

We will promote our manufacturing and business activities in an effort to reduce environmental impact.

Aware of the importance of environmental preservation as a common issue for all humankind, we are committed to doing our utmost to protect the environment in all aspects of our corporate operations, with a particular emphasis on efforts that result in environmentally sound products.

Energy and Environmental Basic Policy

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

We therefore:

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

Environment and Energy Management System

We have been operating the Environment and Energy Management System under our Energy and Environmental Basic Policy since obtaining ISO 14001 certification* in July 1998. We have also implemented measures for generating less waste and reducing resource and energy consumption. Moreover, we have achieved progress in other areas by operating the system, which sets targets that explicitly respond to the trend toward environmentally sound products and the growing public interest in eco-products.

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

Activities under the Environmental Management System

Enhancing the environmental performance of our business operations requires integrating them with our environmental protection activities. To do so, EIZO has environmental protection initiatives in place that comply with the revised ISO 14001:2015 standards under the leadership and control of the director responsible for environmental management. These initiatives are linked with management policies and business strategies set by top management. The Corporate Safety Section of the General Affairs Department is responsible for promoting our corporate activities while also managing the energy consumption of our facilities and equipment, chemical substances and waste. The Certified Standards Section of the Technology Management Department is responsible for our products, gathering environmental information from around the world and promoting the development of environmentally sound products.



Environmental Management System Audits

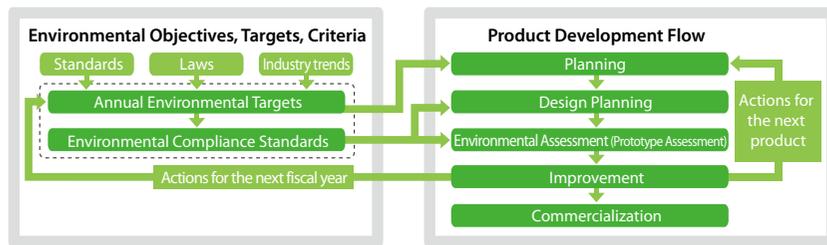
Our ISO 14001 certification was maintained and updated in fiscal 2018 after a third-party institution conducted an external audit. Internal audits and customer-led audits concerning chemical substance management have also been carried out in response to increased awareness of chemical substances in recent years.

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 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.

Basic Product Development Sequence



Green Procurement

Our Philosophy on Green Procurement

Our Energy and Environmental Basic 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.

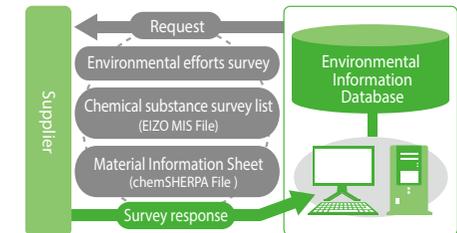
Our suppliers' efforts to reduce environmental impact and preserve the environment are just as important to us as their quality, prices, delivery schedule, services and technological excellence. In selecting products, parts and materials, including packaging, we place higher priority on those that are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

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

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

We also respond to environmental labeling standards such as TCO Certified Generation 8 (international comprehensive standards for monitors), EPEAT (international environmental standard for PCs/monitors), ENERGY STAR 7.1 (energy efficiency standard established in the United States) and PC Green Label (Japanese environmental standard for PCs/monitors). In addition, we are actively involved in the development of TCO, ENERGY STAR and PC Green Label.

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



Overview of the Environmental Impact of Our Business Operations

(Scope of calculations: six areas listed below)



Environmental Impact by Area

Area	EIZO Corporation headquarters area	EIZO MS Corporation		EIZO Display Technologies (Suzhou) Co., Ltd. (China)	EIZO GmbH (Germany)	EIZO Technologies GmbH (Germany)	Total	
		Hakui factory	Nanao factory					
Operations	Development and manufacturing (assembly) of monitors	Production of circuit boards	Assembly of monitors	Development and manufacturing (assembly) of monitors	Development and manufacturing (assembly) of monitors	Development and manufacturing (assembly) of monitors		
Energy usage (GJ)	55,490	31,901	7,784	1,935	1,377	3,046	101,533	
Energy Resources	Electricity (10,000 kWh)	495.9	320.0	78.1	19.4	13.6	957.5	
	Kerosene (kl)	14.2	-	-	-	-	14.2	
	LPG (t)	125.5	-	-	-	-	125.5	
	Compressed air (10,000 m³)	-	-	-	-	2.3	2.3	
Copier paper (kg)	4,169	956	210	347	1,770	-	7,452	
Water usage (m³)	18,559	2,486	2,968	870	-	-	24,883	
CO ₂ emissions (t-CO ₂)	3,049	1,837	448	122	62	136	5,654	
Waste	Industrial waste (t)	227.5	45.7	94.5	-	52.1	19.2	439.0
	General waste (t)	14.3	2.4	1.2	-	1.0	-	18.9
	Wastepaper (t)	304.4	69.3	161.0	-	23.0	15.7	573.4
	Recycling rate (%)	98.4	96.7	99.4	-	70.0	-	94.9

Environmental Risk Management

Facility Management

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

Regulatory Compliance

We comply with Japanese regulations governing corporate activities such as the Air Pollution Control Act, the Water Quality Pollution Control Act, and the Waste Disposal and Public Cleansing Act by collecting information on revisions and new regulations and by regularly monitoring and measuring the status of our response. Our emissions of air pollutants NO_x, SO_x, soot and dust are regularly measured in accordance with the Air Pollution Control Act and have remained well below the legal limit. In addition, we adhere to our own voluntary management standards, even in operations for which there are no applicable laws. No compliance problems were found in fiscal 2018, and no administrative guidance, admonitions, orders or reprimands were received.

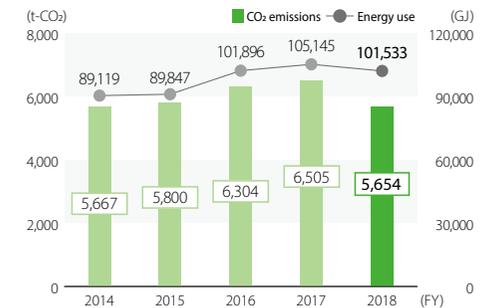
Energy Consumption and Greenhouse Gas Emissions

In fiscal 2018, EIZO Corporation headquarters pursued efforts to reduce energy consumption, including the energy-saving refurbishment of clean room facilities.

In January 2019, we switched electricity to a new power source that emits fewer greenhouse gas emissions. Looking ahead, we will continue to expand our use of clean energy.

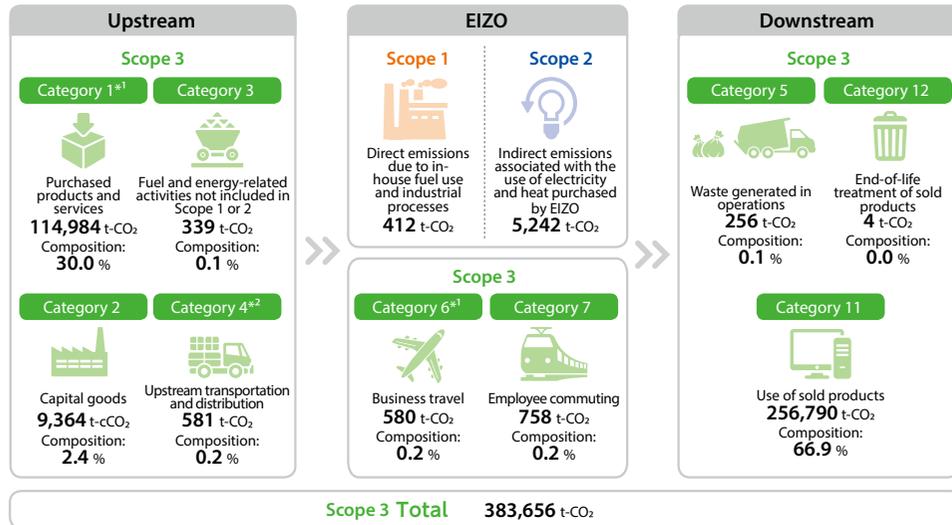
Since Group companies in Germany were added to the scope of calculations in fiscal 2016, there is no continuity between data for this year and that for fiscal 2015 and earlier.

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



*Calculations of CO₂ emissions associated with electricity use are based on the conversion factor of Hokuriku Electric Power Company for Japan and the calculation methods of each country.

Scope 3 Greenhouse Gas Emissions



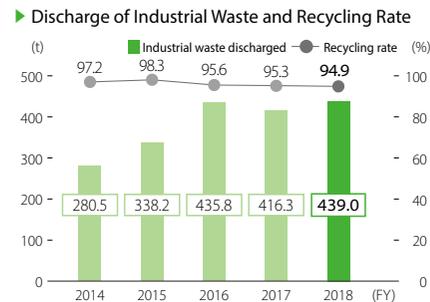
Scope of Data: EIZO Group (excluding *1 and *2) *1 EIZO Corporation headquarters, *2 Shipment volume of products as cargo owner

Water Use

We use only groundwater in the area around EIZO Corporation's headquarters. We monitor water usage and wastewater discharge to reduce the risk of subsidence and stress on wastewater treatment systems. Moreover, we use water in our corporate buildings as well as for a snow melting system and for watering plants in the summer. Our manufacturing processes do not use any water.

Industrial Waste

Our total volume of industrial waste remains at almost the same level as that of the previous year but is still large despite having decreased. A major factor is the increased size of packing materials to accommodate larger liquid crystal display panels, procured externally. Since Group companies in Germany were added to the scope of calculations in fiscal 2016, there is no continuity between data for this year and that for fiscal 2015 and earlier.



Appropriate Management of Chemical Substances

We closely manage the kerosene, organic solvents and other chemical substances we use in our business activities so that we maintain compliance with regulations such as the Fire Service Act and Industrial Safety and Health Act.

Collection and Recycling of Used Products

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

Japan

Collection of Used EIZO Products from Homes

In compliance with the Waste Disposal Act and the Law for Promotion of Effective Utilization of Resources, EIZO established its Product Collection and Recycling System for the free collection of home-use monitors purchased after October 1, 2003, in accordance with the PC Recycling Mark program.

End-of-Life EIZO Monitors (for Home Use) Collected in FY2018		
	CRT Monitors	LCD Monitors
Volume in Weight (kg)	10,048.8	12,460.0
Quantity (units)	407.0	1,780.0
Recycled volume (kg)	7,091.9	10,885.4
Recycling ratio (%)	70.6	87.4

Collection of Used EIZO Products from Corporate Users

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

End-of-Life EIZO Monitors (for Business Use) Collected in FY2018		
	CRT Monitors	LCD Monitors
Volume in Weight (kg)	469.1	1,617.0
Quantity (units)	19.0	231.0
Recycled volume (kg)	344.0	1,280.4
Recycling ratio (%)	73.7	79.2

Europe

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

United States

EPEAT standards require the provision of collection services for used electric/electronic equipment. EIZO has met this requirement by establishing a collection and recycling system for applicable products sold in the United States.