



EIZO CORPORATION CORPORATE SOCIAL RESPONSIBILITY REPORT 2019

Visualizing a better tomorrow for all



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Editorial Policy for the CSR Report

- Editorial Policy: We have compiled an explanation of topics we consider important and a report on the impact and effects of our business activities on society and the environment, using the GRI Sustainability Reporting Standards 2016/2018 as reference.
- Scope of the report: EIZO Group Exceptions to the scope of coverage are explained in the notes to the relevant sections.
- Period covered: April 1, 2018 to March 31, 2019 (FY2018)
- Issue date: October 2019 (previous report: October 2018; next report: October 2020)
- Contact information: EIZO Corporation General Affairs Department
Tel: +81-76-274-2406

Corporate Information

Company Name EIZO Corporation
Business Activities Development, design, manufacture and sales of total visual solutions and related services
Established March 6, 1968
President Yoshitaka Jitsumori
Address of Headquarters 153 Shimokashiwano, Hakusan, Ishikawa 924-8566, Japan
Group Sales 72,944 million yen (FY2018)
Group Employees 2,402 including temporary workers (consolidated, as of March 31, 2019)
Group Companies 17 (EIZO Corporation and its 6 domestic subsidiaries and 10 overseas subsidiaries, as of October 1, 2019)

Development, Production and Sales

EIZO Support Network Corporation (Japan)
 Carina System Co., Ltd. (Japan)
 Irem Software Engineering Inc. (Japan)
 EIZO MS Corporation (Japan)
 EIZO Engineering Corporation (Japan)
 EIZO GmbH (Germany)
 EIZO Technologies GmbH (Germany)
 EIZO Rugged Solutions Inc. (USA)
 EIZO Display Technologies (Suzhou) Co., Ltd. (China)

Sales

EIZO Inc. (USA)
 EIZO Nordic AB (Sweden)
 EIZO Europe GmbH (head office in Germany and branch offices in Belgium, Czech Republic, Italy, and the Netherlands)
 EIZO AG (Switzerland)
 EIZO Limited (UK)
 EIZO Austria GmbH (Austria)

Other

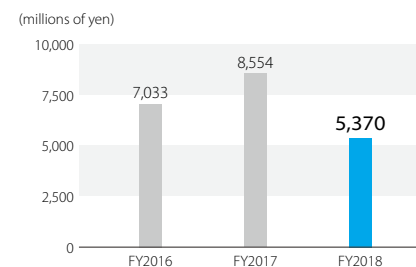
EIZO Agency Corporation (Japan)

Segment and Content of Business

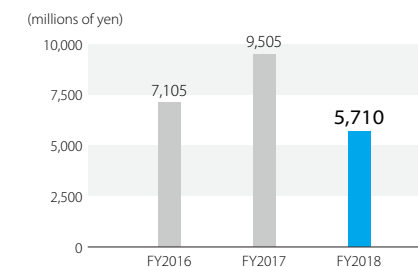
Segment	Content of Business
B&P (Business & Plus) Monitors for business and for the entertainment market, including gaming	Financial institutions, Public authorities, Educational facilities, Office use, High-end home use
Healthcare Monitors for medical environments	Medical imaging, Diagnostic applications, Operating rooms
Creative Work Monitors for graphics	Publication / Printing / Photo editing, Video production
V&S (Vertical & Specific) Monitors that can be used in the various environments of diverse business sectors and other areas	Air traffic control, Maritime, Security & Surveillance, Other industrial fields
Amusement	LCD-mounted pachinko and slot machines
Other	Maintenance services and commissioned development of software

Financial Highlights

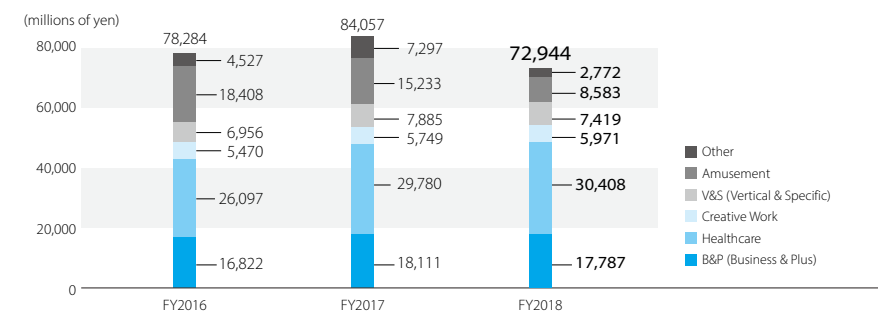
Operating Income (Consolidated)



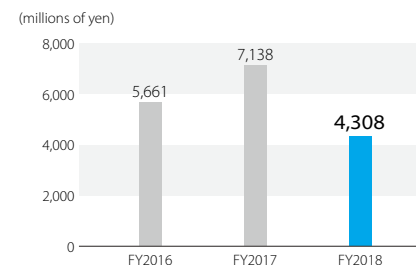
Ordinary Income (Consolidated)



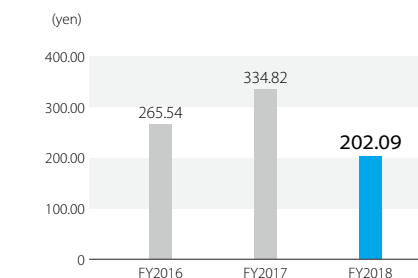
Net Sales (Consolidated)



Net Income Attributable to Owners of Parent (Consolidated)

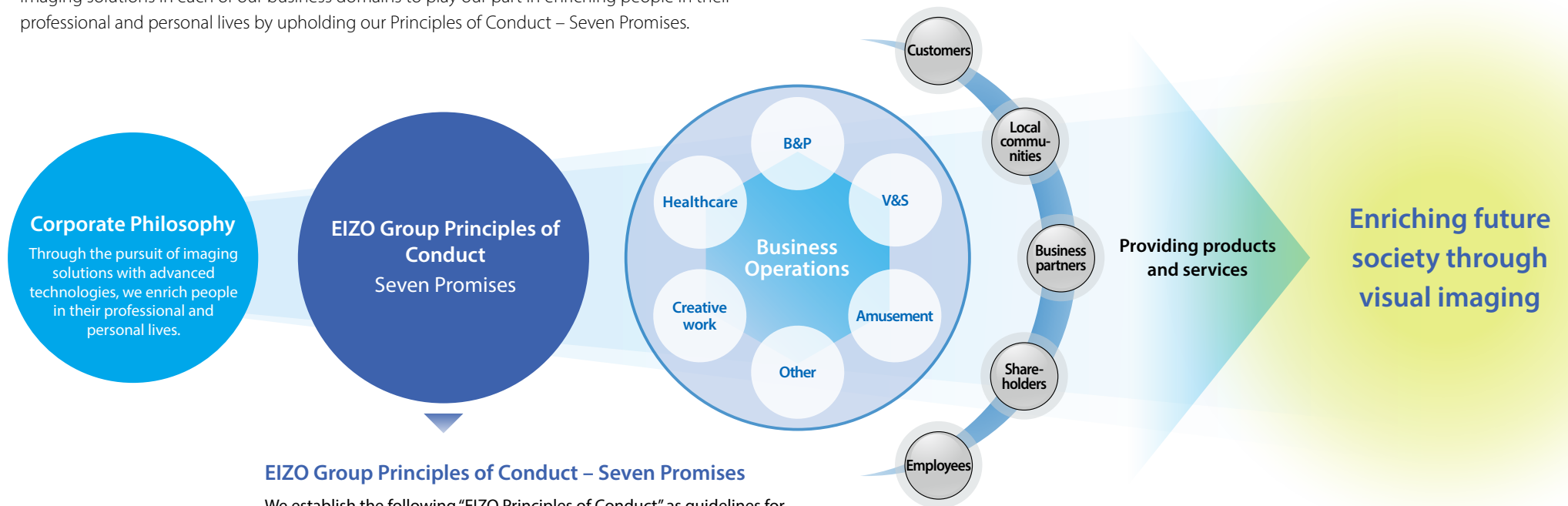


Basic Net Income (Consolidated)



Corporate Philosophy/Principles of Conduct – Seven Promises

Since its foundation in 1968, the EIZO Group has been guided by its corporate credo of creating the world's best products for displaying visual images and has provided solutions for visual environments such as LCD monitors. Today visual images are an essential part of daily life. We are therefore seeking to provide total solutions that incorporate technologies for capturing, recording, and distributing images in addition to technology used for the display of images, which has represented the foundation of our business since our founding. We will develop imaging solutions in each of our business domains to play our part in enriching people in their professional and personal lives by upholding our Principles of Conduct – Seven Promises.



EIZO Group Principles of Conduct – Seven Promises

We establish the following “EIZO Principles of Conduct” as guidelines for each EIZO Group employee and as a commitment to our stakeholders. We pledge to conduct our business in accordance with these Principles.

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.



October 2019
President, EIZO Corporation

Yoshitaka Jitsumori

Creating the World's Best Products We Contribute to Future Society with Visual Imaging

Onward to the Next 50 Years

EIZO, which celebrated its 50th anniversary in 2018, has continued to grow since its founding in 1968 through our committed pursuit of visual imaging driven by our corporate DNA of creating the world's best products. In fiscal 2018, we launched the 6th Medium-Term Business Plan (up to fiscal 2020) toward the next 50 years, in which we presented a new business model for generating new engines of growth, and we have been making progress as planned. We have enjoyed particularly steady growth in the healthcare and V&S business segments, which include solutions for air traffic control and maritime operations. In the amusement segment, the market has been stagnant due to regulatory changes, but I believe we will be able to achieve our projected results over a two- to three-year period. All of our achievements can be attributed to our consistent striving to attain an overwhelming lead in each business segment. Moreover, the inclusion of Carina System Co., Ltd. in March 2018 to the Group has expanded the range of our technology and product development. This represented a giant step forward in expanding our business domains and creating new markets by providing total solutions that combine our strengths in visual display, which has served as our foundation since our establishment, with technologies for capturing, recording, and distributing images.

Global Recognition for Our Environmental Solutions

Public interest in the Sustainable Development Goals (SDGs) has continued to rise, and companies are expected to solve social problems through their business activities as a natural responsibility. EIZO upholds its corporate philosophy of enriching people in their professional and personal lives through the pursuit of imaging solutions while also seeking to achieve the SDGs in various aspects of its business operations. As for environmental consideration, we adopted stringent European environmental regulations on electromagnetic emissions back in the days of cathode-ray tubes, and we have since continued to comply quickly with environmental standards. This has led to a global recognition of EIZO as an environmentally sound brand, which we have been cultivating as our strength. Looking ahead, we will uphold this reputation by stringently maintaining quality made possible through 100% self-development and self-production while rapidly responding to diverse requirements. Furthermore, in 2019 we set our target of reducing CO₂ emissions from business activities to 50%, compared to fiscal 2017 levels, by fiscal 2030. We will contribute to a better future for people and the planet based on the concept of "Visualizing a better tomorrow for all."

Employees Should Enjoy Life

Needless to say, companies are sustained by their employees. As for our employees, I want them to enjoy life more and also work with vigor. Creating an internal environment to that end is my responsibility as president. Until now, EIZO Group companies in Japan have promoted various measures under the principle of Work Style Innovation. These efforts are gradually beginning to show results. For example, by reviewing the tasks of each employee and making thorough improvements, we were able to raise productivity and significantly reduce overtime work, thereby enhancing the work-life balance. At EIZO, nearly all of our female employees who take maternity leave return to work, and our average length of service for men and women has been maintained at roughly equal levels. I believe this is evidence of a good working environment. In addition, starting in April 2020, we will take on a “no smoking challenge” both in and outside company buildings during working hours to bolster employee health. Meanwhile, there is still room for improvement in such areas as the acquisition rate of paid leave, and I feel we need to build a system that enables employees, who constitute the bedrock of corporate growth, to demonstrate their abilities more freely.

Transformation Is the Key to Our Future







Advanced technologies, including digital applications, 5G, AI, and IoT, all associated with our business as a “Visual Technology Company,” are expected to progress at an even faster pace. I believe that transformation, or bringing innovation into business creation, will also hold the key to EIZO’s future. There is no question that in the years ahead, the persistent challenges we take on in domains that lie beyond our capabilities will be a key factor for increasing business opportunities. Since its founding, EIZO has continued to charge forward in the area of display. This is precisely how we became aware of the dangers of staying on a fixed trajectory, which in turn has enabled the company to evolve. I presented “Beyond our Capabilities” as a keyword for 2019 that is linked with “Design 2025,” a project we launched in 2016 with the goal of designing a business model for the coming decade. This is so we can maintain a sense of urgency amid the surging tide of social change and remain motivated to continuously take on the challenges ahead of us.

I am convinced that EIZO today is the result of the dramatic transformation it has undergone. Over the years, we have continually realized our corporate culture of creating the best product in the world through persistent, 100% self-development and self-production while fully

engaging with visual display technology. In other words, this is the result of steadfastly pursuing operations that are only possible for EIZO. We will generate further innovation by sharing and handing down this EIZO spirit across the globe to achieve sustainable growth alongside society over the next 50 years.



Maintaining an Overview of the Social Impact of Our Businesses throughout the Value Chain

	EIZO's Challenges	Initiatives
Material Procurement 	Respond to various procurement risks throughout the supply chain, such as human rights, labor practices, and environmental preservation, in addition to controlling the quality of raw materials	<ul style="list-style-type: none"> • Ensure quality and safety • Pay due consideration to legal compliance, respect for human rights, and environmental preservation throughout the supply chain (thorough adherence to the Supplier Code of Conduct)
Design and Development 	Provide imaging solutions to social issues and develop products that meet customer needs	<ul style="list-style-type: none"> • Solve customer problems • Implement product design and legal compliance to ensure environmental soundness • Reduce waste and promote recycling
Manufacturing 	Comply with laws and regulations on issues such as quality and safety assurance, reduction of environmental impact during manufacturing, and occupational health and safety	<ul style="list-style-type: none"> • Ensure quality and safety • Deliver a stable supply of products • Reduce environmental impact • Safeguard occupational health and safety and respect human rights
Logistics 	Respond to environmental issues such as the reduction of GHG emissions	<ul style="list-style-type: none"> • Ensure safety during transport • Limit CO₂ emissions • Reduce the amount of packaging
Sales 	Forge long-term relationships of trust with customers through initiatives for enhancing customer satisfaction, appropriate information disclosure, and the stable supply of products	<ul style="list-style-type: none"> • Pursue customer satisfaction • Respond to customer consultations and queries • Provide appropriate information on products, services, and prices
Collection and Recycling 	Pay due consideration to the environment by effectively using resources and mitigating climate change	<ul style="list-style-type: none"> • Manage a product collection and recycling system • Take action towards the development of a zero-waste society
Business Base	Cultivate human resources that sustain business growth and actively promote governance initiatives	<ul style="list-style-type: none"> • Enhance corporate governance • Cultivate human resources • Promote diversity and equal opportunity
Relationship with Society	Help develop local communities and create a better environment as our contribution to solving various social problems	<ul style="list-style-type: none"> • Engage with local communities • Preserve biodiversity

Materiality Analysis

We applied the following process to identify the material issues that EIZO must address through its business.

Organizing issues

Organizing material issues for CSR with a panoramic view of the EIZO Group's value chain
 Organizing activities with key stakeholders

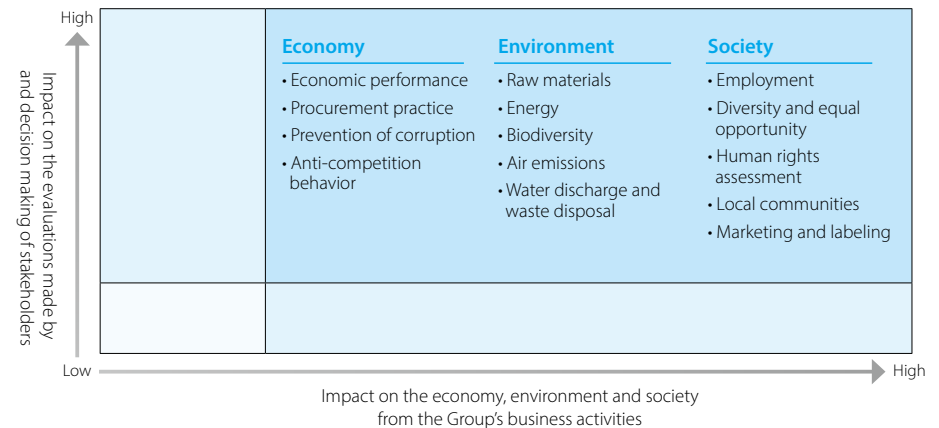
[See page 22 for details](#)

Evaluating materiality

Evaluating the issues to be addressed along two axes: influence on stakeholder evaluation and decision-making, and impact on the economy, environment and society from the Group's business activities.

Extracting aspects

Extracting material aspects using the GRI Standards 2016/2018 as reference



Reconfirming Principles of Conduct

Reconfirming they are represented in the EIZO Group Principles of Conduct – Seven Promises

[See page 3 for details](#)

EIZO's Approach to CSR

EIZO upholds its corporate philosophy of pursuing imaging solutions to enrich the future of society. We intend to contribute to society's sustainable development by providing products, services, and solutions based on our unique technologies and concepts that address social issues while also ensuring legal compliance and respect for human rights as ethical business practices and participating in the sustainable development of local communities.

Accordingly, at the heart of our CSR lies the EIZO Group Principles of Conduct, which serve as a guideline for enabling every member of the EIZO Group to realize our corporate philosophy and a promise to our stakeholders.

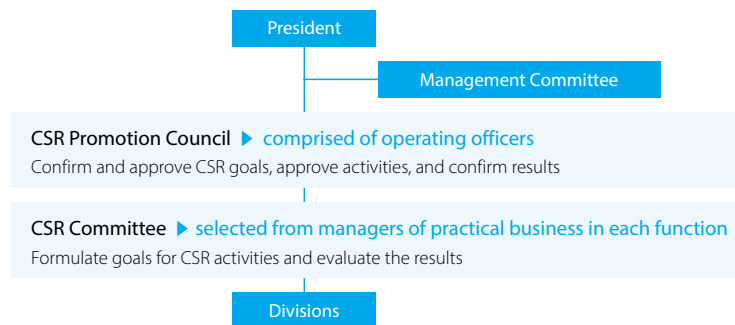
CSR Management System

Under the supervision of the operating officer responsible for CSR, the General Affairs Division of EIZO Corporation is responsible for CSR activities. These are carried out by all divisions of all Group companies in accordance with the EIZO Group CSR Policy.

With regard to the CSR management system, we have established a CSR Committee, which formulates the CSR Activity Goals and conducts an evaluation that it passes on to the CSR Promotion Council.

The CSR Committee consists of representatives from each division of EIZO Corporation and is tasked with formulating the CSR Activity Goals, promoting activities for attaining the targets, and evaluating results. The committee's draft targets and activity evaluation are presented to the CSR Promotion Council, comprising operating officers, and in turn reported to the Management Committee after deliberation and approval by the council.

Under this system, we intend to more proactively and effectively promote our CSR activities.



CSR Activity Goals for Fiscal 2019

In fiscal 2019, we decided on the CSR theme for the EIZO Group. We also set the following CSR Activity Targets and are now promoting various measures to attain them.

CSR Theme

Visualizing a better tomorrow for all

CSR Activity Goals for Fiscal 2019

- Contribute to society based on new value created through Imaging Chain Innovation
- Accelerate the pace of reducing environmental impacts
 - Products: Industry-leading environmental response
 - Operations: Reduce CO₂ emissions by 50% compared to FY2017 levels by FY2030
- Promote CSR in a concerted effort throughout the supply chain
- Create a working environment that enables everyone to work with vigor

Toward the Attainment of Sustainable Development Goals (SDGs)

We aspire to play our part in attaining the SDGs adopted by the United Nations in 2015 through a variety of efforts that include identifying the fields in which we can contribute and setting our own targets.










Participation in the UN Global Compact

EIZO joined the UN Global Compact, or the UNGC, in September 2012. The UNGC is an international initiative in which businesses voluntarily participate and exercise responsible and creative leadership so that they may act as good social members and thereby seek their sustainable growth. As a participant of the UNGC and a leader who supports the ten CSR basic principles, EIZO is committed to protecting human rights, eliminating wrongful labor practices, treating the environment properly and preventing corruption.



Major Results of Fiscal 2018 Activities

The following table summarizes the major results of our activities in fiscal 2018 as well as newly disclosed information.

Seven Promises	Major Results of Activities in Fiscal 2018 and Newly Disclosed Information	Relevant SDGs	Related Business Activities	Report Page	Fiscal 2019 Activity Goals
Creating New Value	<p>Activity</p> <p>We marketed monitors that contribute to work style reform for the B&P market. We also developed and proposed solutions that meet market needs and resolve issues for the healthcare, Creative Work and V&S markets.</p>	  	<ul style="list-style-type: none"> Monitors mounted with USB Type-C that connects easily with notebook computers targeting the B&P market Monitor solutions for operating rooms Expanded the lineup of monitors compatible with HDR display for video production Expanded the lineup of monitor solutions for air traffic control Monitor solutions for users who wish to enjoy photography and illustration 	9-14	Contribute to society based on new value created through Imaging Chain Innovation
Environmental Consideration for Our Products and Business Operations	<p>Activity</p> <p>We quickly achieved compliance with the TCO Certified Generation 8, the latest version of the TCO global environmental labeling standard for office IT equipment, and the EPEAT Registry 2.0, the global environmental assessment program for PCs and monitors.</p>	  	<ul style="list-style-type: none"> Proper control and reduction of use of chemical substances Development of energy-saving monitors Reduction of energy consumption Energy and Environmental Basic Policy Effective use of energy and the control of greenhouse gas emissions 	15-18	<p>Accelerate the pace of reducing environmental impacts</p> <ul style="list-style-type: none"> Products: Industry-leading environmental response Operations: Reduce CO₂ emissions by 50% compared to FY2017 levels by FY2030
Operating as an International Corporation	<p>Activity</p> <p>We continued to hold EIZO United in fiscal 2018 and strengthened bonds inside the Group through an exchange of information on technologies, market trends and business strategies.</p>	  	<ul style="list-style-type: none"> Group companies and distributors around the world with customers in more than 80 countries or regions, and production sites in Japan, Europe, the U.S. and China Efforts related to conflict minerals Retrospective survey with our supply chain participants by using the Conflict Minerals Template, which is an international standard format 	19-20	
Open and Fair Trade	<p>Activity</p> <p>We obtained an agreement on the EIZO Supplier Code of Conduct in the form of the Supplier Declaration from all business partners involved in procurement.</p>	 	<ul style="list-style-type: none"> Environmental conservation Proper disclosure of information about chemical substances, including those of very high concern Compliance Prohibition of offering or accepting bribes, excessive entertainment, gifts, etc., for the purpose of obtaining improper benefits 	21	Promote CSR in a concerted effort throughout the supply chain
Strong Bond of Trust with Stakeholders	<p>Activity</p> <p>We continued to sponsor various organizations and activities and make donations to them, thereby building and maintaining good relationships with the local communities in which we operate. As a member of these communities, we contribute to the development of the regions as well as environmental efforts.</p> <p>Disclosure</p> <p>We continued to introduce initiatives that contribute to local communities, not only at the head office in Japan but also at overseas Group companies.</p>		<ul style="list-style-type: none"> IR (investor relations) activities Participation in local volunteer activities Donations to and sponsorship of local organizations 	22-24	
Strict Respect and Compliance with both the Letter and Spirit of the Law	<p>Activity</p> <p>We continued to improve the soundness and transparency of management and reinforce the monitoring function. Officers and other employees were thoroughly reminded of the EIZO Group Principles of Conduct – Seven Promises. We also carried out educational activities to raise compliance awareness.</p>		<ul style="list-style-type: none"> Compliance training and the internal whistle-blowing system Compliance with the EU General Data Protection Regulation (GDPR) 	25-26	
Broadminded Corporate Culture	<p>Disclosure</p> <p>We evaluated the FY2018 activities of Work Style Innovation, our initiative to balance employee happiness with company growth.</p>	  	<ul style="list-style-type: none"> Support for the active participation of women Groundwork for a motivating workplace Promotion of careers of persons with disabilities Respect for human rights 	27-30	Create a working environment that enables everyone to work with vigor

We will supply high-quality products and services loved by customers through creating and offering new value by unique technologies and ideas.

In accordance with our belief that business is a social responsibility, we listen and respond to customer requests and needs and relentlessly pursue proprietary technologies and ideas toward creating and offering new sets of values that will enrich our culture, society and daily life.

Wherever You Look, You See EIZO

Visual solutions enrich every setting of daily life. EIZO, as a “Visual Technology Company,” offers solutions with unique added value to respond to the needs of society.

1 Office



For business



Professional photography, printing, design, video production and other creative work

2 Airport



Air traffic control and ticketing operations

3 Hospital



Equipment for consultations, exams and operating rooms



4 Railway



For railway platform monitoring

5 Factory



For facility operation and security control

6 Commercial and leisure facilities



For security control inside facilities

9 Marine vessels



Equipment for cockpits and inter-vessel security control

8 Educational facilities

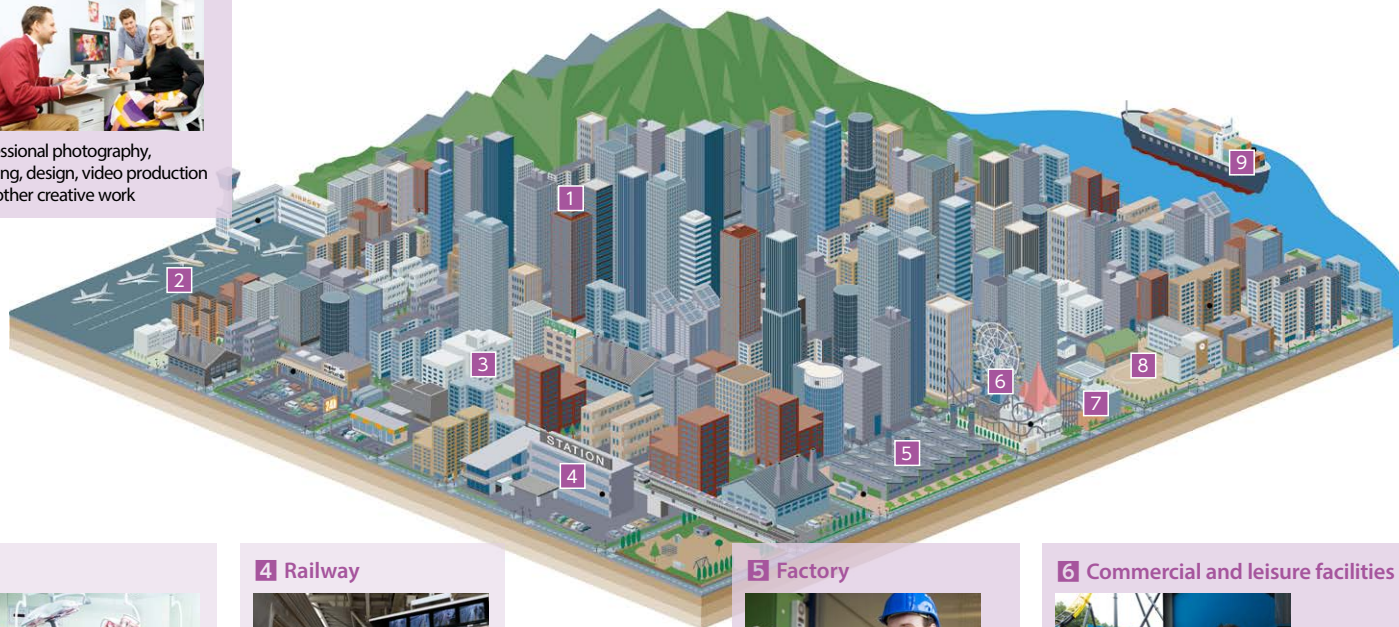


For search systems at libraries and online learning at schools

7 Home



For displaying websites, editing photos, playing games, etc.



EIZO Solutions

For the Business & Plus Markets

Proposing Products by Thoroughly Pursuing Work Efficiency and Comfort as well as Environmental Considerations

The FlexScan series of monitors for business purposes features functions and structures suitable for long working hours and multiple data operations. The series has been designed so that users can work comfortably for extended periods. It offers a virtually frameless design that allows for seamless viewing across a multi-monitor configuration and reduced screen brightness and reflection to alleviate eye fatigue. Moreover, its circuit design makes it capable of controlling noise and flickering.

By planning and proposing products that are meticulously designed to improve work efficiency and reduce eye strain, we contribute to greater work efficiency and productivity.

In addition, the FlexScan series was developed with thorough consideration for environmental impact. Its environmentally sound features include lightweight construction and the use of recycled materials. Furthermore, the low-power consumption design contributes to curbing power demand and CO₂ emissions. And we collect and recycle used products to fulfill our responsibility for products at the end of their operating life.



For the Creative Work Markets

Raising Work Efficiency by Making Easier the Display and Maintaining of Accurate Colors

We are committed to color reproduction quality and seek to increase work efficiency and accuracy in creative settings such as for photo editing, design, printing, and video production by offering monitor solutions that facilitate achieving and maintaining accurate color display.

Our ColorEdge series of color management monitors and the exclusive calibration software installed with the monitor enable users to adjust displays so that they precisely serve their particular purposes. With a corresponding color management solution, allowing for the unified management of multiple ColorEdge monitors online, the monitor administrator can save time and effort, for example by remotely and simultaneously setting the production color mode for several monitors. This enables users to maintain a uniform color display throughout the entire workflow, from production to referencing, even when finishing a product by dividing work, and thereby boosts work efficiency.



For the Healthcare Market

Constructing Optimal Visual Environments to Keep Pace with Advances in Healthcare

In today's increasingly advanced and complicated healthcare systems, not only healthcare doctors but also nurses, clinical engineers and other healthcare professionals are cooperating in the treatment of patients. It is therefore essential to create environments that facilitate information sharing and cooperation. Moreover, there is now a much greater need for efficiency in viewing massive amounts of various image data, generated at hospitals, due to the improved performance of state-of-the-art imaging instruments (modalities) and the spread of operating rooms hybridization.

To address these issues, EIZO provides consulting services to propose comprehensive visual solutions that encompass image display equipment and image control software, as well as network layout, toward the construction of the optimal visual environment that meets operating room needs. We will achieve innovation in the visual environments of hospitals, including operating rooms, by handling every facet of operation, from shooting and recording to distribution and display.



COLUMN

Supporting the Early Detection of Breast Cancer

We provide high-quality medical image display monitors that facilitate diagnosis and treatment while raising the quality of medical care.

We supported a workshop for improving breast cancer imaging technology, held in Dubai in 2018, by lending 21 medical image display monitors. The three-day workshop was attended by 38 doctors from nations including the United Arab Emirates, Saudi Arabia, and Bahrain. Participants learned reading skills related to the early detection of breast cancer.



For the Vertical & Specific Markets

Responding to Needs Varies Depending on Monitor Use and Environment as We Support Operations with Highly Reliable Display Performance

ATC (Air Traffic Control)

We support the important mission of ensuring safety in the sky by providing the total solution for visual environments required by ATC. This includes monitors, graphic boards and video recorders used in air traffic control towers, control centers and training & simulation facilities.



Maritime

EIZO provides display monitors with high reliability and that meet various standards for ships under the harsh environment inside these vessels as well as excellent display performance. Our image display systems are used in pilothouses and for a range of onboard applications, such as surveillance and monitoring instruments, and are thereby contributing to ensuring safe navigation.



Photo courtesy of Alphantron Marine B.V.

Security & Surveillance

Demand is rising for surveillance and security in a number of everyday places. In response, we contribute to enhancing public safety with security monitors. For example, we offer products that are highly reliable and easy to use in diverse locations such as IP monitors optimal for the real-time monitoring of surveillance (IP) camera images as well as monitors mounted with our proprietary technology for improving visibility.



Factory Automation

We provide products that withstand dust and dripping water and ensure clarity of display, as well as a variety of housings, to flexibly respond to diverse needs for incorporation into equipment and systems.

COLUMN

EIZO Surveillance Monitor Selected by the World's Most Advanced Emergency Management Center

FlexScan EV2455 has been installed for monitoring in the world's leading-edge emergency management center, operated by the Aargau police station in northern Switzerland.

The emergency management center is equipped with 24/7 police, fire, and ambulance systems with highly skilled professional staff and state-of-the-art equipment. Our monitor was chosen because it is highly reliable and does not breakdown or cause other similar problems. In addition, benefits such as reduced eye fatigue due to use of the monitor over many hours and low power consumption also proved to be decisive factors for installation.



For the Amusement Market

Enlivening the Market by Providing Products Supported by Our Technological Excellence

We design and manufacture LCD monitors installed in pachinko equipment, capitalizing on the EIZO Group's advanced visual display technology. Our products enliven the amusement market by offering a realistic expression of images and stories with a strong gaming feel, and they become customer favorites year after year.



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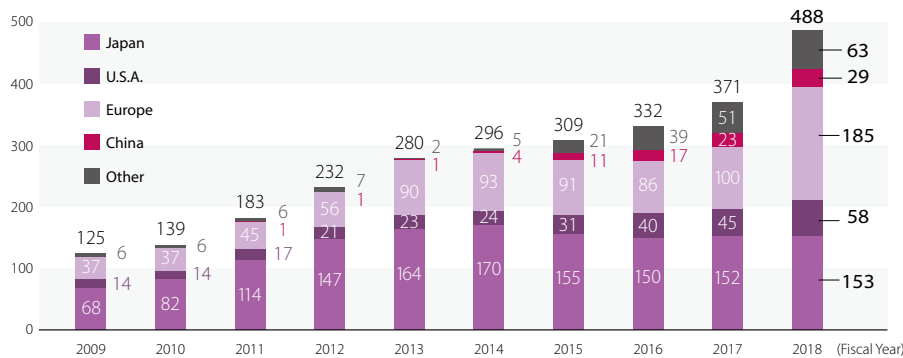
Protecting Intellectual Property that Enhances Value

We actively seek to obtain patents and design rights for the technologies and designs created through product development.

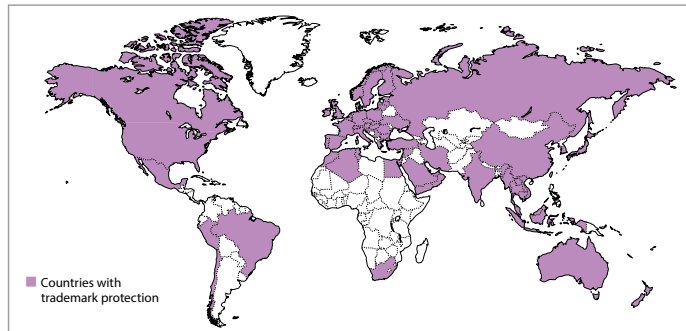
Our recent focus has been on attaining patents and design rights in countries and regions where we expect product sales to grow such as China, India and Russia, in addition to Japan, Europe and the United States, currently our main markets. Our overall goal is to construct a global network of intellectual property.

We also believe that trademarks, including the names of our company and products, are key to protecting and enhancing EIZO brand value. We therefore strive to obtain and maintain trademark rights in all the countries where we sell our products.

▶ Number of Patents Obtained by the EIZO Group



▶ Areas the EIZO Brand Has Penetrated (Countries with Trademark Protection)



Centralized Management of Intellectual Property for the Entire Group

We have centralized the management of all intellectual property (including patents, design rights, and trademarks) owned by the Group and encourage the creation of intellectual property Groupwide. We have also established a system to facilitate the use of intellectual property and sharing of related information among Group companies.

Creating Intellectual Property and Obtaining Rights

We have introduced a survey and application procedure for patents and designs to our product development process with the aim of preventing missed opportunities for identifying new core and peripheral technologies created during the process.

Our goal is to ensure that every patent or design application technology is being utilized as a powerful patent or design right which is useful in our business. To achieve this, we strategically select target countries for the applications and develop a network of patents and design rights centered on application technologies.

In addition, we regularly assess the value of patents and design rights to manage our intellectual property appropriately.

Encouraging the Creation of Intellectual Property

We have established and manage an incentive program for employee inventions to encourage staff to produce patents and designs. We also have an internal awards program for inventors and creators of patents and designs that have contributed to our business.

Respect for Intellectual Property Rights

Beyond creating intellectual property, we also exercise the utmost care to ensure our products and applied technologies do not infringe upon any third-party intellectual property rights. In the event that a third party is found to have infringed upon the intellectual property rights of EIZO, we demand that appropriate action be taken to protect these rights.

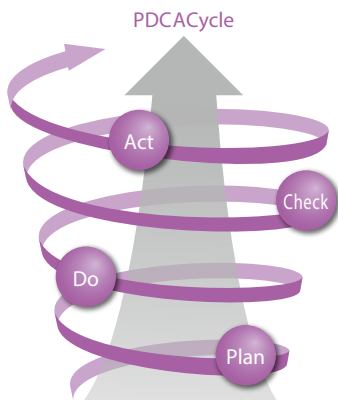
Quality Management Policy

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

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 our impact on the environment in every business activity, from product development to manufacturing, sales and service.
- 3 Set quality targets to be carried out and reviewed by all the employees in every business activity.
- 4 Establish a quality management system, periodically review it, 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's Quality Assurance System



Under our Quality Management Policy, we seek to deliver a sense of security and excitement to customers and other people who depend on EIZO products. We do this by constructing an integrated quality management system encompassing the entire process, from planning and development to manufacturing, sales and after-sales service.

Additionally, we have obtained certification under the international quality management standard ISO 9001 and ISO 13485 for medical equipment, and use these standards in our ongoing, voluntary efforts to enhance each process in the Group's quality management system.

Planning and Development Process

EIZO plans and develops high-quality products based on its core competencies, which include video signal transmission, development and processing of display devices, image processing algorithms, and environmental compliance. We thoroughly comply with the rules, laws, and regulations of each country as well as various certification standards at the development stage while also rigorously assessing risks for each market and application. Moreover, we verify processes based on reliability standards that reflect diverse events, inside and outside the company.

To be able to respond quickly and flexibly, and to customize products that meet customers' needs, we closely collaborate with our development partners and suppliers throughout product planning and development.

Product Development with Integrated Development and Production

By collectively leveraging our manufacturing expertise in planning, development, and production, we make products quickly and with a high level of quality. In the development process, we clarify product requirements, including the issues and risks we identify. We also enhance upstream processes by using 3D-CAD, high-speed signal transmission, heat, and EMI simulation (front-loading). We have achieved high-quality standards in an optimal way through consistent in-house developments in system circuits as well as software and display module designs that meet strict usage conditions.



Completion of Rigorous Quality Tests for International Standards within EIZO Facilities

We own testing equipment related to EMI, EMS, and safety standards, including reliability tests such as high- and low-temperature tests as well as vibration and drop tests. Prompt and careful evaluations as well as smooth feedback for the development and production departments play major roles in creating and assuring quality. In addition, we conduct basic evaluations on image quality and display performance, including compatibility verification for connected devices as well as evaluations from the customer's perspective (validations).



Procurement Process

EIZO procures more than 10,000 parts from around the world. To provide stable products and services, it is vital to ensure these are of good quality.

EIZO's Procurement Policy

To obtain parts that meet our quality standards, we have established a procurement policy and guidelines that we provide to suppliers.



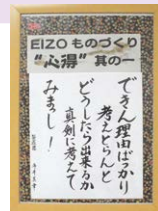
Partnerships with Suppliers

Through the evaluation and verification of sample products, we work with suppliers to ensure quality. We offer and share our know-how and market feedback with suppliers as part of building a collaborative system and partnership that enables us to grow together.



Manufacturing Process

At right is a comment of an employee involved in manufacturing EIZO products. Each employee works with a strong commitment to the manufacture of products with superior quality and reliability and that can be used with confidence.



Stop looking for the reasons why you cannot do it. Think seriously about how you can do it!!

Advanced Production Facilities

We are promoting the introduction of the latest equipment and automation in processes from component mounting to monitor production in order to raise the efficiency of production while reducing employee workload. We also utilize IoT to monitor product quality in real time so we can facilitate quick feedback.

With a world-class ISO CLASS1* clean room in the factory, we are establishing a production environment for products that require high cleanliness.



*The highest class in clean room air cleanliness as stipulated in ISO 14644-1. Space called a super clean room (the number of fine particles of 0.1 μm (pieces/m³): 10 or less).

Worker Training System

Workers participate in training at the Training Center before starting work at the production site. The training covers a wide range of topics, from understanding the monitor structure to assembly. All of the results of training and practical experience and skills are recorded in a skill chart for use as an index for assigning the right person to the right place and also as a target index for each person to gain multiple skills.



Sales and After-sales Services

EIZO conducts its sales and after-sales services through Group companies and distributors, constantly sharing the latest necessary information with them throughout our global network.

Providing Full Support under a Global System

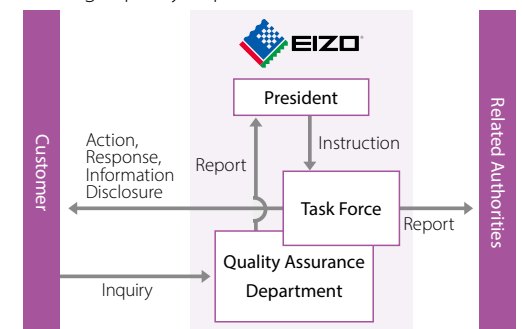
To ensure that customers can use our products with confidence, we organize post-purchase seminars and respond to their queries via contact points. We also seek to minimize customer inconvenience when responding to malfunction reports by creating a support system that enables us to take prompt action.

We will continue to strive to accurately understand what customers expect from our products and services. At the same time, we will endeavor to reflect their opinions in the rigorous management of product safety while promptly disclosing information and developing new products.



Response to Quality Accidents

While focusing on preventing quality accidents through quality improvement activities for products, services, and solutions, we collect data that predicts quality accidents and the actual occurrence of such accidents during daily business operations. In the event of a problem related to safety or quality, we maintain a system for quickly and effectively responding (such as investigating the cause, repairing the product for free, and disclosing information).



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

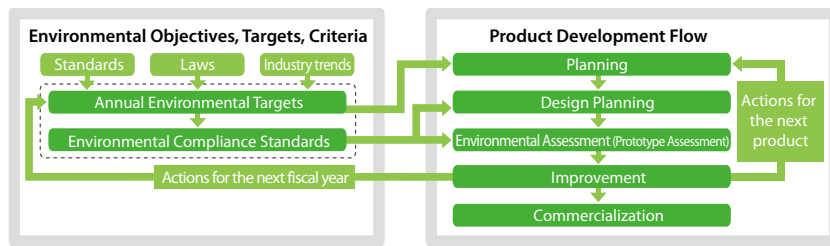
Our ISO 14001 certification was maintained and updated in fiscal 2018 after a third-party institution conducted an external audit. Internal audits and customer-led audits concerning chemical substance management have also been carried out in response to increased awareness of chemical substances in recent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

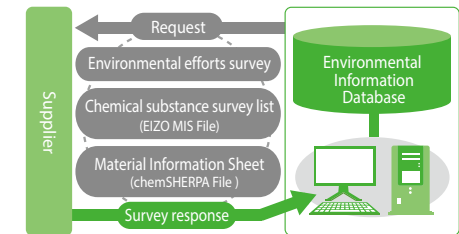
Our suppliers' efforts to reduce environmental impact and preserve the environment are just as important to us as their quality, prices, delivery schedule, services and technological excellence. In selecting products, parts and materials, including packaging, we place higher priority on those that are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

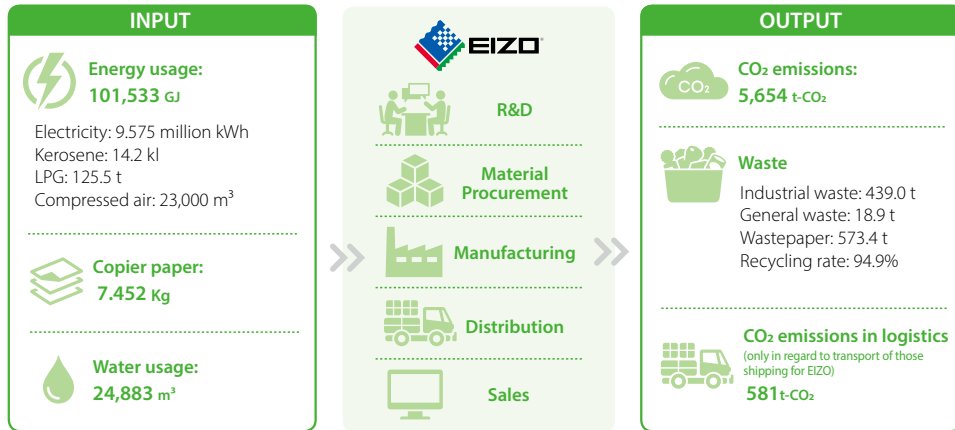
We also respond to environmental labeling standards such as TCO Certified Generation 8 (international comprehensive standards for monitors), EPEAT (international environmental standard for PCs/monitors), ENERGY STAR 7.1 (energy efficiency standard established in the United States) and PC Green Label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

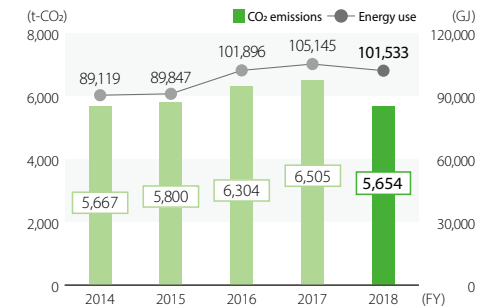
Energy Consumption and Greenhouse Gas Emissions

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.

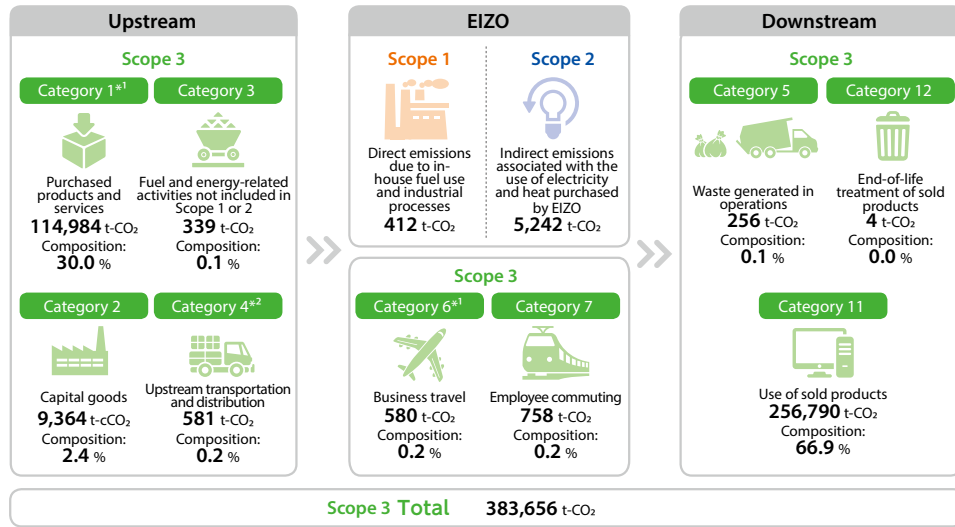
Since Group companies in Germany were added to the scope of calculations in fiscal 2016, there is no continuity between data for this year and that for fiscal 2015 and earlier.

► 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



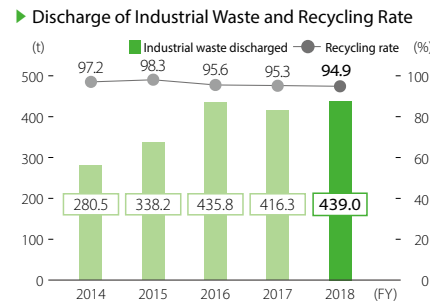
Scope of Data: EIZO Group (excluding *1 and *2) *1 EIZO Corporation headquarters, *2 Shipment volume of products as cargo owner

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

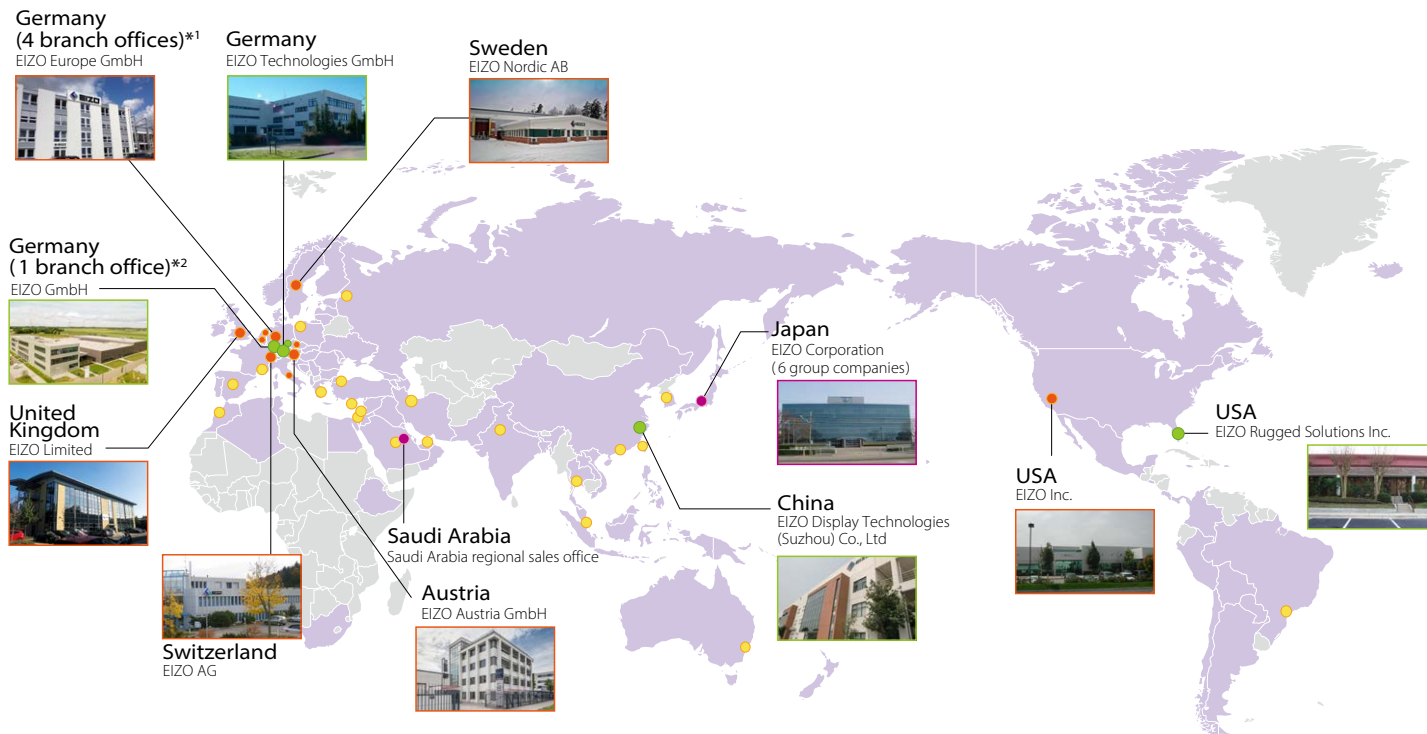
EPEAT standards require the provision of collection services for used electric/electronic equipment. EIZO has met this requirement by establishing a collection and recycling system for applicable products sold in the United States.

We will act as 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 and distributors in various countries maintain strong mutual relationships to support customers and achieve sound corporate growth.

Business Development with a Global Outlook and Mindset

EIZO is represented in over 90 countries and regions worldwide by a network of 17 Group companies and 20 distributors.

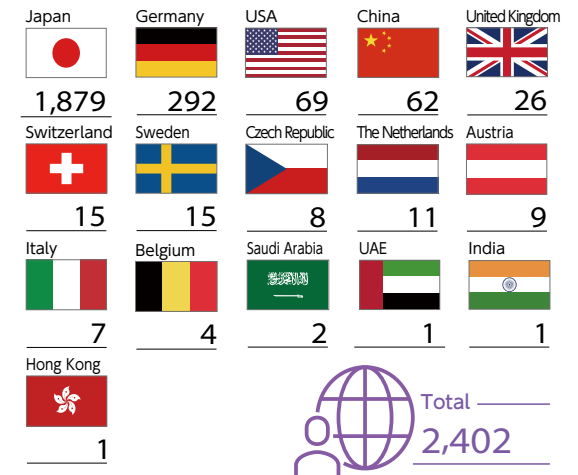


*1 EIZO Europe GmbH is headquartered in Germany with branch offices in Belgium, Italy, the Netherlands, and the Czech Republic.

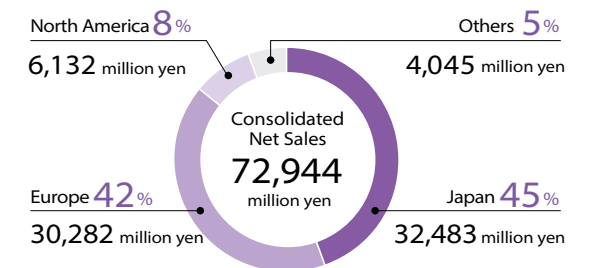
*2 EIZO GmbH is headquartered in Karlsruhe with a branch office in Plauen.

- EIZO Corporation (R&D, manufacturing, sales and marketing)
- Group companies (R&D, manufacturing, sales and marketing)
- Group companies (sales and marketing)
- Distributors
- Countries where EIZO products are sold

► Numbers of Employees by Country (as of March 31, 2019, includes temporary workers)



► Composition of Net Sales by Region (FY2018)



*Net sales figures are broken down by country or territory where the customers are located.

Development and Production Network Coherent Development and Production System

The EIZO Group has three production sites in Japan, Germany, the United States and China, forming a network that maintains a coherent development and production system throughout the Group. This 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.

Sales Network Group Companies and Distributors

EIZO products are sold in more than 90 countries and territories through our Group companies and 20 global distributors (as of June 2019).

Direct Sales System

Our business extends to healthcare, graphics and V&S (Vertical & Specific) markets. Customers in these markets demand direct, ongoing communication with the manufacturer as well as solid global support. To effectively respond to these specific market environments and diversified sales channels, we have sales subsidiaries in the United States, United Kingdom, Germany, Switzerland and Sweden. We strive to achieve further business growth in Europe by reinforcing regional sales in North America and Europe. Furthermore, to expand our sales activities into emerging markets, where our specialized markets are expected to grow, we have employed local sales staff in Saudi Arabia, the U.A.E. and India and are enhancing our approach to customers.

One Country/Territory, One Distributor System

From the very beginning of selling proprietary products outside Japan, we have adopted a one country/territory, one distributor system, in which a single distributor (or Group company) 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 or Group companies that fully understand the culture and values of their respective regions and provide optimal products. It also allows us to offer products through sales methods that are appropriate for each country or territory.

EIZO United

Group companies and distributors gather once a year at the EIZO Corporation headquarters to participate in technology showcase and general and individual meetings to deepen their understanding of EIZO's business direction and products. In fiscal 2018, 86 people from 30 countries and regions visited the headquarters to exchange information on their mutual activities and thus broaden their collective base of knowledge while forging closer ties between Group companies and distributors.



Mindset as an International Corporation—Efforts Related to Conflict Minerals

Important mineral resources used as raw materials for components in IT, electronic, and other products and quarried in troubled and high-risk regions, including the Democratic Republic of the Congo and its neighboring countries, are associated with concerns that they may be linked to the funding of organizations responsible for various problems. These include fraudulent activities, human rights violations, forced labor and child labor, environmental destruction, and money laundering. The EIZO Group considers this issue a social responsibility and aims to ensure that the procurement of minerals used in its products are not linked to conflict or fraud. To that end, the Group reviews and confirms with its entire supply chain that specific mineral resources (tantalum, tin, tungsten, and gold, which are four minerals defined as conflict minerals in the Dodd-Frank Act of the United States, and cobalt) are purchased from suppliers not involved in any misconduct. If there is risk of involvement, the Group will work to eliminate it. In addition, the Group is a member of the Responsible Minerals Initiative and provides consistent support for responsible sourcing activities from conflict and high risk areas.

Open and Fair Trade

We will conduct open and fair trade.

Our suppliers are essential partners for ensuring the long-term viability of our business. We therefore ensure that 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 we have 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 that each employee have the necessary level of knowledge and awareness. We seek to deepen their understanding and awareness with a steady flow of compliance information through our intranet and study sessions. Related topics include anti-trust regulations directly associated with business transactions. They also include procedures for handling confidential information, as required by regulations that prohibit insider trading and that govern relationships with suppliers.

Handling 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. In addition, we pay the utmost care in handling the information that we have obtained and in managing it follow the appropriate procedures.

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 are explicit in communicating our corporate stance to ensure that they understand it.

EIZO Supplier Code of Conduct

The company established the EIZO Supplier Code of Conduct to ensure that sound business operations are being undertaken globally and under the EIZO Group Principles of Conduct. We will

pursue CSR through our business activities as well as with our suppliers by asking all business partners involved in procurement to actively promote CSR activities, including compliance, respect for human rights, environmental preservation, and safety and health.

Supplier Declaration

We obtained an agreement on compliance with the EIZO Supplier Code of Conduct in the form of Supplier Declarations from all business partners involved in procurement. The suppliers conduct self-checks on the status of implementation and compliance in an effort to improve and enhance their operations.

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 Standards 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 an active involvement in environmental preservation

Developing Mutual Understanding with Suppliers

As a manufacturing company striving 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 that our suppliers share a common understanding with us in regard to each other's 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. Also, we share information on the market environment and our future direction. These briefings, attended by many suppliers, contribute to a greater understanding of EIZO and are used to gather information for subsequent incorporation into business decisions.



Developing Mutual Understanding with Suppliers

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

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

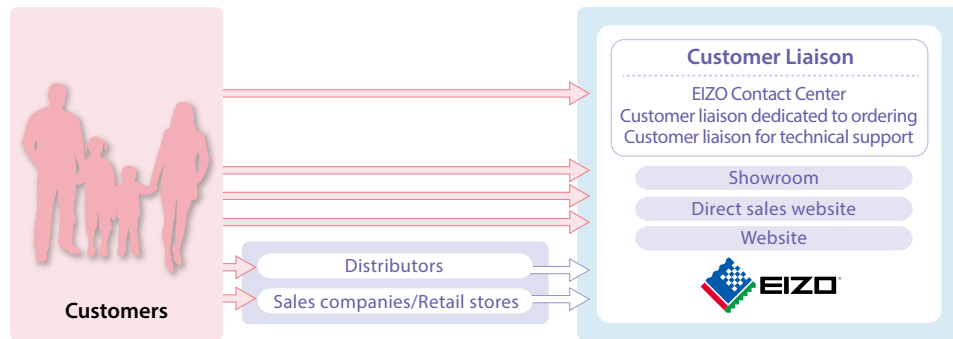
Relationship with Each Type of Stakeholder

EIZO's Stakeholders	EIZO's Responsibility	Objectives	Approaches
Customers P.23	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 – Pre- and post-sales technical support • Sharing information with relevant departments and considering incorporation into products • Interacting with customers at showrooms and through direct dialogue • Providing and collecting information through participation in trade shows • Providing timely information via the corporate website
Suppliers P.21	We view suppliers as essential and important partners in the continuation of our business, and forge 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.27-30	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.23	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 • Investor relations
Local Community P.24	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 • 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. Also, we strive to communicate directly with customers through various channels in order to answer their questions fully and respond to their requests and feedback.

▶ Feedback System for all Types of Customer Input



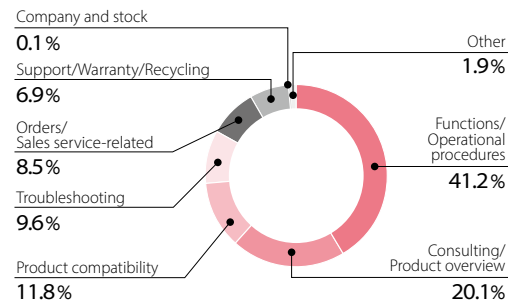
Customer Liaison

Each Group company has set up a customer liaison process (including access by phone or e-mail) to receive inquiries and questions related to EIZO products and technology. Customer inquiries and requests are promptly shared and appropriately addressed within the company, relevant departments and the Group. They are also utilized to guide product development and prepare the information we provide to customers.

EIZO Contact Center (Japan)

The EIZO Contact Center in Japan responds to customers with answers to their inquiries related to product specifications and functions as well as consultations related to purchasing products, by phone, e-mail and fax.

▶ Calls to the Contact Center (from May 1, 2018 to April 30, 2019)



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 schedule our annual general shareholders' meeting while taking the convenience of shareholders into careful consideration by avoiding days on which many shareholders' meetings are held by other companies. Invitations are sent far in advance to provide enough time for shareholders to examine the proposed resolutions and the state of our operations and are posted on our website (including an English summary version). As for the exercise of voting rights, we have established an environment that makes it easier for shareholders to vote at their convenience by offering online voting and other options in addition to postal mail. Furthermore, we provide opportunities for direct communication with our shareholders such as by displaying products and holding informal meetings with shareholders on the occasion of the general shareholders' meeting.

Company Presentations for Investors

We invite institutional investors to our semi-annual earnings results briefings in Tokyo as well as individual IR briefings and company tours, where we report on our business direction, activities, and performance. We also hold briefings for individual investors when appropriate in order to promote a greater awareness of our company.

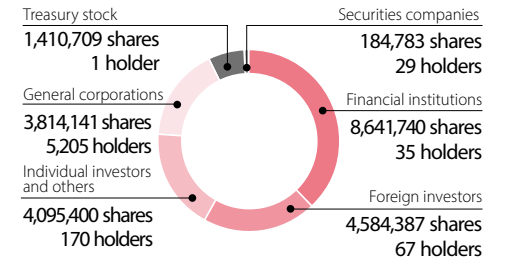
Status of Shares and Shareholder Composition

▶ Status of Shares (as of March 31, 2019)

Shares authorized	65,000,000
Shares issued	22,731,160*
Shareholders	5,507

*Including 1,410,709 shares of treasury stock

▶ Distribution of Shares by Shareholder Type (as of March 31, 2019)



Relationships with Local Communities

We seek to contribute to the development of local communities and the creation of better environments as a member of the community by sponsoring and funding the local organizations and activities in each country that are supporting people with diseases and disabilities.

Examples of Contributions to Local Communities

EIZO Corporation (Japan)

Employees and their families voluntarily participated in the Clean Beach Ishikawa, a coastal protection campaign in Ishikawa Prefecture, to protect the coastal environment.



Participated in a beach cleanup in Hakusan City

Other Activities

- Cooperated with the Ishikawa Keiei Tensho Juku (an activity for young corporate managers who will bear responsibility for the future of the regional economy) through operational advice and lectures
- Cooperated as an executive committee member and co-sponsor of the Ishikawa Kanazawa Spring Green Music Festival

EIZO GmbH (Germany)

We provided monitors and programming equipment to a technology workshop at the Karlsruhe City Library. Our employee participated as an instructor and taught children the basics of computer programming.



Supported a workshop for children

Other Activities

- Donated to the Braunsche Stiftung nursing facility
- Sponsored Running with Heart, a charitable activity to support pediatric cancer patients in hospitals
- Cooperated in Girls Day, an event that introduces girls and young women to engineering careers

EIZO Rugged Solutions Inc. (USA)

At the STEM Night, a science, technology, and mathematics event at a local school, we conducted experiments for children by using electronic devices to convey the fun of science and technology.



Cooperated in a science, technology, and mathematics event for children

Other Activities

- Participated in a blood donation drive

EIZO Europe GmbH (Branch Office in the Netherlands)

We sponsored a bicycle team in the Alpe d'HuZes, a race that raises funds for cancer research.



Sponsored a bicycle team participating in Alpe d'HuZes

Other Activities

- Sponsored and donated books to the Het Beter Boek activity of giving books to hospitalized children
- Co-sponsored Stichting Leven Met Kanke, an organization that supports cancer patients

EIZO AG (Switzerland)

We donated to the Special Olympics to support sports activities for people with intellectual disabilities.



Donated to the Special Olympics

Other Activities

- Donated to Worldskills, an organization that runs worker skills competitions

EIZO Limited (United Kingdom)

- Donated to Christmas in July, an activity run by Sebastian's Action Trust that organizes special times for sick children and their families to create wonderful memories. EIZO Limited donated gifts to sick children and their families and participated in the activity.
- Donated 20 repaired second-hand monitors to the staffroom of Lakeside Primary School, a local school.



Monitors donated to a local school

Other Activities

- Supported the development of facilities for the Berkshire Women's Aid, an organization that supports victims of domestic violence
- Helped with gardening at the Sebastian's Action Trust facility for child patients with serious diseases
- Co-sponsored an exhibition held by students at the Central Saint Martin's Design University
- Held the EIZO Student Photography Award photo contest, provided a monitor as an award, and introduced an employer to the winners

COLUMN

EIZO Pink Ribbon Day

Besides our breast imaging monitor being instrumental in terms of accurate diagnosis and the early detection of breast cancer, we participate in and sponsor academic conferences and other activities related to breast cancer as a means of diffusing the importance and uses of such monitors. On EIZO Pink Ribbon Day, at our domestic and overseas sites, we have worn pink clothing or accessories and have deepened our understanding of the disease, and have also donated to the Pink Ribbon campaign.



Sweden



United States



Australia



Japan



Belgium



Germany



United Kingdom

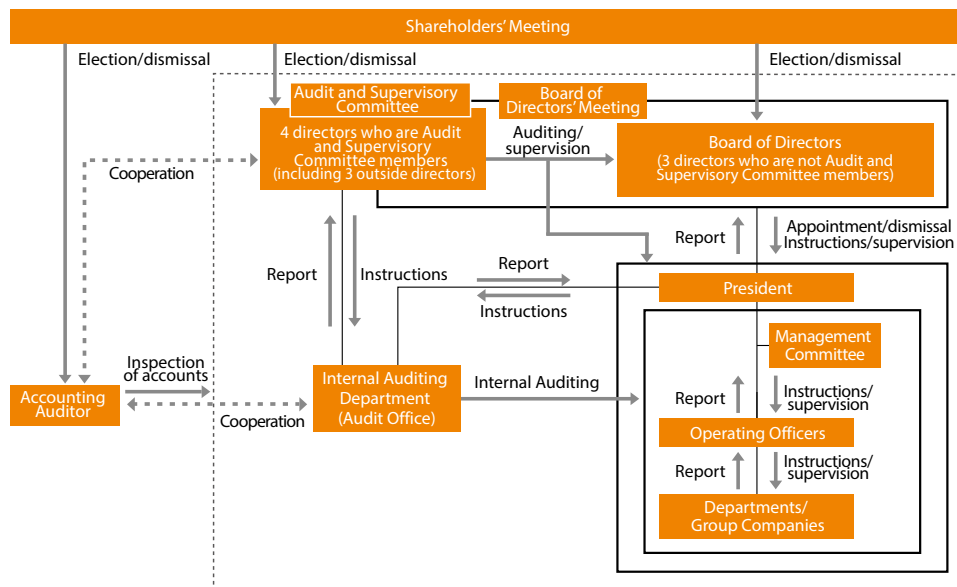
We will strictly respect and comply with both the letter and the spirit of the law as a good corporate citizen.

We seek to gain stakeholder trust by consistently generating corporate value as a Group. In doing this we believe that we must enhance our corporate governance and raise the compliance awareness of each employee.

Corporate Governance

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

► Corporate Governance System



Board of Directors

The Board of Directors, composed of three directors who are not members of the Audit and Supervisory Committee and four directors who are members of the Audit and Supervisory Committee, bases its decisions on frank discussions while also striving to strengthen its supervision of management. The board meets on dates scheduled for each fiscal year and as needed. All important matters related to the company's decisions are discussed, and status reports on the execution of operations are presented on a regular basis.

Three of the four directors who are members of the Audit and Supervisory Committee are outside directors (as of June 20, 2019). They maintain no special interests in the company and therefore act in a highly independent capacity. The outside directors participate in decision-making on important matters from an objective and impartial standpoint while auditing and supervising the execution of operations by directors. We have selected all the outside directors mentioned above as independent directors as stipulated under the Tokyo Stock Exchange regulations.

Management Committee

The Management Committee is mainly composed of full-time directors and operating officers and is convened as required to accelerate strategic decision making, respond to important issues and deliberate or report on the status of operations and other matters.

Operating Officer System

We have introduced an operating officer system to separate the supervision of management and the execution of operations while accelerating the pace of operational execution.

Audit and Supervisory Committee

Our Audit and Supervisory Committee is composed of four members including three outside directors. It meets on dates scheduled for each fiscal year and as needed. Its members audit and supervise the execution of duties by directors in accordance with the audit policy, plans and other committee decisions. These audits and supervisory functions are conducted through the investigation of operations and assets by attending the Board of Directors and other important meetings in cooperation with the Internal Auditing Department and Internal Control Department.

Internal Auditing System

The Internal Auditing Department carries out internal audits at all Group companies in Japan and overseas in accordance with the Basic Annual Audit Plan, based on the Basic Regulations on Internal Audits, which specifies audit policies. All findings of these internal audits are reported to the president. The department is composed of two members. An auditor who has wide knowledge of the departments to be audited is separately appointed to carry out the audit.

Internal Control System

We have a basic policy underlying a system that ensures directors execute their tasks in compliance with the law and articles of incorporation, along with a system for ensuring the appropriateness of other operations. Under this Basic Policy on Internal Control System, we have proceeded to develop related systems and to complete the groundwork for managing our internal control systems. An internal control system concerning financial reporting is also in place in accordance with the Financial Instruments and Exchange Act.

Risk Management

As part of our development of an internal control system, we have established and operate a risk management system to integrate and centralize the management of risks that could affect our business activities. Risk management is supervised by the Management Conference and the Risk Management Committee, and risks identified by each department are examined by the committee. Any risk that could have a significant impact on our business is identified as a material risk by the Management Committee. Appropriate countermeasures are discussed and implemented.

In view of the increasingly global nature of our business, we expanded the scope of risk identification and evaluation to include Group companies in and outside Japan.

Business Continuity Plan (BCP)

To be prepared in the event of a major disaster and other incidents, EIZO formulated a BCP disseminated throughout the company. Particularly with regard to our BCP for disaster response, we have established procedures for restoring critical operations and resuming the supply of our products within one month, in addition to confirming employee safety and facilitating necessary rescue operations in the immediate aftermath of a major disaster.

Compliance

Our Approach

We have established an organizational structure for guaranteeing compliance and have been

developing measures and systems to ensure effectiveness. We are steadily promoting these measures in accordance with an annual plan from a long-term perspective.

Compliance Training

We established the EIZO Group Principles of Conduct – The Seven Promises to serve as our corporate philosophy and a standard in decision-making as well as actions undertaken through the course of our business activities. Moreover, we seek to instill a thorough awareness of the philosophy among all Group officers and employees in Japan and overseas.

For officers and other employees, regulatory and other related information are always available on the corporate intranet, and we regularly provide compliance training material so that they can update themselves and enhance their knowledge. In fiscal 2018, we offered online training for all overseas Group companies and held individual workshops for domestic Group companies.

In addition, we organize workshops for each job position, such as for officers, managers, and new employees, to establish a full awareness of the necessity and importance of compliance and to cultivate an ethical mindset.

Strengthening the Information Management System

In accordance with our established guidelines on information management, we ensure the proper handling of confidential, personal, and other information. We have also appointed an information management representative with overall responsibility for improving our company-wide information management system. In order to strengthen the information management system, we have implemented actions that include the establishment of a contact point for responding to security incidents such as information leaks. In particular, we reorganized the protection system for personal information at Group companies in Japan and overseas in fiscal 2018 and responded to the EU General Data Protection Regulation (GDPR), which is a personal information protection regulation in Europe. We also obtained JIS Q 15001 (Privacy Mark) certification in Japan.

Internal Whistle-Blowing System

To further strengthen our compliance system, we strive to ensure the early detection and prevention of illegal activity or misconduct through our internal whistle-blowing system at all Group companies in and outside of Japan. Officers and regular employees are informed that they should consult on laws and ethics in business and submit a report immediately after learning of activities that are in violation of laws, 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.

We will respect basic 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 the free exchange of opinions and a workplace in which employees have a sense of security. Much of our top management at overseas Group companies is composed of local personnel, and we pay due consideration to the diversity of each country's cultures and customs in order 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 visual 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 as of March 31, 2019

	Japan	Overseas	Total
Number of employees (including temporary workers)	1,694	520	2,214
Male	910	349	1,259
Female	784	171	955
Engineering staff included in the above numbers	345	87	432
Average age	39.9	44.4	41.0
Average length of service	14.2	11.0	13.4

▶ EIZO Group in Japan

Graduate recruits (joined the company in April 2018)	43
Mid-career recruits (joined the company between April 2018 and March 2019 (full-time))	83
Average annual working hours (FY2018)	1,957

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. As a result, the EIZO Group maintains a high retention rate, which contributes to medium- to long-term human resource development and business operations.

▶ Turnover Rate of Young Employees (within One Year of Joining the Company): EIZO Group (in Japan)

2016	2017	2018
2.56%	2.94%	2.56%

Promoting the Careers of Persons with Disabilities

Persons with disabilities are engaged in careers at many of our worksites. As of March 2019, 26 persons with disabilities are employed by the Group in Japan. Although the total number of Group employees is on the rise, we have not achieved the statutory employment rate of 2.2% and thus have been making active recruitment efforts. These include participation in joint company information sessions for persons with disabilities and the acceptance of interns with the intention of hiring recent graduates. We will continue to make these efforts and improve our workplace environment while creating work opportunities for disabled persons as we expand our business.

▶ Percentage of Employees with a Disability: EIZO Group (in Japan)

March 2017	March 2018	March 2019
1.85%	2.18%	2.13%

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 provide related education for all Group employees.

Work Style Innovation

To respond to diversifying work styles and ensure that employees are able to work with a sense of satisfaction, accomplishment, and happiness, we believe in the importance of creating extra time for employees to refresh their mind and body.

EIZO Group companies in Japan are conducting Work Style Innovation to balance the happiness of our employees with corporate growth by maintaining the high quality and reliability of our products and services while significantly enhancing operational efficiency and productivity. Specifically, we will rebuild the structure and mechanism of our work through Business Process Re-engineering and invest in infrastructure and systems with an eye on the future, that is, introducing AI, IoT, and RPA while simultaneously changing the mindset of our employees.

Creating Leisure Time

Since its inception in fiscal 2017, Work Style Innovation has brought about reductions in meetings and documentation. As part of a company-wide project, we closely reviewed business processes and implemented measures that include improvements under 94 themes. As a result, overtime work in the administrative division decreased by 23% year-on-year.

In fiscal 2019, we are working on a plan that targets a 30% reduction of overtime work, including the effects of introducing RPA to the administrative division, toward the ultimate goal of zero overtime work during normal operations. Our average rate of paid leave taken by all employees continues to rise compared to the national average of companies of a similar size. This is the result of measures that encourage employees who have been taking fewer paid leaves to take more days off or consecutive leave. We believe that the extra time created through these initiatives will benefit them in that they can refresh their mind and body, engage in self-development and social contribution activities, broaden their perspectives, and enhance their abilities through such activities. For those whose overtime pay is reduced because of their success in streamlining workflows, we introduced a bonus system that rewards such efforts.

▶ Average Working Hours (EIZO Group in Japan)

FY2016	FY2017	FY2018
2,005 hours	1,964 hours	1,957 hours

▶ Rate of Taking Paid Leave (EIZO Group in Japan)

FY2016	FY2017	FY2018
73%	71%	76%

Opportunities for Recreation and Exchange

A variety of sports and cultural activities have been established within the company, and employees are enthusiastically engaged. The company provides an environment that supports these activities by, for example, supplementing costs and permitting the use of company facilities.



Tennis club

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 Group in Japan)

	FY2016	FY2017	FY2018
Childcare/Nursing Care Leave	54	52	50
Reduced Working Hours for Childcare or Nursing Care	63	67	63

Human Resource Development

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 and operational reform. Training is offered to candidates for management positions, and newly appointed managers receive training on compliance, fair job evaluation and effective allocation of work to deepen their understanding of these areas.

Supporting the Active Participation of Women

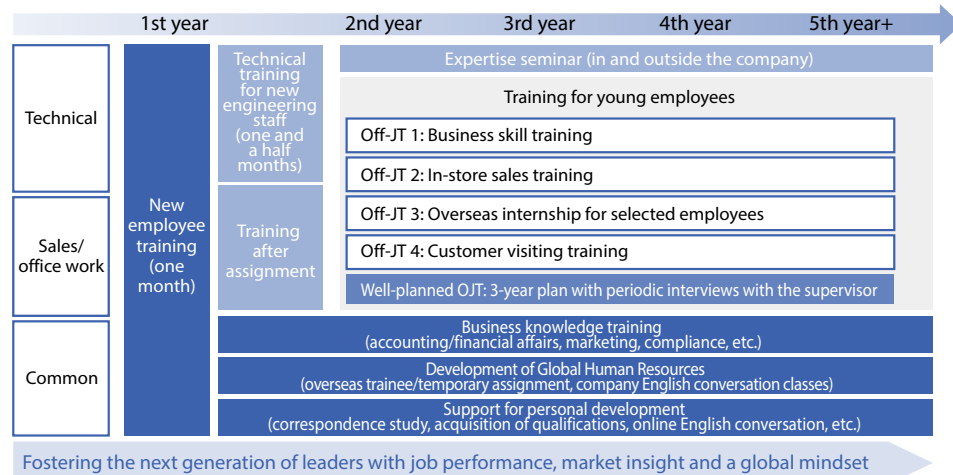
EIZO has formulated and released its Action Plan for Promoting the Role of Women and is working to improve the working environment so that female employees can play leading roles in the company. Currently, the ratio of female managers in the EIZO Group in Japan is 4.3%, and that of leaders in general staff positions is 3.4%. In March 2019, we formulated the second action plan (fiscal 2019–2021), in which we set targets of 7% for female managers, 30% for new female graduates in regular positions, and 5% for leaders in general positions. Other measures we have implemented include the dispatching of female employees to management training seminars conducted by outside institutions and providing training for selected mid-level employees, active participation of female employees in recruitment activities, and consideration of a personnel system that takes into account diverse work styles.

Emphasis on Educating Younger Employees

First-year employees participate in programs on basic knowledge for corporate etiquette and on the company policy, organization and rules. They also receive onsite factory training to learn about the foundations of our company. We conduct a variety of programs specifically targeting first-year employees, including technical training for new engineering staff to ensure they acquire a broad foundation of knowledge on our basic technologies. Additionally, we provide a comprehensive education program combining on-the-job training (OJT) and off-the-job training (Off-JT) for young employees, enabling them to develop the ability to get things done well with market insight and a global mindset. For OJT in each department, managers draw up three-year career plans in consultation with young employees, thus providing a basis for a systematic OJT program.

Our Off-JT for upgrading the skills of young employees includes group-based training for acquiring business skills, selling in stores to identify market needs, and overseas internships that provide short-term assignments at overseas Group companies.

▶ Education Programs for Young Employees



Our Global Initiative

Development of Global Human Resources

Many top management members of the Group companies outside Japan are local businesspeople who can build a workplace environment that suits the particular country's culture and practices. To develop global human resources, EIZO in Japan and overseas Group companies provide an exchange program for engineers. Through the program, staff in Japan are dispatched for two or three years to an overseas Group company, and for young core personnel there is also a trainee program (a short-term assignment of about two weeks to three months). Those programs aim to increase the number of employees who can work effectively in a different culture and manage technology with a global perspective, as well as to cultivate new technological expertise.

VOICE

For two months between October and December 2018, I participated in training programs at sales group companies (EIZO Inc., EIZO Europe GmbH, and EIZO Limited) in North America and Europe. Along with sales and technical staff from 13 North American cities and 5 European countries, I visited resellers and customers in all key markets apart from amusement.

Despite the cultural differences, I got the feeling that people remain confident in EIZO around the world. And through the training, I realized that local staff members have made great efforts to establish the EIZO brand and build a business model and that they maintain a strong relationship of trust with the headquarters. In addition, it was as good opportunity to gain a new perspective and value as an engineer because the diversity of products and technologies required is attributable to differences in culture and the environment of each region.

Going forward, I would like to further develop EIZO as a global enterprise by utilizing the global mindset acquired through this training and our cooperative relationships with other Group companies.



Atsunobu Omi
Senior Engineer
R&D, Visual Technologies
(Embedded Technology)
Joined the company in 2006

Securing Safety and Health

The EIZO Group established the Basic Occupational Health and Safety Policy and is implementing eight initiatives to establish a work environment in which employees can maintain good health and work safely. By creating a work environment that is healthy, vigorous, and easy to work in, both mentally and physically, we will foster a free corporate culture and contribute to making the workplace safe and comfortable.

In addition, we have introduced an occupational health and safety management system to promote ongoing maintenance and develop our activities.

Occupational Health and Safety Basic Policy

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

We therefore:

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

Promoting the Occupational Health and Safety Management System

We introduced our occupational health and safety management system in order to maintain and improve these areas. Under the system, we care for the health and safety activities for employees, including those of partner company staff who work on the premises.

Currently, we are preparing to acquire ISO 45001 certification.

Health and Safety Management

We strive to prevent workplace accidents and impaired health by investigating dangerous situations and toxicity and by implementing countermeasures at each worksite using risk assessment methods. We also raise safety awareness through periodic workplace patrols and employee training in KYT (hazard prediction training) and 5S activities (*seiri, seiton, seiso, seiketsu*, and *shitsuke*, or in English: tidy up, clean, keep clean, and discipline).

For special work involving chemical substances, we strive to mitigate risks by assessing those associated with chemical substances. Also, we verify target substances using safety data sheets (SDS), work confirmations, and appropriate protective equipment.

Number of Industrial Accidents

We are working to reduce industrial accidents through risk assessment activities for the prevention of accidents and awareness-raising in terms of disaster prevention. In fiscal 2018, there was one industrial accident and no accidents resulting in lost work time (industrial accidents involving leave of absence). Going forward, we will continue to develop our employee safety and health activities with the goal of zero industrial accidents.

Healthcare

Our efforts in this area include regular health checkups, preventive checkups for lifestyle-related diseases, mental health checkups, periodic environmental measurements, face-to-face consultations with industrial physicians, and follow-up guidance based on the results of health checkups. In addition, we are working to maintain the mental well-being of employee by establishing a dedicated contact point for responding to any anxieties or concerns of staff.

GRI Content Index

The EIZO Corporation Corporate Social Responsibility Report 2019 references the GRI Sustainability Reporting Standards 2016. The relevant contents and their locations are indicated below.

GRI 102: General Disclosures

Disclosure			Report Page
1. Organizational profile			
102-1	Name of the organization	a. Name of the organization.	2
102-2	Activities, brands, products, and services	a. A description of the organization's activities. b. Primary brands, products, and services, including an explanation of any products or services that are banned in certain markets.	2, 9-11
102-3	Location of headquarters	a. Location of the organization's headquarters.	2
102-4	Location of operations	a. Number of countries where the organization operates, and the names of countries where it has significant operations and/or that are relevant to the topics covered in the report.	2, 19
102-5	Ownership and legal form	a. Nature of ownership and legal form.	2
102-6	Markets served	a. Markets served, including: i. geographic locations where products and services are offered; ii. sectors served; iii. types of customers and beneficiaries.	2, 9-11
102-7	Scale of the organization	a. Scale of the organization, including: i. total number of employees; ii. total number of operations; iii. net sales (for private sector organizations) or net revenues (for public sector organizations); iv. total capitalization (for private sector organizations) broken down in terms of debt and equity; v. quantity of products or services provided.	2, 19
102-8	Information on employees and other workers	a. Total number of employees by employment contract (permanent and temporary), by gender. b. Total number of employees by employment contract (permanent and temporary), by region. c. Total number of employees by employment type (full-time and part-time), by gender. d. Whether a significant portion of the organization's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees. e. Any significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b, and 102-8-c (such as seasonal variations in the tourism or agricultural industries). f. An explanation of how the data have been compiled, including any assumptions made.	27
102-9	Supply chain	a. A description of the organization's supply chain, including its main elements as they relate to the organization's activities, primary brands, products, and services.	21
102-10	Significant changes to the organization and its supply chain	a. Significant changes to the organization's size, structure, ownership, or supply chain, including: i. Changes in the location of, or changes in, operations, including facility openings, closings, and expansions; ii. Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations); iii. Changes in the location of suppliers, the structure of the supply chain, or relationships with suppliers, including selection and termination.	No change
102-11	Precautionary Principle or approach	a. Whether and how the organization applies the Precautionary Principle or approach.	16, 26
102-12	External initiatives	a. A list of externally-developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes, or which it endorses.	7
2. Strategy			
102-14	Statement from senior decision-maker	a. A statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy for addressing sustainability.	4-5
102-15	Key impacts, risks, and opportunities	a. A description of key impacts, risks, and opportunities.	4-5, 10-12

Disclosure			Report Page
3. Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior	a. A description of the organization's values, principles, standards, and norms of behavior.	3
102-17	Mechanisms for advice and concerns about ethics	a. A description of internal and external mechanisms for: i. seeking advice about ethical and lawful behavior, and organizational integrity; ii. reporting concerns about unethical or unlawful behavior, and organizational integrity.	26
4. Governance			
102-18	Governance structure	a. Governance structure of the organization, including committees of the highest governance body. b. Committees responsible for decision-making on economic, environmental, and social topics.	25
102-26	Role of highest governance body in setting purpose, values, and strategy	a. Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental, and social topics.	22
5. Stakeholder engagement			
102-40	List of stakeholder groups	a. A list of stakeholder groups engaged by the organization.	22
102-42	Identifying and selecting stakeholders	a. The basis for identifying and selecting stakeholders with whom to engage.	22
102-43	Approach to stakeholder engagement	a. The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	22
102-44	Key topics and concerns raised	a. Key topics and concerns that have been raised through stakeholder engagement, including: i. how the organization has responded to those key topics and concerns, including through its reporting; ii. the stakeholder groups that raised each of the key topics and concerns.	22
6. Reporting practice			
102-45	Entities included in the consolidated financial statements	a. A list of all entities included in the organization's consolidated financial statements or equivalent documents. b. Whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	2
102-46	Defining report content and topic Boundaries	a. An explanation of the process for defining the report content and the topic Boundaries. b. An explanation of how the organization has implemented the Reporting Principles for defining report content.	6
102-47	List of material topics	a. A list of the material topics identified in the process for defining report content.	6, 8
102-48	Restatements of information	a. The effect of any restatements of information given in previous reports, and the reasons for such restatements.	N/A
102-49	Changes in reporting	a. Significant changes from previous reporting periods in the list of material topics and topic Boundaries.	No change
102-50	Reporting period	a. Reporting period for the information provided.	1
102-51	Date of most recent report	a. If applicable, the date of the most recent previous report.	1
102-52	Reporting cycle	a. Reporting cycle.	1
102-53	Contact point for questions regarding the report	a. The contact point for questions regarding the report or its contents.	1

Disclosure			Report Page
102-54	Claims of reporting in accordance with the GRI Standards	a. The claim made by the organization, if it has prepared a report in accordance with the GRI Standards, either: i. This report has been prepared in accordance with the GRI Standards: Core option'; ii. This report has been prepared in accordance with the GRI Standards: Comprehensive option'.	31
102-55	GRI content index	a. The GRI content index, which specifies each of the GRI Standards used and lists all disclosures included in the report. b. For each disclosure, the content index shall include: i. the number of the disclosure (for disclosures covered by the GRI Standards); ii. the page number(s) or URL(s) where the information can be found, either within the report or in other published materials; iii. if applicable, and where permitted, the reason(s) for omission when a required disclosure cannot be made.	31-34
102-56	External assurance	a. A description of the organization's policy and current practice with regard to seeking external assurance for the report. b. If the report has been externally assured: i. A reference to the external assurance report, statements, or opinions. If not included in the assurance report accompanying the sustainability report, a description of what has and what has not been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process; ii. The relationship between the organization and the assurance provider; iii. Whether and how the highest governance body or senior executives are involved in seeking external assurance for the organization's sustainability report.	34

GRI103: Management Approach

Disclosure			Report Page
GRI- 103: Management Approach			
103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships; c. Any specific limitation regarding the topic Boundary.	N/A
103-2	The management approach and its components	a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach. c. A description of the following, if the management approach includes that component: i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives	7-30
103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach.	7-8

GRI200: Economic topics

Disclosure			Report Page
GRI- 205: Anti-corruption			
205-2	Communication and training about anti-corruption policies and procedures	a. Total number and percentage of governance body members that the organization's anti-corruption policies and procedures have been communicated to, broken down by region. b. Total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region. c. Total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region. Describe if the organization's anti-corruption policies and procedures have been communicated to any other persons or organizations. d. Total number and percentage of governance body members that have received training on anti-corruption, broken down by region. e. Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.	21
205-3	Confirmed incidents of corruption and actions taken	a. Total number and nature of confirmed incidents of corruption. b. Total number of confirmed incidents in which employees were dismissed or disciplined for corruption. c. Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption. d. Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.	No incidents of corruption were reported.
GRI- 206: Anti-competitive Behavior			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	a. Number of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant. b. Main outcomes of completed legal actions, including any decisions or judgments.	No incidents of corruption were reported.

GRI300: Environmental topics

Disclosure			Report Page
GRI- 301: Materials			
301-1	Materials used by weight or volume	a. Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by: i. non-renewable materials used; ii. renewable materials used.	18
301-3	Reclaimed products and their packaging materials	a. Percentage of reclaimed products and their packaging materials for each product category. b. How the data for this disclosure have been collected.	18
GRI- 302: Energy			
302-1	Energy consumption within the organization	a. Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used. b. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used. c. In joules, watt-hours or multiples, the total: i. electricity consumption ii. heating consumption iii. cooling consumption iv. steam consumption d. In joules, watt-hours or multiples, the total: i. electricity sold ii. heating sold iii. cooling sold iv. steam sold e. Total energy consumption within the organization, in joules or multiples. f. Standards, methodologies, assumptions, and/or calculation tools used. g. Source of the conversion factors used.	17

Disclosure		Report Page
302-4	Reduction of energy consumption	17-18
302-5	Reductions in energy requirements of products and services	17
GRI- 303: Water		
303-1	Water withdrawal by source	17
GRI- 305: Emissions		
305-1	Direct (Scope 1) GHG emissions	17-18
305-2	Energy indirect (Scope 2) GHG emissions	17-18
305-3	Other indirect (Scope 3) GHG emissions	18

Disclosure		Report Page
305-5	Reduction of GHG emissions	17
GRI- 306: Effluents and Waste		
306-2	Waste by type and disposal method	18
GRI- 307: Environmental Compliance		
307-1	Non-compliance with environmental laws and regulations	Not applicable
GRI- 308: Supplier Environmental Assessment		
308-2	Negative environmental impacts in the supply chain and actions taken	16
GRI400: Social topics		
Disclosure		Report Page
GRI- 401: Employment		
401-1	New employee hires and employee turnover	27

Disclosure		Report Page	
401-3	Parental leave	<ul style="list-style-type: none"> a. Total number of employees that were entitled to parental leave, by gender. b. Total number of employees that took parental leave, by gender. c. Total number of employees that returned to work in the reporting period after parental leave ended, by gender. d. Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender. e. Return to work and retention rates of employees that took parental leave, by gender. 	28
GRI- 403: Occupational Health and Safety			
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	<ul style="list-style-type: none"> a. Types of injury, injury rate (IR), occupational disease rate (ODR), lost day rate (LDR), absentee rate (AR), and work-related fatalities, for all employees, with a breakdown by: <ul style="list-style-type: none"> i. region; ii. gender. b. Types of injury, injury rate (IR), and work-related fatalities, for all workers (excluding employees) whose work, or workplace, is controlled by the organization, with a breakdown by: <ul style="list-style-type: none"> i. region; ii. gender. c. The system of rules applied in recording and reporting accident statistics. 	30
GRI- 404: Training and Education			
404-2	Programs for upgrading employee skills and transition assistance programs	<ul style="list-style-type: none"> a. Type and scope of programs implemented and assistance provided to upgrade employee skills. b. Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment. 	28-29
GRI- 405: Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	<ul style="list-style-type: none"> a. Percentage of individuals within the organization's governance bodies in each of the following diversity categories: <ul style="list-style-type: none"> i. Gender; ii. Age group: under 30 years old, 30-50 years old, over 50 years old; iii. Other indicators of diversity where relevant (such as minority or vulnerable groups). b. Percentage of employees per employee category in each of the following diversity categories: <ul style="list-style-type: none"> i. Gender; ii. Age group: under 30 years old, 30-50 years old, over 50 years old; iii. Other indicators of diversity where relevant (such as minority or vulnerable groups). 	27
GRI- 411: Rights of Indigenous Peoples			
411-1	Incidents of violations involving rights of indigenous peoples	<ul style="list-style-type: none"> a. Total number of identified incidents of violations involving the rights of indigenous peoples during the reporting period. b. Status of the incidents and actions taken with reference to the following: <ul style="list-style-type: none"> i. Incident reviewed by the organization; ii. Remediation plans being implemented; iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes; iv. Incident no longer subject to action. 	Not applicable
GRI- 412: Human Rights Assessment			
412-2	Employee training on human rights policies or procedures	<ul style="list-style-type: none"> a. Total number of hours in the reporting period devoted to training on human rights policies or procedures concerning aspects of human rights that are relevant to operations. b. Percentage of employees trained during the reporting period in human rights policies or procedures concerning aspects of human rights that are relevant to operations. 	27
GRI- 414: Supplier Social Assessment			
414-2	Negative social impacts in the supply chain and actions taken	<ul style="list-style-type: none"> a. Number of suppliers assessed for social impacts. b. Number of suppliers identified as having significant actual and potential negative social impacts. c. Significant actual and potential negative social impacts identified in the supply chain. d. Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment. e. Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why. 	21
GRI- 416: Customer Health and Safety			

Disclosure		Report Page	
416-1	Assessment of the health and safety impacts of product and service categories	<ul style="list-style-type: none"> a. Percentage of significant product and service categories for which health and safety impacts are assessed for improvement. 	13-14
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	<ul style="list-style-type: none"> a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period, by: <ul style="list-style-type: none"> i. incidents of non-compliance with regulations resulting in a fine or penalty; ii. incidents of non-compliance with regulations resulting in a warning; iii. incidents of non-compliance with voluntary codes. b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient. 	No incidents of corruption were reported.
GRI- 417: Marketing and Labeling			
417-2	Incidents of non-compliance concerning product and service information and labeling	<ul style="list-style-type: none"> a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling, by: <ul style="list-style-type: none"> i. incidents of non-compliance with regulations resulting in a fine or penalty; ii. incidents of non-compliance with regulations resulting in a warning; iii. incidents of non-compliance with voluntary codes. b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient. 	No incidents of corruption were reported.
417-3	Incidents of non-compliance concerning marketing communications	<ul style="list-style-type: none"> a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by: <ul style="list-style-type: none"> i. incidents of non-compliance with regulations resulting in a fine or penalty; ii. incidents of non-compliance with regulations resulting in a warning; iii. incidents of non-compliance with voluntary codes. b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient. 	No incidents of corruption were reported.
GRI- 418: Customer Privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<ul style="list-style-type: none"> a. Total number of substantiated complaints received concerning breaches of customer privacy, categorized by: <ul style="list-style-type: none"> i. complaints received from outside parties and substantiated by the organization; ii. complaints from regulatory bodies. b. Total number of identified leaks, thefts, or losses of customer data. c. If the organization has not identified any substantiated complaints, a brief statement of this fact is sufficient. 	Not applicable
GRI- 419: Socioeconomic Compliance			
419-1	Non-compliance with laws and regulations in the social and economic area	<ul style="list-style-type: none"> a. Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area in terms of: <ul style="list-style-type: none"> i. total monetary value of significant fines; ii. total number of non-monetary sanctions; iii. cases brought through dispute resolution mechanisms. b. If the organization has not identified any non-compliance with laws and/or regulations, a brief statement of this fact is sufficient. c. The context against which significant fines and non-monetary sanctions were incurred. 	Not applicable

Comparison Table for the United Nations Global Compact

	United Nations Global Compact	Coverage by EIZO Group Principles of Conduct – Seven Promises	Page
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	3. We will act as an international corporation with a global outlook and mindset.	19, 21, 27
Principle 2	Businesses should make sure they are not complicit in human rights abuses.	4. We will conduct open and fair trade. 7. We will respect basic human rights and value a broadminded corporate culture.	
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.		
Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labour.	3. We will act as an international corporation with a global outlook and mindset.	19, 21 27-29
Principle 5	Businesses should uphold the effective abolition of child labour.	4. We will conduct open and fair trade. 7. We will respect basic human rights and value a broadminded corporate culture.	
Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.		
Principle 7	Businesses should support a precautionary approach to environmental challenges.		
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.	2. We will promote our manufacturing and business activities in consideration of reducing their environmental burdens.	15-18
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies.		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	4. We will conduct open and fair trade. 6. We will strictly respect and comply with both the letter and the spirit of the law as a good corporate citizen.	21, 25-26

Independent Third-Party Assurance Statement



Independent Assurance Statement

September 18, 2019

To President Yoshitaka Jitsumori,
EIZO Corporation

1. Purpose
We, Sustainability Accounting Co., Ltd., have been engaged by EIZO Corporation (“the Company”) to provide limited assurance on specific data disclosed on CSR Report 2019 which are 101,533 GJ for the total energy usage, 412 tons for the amount of CO2 emissions (Scope 1), 5,242 tons for the amount of CO2 emissions (Scope 2), 384 thousand tons for the amount of CO2 emissions (Scope 3), and 24,883 m³ for the water usage for FY2018 (collectively, “the Environmental Performance Indicators”). The purpose of this process is to express our conclusion on whether the environmental performance indicators are calculated in accordance with the Company’s standards. The Company’s management is responsible for calculating the environmental performance indicators. Our responsibility is to independently carry out a limited assurance engagement and to express our assurance conclusion.

2. Procedures Performed
Our assurance engagement has been planned and performed in accordance with International Standard on Assurance Engagement 3000 (ISAE3000) and 3410 (ISAE3410). The key procedures we carried out included:

- Interviewing the Company’s responsible personnel in order to understand the Company’s standards
- Reviewing the Company’s standards
- Performing cross-checks on a sample basis and performing a recalculation to determine whether the environmental performance indicators were calculated in accordance with the Company’s standards.

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

We have no conflict of interest relationships with the Company.



Takashi Fukushima
Representative Director
Sustainability Accounting Co., Ltd.

