

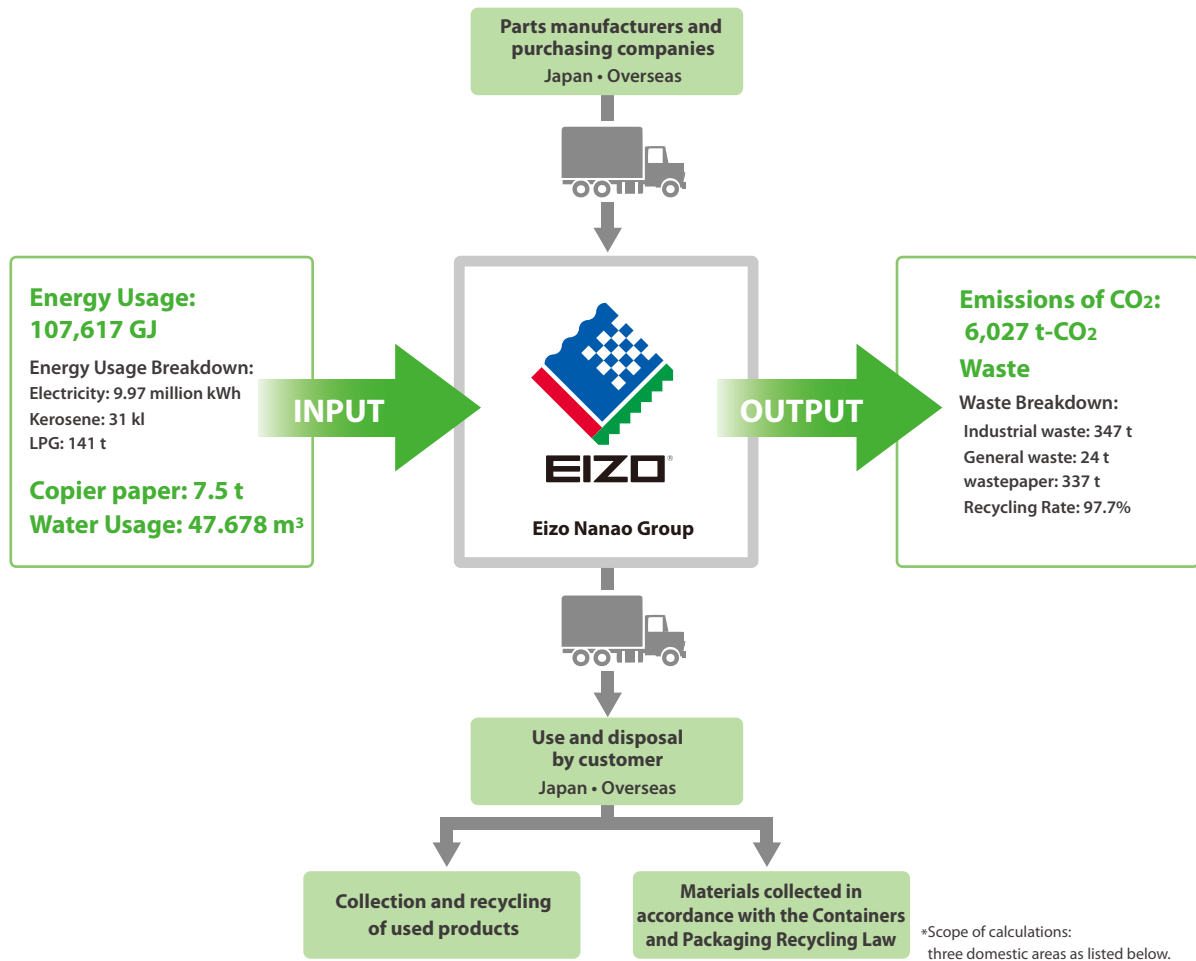
We will strive to coexist in harmony with the environment and society, as a globally responsible corporation.

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 preserving the environment.
- 5 We educate all company members and strive to deepen their awareness of environmental matters, while creating members of a team that will be committed to the effective use of natural resources and energy, and to the protection of our global environment.

Overall Environmental Impact of Business Activities



Environmental Impact by Area

Area	Eizo Nanao MS Corporation Nanao Plant	Eizo Nanao MS Corporation Hakui Plant	Eizo Nanao Corporation Headquarters area*	Total
Operations	Assembly of printed circuit boards for Eizo Nanao Corporation products	Assembly of Eizo Nanao Corporation products		
Total Energy Usage (GJ)	9,671	36,291	61,665	107,617
Energy Resources	Electricity (10,000 kWh)	97	364	536
	Kerosene (kl)	—	—	31
	LPG (t)	—	—	141
Copier paper (t)	0.3	1.4	5.8	7.5
Water usage (m ³)	2,963	3,037	41,678	47,678
Emissions of CO ₂ (t)	537	2,018	3,472	6,027
Waste	Industrial waste (t)	87	58	202
	General waste (t)	5	8	11
	Wastepaper (t)	121	78	178
	Recycling rate (%)	99	96.4	97.7

*Includes data for Irem Software Engineering Inc., Eizo Support Network Corporation and Nanao Agency Corporation located within the area (site).

Fiscal 2008 Environmental Targets/Performance Report

We shifted the focus of our targets to environmentally sound design starting in fiscal 2008, and as a result, we achieved results exceeding 75% in 13 initiatives, over 50% and under 75% in four initiatives, and under 50% in three initiatives.

Scope: Eizo Nanao Corporation area

Environmental theme	Issue	Environmental objective	In-house environmental target >>Performance and future measures	Evaluation
Efforts to prevent global warming	CO ₂ reduction	Reduced power consumption	Reducing consumption of electricity (up to 5.6 million kWh/year) ⇒Sum total: 5.356 million kWh	○
		Reduced fuel consumption	Reducing consumption of fuel (LPG: up to 110 t/year; kerosene: 42 kl/year) ⇒LPG sum total: 140 t; kerosene sum total: 31 kl	○
		Tracking CO ₂ volume	Implementing product LCA ⇒Designated as ongoing initiative for fiscal 2009	×
		Environmentally sound product design	Reducing product energy consumption ⇒Developed EV2411 with LED backlight ⇒Zero-watt goal achieved for off mode ⇒Developed new technologies including a presence sensor and EcoView	△
			Reducing product CO ₂ emissions ⇒Implemented carbon footprint trend test	×
		Increased transport efficiency	Increasing transport efficiency ⇒Tracked loading ratio and implemented in-house feedback	△
			Measures to increase loading ratio ⇒Created compact container box by changing the shape of the stand	○
Green procurement	Green purchasing of office supplies ⇒Promoted green purchasing by designating in-house recommendations based on green procurement catalogs	○		
Creating a sustainable society	Three R's (reduce, reuse, recycle)	Reduce	Reducing industrial waste (up to 210 t overall)* ⇒Sum total: 202 t	○
			Effective use of resources (up to 6 t for purchases of copier paper)* ⇒Sum total: 5.8 t	○
		Reuse	Promoting reuse of office supplies ⇒Promoted effective use of in-house paid supplies	○
			Recycle	Promoting recycling of industrial waste ⇒Target: 96% recycling* Average annual recycling rate: 97.8%
		Expanding use of recycled plastics ⇒Considered expanding use of recycled materials in products		×
Environmental issues	Management of chemicals	Reducing consumption of chemicals	Management and limitation of emissions of toxic substances	△
		Green procurement	Management of chemicals used in products ⇒Strengthened thresholds for cadmium and hexavalent chromium in product parts ⇒Developed LED backlight models	○
Environmental communication	Maintaining communication	Education and training	Implementation of employee education ⇒Implemented environmental training for all employees	○
		Corporate activity report	Publication of corporate Environmental Report	○
		Survey of market trends	Disclosure of product environmental information Survey of environmental technology	△
Environmental compliance	Compliance with environmental laws and standards	Standards compliance	Compliance with related standards ⇒Prepared in-house system in response to REACH Regulation ⇒Complied with new ENERGY STAR program ⇒Complied with new TCO standard ⇒Complied with Act on Promoting Green purchasing ⇒Implemented trend survey on Eup Directive ⇒Implemented trend survey on Clean Air Act, Water Pollution Control Law, Waste Disposal and Public Cleaning Law	○
		In-house environmental labeling	Complied to Eizo Eco Products ⇒Released Eizo Eco Products 2009	○

○: Achievement ratio of over 75%; △: Achievement ratio of over 50% and under 75%;

×: Achievement ratio of under 50%

* Excluding Irem Software Engineering Inc.

Fiscal 2009 Environmental Targets

Starting in fiscal 2009, we plan to add affiliate Eizo Nanao MS Corporation (hereafter EMS) to our conventional target area covering the headquarters of Eizo Nanao Corporation (hereafter Headquarters). This undertaking is to achieve the level of environmental consideration required of a manufacturer by pursuing our efforts at a broader scope.

Environmental theme	Issue	Environmental objective	Environmental target
Efforts to prevent global warming	CO ₂ reduction	Reduced power consumption	Reducing consumption of electricity—Headquarters: up to 5.45 million kWh/year ----- Reducing consumption of electricity—EMS: up to 5.0 million kWh/year
		Reduced fuel consumption	Reducing consumption of fuel—Headquarters: LPG: up to 130 t; kerosene: 36kl
		Tracking CO ₂ volume	Implementing product LCA
		Environmentally sound product design	Reducing product energy consumption
		Increased transport efficiency	Increasing product transport efficiency
		Green procurement	Green purchasing of office supplies
Creating a sustainable society	Three R's (reduce, reuse, recycle)	Reduce	Reducing industrial waste—Headquarters*: up to 210 t for industrial waste generation, up to 6 t for purchases of copier paper ----- Reducing industrial waste—EMS: up to 150 t for industrial waste generation, up to 1.6 t for purchases of copier paper
		Reuse	Promoting reuse of office supplies
		Recycle	Promoting recycling of industrial waste Target: 96% recycling of waste generated on company premises
Environmental issues	Management of chemicals	Reducing consumption of chemicals	Management and limitation of emissions and movement of toxic substances
		Green procurement	Management of chemicals used in products
Environmental communication	Maintaining communication	Education and training	Implementation of employee education
		Disclosure of environmental information	Disclosure of corporate Environmental Report Disclosure of product environmental information
		Survey of market trends	Survey of environmental technology
Environmental compliance	Compliance with environmental laws and standards	Standards compliance	Compliance with environmental laws and standards • REACH Regulation • ENERGY STAR Ver. 5.0 program • TCO Display 5.0 • Energy Saving Act • Act on Promoting Green Purchasing • EuP Directive • Air Pollution Control Law • Water Pollution Prevention Law • Wastes Disposal and Public Cleansing Act
		In-house environmental labeling	Eizo Eco Products

*Excluding Irem Software Engineering Inc.

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 focused on and begun achieving results in dealing with waste and reducing resource and energy consumption across the company. However, in light of a number of factors, including a rise in public environmental concern and growing interest for environmentally sound products, we have renewed our stance of expecting our environmental management system to achieve stronger outcomes for products and services while maintaining existing activities. In fiscal 2008, we began operating our environmental management system under a new organizational structure centered on environmentally sound products.

We believe the goal of environmental management is to achieve results not only in the sense of in-house accomplishments associated with handling waste or reducing resource and energy consumption, but also in terms of customer satisfaction with our products and services.

■ Activities under the Environmental Management System

We incorporated many tasks for meeting our environmental targets for fiscal 2008 that would achieve results in product specifications and sought to accomplish these tasks and targets by sharing them with in-house organizations, including the design and development departments. More specifically, we held regular meetings of the Environmental Promotion Committee, composed of Environmental Promotion Coordinators selected from each department in the company, to exchange progress reports on targets, accomplishments and tasks. In terms of environmental targets directly linked to products, we successfully reduced power consumption during suspension and use, exercised stricter control over chemicals used in parts, and made our products more compact and lightweight.



■ Environmental Management System Audits

In fiscal 2008, we continued to conduct internal audits to confirm that activities under the environmental management system were being satisfactorily implemented. A third-party institution conducted an external audit, and our ISO 14001 certification was maintained and updated. During the external audit, updated in-house regulations and management systems under our new management organization and system were confirmed. Furthermore, in view of the strengthened awareness in recent years of management audits for controlling chemical substances, an audit was conducted by a client specialized in this field.

■ Environmental Education Activities

In fiscal 2008, we sought to enhance the shared awareness of our unique in-house activities for environmentally sound products through initiatives of the Environmental Promotion Committee. Environmental Promotion Coordinators for each department provided concrete feedback through the committee on the environment surrounding the company, environmental considerations required for our products, and actual progress achieved through our efforts, thus enabling us to share a more practical awareness of environmental consideration and to more thoroughly educate employees.

Environmental Risk Management

■ Facility Management

Several of our facilities are subject to the Air Pollution Control Law. However, as a fundamental policy, we have established our own management standards encompassing even those operations that are not applicable to be governed by legal requirements. (Detailed measurement data can be reviewed on the Eizo Nanao Corporation website). In addition, annual drills are conducted to practice emergency procedures for dealing with accidental leaks from the oil supplies of climate control systems. With due consideration for reducing environmental impact and conserving energy throughout the entire site, we began using the Energy Center as the heat source for climate control in the production building as well as the research building. We use LPG as the heat source, which emits less CO₂ and air pollutants than fuel oil A.



Emergency procedure drill

■ Waste Processing

We train our employees to properly separate and dispose of waste in accordance with items on a list posted at the temporary storage facility. Waste is subsequently transported to a waste storage facility for further separation, delivered to a contracted waste disposal company and sent off for recycling, incineration or landfill disposal.

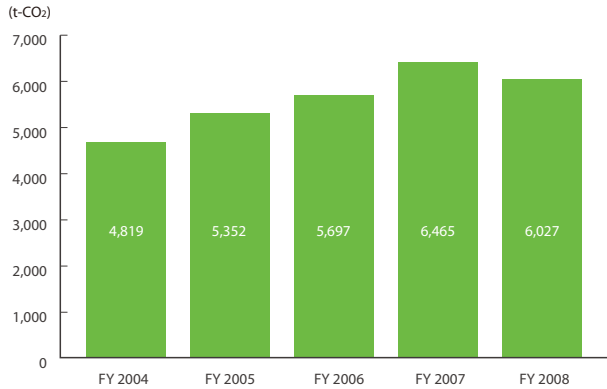
Efforts to Prevent Global Warming

In fiscal 2008, our total energy input decreased by 6.8% year on year.

Greenhouse Gas Emissions

Of six types of greenhouse gases, we produce carbon dioxide, methane and dinitrogen oxide. We track the output volume of these gases in carbon dioxide equivalency values.

Greenhouse Gas Emissions



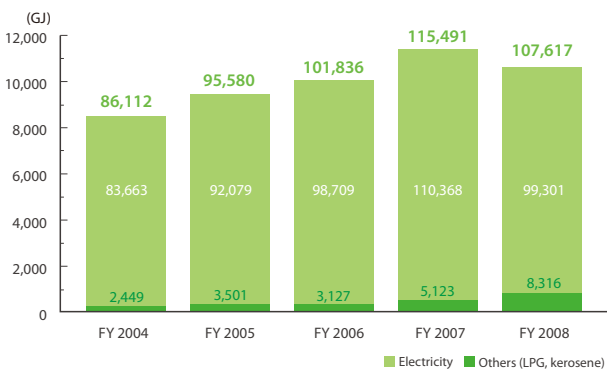
Energy Usage

In fiscal 2008, we were able to meet our targets for electricity and kerosene consumption by reducing climate control energy use through upgrades to existing facilities and central monitoring. We were, however, unable to meet our target for LPG. We plan to continue working toward our twin goals of creating a more comfortable workplace environment and higher energy efficiency by remotely controlling the temperature and humidity in individual rooms via a central monitoring system.

Targets and Results

	Electricity	Kerosene	LPG
Fiscal 2009 target	10.05 million kWh	36 kl	130 t
Fiscal 2008 target	10.20 million kWh	42 kl	110 t
Fiscal 2008 results	9.97 million kWh	31 kl	141 t
Achieved/not achieved	○	○	×

Total Energy Input

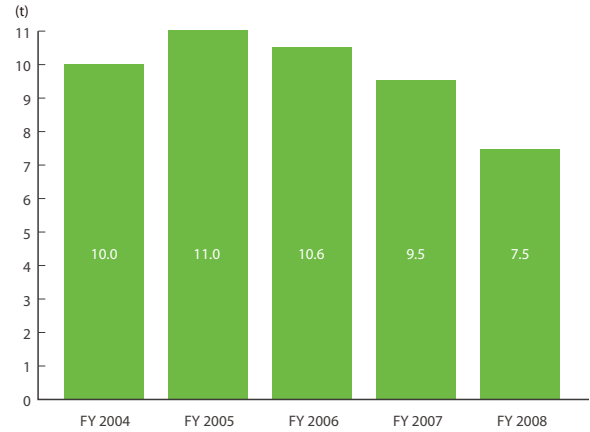


Resource Conservation

Copier Paper Usage

In fiscal 2008, our copier paper usage by volume decreased by 21.0% year on year. This was the result of efforts to promote the use of electronic media and information campaigns encouraging reductions. In fiscal 2009, we will further boost the use of electronic media to reduce copier paper consumption.

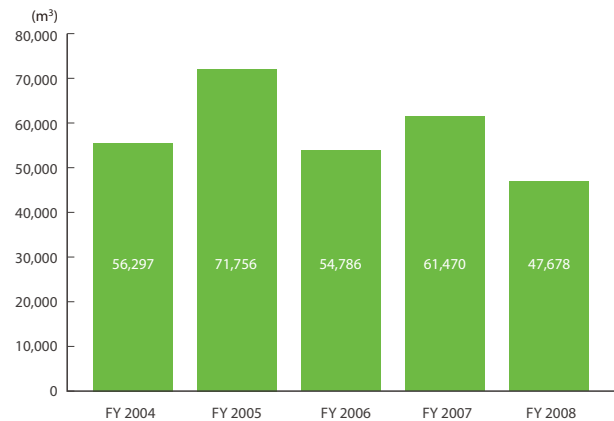
Copier Paper Usage



Water Usage

While our affiliates use public water and sewage systems, Eizo Nanao Corporation uses groundwater exclusively. No water is used in manufacturing processes, although water is used for snow abatement in winter and for watering plants in summer.

Water Resource Input



Reducing Waste

Industrial Waste

In fiscal 2008 the recycling rate was 97.7% and the total volume of waste decreased, enabling us to achieve both our targets. Wood scraps (from wood pallets) are now being treated as industrial waste rather than general waste in response to changes in the law, and the expanded screen size of our products led to imports of large-format component parts accompanied by increases in styrofoam and waste plastic from packaging. We were nevertheless able to meet our targets by restraining disposal of unwanted materials and equipment during inventory clearance. We work with waste processing companies to collect waste styrofoam, melt it down, and then mold it into chips that can be used as a raw material for new plastic products. Some of this resource is also used as styrofoam packaging for our products. In fiscal 2009 we will endeavor to reduce the volume of waste plastic and increase the rates of waste products with commercial value.

General Waste

In fiscal 2008, the volume of general waste decreased from the previous year largely due to changes in the law, enforced since April 2008, requiring wood scraps (from wood pallets) to be treated as industrial waste.

Disposal of General Waste

Burnable trash	Grass clippings, office supplies (used tea, etc.), non-recyclable items (carbon paper, thermal paper), indoor footwear, etc.
Non-burnable trash	Plastic office supplies

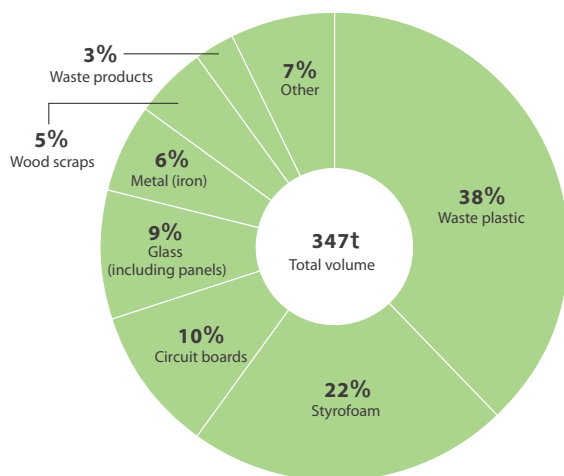
Industrial Waste



General Waste



Industrial Waste (FY 2008)



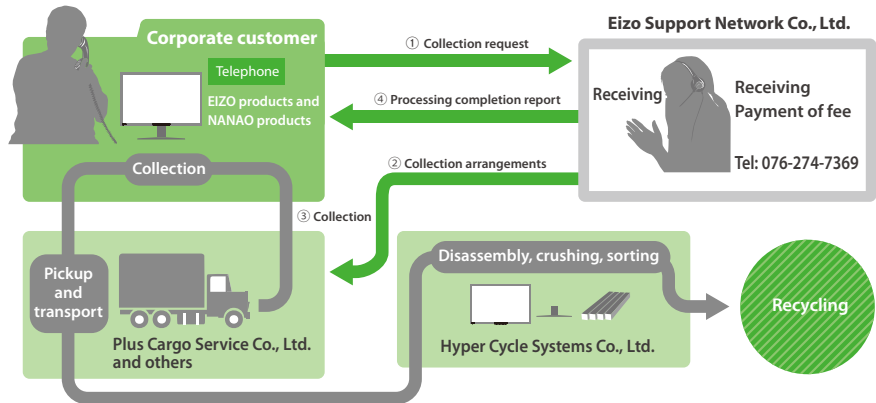
Collection and Recycling of Used Products (For Customers in Japan)

Collection and Recycling of Commercial Products

A product collection and recycling system was set up in July 2001 under the Waste Disposal Law and the Law for Promotion of Effective Utilization of Resources. The resulting collection and recycling regime focuses on products marketed to commercial customers. The collected products are disassembled, crushed and sorted by recycling

contractors, and the resulting raw materials are reused to manufacture new products. In March 2005, collection and recycling began under a Designated Wide-Area Recycling Industrial Waste System certified by the Japanese Ministry of Environment.

Collection of Commercial Products (April 2008–March 2009)		
	CRT monitors	LCD monitors
Volume collected (kg)	4,661	178
Quantity collected (units)	173	30
Volume recycled (kg)	2,990	152
Recycling rate (%)	64.1	85.6

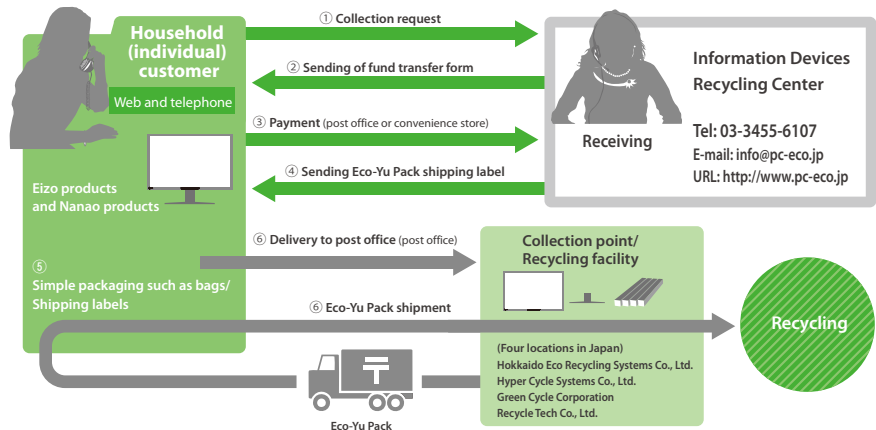


Collection and Recycling of Household Products

In October 2003, a product collection and recycling system for individual customers was set up under the Waste Disposal Law and the Law for Promotion of Effective Utilization of Resources. We mail

“PC recycling mark” stickers to customers at their request for products purchased after October 1, 2003. Monitors bearing these stickers can be disposed of without any additional cost to the customer.

Collection of Household Products (April 2008–March 2009)		
	CRT monitors	LCD monitors
Volume collected (kg)	54,090	2,437
Quantity collected (units)	2,148	372
Volume recycled (kg)	36,213	1,960
Recycling rate (%)	66.9	80.4



Television Disposal

LCD and plasma televisions are subject to collection under the revised Home Appliance Recycling Law of April 1, 2009. We therefore established a recycling system to collect and recycle any televisions, whether produced by Eizo or by other manufacturers.

