2010	FY 2011
1,913 hours	1,937 hours	1,908 hours

Human Resource Development Efforts

◆ Reinforcing Management Capabilities

Management-level employee training is a high priority at EIZO. We ensure the practical usefulness of training by setting a theme for each fiscal year, such as strategic thinking, customer development or operational reform.

Training on compliance, fair job evaluation and effective allocation of work is also provided for newly appointed managers to deepen their understanding of these areas.

◆ Emphasis on Educating Younger Employees

First-year employees participate in programs on organizational structure, basic knowledge for adulthood and independence, on-site factory training and on-site sales training to learn about the foundations of our company. We provide technical training for new engineering staff to ensure they acquire a broad foundation of knowledge on our basic technologies. We also conduct a variety of programs specifically targeting young employees. On-the-job training (OJT) is emphasized in each department, and managers draw up three-year career plans in consultation with young employees, providing a basis for a systematic OJT program.

◆ Supporting Career Development

We encourage employee career development by providing a complete and diverse range of self-development programs, including language classes, seminars on business skills (logical thinking, presentation skills) and by subsidizing the cost of distance learning or obtaining certifications.

Our overseas affiliates also provide similar support; for example, EIZO GmbH in Germany uses its network with the local chamber of commerce to organize seminars that enhance professional skills and encourages employees to attend them.

Broadminded Corporate Culture

◆ Development of Global Human Resources

We are developing global human resources by providing English and Chinese classes, as well as Japanese classes at overseas affiliates, and holding seminars on cross-cultural communication. We also run an exchange program for engineers between overseas affiliates, in which employees are dispatched for a short term of 6 to 12 months. The goal of this program is to increase the number of employees who can work effectively with different cultures and manage technology from a global perspective, and to cultivate new technological expertise.

Voice from a Worksite

I was temporarily transferred to Tech Source, Inc. in Florida, U.S.A. from January to December 2011 as part of a technical exchange. I was responsible for developing a graphics board used in air traffic control systems. I gained valuable experience in customizing the product for a specific customer using new technology that was still under review in Japan, all while living in a culture unfamiliar to me. My interactions with the U.S. development team helped me learn about the differences between the Japanese and American ways of thinking and the considerable gap between the scope and level of work expected of an engineer in a work setting different from those in Japan. I am convinced this experience will prove invaluable as I engage in future joint development projects with overseas Group companies and develop my career as a technical leader.



Kenji Kiyota
Joined EIZO in 1999
2nd Product Development Division
Visual Products Development Department

Securing Safety and Health

The ongoing development, design and production of high value-added products requires not only a significant investment of management resources but also a consistently safe workplace and efforts to safeguard employee health.

◆ Efforts in Safety Management

We strive to prevent workplace accidents by conducting risk assessments for each workplace in addition to KYT (hazard prediction training), "hiyari-hatto" (close call) and 5S activities.

We will continue these efforts by identifying and reducing risks through risk assessments and safety screening of newly installed machinery and equipment, and by raising awareness on safety through workplace patrols and employee training.

◆ Efforts in Health Management

Our efforts in this area include regular health checkups and preventive checkups for lifestyle-related diseases, dedicated contact points for responding to employee anxieties and concerns, mental health checkups and face-to-face consultations with industrial physicians, and follow-up guidance based on the results of health checkups. We will seek to safeguard employee physical and mental well-being by raising individual awareness of health management and achieving a goal of 100% follow-up.

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

The basic policy on the safety and health of EIZO Nanao Corporation is intended to create a healthy and safe working environment for all employees. This is achieved through management of risk factors related to safety and health. Specifically, we constantly strive to identify unacceptable risk factors in the workplace and neutralize them, with the ultimate goal of eliminating workplace accidents.

Medium-Term Plan (Fiscal 2010 to 2012)

Promoting and establishing voluntary safety management and health management based on self-awareness.

■ Fiscal 2012 Targets/Key Action Points and Fiscal 2011 Performance

Management Area	Targets/Key Action Points	Fiscal 2011 Performance	Evaluation
Safety Management	Zero occurrence of workplace accidents, including traffic accidents	· Workplace accidents 2 · Frequency rate 1.28 · Severity rate 0.0005	almost
	Key point : Ongoing risk assessment	· Traffic accidents during working hours 3 (offenses) · Unacceptable risks 0	
Health Management	100% follow-up on checkup results	Follow-up 91.6%	almost
	Key point: Promotion of health management activities based on self-awareness		

*Workplace accidents frequency rate : Number of deaths and injuries caused by industrial accidents per million working hours. Used to express accident frequency.
 *Workplace accidents severity rate : Number of work-days lost caused by industrial accidents per million working hours. Used to express accident severity.

Appendix

Social and Environmental Timeline

	Product Standards	Corporate Action
1988	Started utilizing bromine-free flame retardants in plastic parts.	
1992	Started survey of toxic substances in parts (20 substances).	
1993	Began working toward TCO'92 certification. Began working to acquire ENERGY STAR registration (major product models).	Obtained ISO 9002 certification for quality management system.
1995		Obtained ISO 9002 for EIZO NANAO MS CORPORATION.
1996	Started utilizing halogen-free flame retardants in plastic parts. Began working toward TCO'95 certification.	Appointment of Environmental Management Officer to General Affairs Division.
1997	Started environmental compliance assessment. Expanded survey of toxic substances in parts (to 34 substances). Started registering products under International ENERGY STAR Program.	Adoption of Environmental Policy. Obtained ISO 9001 certification for quality management system.
1998	Began working toward TCO'99 certification.	Obtained ISO 14001 for environmental management system.
1999	Began working toward Eco Circle certification. Eliminated cadmium from parts. Expanded survey of toxic substances in parts (to 920 substances).	Closed waste incinerators. Established environmental preservation website on company intranet.
2000		Switched from water-cooled to air-cooled air conditioners.
2001	Began Eco Mark registration. PC Green Label registration.	Issued first Environmental Report. Began collecting and recycling commercial products. Adopted Corporate Philosophy.
2002	Established the company's environmental labeling (established EIZO Eco Products 2002).	Introduced monitoring and computerization systems.
2003	Began working toward TCO'03 certification. Established EIZO Eco Products 2004.	Received Governor of Ishikawa's Green Enterprise award. Received Health Minister's Award for Excellence in health and safety initiatives. Began collecting and recycling household products.
2004	Launched efforts to comply with the RoHS Directive.	Started collecting and recycling commercial products in response to requests and over an expanded region. Implemented energy conservation measures in conjunction with equipment upgrades (climate control, lighting) at Headquarters. Implemented traffic safety guidance in local communities.
2005	Began product shipments in compliance with the RoHS Directive.	Issued first Social and Environmental Report. Obtained ISO 14001 certification for environmental management system, including at sales offices. Obtained ISO 13485 for quality management system for medical equipment.
2006	Adopted EIZO Eco Products 2006 standards. Launched J-Moss compliance efforts. Started compliance with WEEE Directive (displayed recycling logo and completed providing data on hazardous substances to recycling contractors).	EIZO Support Network Corporation was added to the scope of operations included in our ISO 13435 certification. EIZO Galleria locations were added to the scope of operations included in our ISO 14001 certification.
2007	Started compliance with China RoHS (Management Methods for Controlling Pollution by Electronic Information Products).	Substantial increase in energy consumption as R&D building is completed and brought into use. Obtained ISO 9001 and ISO 13485 for EIZO GmbH.
2008	Adopted EIZO Eco Products 2009 standards. Began working toward EPEAT certification.	
2009	Began working toward TCO Display 5.0 certification. Began working toward ENERGY STAR (version 5.0) certification. Launched efforts to comply with the Home Appliance Recycling Law (Act for Recycling of Specified Kinds of Home Appliances).	Issued first CSR Report. Added EIZO Nanao MS Corporation to scope of operations included in ISO 14001 certification. Obtained ISO 14001 for EIZO GmbH.
2010	Began complying with Chinese energy efficiency labeling standards. Upgraded chemical substance survey system based on new industry format.	ISO 9001 certification at EIZO Display Technologies (Suzhou) Co., Ltd.
2011		Obtained ISO 9001, ISO 13485 and ISO 14001 certification for EIZO Display Technologies (Suzhou) Co., Ltd.

Appendix

GRI Index

Sustainability Accounting Co., Ltd. (Chiyoda-ku, Tokyo) conducted a third-party check to confirm that the report meets Application Level B.

■ GRI Guidelines Index (version 3.1)

Item	Indicator	Report Page
1. Strategy and Analysis		
1.1	Statement from the most senior decisionmaker of the organization about the relevance of sustainability to the organization and its strategy.	3
1.2	Description of key impacts, risks, and opportunities.	3
2. Organizational Profile		
2.1	Name of the organization.	4
2.2	Primary brands, products, and/or services.	4
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	4
2.4	Location of organization's headquarters.	4
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	17
2.6	Nature of ownership and legal form.	4, 22
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	4
2.8	Scale of the reporting organization.	4
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Not applicable
2.10	Awards received in the reporting period.	10
3. Report Parameters		
REPORT PROFILE		
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	2
3.2	Date of most recent previous report (if any).	2
3.3	Reporting cycle (annual, biennial, etc.).	2
3.4	Contact point for questions regarding the report or its contents.	2
REPORT SCOPE AND BOUNDARY		
3.5	Process for defining report content.	2
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	2
3.7	State any specific limitations on the scope or boundary of the report.	2
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Not applicable
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	Notes are next to the charts.
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement.	Not applicable
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Not applicable
GRI CONTENT INDEX		
3.12	Table identifying the location of the Standard Disclosures in the report.	29
ASSURANCE		
3.13	Policy and current practice with regard to seeking external assurance for the report.	A third-party review is on page 30.
4. Governance, Commitments, and Engagement		
GOVERNANCE		
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	24
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	24
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	24
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	22
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives, and the organization's performance.	24
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	24
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	24
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	1
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	1
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	24
COMMITMENTS TO EXTERNAL INITIATIVES		
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	1, 13
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	1
4.13	Memberships in associations and/or national/international advocacy organizations in which the organizations. - Provides substantive funding beyond routine membership dues; - Participates in projects or committees - Views membership as strategic	13
STAKEHOLDER ENGAGEMENT		
4.14	List of stakeholder groups engaged by the organization.	20
4.15	Basis for identification and selection of stakeholders with whom to engage.	20
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	20
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	19, 21, 22, 25-27

Item	Indicator	Report page
5 Management Approach and Performance Indicators		
Economic		
Disclosure on Management Approach		
7		
MARKET PRESENCE		
EC6 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.		
19		
INDIRECT ECONOMIC IMPACTS		
EC6 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.		
22		
Environmental		
Disclosure on Management Approach		
11		
ENERGY		
EN3 Direct energy consumption by primary energy source.		
14		
EN4 Indirect energy consumption by primary source.		
14		
EN5 Energy saved due to conservation and efficiency improvements.		
15		
EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.		
12, 13		
EN7 Initiatives to reduce indirect energy consumption and reductions achieved.		
15		
WATER		
EN8 Total water withdrawal by source.		
14		
Emissions, Effluents, and Waste		
EN16 Total direct and indirect greenhouse gas emissions by weight.		
14		
EN2 Total weight of waste by type and disposal method.		
14		
Products and Services		
EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.		
12, 13		
COMPLIANCE		
EN28 Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.		
15		
Product Responsibility		
Disclosure on Management Approach		
8		
PRODUCTS AND SERVICES LABELING		
PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.		
We have not identified any incident of non-compliance with any regulation voluntary codes.		
Labor Practices and Decent Work		
Disclosure on Management Approach		
25		
EMPLOYMENT		
LA1 Total workforce by employment type, employment contract, and region.		
25		
LA2 Total number and rate of employee turnover by age group, gender, and region.		
25		
LA3 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.		
26		
OCCUPATIONAL HEALTH AND SAFETY		
LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region.		
27		
LA8 Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.		
27		
TRAINING AND EDUCATION		
LA1 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.		
26, 27		
Human Rights		
Disclosure on Management Approach		
1, 25		
NON-DISCRIMINATION		
HR4 Total number of incidents of discrimination and actions taken.		
We have not identified any incident of non-compliance with any discrimination.		
Society		
Disclosure on Management Approach		
23		
CORRUPTION		
SO4 Actions taken in response to incidents of corruption.		
We have not identified any incident of non-compliance with any corruption.		
ANTI-COMPETITIVE BEHAVIOR		
SO7 Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.		
Not applicable		
COMPLIANCE		
SO8 Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.		
Not applicable		

**Third-Party
Review**

To President Yoshitaka Jitsumori,
Eizo Nanao Corporation



Takashi Fukushima
President, Sustainability Accounting Co., Ltd.

EIZO is a corporate group that has firmly established its position among the myriad monitor makers around the world by deftly combining three elements: a business model, excellence in development and quality, and a global network for consistently supplying high-quality monitors that satisfy the diverse performance requirements of various fields. As a group that pursues business in the global marketplace, EIZO is also expected to meet global standards in its CSR efforts, and this requires serious consideration within the context of its relationships with a broad range of stakeholders.

Seen from this perspective, EIZO has vigorously responded by upholding its policy of recognizing environmental considerations as part and parcel of product quality, a stance that has been highly regarded in Europe, where companies face stringent environmental standards. EIZO also participates in the formulation of environmental standards, such as TCO and ENERGY STAR. More recently, the company has achieved progress from the perspective of management as well by signing the United Nations Global Compact. In addition, EIZO reviewed its principles of conduct toward integrating it with the Seven Promises on which the company's CSR Report is based, leading to a revised code of conduct under seven themes and thereby further evolving its CSR commensurate with EIZO's standing as a global corporation.

The next step I expect from EIZO is the formulation and disclosure of medium-term goals for CSR and an annual progress report on activities for accomplishing these goals expressed in quantitative benchmarks. From the financial perspective, EIZO has clearly defined its medium-term goals in the "100B AGAIN!" mid-term business plan. Although it may be too early to expect the company to progress as quickly in its CSR efforts, the disclosure of concrete KPIs (key performance indicators) is being recognized worldwide as an integral element of CSR. I look forward to seeing EIZO attain even higher levels of achievement in its initiatives and disclosure.

