



Corporate Philosophy

The EIZO NANA0 Group pushes the limits of technology to create products of new value, inspires its customers through visual display systems and entertainment software, and strives for sound prosperity while coexisting in harmony with the environment and society.

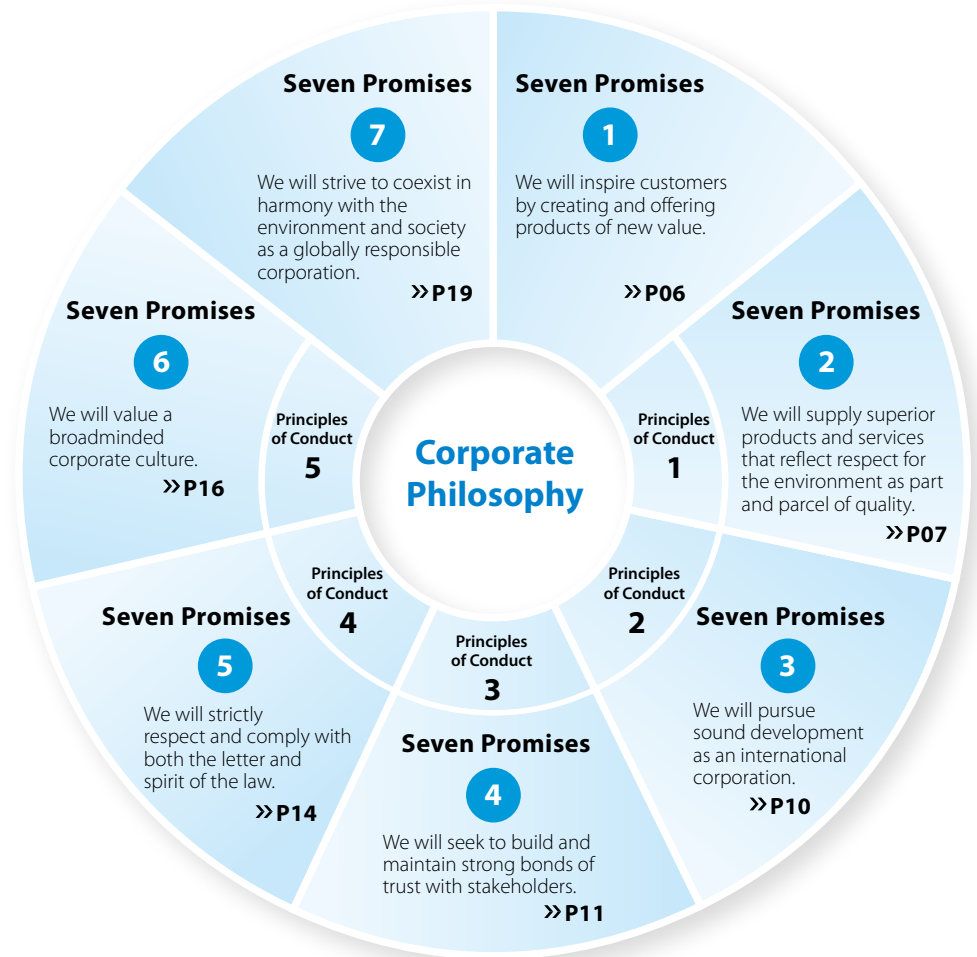
Principles of Conduct

1. We supply superior products and services by focusing on quality and following scientific operation procedures.
2. We act as an international corporation with a global outlook and mindset.
3. We aim to grow in a harmonious manner by building strong bonds of trust with our stakeholders (shareholders, suppliers, employees, and the local community).
4. We respect and comply with both the letter and the spirit of the law as a good corporate citizen.
5. We cultivate a broadminded corporate culture, establishing a vibrant workplace.

The Seven Promises

Toward Fulfilling Our Corporate Social Responsibility

We established the Eizo Nanao Group Code of Conduct as a statement of our standards for fulfilling our corporate social responsibility. The Corporate Philosophy and Principles of Conduct stated above are included in the Eizo Nanao Group Code of Conduct, which serves as a foundation for Eizo Nanao on which our promises to stakeholders stand. From this code, the Seven Promises of Eizo have been derived.



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Editorial Policy for the CSR Report

- Editorial Policy: We have compiled an explanation on topics we consider important and a report on the impact and effects of our business activities on society and the environment, using the GRI Guidelines as reference.
- Scope of the report: Eizo Nanao Group
Exceptions to the scope of coverage are explained in the notes to the relevant sections.
- Period covered: April 1, 2010 to March 31, 2011 (FY 2010)
- Issue date: October 2011
- Issue date of previous report: July 2010
- Issue date of next report: July 2012
- CSR Activity System: The General Affairs division is responsible for our CSR activities. Under the supervision of the officer in charge of general affairs, the division reports on its activities to the board of directors
- Contact information: Eizo Nanao Corporation General Affairs Department,
Tel: +81-76-274-2406

Firmly committed to our values of being friendly to users and the environment, we deliver products that make customers proud and embrace change to achieve growth.

Corporate responsibility is first and foremost about pursuing business with integrity and ultimately contributing to society. For EIZO, this means directly engaging in the creation of the best products that impress customers and provide satisfaction and reliability, and delivering products that turn customers into proud users. Being friendly to users and the environment is a philosophy that informs everything we do. The publication of our third Corporate Social Responsibility Report has renewed my conviction that this philosophy represents the fundamental origin and substance of our CSR.

Embracing Diversity to Achieve Growth

While our foundational values and corporate culture have remained unchanged, our organizational structure and product lines have continually evolved. We have advanced from being an original equipment manufacturer at the start of our business to manufacturing our own branded products. Our core product has changed from CRTs to LCDs, and our product line has broadened from general-purpose monitors to special-purpose units that serve medical, graphic and industrial needs. A company must constantly change to be sustainable through ongoing evolution and growth.

Our employees, the human factor of our enterprise, are also essential for accomplishing change. Change will not happen unless people themselves change, and people, in turn, bring about change. Moreover, a requirement for change is the willingness to embrace diversity. Accepting differences stimulates the working environment while sometimes generating tension, and encourages us to move forward. This is the key to growth.

We have been taking on the challenge of inclusion for over a decade now. We work side by side with non-Japanese employees, mainly in the development departments at our headquarters, and have more recently welcomed employees with different cultural backgrounds to our Group through our M&A activities. Encounters with different approaches and operational methods have resulted in positive mutual transformation and led to solid growth, while at the same time nurturing our sense of Group unity.

Meanwhile, the company is creating a working environment that responds to diverse circumstances while respecting different cultures and approaches characteristic to each country in order for every employee to feel confident about working here. At the same time, we strive to keep in place a common corporate culture across the Group, which includes our commitment to quality and pride in our products.

The Great East Japan Earthquake

The Great East Japan Earthquake on March 11, 2011 was a natural disaster of unprecedented scope that still impacts various regions and industries in Japan a half a year later. Once again, I offer my deepest sympathies to all those affected by the disaster.

EIZO experienced delays in parts procurement from suppliers damaged by the disaster. We were forced to suspend factory operations for two weeks from the end of March, regretfully creating some difficulties for our customers and other stakeholders, which I fear was partially due to short-comings in our Business Continuity Plan (BCP). To maintain our relationship of trust with our stakeholders, we intend to return to the basics of risk management and strengthen our BCP as quickly as possible.

Finally, we intend to continue publishing our CSR Report as part of our efforts to communicate to the general public across the world. We will report on our CSR efforts every fiscal year in simple, direct terms. I encourage you to read the entire report and look forward to your objective feedback.



September 2011

Yoshitaka Jitsumori
President, Eizo Nanao Corporation

● Outline

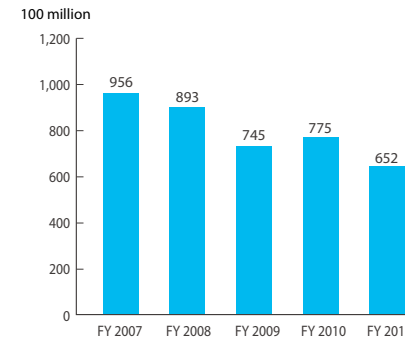
Company Name : EIZO NANA O CORPORATION
 Business Activities : Development, design, manufacture and sales of imaging systems including computer monitors, amusement applications and peripheral products
 Established : March 6, 1968
 President: : Yoshitaka Jitsumori
 Address of Headquarters: 153 Shimokashiwano, Hakusan, Ishikawa 924-8566, Japan
 Group Sales : ¥65.2 billion (FY 2011)
 Employees : 1,492 (consolidated, as of March 31, 2011) *excluding temporary workers
 Subsidiaries : 13 (including five domestic subsidiaries and seven overseas subsidiaries, as of March 31, 2011)

- <Domestic Network>:
- EIZO NANA O MS CORPORATION
Ishikawa Prefecture : Manufacturing of computer monitors and amusement monitors, Manufacturing of electronic circuit board
 - REM SOFTWARE ENGINEERING INC.
Tokyo : Development, manufacturing, and sales of amusement software
 - EIZO SUPPORT NETWORK CORPORATION
Ishikawa Prefecture : Providing after-sales service for computer monitors, etc.
 - EIZO ENGINEERING CORPORATION
Ishikawa Prefecture : Development and designing of computer monitors, Temporary staff service
 - NANA O AGENCY CORPORATION
Ishikawa Prefecture : Insurance service
- <Overseas Network>:
- EIZO GmbH
Germany : Development, manufacturing, and sales of medical monitors, general LCD monitors and graphics monitors
 - EIZO Technologies GmbH
Germany : Development, manufacturing, and sales of Industrial monitors, air traffic control monitors and controller boards for monitors
 - Tech Source, Inc.
USA : Development, manufacturing, and sales of graphics boards for air traffic control
 - EIZO Display Technologies (Suzhou) Co., Ltd.
China : Development, Manufacturing, and Sales of computer monitors, etc.
 - EIZO NANA O TECHNOLOGIES INC.
USA : Sales of computer monitors, etc.
 - Eizo Nordic AB
Sweden : Sales of computer monitors, etc.
 - EIZO NANA O AG
Switzerland : Sales of computer monitors, etc.

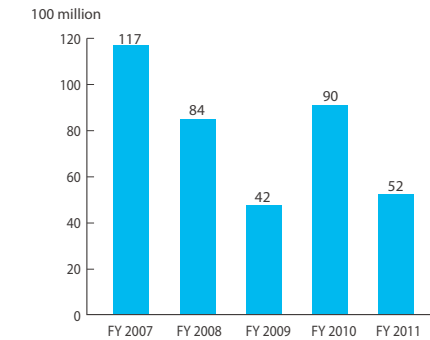
● Performance Results

Financial Information (consolidated)

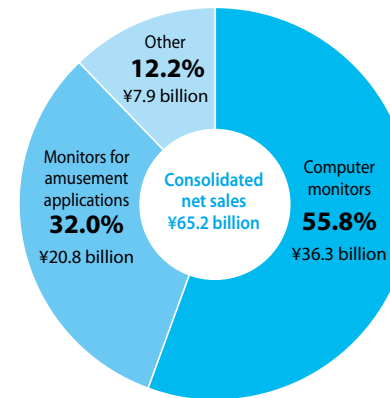
Trends in Net Sales



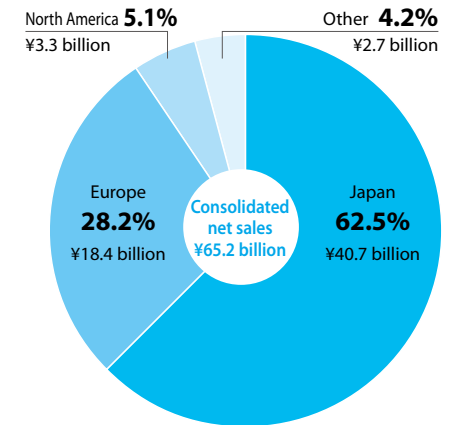
Trends in Operating Income



Sales and Percentage Breakdown by Product Category (FY 2010)



Sales and Percentage Breakdown by Region (FY 2010)



For General Use

LCD monitors with superior picture quality that are widely used in offices, schools, public facilities and homes. These core Eizo products lay the foundation for our specialized monitors.



Standard monitors

For Medical Markets

A variety of solutions for a broad spectrum of medical operations, including monitors for displaying CT and X-ray images as well as electronic medical records, built-in monitors for medical equipment, such as ultrasound diagnostic systems and operating room monitors, and quality control systems for monitors installed at hospitals. Monitors with flexible arms that allow patients to watch TV while lying down in a relaxed posture for a more comfortable medical care environment.



Medical image display monitors
Multifunctional LCD monitors with flexible arm

For Graphic Markets

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



Color management LCD monitors

For Industrial Markets

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



LCD monitors for industrial use

For Air Traffic Control

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



High-definition graphics boards
Main monitors for air traffic control

For Home Entertainment

LCD monitors for entertainment systems using proprietary ultra-resolution technology that enables users to enjoy the maximum effects of digital content on their PCs, game machines and AV equipment.



Entertainment monitors

For Amusement Markets

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



(C) SANYOBUSSAN CO., LTD.
LCD monitors for pachinko equipment

Awards



TIPA Awards 2010 Best Photo Monitor Award

ColorEdge CG243W

Our color management LCD monitor, the EIZO ColorEdge CG243W, received the Best Photo Monitor Award at TIPA Awards 2010, sponsored by TIPA* Europe, for the fourth year, following recognition received in 2005, 2007 and 2009.

EIZO delivers top quality products and services for the graphic market, encompassing professional photography, printing, publishing and advertising, as well as the rapidly expanding market for digital single-lens reflex cameras.



***TIPA (Technical Image Press Association)**

A non-profit organization composed of editors from 29 professional camera and video journals in 13 countries in Europe, the United States, Canada and South Africa. Once a year, members vote on the best product in each of the photography and imaging categories from all products launched over the previous 12 months. This award is recognized as one of the three major camera awards.



Good Design Award 2010

FORIS FX2301TV

EIZO received the 2010 Good Design Award for the FORIS FX2301, a 58-cm (23-inch) LCD monitor with on-board tuner for receiving digital terrestrial broadcasting signals. The judges expressed praise for "playing fair and square without resorting to the common tactic of adopting a thinner monitor design but instead emphasizing visual reproducibility to demonstrate EIZO's genuine commitment to monitors. They are also worthy of merit for their steadfast commitment to brand identity." EIZO brand products have received the Good Design Award for 15 consecutive years.



ColorEdge CG275W Receives Good Design Award 2011

EIZO's ColorEdge CG275W, a 27-inch LCD monitor for hardware calibration, received the Good Design Award in 2011.



Seven Promises 1

We will inspire customers by creating and offering products of new value.

Our products are used in offices and homes around the world, and each field requires different specifications and functions. We not only listen and respond to customers' requests in each field, but also create and offer a new set of values that reaches farther ahead in our promise to continue turning out products that our customers appreciate.

EIZO Solutions

In Medical Treatment Settings

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



In Creative Work Settings

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



***Hardware calibration**

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

On the Frontlines of Finance

High-quality display and reliability are required on the frontlines of finance to keep pace with constantly changing exchange rates and the need to make instant decisions. EIZO monitors have been widely installed to meet these needs. And for trading room environments with multiple, side-by-side monitors, we offer products with thinner screen rims that do not impede the line of sight, thereby enhancing operational efficiency.



Monitor Solutions for the Operating Room

Large-Screen Monitors

All Necessary Information on One Screen

All data vital for a medical operation is displayed on a single screen. Conventionally, data is shown on several monitors placed separately side by side. EIZO's solution was to display this information on a single, large-screen monitor to improve operating room efficiency.



Visual Signal Control System

Remote Control for Diverse Signals

To maximize the advantages offered by the large-screen monitor, EIZO provides a signal distribution manager that rapidly processes and displays diverse data on a screen in the required position and size.



Seven Promises 2

We will supply superior products and services that reflect respect for the environment as part and parcel of quality.

Based on our awareness that our products have an impact on the environment and our pledge to consider respect for the environment as an integral part of product quality, we have been consistently working to reduce the environmental impact of our products. An environmentally friendly product must, of course, use raw materials and components that are themselves environmentally sound, and also consume less energy. At the same time, we believe it is important for a product to be used over a long period of time.

EIZO's Quality Assurance System

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

Development Process

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

*EMC performance : Electro-Magnetic Compatibility

Manufacturing Process

All EIZO products are manufactured under an integrated production process at our own factories, from the manufacturing of substrates to the final finished product. While automated robots are used in some processes in which results of human work tend to be inconsistent, all display performance inspections rely on the human eye, from the perspective of customers who will use the product.

After-sales Service

Under our system for ensuring that customers can use our products safely and for a long time, we respond to all requests for after-sales service at the Eizo Support Network Corporation located within our headquarters.

Feedback is incorporated into future product development.

Quality Management Policy

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

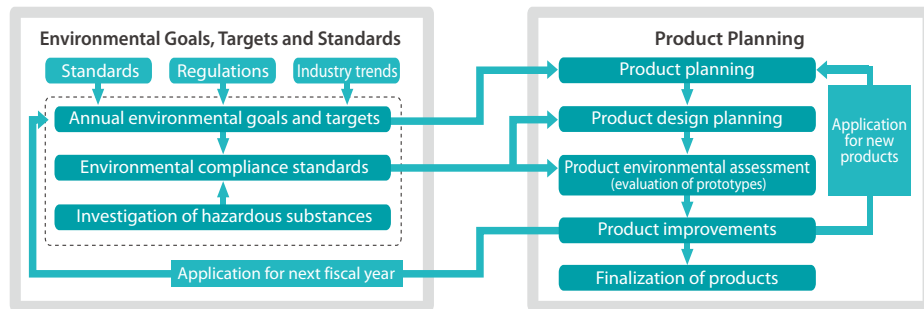
We therefore:

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

Basic Product Development Sequence

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

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



Example of Product Environmental Assessment

Category	Content of Assessment
1. Decomposability and recyclability	Can be disassembled to the unit level (disassembly is undertaken by specialized companies) Can be disassembled using standard tools (disassembly is undertaken by specialized companies) Component label is attached to plastic parts weighing 25g or more Plastic parts weighing 25g or more are made of recyclable materials Recycling label and component label are attached to plastic packaging materials Cardboard made of recycled paper is used in packaging boxes
2. User's manual	Includes information on product collection after use
3. Energy conservation	Complies with the ENERGY STAR program
4. Regulations on hazardous substances	Does not use ozone depleting substances as designated by the Montreal Protocol during internal production processes Plastic parts weighing 25g or more do not contain flame retardants based on chlorine or bromine

Confidence in Our Quality—Five-Year Warranty

In 2003, we became the first in the industry to offer a five-year manufacturer's limited warranty. This reflects our confidence in the quality of our products. We believe that providing support to ensure continued safe use from the time of purchasing to any necessary repairs is an intrinsic component of our products. We promise to continue to be worthy of our customers' trust and meet their expectations.



Voice from a Worksite



Mayumi Nishimura
Quality Control Department

Delivering Quality with Something Extra

Since we provide products to high-end users, we not only strive to meet criteria set by standards and regulations, but to offer quality with something extra. Today's market is characterized by a heightened awareness of environmental soundness and compliance in addition to expectations for product safety. Consequently, customers have submitted substantially more inquiries and assessment requests related to green procurement of chemical substances contained in our products. It has become a significant challenge to closely monitor the rapidly changing chemical content regulations in each country and quickly respond to the ongoing flow of assessment requests from customers. To confidently deliver safe products to customers, we strive to respond sincerely to requests with the belief that the care we demonstrate will earn customer trust.

Compliance with Environmental Labeling Standards and Legal Requirements

In our effort to proactively develop environmentally sound products, we observe the legal requirements of Japan and other countries and comply with major environmental labeling standards in each market for our flagship products. Furthermore, as we ensure that our own products are in full compliance, we also play our role in guiding the entire industry by actively engaging in the development of standards, such as the internationally recognized TCO Display 5.0 and ENERGY STAR 5.0.

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

TCO

Efforts to make our products more environmentally friendly have proceeded largely in response to the evolution of environmental standards in Europe, starting with ensuring compliance with the TCO'95 standard introduced in Sweden. This standard was subsequently upgraded to TCO'99 followed by TCO'03 and by TCO Display 5.0, the current version. In addition to environmental items, this standard also covers safety, electromagnetic radiation, and ergonomics, giving it a comprehensive character. EIZO has consistently participated in the formulation of TCO standards, and even as we scrutinized the content of the standards to ensure progressive and effective application, EIZO became the first in the world to receive certification for TCO Display 5.0 in April 2009. Nearly every monitor we produce is TCO compliant. In the years ahead we will continue to recognize the importance of meeting this standard in the development of new products.

ENERGY STAR

The ENERGY STAR Program was launched by the U.S. Environmental Protection Agency in 1993 to help reduce the power consumption of computers and related devices. The International ENERGY STAR Program was adopted in Japan in 1995 on the basis of an agreement with the U.S. government.

We have participated in this program from the very beginning, and since becoming the first registered monitor manufacturer, we have had virtually all subsequent products registered under the program.

ENERGY STAR Ver. 5.0 went into effect in October 2009. While the new standard is even more stringent, our products have been in compliance since it went into effect. Future products will comply as well.



EPEAT

EPEAT is a comprehensive evaluation standard for the environmental impact of personal computers and peripheral equipment. It has been applied by the related institution of the U.S. Environmental Protection Agency since 2006. EPEAT consists of 23 mandatory and 28 optional requirements covering a broad range of items including reduction of hazardous substances, recyclable design, long-life design, recovery and recycling, and corporate activities. Products are rated Gold, Silver or Bronze depending on the level of compliance with the optional requirements. EIZO has several monitors that were rated EPEAT Silver. And since 2009, we have several products rated Gold.



RoHS Directive

The RoHS Directive bans the use of six substances that are harmful to the global environment or human health: lead, mercury, cadmium, hexavalent chromium, PBB* and PBDE**. Products that do not comply with the RoHS Directive cannot be sold in Europe. We began the switchover in 2005 and achieved complete compliance in all products bound for the EU by May 2006.

* PBB : Polybrominated biphenyl
**PBDE : Polybrominated diphenyl ether



WEEE Directive

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

PC Green Label

This environmental labeling program is administered by the PC3R Promotion Association. The program is based on three concepts:

- (1) environmentally sound design and manufacturing;
- (2) post-use recovery and recycling of products;
- (3) environmental information disclosure.

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



Seven Promises 3

We will pursue sound development as an international corporation.

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

Globalization of Development and Production

The Eizo Group has three production sites in Japan, two in Germany and one in the United States and China, forming a network that maintains a coherent development and production system throughout the Group. This system enables us to apply stringent quality control from development to production, promote the creation of development synergies that maximize the strengths of each base, and construct an optimal production system for each market and customer.

Launch of Production and Shipments in China

Our Chinese subsidiary EIZO Display Technologies (Suzhou) Co., Ltd., established in March 2010, began turning out products for the Chinese market in October of that year with shipments starting in January 2011.

The market for medical equipment is expected to expand amid the rapid economic development in China, which is our priority target. We are seeking to bolster sales of monitors for the country's medical market by developing an integrated system encompassing procurement, production and sales.



Overseas Sales Network

One Country/Territory, One Distributor System

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

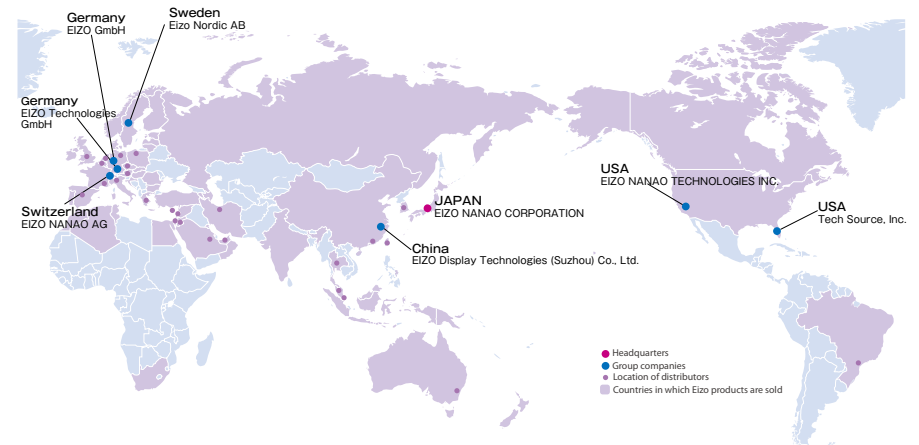
EIZO UNITED

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



Eizo Group's Overseas Sales Network

Our products are well received around the world, with current sales in more than 60 countries and territories through Group companies, including four in Europe, two in the United States and one in China, along with 25 global distributors. (As of September 1, 2011)



Voice from a Group Company



Peter Ziegler
President,
EIZO GmbH

Strong Mutual Relationships with Customers

EIZO GmbH in Germany has a special focus on displays used in medical imaging and diagnosis. With a team of experienced engineers and a factory certified in accordance with the regulations for medical products we provide display products and systems tailored to the requirements of interventional radiology, surgery, angiography, CT and MR. Since many years EIZO GmbH is partner of almost all big manufacturers of medical imaging systems. Long-term availability of products, service and support, an extraordinary high level of quality and the capability to provide customer-specific designs are essential for this kind of business.

Seven Promises 4

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

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

Relationship with Each Type of Stakeholder



	EIZO's Stakeholders	EIZO's Responsibility	Communication Channels
Customers	In addition to offering products that satisfy customers, we listen closely to their feedback and provide useful support.	<ul style="list-style-type: none"> ● Creating and offering products with new value. ● Developing products from the customer's standpoint. ● Responding clearly to questions and inquiries. ● Thoroughly responding to customer requests and feedback. 	<ul style="list-style-type: none"> ● Developing Better Products ● Setting up Contact Centers as Customer Liaison Points <ul style="list-style-type: none"> – Responding to questions and inquiries before and after purchase – Listening to customer opinions – Technical support ● Sharing information with relevant departments and considering incorporation into products ● Interacting with customers at showrooms and through direct dialog ● Providing and collecting information through participation in various trade shows ● Providing timely information via the corporate website
Shareholders	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
Suppliers	We view suppliers as essential and important partners in the continuation of our business, and forges powerful relationships by sharing management policies and technical strategies.	<ul style="list-style-type: none"> ● 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
Local Community	We seek to build solid relationships with the local community to gain their understanding and cooperation in pursuing our business operations. We are committed to fulfilling our responsibilities as a corporate citizen.	<ul style="list-style-type: none"> ● Preventing accidents and disasters at each business site ● Protecting the regional environment ● Cooperating with regional development and promoting culture 	<ul style="list-style-type: none"> ● Receiving company visits (15 groups in 2010) ● Sponsoring various events and organizations ● Supporting environmental conservation activities ● Corporation with Local Community and association
Employees	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

Relationships with Customers

We strive to establish direct communication with customers through various points of connection to comprehensively answer questions and inquiries, and to respond to customer requests and feedback.

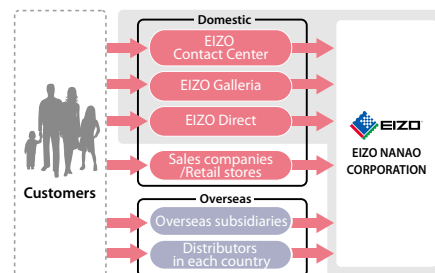
Eizo Contact Center: Customer Liaison

Eizo Contact Centers have been set up as a convenient way for customers in Japan to communicate with the Company. These centers provide answers to inquiries related to product specifications and operating procedures, product purchasing and technical questions through telephone, e-mail and fax.

Our overseas Group companies have also established specialized contact centers that enable customers to order or seek technical support by phone or mail. We also conduct customer satisfaction surveys to improve our products and services.

Inquiries and requests received from customers are shared by relevant departments within the Company and we strive to incorporate this information into product development as well as information provision to customers.

Feedback system for all types of customer input



Eizo Website

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

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



Japan



Germany



Switzerland

Participation in Tradeshows

We actively participate in tradeshows to introduce our products to a broader audience in related industries. We also gain insight from the feedback and requests we receive at these events which we use to improve our products and services.

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.

General Shareholders Meeting

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

In addition, we invite shareholders to an informal meeting following the general shareholders meeting, in which the president explains EIZO's philosophy and business activities. We view this as an excellent opportunity for receiving honest feedback as well as comments and questions from shareholders, and we strive to respond to all comments and questions.

We also set aside space at the meeting site for displaying and explaining our products in an effort to directly provide shareholders with a deeper understanding of our company and its products.



Shareholders informal meeting

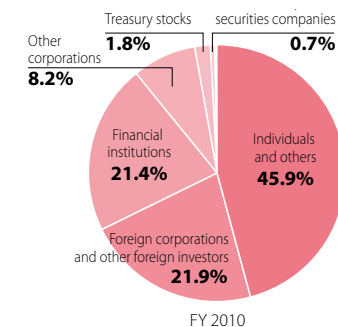


Products displaying space

Company Presentations for Investors

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

Shareholder Composition



FY 2010

Relations with Suppliers

We regard suppliers as essential and important partners for the continuation of our business. Therefore, we not only exchange detailed information on individual transactions, but also cultivate mutual understanding of management policies and technical strategies to achieve substantial results based on powerful partnerships.

■ Basic Policy on Procurement

We deal with suppliers in Japan and overseas on an equal opportunity basis in accordance with procurement policies based on the principles of mutual coexistence and prosperity. Factors we consider essential in evaluating suppliers include a stable management foundation, supply capability, technological expertise, compliance with laws and social norms, and consideration for the global environment. We select suppliers who meet these standards.

Selection Standard for Suppliers

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

■ Building Bonds of Trust with Suppliers

As a manufacturing company whose main production operation is assembly, we place a high priority on controlling quality, delivery schedules, and the cost of parts and materials we procure from suppliers as well as on ensuring that their operations are environmentally sound. We provide opportunities for regular exchanges of information addressing these issues and ensure that we and our suppliers share a common understanding of each others' management policies and technical strategies. This approach ultimately results in the achievement of substantial results and the creation of future value that neither partner could have achieved alone. We intend to continue building strong partnerships based on these attitudes and efforts.

■ Materials Procurement Briefing

We conduct materials procurement briefings for our suppliers. During these briefings we go through our procurement policy and request their support, green procurement trends and information. We also report on the results of quality improvement efforts and explain related policies. Many suppliers attend these briefings, which contribute to a greater understanding of EIZO and to gathering information later utilized in business decisions.



Relationships with the Local Community

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

■ Social Contribution Activity

● For Children All Over the World (Japan)

We participate in a program for collecting PET bottle caps toward the donation of vaccines (polio, measles, diphtheria, whooping cough) for children all over the world. The caps we collect are delivered to the organization through local waste disposal companies. In 2010, we collected 205kg of PET bottle caps, equivalent to the value of vaccines for 153 people.

■ For Regional Development

● For Regional Economic Development: Ishikawa Keiei Tensho Juku (Japan)

The Ishikawa Keiei Tensho Juku is a project undertaken mainly in Ishikawa Prefecture and managed through the concerted efforts of industry, government and academic institutions. The goal of the project is to enable young corporate managers and future entrepreneurs who will bear responsibility for the future of the regional economy to acquire the practical thinking and decision-making skills required for corporate management through lectures and case studies. We support the project by providing operational advice and holding lecturers. EIZO's own story is included as a case study in the curriculum. We also cooperate in the production of educational texts and classes. As in the preceding year, we held lectures at our offices and organized a company tour in fiscal 2010.



● Cooperation in Promoting Culture (Japan)

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

■ Overseas Group Companies and Their Relationships with Local Communities

Every overseas Group company seeks to contribute to their local community in their own way. For example, in the United States, EIZO supports children's programs organized by local fire and police departments, while in Germany we have established close collaboration with a university and are developing new technologies and technological approaches with young engineers there.

Seven Promises 5

We will strictly respect and comply with both the letter and spirit of the law.

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

Compliance

Our Philosophy on Compliance

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

Compliance Training

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

Strengthening the Information Management System

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

Internal Notification Program

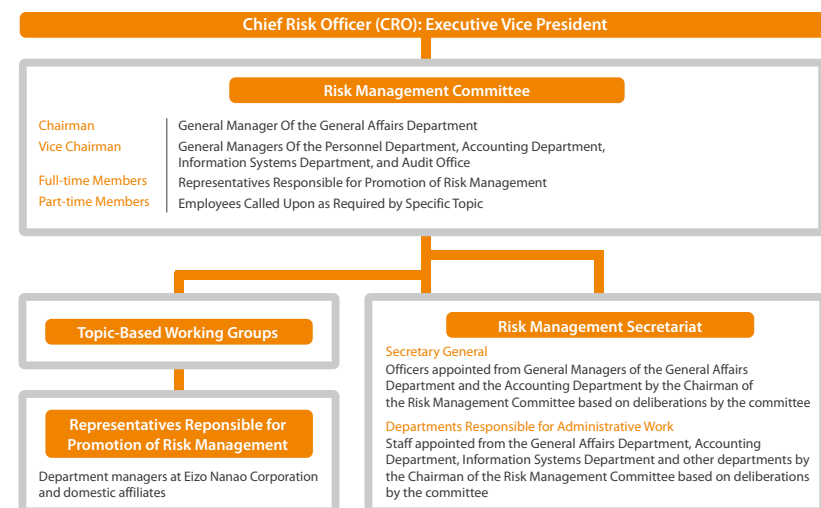
To further strengthen our compliance system, we set up a liaison point to provide answers to questions and advice on problems, concerning legal issues or the content of the code of conduct, that may arise in the course of our operations. In addition, we strive to ensure early detection of illegal activity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

Risk Management

As part of our internal controls, we have established and operate a risk management system based on a group-wide perspective. The company's risk management activities are led by the Management Conference and the Risk Management Committee. In fiscal 2010, the Management Conference reviewed 19 major vulnerabilities and the Risk Management Committee reviewed 41 departmental risks.

Also in fiscal 2010, we recognized that our response to a serious earthquake disaster (magnitude 6-plus) revealed a major vulnerability and developed countermeasures including a revision of our business continuity plan. This risk soon materialized in the aftermath of the Great East Japan Earthquake on March 11, 2011, a disaster that was accompanied by a tsunami and radioactive contaminants released from a nuclear power plant. As a result, we were required to revise our damage estimates and countermeasures in fiscal 2011. Although no other risks were realized in fiscal 2010, we will continue to assess all major vulnerabilities and potential departmental risks and update our countermeasures to further limit risks.

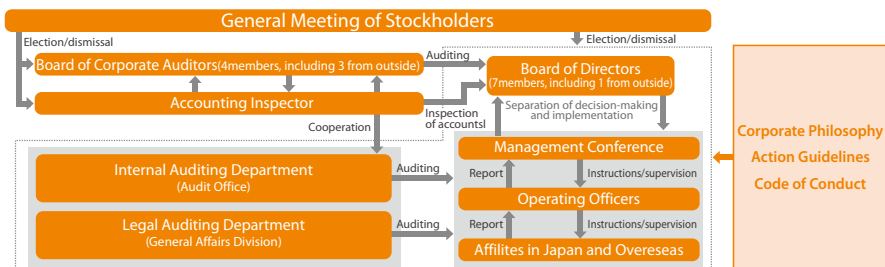
Risk Management System



Corporate Governance

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

Corporate Governance System



Overview of Management Organization

Board of Directors

The Board of Directors meets monthly and as required to support timely decision-making for today's business environment. All important matters related to the board's decisions are discussed and progress reports on business tasks are presented on a regular basis. Among the seven Board of Directors (all male), we have appointed a single outside director (as of June 23, 2011) to provide supervision and advice from a third-party perspective and thereby increase the transparency of management decisions. The current outside director possesses ample experience and broad insight, both as a corporate director and an auditor, as well as an objective perspective that is independent from management responsible for the execution of operations. He was selected based on our judgment that management would benefit from his appointment. We do not foresee any conflicts of interest between the outside director and our general shareholders and therefore have appointed him as an independent director as stipulated by Tokyo Stock Exchange regulations.

Management Conference

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

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

Board of Corporate Auditors

We have adopted a system of corporate auditors. The board of corporate auditors consists of four members (all male, one full-time and three part-time, as of June 23, 2011) and includes three outside corporate auditors. Corporate auditors attend key meetings of the Board of Directors. The full-time corporate auditor reviews and discusses with directors important documents, such as draft proposals and contracts. He also collaborates with the Audit Office, the company's internal auditing department, on the review of internal regulation functions. The full-time corporate auditor also attends internal audits. The Audit Office reports on the findings of these audits in response to requests from directors. Finally, the full-time corporate auditor attends audits conducted by the accounting auditor and participates in meetings between the accounting auditor and our company.

Internal Auditing System

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

Officer Compensation System

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

Internal Control System

We established our basic policy underlying a system that ensures directors execute their tasks in compliance with the law and the articles of incorporation, along with a system for ensuring the appropriateness of other operations, at a Board of Directors meeting in May 2006 (revised May 2011). Based on the policy, we have proceeded to develop related systems and to complete the groundwork for establishing an internal control system. Prior to these efforts, an internal control system for financial transactions was established in accordance with the Financial Instruments and Exchange Act, and we exercise thorough control over our financial operations.

Seven Promises 6

We will 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 climate by developing an environment that encourages free exchange of opinions and a workplace in which employees have a sense of security.

Laying the Foundations for a Motivating Workplace

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

■ Employment

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

■ As of March 31, 2011, Eizo Nanao Corporation

Number of Employees (including term employees) : 749 Men : 394 Women : 355	Engineering staff	240
	Foreign nationals	23
Graduate recruits	23	*Joined company in April 2011
Mid-career recruits	2	*Joined company from April 2010 through March 2011
Average age	36.9	*As of March 31, 2011
Average length of service	13.4 years	*As of March 31, 2011
Average annual working hours	1,937 hours	*FY 2010

■ As of March 31, 2011, Eizo Group (including overseas affiliates)

Number of Employees (including term employees) : 1,643	Engineering staff	561
	Overseas affiliates	275

■ Developing Trust-Based Labor-Management Relations

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

■ Promoting the Careers of Persons with Disabilities

Persons with disabilities are engaged in careers at many of our worksites, and as of March 2011, 17 disabled people are currently employed by the Group. This represents 2.24%

■ Percentage of Employees Who Are Persons with Disabilities

FY 2008	FY 2009	FY 2010
2.07	2.21	2.24

of our Group workforce, exceeding the minimum legal requirement of 1.8%. We intend to continue improving our workplace environment and expanding work opportunities for the disabled.

■ Paying Due Respect to Human Rights

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

Promoting Work-Life Balance

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

■ Opportunities for Recreation and Exchange

● Support for In-House Sports and Cultural Activities

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



● Community College

We organize Community College seminars that are open to all employees, regardless of age, gender or position. These seminars offer opportunities for learning about general culture, areas of intellectual interest and cross-cultural experiences. They also encourage in-house interaction by bringing together both directors and younger employees. Over the past four years, 18 seminars have been offered on topics such as flower arrangement, understanding different cultures, how to wear a yukata kimono, and Tai Chi. About 900 employees have participated.



■ 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 Nanao Corporation

	FY 2008	FY 2009	FY 2010
Childcare/Nursing Care Leave	25	23	29
Reduced Working Hours For Childcare Or Nursing Care	11	18	24
Childbirth Leave for Male Employees	8	7	6

■ Shorter Actual Working Hours

As part of our efforts to decrease the number of working hours, we undertake work improvement activities on a unit-by-unit basis and observe a weekly no-overtime day. We also vigorously encourage employees to take compensation days off for working on holidays and take sufficient paid leave. As a result of these efforts, we were able to significantly reduce average actual working hours in fiscal 2009. Since working hours began rising again in fiscal 2010, however, we are renewing our efforts to achieve a considerable reduction in fiscal 2011.

■ Average Working Hours, Eizo Nanao Corporation

FY 2008	FY 2009	FY 2010
1,968 hours	1,913 hours	1,937 hours

Human Resource Development Efforts

We conduct various seminars and training events to reinforce our business base from a mid- to long-term perspective and to cultivate the human resources required for globalization. We also provide employees with a wide selection of educational programs to choose from in the context of their own career plans.

■ Reinforcing Management Capabilities

Management-level employee training is a high priority at EIZO. We ensure the practical usefulness of training by setting a theme for each fiscal year, such as strategic thinking, customer development or operational reform. We also conduct training for selected management candidates from diverse departments to instill the qualities required for a manager, such as management-level competencies, leadership and critical thinking. This approach affords a number of benefits, including the creation of a strong in-house network through common training experiences.

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

■ Emphasis on Educating Younger Employees

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

■ Supporting Career Development

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

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

■ Development of Global Human Resources

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

Securing Safety and Health

The ongoing development, design and production of high value-added products requires not only a significant investment of management resources but also a consistently safe workplace and efforts to safeguard employee health. To that end, we engage in various activities for securing the safety and well-being of our employees, including appropriate risk management, 5S activities and healthcare guidance.

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

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

Medium-Term Plan (Fiscal 2010 to 2012)

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

■ Fiscal 2011 Targets/ Key Action Points and Fiscal 2010 Performance

Management Area	Targets/Key Action Points	Fiscal 2009 Performance	Evaluation
Safety Management	Zero occurrence of workplace accidents, including traffic accidents	· Workplace accidents 1 (one day of lost worktime) Frequency rate 0.59 Severity rate 0.0005	△
	Key point : Ongoing risk assessment	· Traffic accidents during working hours 3 (offenses) · Unacceptable risks 0	
Health Management	100% follow-up on checkup results	Follow-up 94.3%	△
	Key point: Promotion of health management activities based on self-awareness		

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

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

Seven Promises 7

We will strive to coexist in harmony with the environment and society, as a globally responsible corporation.

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

Environmental Policy

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

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

Environmental Management System

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

Activities under the Environmental Management System

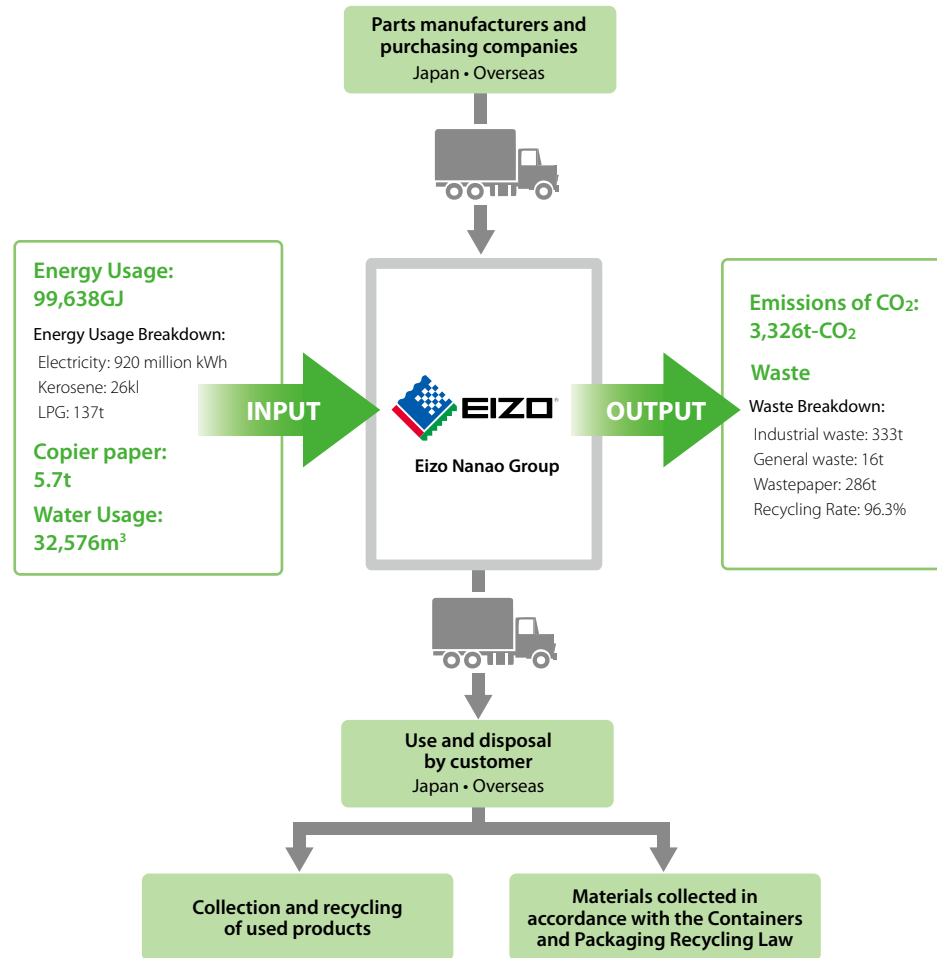
As in fiscal 2009, we incorporated many tasks for meeting our environmental targets for fiscal 2010 that would achieve results in product specifications. We also sought to accomplish these tasks and targets by sharing them with in-house organizations, including the design and development departments. We successfully reduced power consumption during suspension and use, exercised stricter control over chemical substances used in parts, and achieved manufacturing that meets advanced environmental standards.



Environmental Management System Audits

Our ISO 14001 certification was maintained and updated in fiscal 2010 after a third-party institution conducted an external audit.

Overall Environmental Impact of Business Activities



*Scope of calculations: three domestic areas as listed right.

Environmental Impact by Area

Area	Eizo Nanao MS Corporation		Eizo Nanao Corporation Headquarters area*	Total	
	Nanao Plant	Hakui Plant			
Operations	Assembly of printed circuit boards for Eizo Nanao Corporation products	Assembly of Eizo Nanao Corporation products Includes data for Kashima warehouse (EMK) from FY 2010			
Total Energy Usage (GJ)	10,867	35,294	53,477	99,638	
Energy Resources	Electricity (10,000 kWh)	109	354	457	920
	Kerosene (kl)	—	—	26	26
	LPG (t)	—	—	137	137
Copier paper (t)	0.2	0.9	4.6	5.7	
Water usage (m ³)	2,718	2,738	27,120	32,576	
Emissions of CO ₂ (t)	336	1,094	1,896	3,326	
Waste	Industrial waste (t)	95	44	194	333
	General waste (t)	1	4	11	16
	Wastepaper (t)	42	76	168	286
	Recycling rate (%)	97.1	94.9	96.3	96.3

*Includes data for Eizo Support Network Corporation and Nanao Agency Corporation located within the area (site).

Environmental Targets/Performance Report

As in fiscal 2009, we focused our targets on environmentally sound design.

As a result, we achieved results exceeding 75% in eleven initiatives, over 50% and under 75% in three initiatives, and under 50% in one initiative.

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

Environmental Theme	Theme	Environmental Objective	Environmental Targets	⇒	Fiscal 2010 Actual Results	Self-Evaluation	Fiscal 2011 Targets
Efforts to prevent global warming	CO ₂ reduction	Reduced power consumption	Reduce electricity consumption—by 10.14 million kWh/year	⇒ 9.2 million kWh		○	Reduce electricity consumption—up to 9.2 million kWh/year (Comply with revised Energy Saving Law introduced in fiscal 2010)
		Reduced fuel consumption	Reduce consumption of fuel—LPG: up to 150 t; kerosene: up to 33 kl	⇒ LPG: 137 t; kerosene: 26 kl		○	Reduce consumption of fuel—LPG: up to 140 t; kerosene: up to 20 kl
		Tracking CO ₂ volume	Implement product LCA	⇒ Closely monitored carbon footprint deliberations by the Ministry of Economy, Trade and Industry		×	Consider introduction of carbon footprint assessment
		Environmentally sound product design	Reduce product energy consumption	⇒ New EV series achieved power consumption of 0.1 W or below in sleep mode for analog signal input and 0.1 W or below in off mode ⇒ LED backlights are used for almost all new products		△	Further reduce electricity consumption of products—0.1 W for sleep mode, 0.1 W for off mode
		Increased transport efficiency	Increase product transport efficiency	⇒ Implemented compact packaging by separating stand bases		△	Increase product transport efficiency (promote lightweight, compact products)
		Green procurement	Green purchase of office supplies	⇒ In-house dissemination of information on products eligible for green purchasing as recommended items		○	Green purchase of office supplies
Creating a sustainable society	Three R's (reduce, reuse, recycle)	Reduce	Reduce industrial waste—up to 315 t for industrial waste generation, up to 6.5 t for purchases of copier paper	⇒ Industrial waste generation: 333 t, Purchases of copier paper: 5.7 t		△	Industrial waste generation: 350 t Purchases of copier paper: 6.2 t
		Reuse	Promote reuse of office supplies	⇒ Promoted reuse of office supplies and in-house furniture and fixtures through the corporate intranet		○	Promote reuse of office supplies
		Recycle	Expand use of recycled Plastic materials in products	⇒ Considered use of recycled plastic materials in products		○	Expand use of recycled materials in products Disclose product collection system
			Recycling rate of waste generated on company premises: 96%	⇒ Recycling rate of waste generated on company premises: 96.3%			
		Reviewed and disclosed product collection system	⇒ Product collection system became recycling system operated by PC3R Promotion Association				
Environmental issues	Management of chemicals	Reducing consumption of chemicals	Management and limitation of emissions and transport of toxic substances	⇒ Changed cleansing agent used in the substrate assembly process to one with lower environmental impact		○	Management and limitation of emissions and transport of toxic substances
		Green procurement	Management of chemicals used in products	⇒ Introduced new evaluation and control system for chemical substances		○	Management of chemicals used in products (Started management under new system)
Environmental communication	Maintaining communication	Education and training	Implement in-house education	⇒ Implemented environmental training for all employees		○	Implement in-house education
		Disclosure of environmental information	Report corporate environmental activities	⇒ Published CSR Report in accordance with GRI application level B ⇒ Registered companies participating in the Challenge 25 campaign, website for in-house publicity, reduced lighting at facilities, promoted the wearing of lighter or warmer clothes under the “cool biz” and “warm biz” campaigns ⇒ Disclosed product environmental information through the corporate website and catalogs		○	Report corporate environmental activities
		Survey of market trends	Provide in-house feedback on market needs and trends	⇒ Collected information on local environmental standards from overseas subsidiaries and distributors, implemented ongoing internal feedback		○	Provide in-house feedback on market needs and trends
Environmental compliance	Compliance with environmental laws and standards	Standards compliance	Compliance with environmental laws and standards	⇒ Responded to energy efficiency policies in China ⇒ Compliant with regulations of local governments at each base		○	Comply with environmental laws and standards Obtain ISO 14001 certification at EIZO Display Technologies (Suzhou) Co., Ltd.

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

Social and Environmental Timeline

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

GRI Index

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

GRI Guidelines Index (version 3.1)

Item	Indicator	Report Page
1. Strategy and Analysis		
1.1	Statement from the most senior decisionmaker of the organization about the relevance of sustainability to the organization and its strategy.	3
1.2	Description of key impacts, risks, and opportunities.	3
2. Organizational Profile		
2.1	Name of the organization.	4
2.2	Primary brands, products, and/or services.	5
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	4
2.4	Location of organization's headquarters.	4
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	11
2.6	Nature of ownership and legal form.	4,14
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	4,5
2.8	Scale of the reporting organization.	4
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Not applicable
2.10	Awards received in the reporting period.	5
3. Report Parameters		
REPORT PROFILE		
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	2
3.2	Date of most recent previous report (if any).	2
3.3	Reporting cycle (annual, biennial, etc.).	2
3.4	Contact point for questions regarding the report or its contents.	2
REPORT SCOPE AND BOUNDARY		
3.5	Process for defining report content.	2,12
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	2
3.7	State any specific limitations on the scope or boundary of the report.	2
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Not applicable
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report.	26
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement.	Not applicable
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Not applicable
GRI CONTENT INDEX		
3.12	Table identifying the location of the Standard Disclosures in the report.	30
ASSURANCE		
3.13	Policy and current practice with regard to seeking external assurance for the report.	31
4. Governance, Commitments, and Engagement		
GOVERNANCE		
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	18
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	18
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	18
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	14
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives, and the organization's performance.	18
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	18
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	18
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	1
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	2
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	2
COMMITMENTS TO EXTERNAL INITIATIVES		
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	9,10,25
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Not applicable
4.13	Memberships in associations and/or national/international advocacy organizations in which the organization: - Provides substantive funding beyond routine membership dues/or - Participates in projects or committees - Views membership as strategic	10
STAKEHOLDER ENGAGEMENT		
4.14	List of stakeholder groups engaged by the organization.	12
4.15	Basis for identification and selection of stakeholders with whom to engage.	12
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	11,12,14,15
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	25

Item	Indicator	Report page
5 Management Approach and Performance Indicators		
Economic		
Disclosure on Management Approach		Mid-Term Business Plan http://www.eizo.com/global/investors/pdf/Mid-Term_Business_Plan.pdf
MARKET PRESENCE		
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	15
INDIRECT ECONOMIC IMPACTS		
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in kind, or pro bono engagement.	16
Environmental		
Disclosure on Management Approach		1,22-28
ENERGY		
EN3	Direct energy consumption by primary energy source.	23,26
EN4	Indirect energy consumption by primary source.	23,24,26
EN5	Energy saved due to conservation and efficiency improvements.	24,26
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	9,10
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	26
WATER		
EN8	Total water withdrawal by source.	23,26
Emissions, Effluents, and Waste		
EN16	Total direct and indirect greenhouse gas emissions by weight.	23,24,26
EN22	Total weight of waste by type and disposal method.	23,24,27
Products and Services		
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	8-10,28
COMPLIANCE		
EN28	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	25
Product Responsibility		
Disclosure on Management Approach		1,8-10
PRODUCTS AND SERVICES LABELING		
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	We have not identified any incident of non-compliance with any regulation voluntary codes.
Labor Practices and Decent Work		
Disclosure on Management Approach		1,19-21
EMPLOYMENT		
LA1	Total workforce by employment type, employment contract, and region.	19
LA2	Total number and rate of employee turnover by age group, gender, and region.	19
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	20
OCCUPATIONAL HEALTH AND SAFETY		
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region.	21
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	21
TRAINING AND EDUCATION		
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	21
Human Rights		
Disclosure on Management Approach		1,19
NON-DISCRIMINATION		
HR4	Total number of incidents of discrimination and actions taken.	We have not identified any incident of non-compliance with any discrimination.
Society		
Disclosure on Management Approach		1,17
CORRUPTION		
SO4	Actions taken in response to incidents of corruption.	We have not identified any incident of non-compliance with any corruption.
ANTI-COMPETITIVE BEHAVIOR		
SO7	Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.	Not applicable
COMPLIANCE		
SO8	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	Not applicable

To President Yoshitaka Jitsumori,
Eizo Nanao Corporation



Takashi Fukushima
President, Sustainability Accounting Co., Ltd.



In the course of writing this, I had the opportunity to directly hear the president state his views.

He said the most important element of EIZO's CSR is to deliver products that make customers proud. I was deeply impressed and felt this message was clear and resolute, expressing a powerful commitment. Companies tend to guide their CSR using an all-encompassing theme. Actually taking action, however, requires the setting of priorities and a focus. Achievements in one area will lead to positive results elsewhere. In other words, one cannot sustain results in the context of an overall theme without maintaining positive conditions in several areas of operations. The president had indeed expressed the key for EIZO performance.

Meanwhile, Japanese companies are required to meet ever higher CSR standards. The publication of ISO 26000 in autumn 2010 and the partial revision of the GRI Sustainability Reporting Guidelines in the spring of 2011 present new challenges for EIZO as a global enterprise. For example, requirements for assessing the state of human rights have been reinforced to include suppliers. The principle of preserving biodiversity has been incorporated into environmental preservation, and requirements for disclosure have expanded to encompass environmental impact and reduction measures for products throughout the entire supply chain. A self-examination on the level of external demands on the company is an effort that EIZO has already been demonstrating through its use of the GRI index, which is included in the report, and will benefit EIZO by helping it to revitalize its CSR activities. I hope EIZO will continue and strengthen this effort in the future.

