

Broadminded Corporate Culture

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

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

◆ Laying the Foundations for a Motivating Workplace

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

▶ Employment

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

■ EIZO Group Including Overseas Affiliates (as of March 31, 2016)

| | | | |
|---|-------|-----------------------------|-----|
| Number of Employees (including temporary workers) | 2,239 | Engineering staff | 735 |
| | | In overseas Group companies | 480 |

■ EIZO Corporation (as of March 31, 2016)

| | | | |
|---|-------------|-------------------|-----|
| Number of Employees (including term employees) | 805 | Male | 409 |
| | | Female | 396 |
| | | Engineering staff | 256 |
| | | Foreign nationals | 21 |
| Graduate recruits (joined company in April 2016) | 29 | | |
| Mid-career recruits (joined company from April 2015 through March 2016) | 16 | | |
| Average age (as of March 31, 2016) | 37.8 | | |
| Average length of service (as of March 31, 2016) | 14.6 years | | |
| Average annual working hours (FY 2015) | 2,026 hours | | |

▶ Developing Trust-Based Labor-Management Relations

Mutual understanding is the cornerstone of labor-management relations. In keeping with this fundamental point, we endeavor to develop trust in labor-management relations by encouraging dialog through the establishment of a consultation conference. These

conferences discuss a wide range of topics, from labor-management agreements and reduction of overtime to ways for improving the work-life balance and employee benefit packages. We also maintain good labor-management relations at Group companies under the specific circumstances of each country or company.

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

■ Turnover Rate of Young Employees (within one year of joining the company): EIZO Group (in Japan)

| March 2014 | March 2015 | March 2016 |
|------------|------------|------------|
| 2.13% | 0% | 4.08% |

▶ Promoting the Careers of Persons with Disabilities

Persons with disabilities are engaged in careers at many of our worksites, and as of March 2016, 21 disabled persons are currently employed by the Group. At the Group companies in Japan, persons with disabilities represent 2.08% of the workforce, exceeding the minimum legal requirement of 2.0%. This is a result of active recruitment efforts, including participation in joint company information sessions for persons with disabilities and the acceptance of interns with the intention of hiring recent graduates. We will continue improving our workplace environment and creating work opportunities for disabled persons as we expand our business.

■ Percentage of Employees Who Are Persons with Disabilities: EIZO Group (in Japan)

| March 2014 | March 2015 | March 2016 |
|------------|------------|------------|
| 2.33% | 1.92% | 2.08% |

▶ Paying Due Respect to Human Rights

To curtail behavior that undermines individuality at the workplace and throughout our operations, such as forced labor and child labor, discriminatory remarks or actions, and sexual or power harassment, we have clearly stated our position on the matter in our Principles of Conduct and conduct educational.

◆ 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. We also actively support employees who participate in social contribution or volunteer activities.

▶ Opportunities for Recreation and Exchange

A variety of sports and cultural activities have been established within the company, and employees are enthusiastically engaged. In addition, occasional recreation activities are planned in a division or across divisions contributing to the creation of a better working environment. The company provides an environment that supports these activities by, for example, supplementing costs and permitting the use of company facilities.



Participants of a local marathon relay



Tea Ceremony Club



EIZO Technologies GmbH (Germany) employees participating in a running event

▶ 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.

■ Number of Applicants (EIZO Corporation)

| | FY 2013 | FY 2014 | FY 2015 |
|---|---------|---------|---------|
| Childcare/Nursing Care Leave | 38 | 45 | 41 |
| Reduced Working Hours For Childcare or Nursing Care | 35 | 43 | 49 |

We plan to enhance our programs for supporting employees with childcare or nursing responsibilities by introducing benefits such as childbirth leave for prospective fathers.

▶ Family Friendly Day

We invite family members of employees to Family Friendly Day (Workplace Tour.) The aim is to encourage communication in the workplace and at home, continue to advance an open corporate culture and enrich children's understanding of work through observation and direct experience. About 300 family members have participated over the past 10 years. Many were impressed by EIZO's approach and commitment to product quality through their participation in factory tours and manufacturing

experiences. Deepening the understanding of family members has also boosted employee morale. EIZO Limited in the United Kingdom is implementing similar initiatives including "Bring Your Child to the Office Day."



Family Friendly Day



Bring Your Child to the Office Day

▶ Creating Leisure Time

As part of our efforts to increase leisure time, 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. The rate of taking paid leave, in particular, is rising with increased awareness of the work-life-balance. Average working hours increased due to the rise in production volume and development models, replacement of the core system, a temporary increase in administrative tasks accompanying M&A, and other factors. We are striving to reduce working hours through such efforts as active employment in the production department and improving efficiency in the development department.

■ Average Working Hours (EIZO Group in Japan)

| FY 2013 | FY 2014 | FY 2015 |
|-------------|-------------|-------------|
| 1,968 hours | 1,954 hours | 2,016 hours |

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

| FY 2013 | FY 2014 | FY 2015 |
|---------|---------|---------|
| 55% | 55% | 60% |

◆ Human Resource Development Efforts

▶ Reinforcing Management Capabilities

Management-level employee training is a high priority at EIZO. We ensure the practical usefulness of training by setting a theme for each fiscal year, such as strategic thinking, customer development and operational reform. Training is offered to candidates for management positions, and newly appointed managers receive training on compliance, fair job evaluation and effective allocation of work to deepen their understanding of these areas.

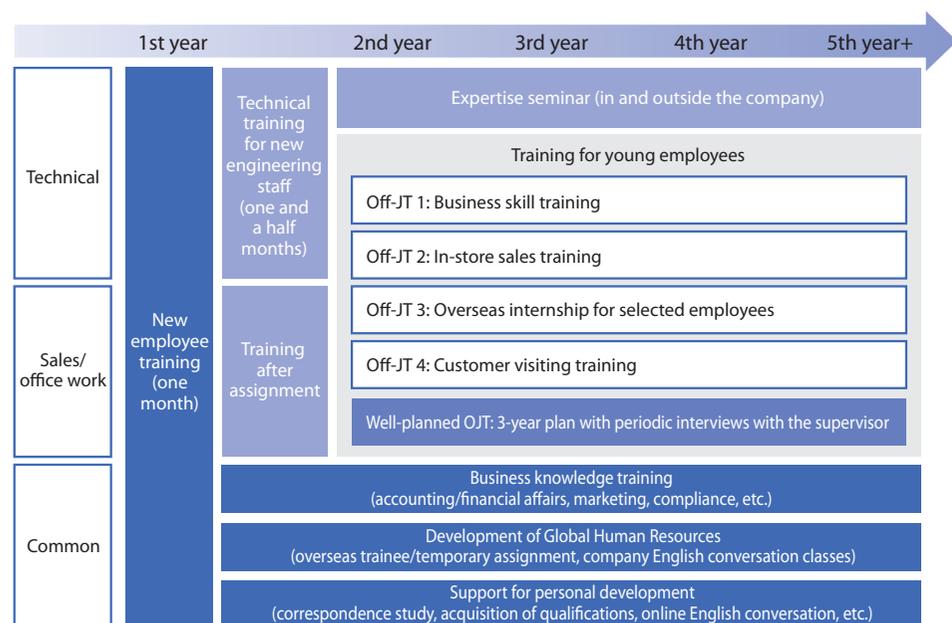
▶ Supporting the Active Participation of Women

EIZO has formulated and released its the Action Plan for Promoting the Role of Women and is working to improve the working environment so that female employees can play leading roles in the company. We are also actively encouraging participation in management training seminars conducted by outside institutions and providing training for selected mid-level employees as part of our effort to promote women to management positions. In the future, we will provide various types of support, including an interview program to advance career development and the encouragement of networking among female employees.

► Emphasis on Educating Younger Employees

First-year employees participate in programs on organizational structure and basic knowledge for adulthood and independence, and receive on-site factory training to learn about the foundations of our company. We also conduct a variety of programs specifically targeting first-year employees, including technical training for new engineering staff to ensure they acquire a broad foundation of knowledge on our basic technologies. We also provide a comprehensive education program combining on-the-job training (OJT) and Off-JT for young employees to enable them to develop the ability to get things done well with market insight and a global mindset. For OJT in each department, managers draw up three-year career plans in consultation with young employees, providing a basis for a systematic OJT program. Our Off-JT for upgrading the skills of young employees includes group-based training for acquiring business skills, selling in stores to identify market needs, and overseas internships that provide short-term assignments at overseas Group companies.

■ Education Programs for Young Employees



Fostering the next generation of leaders with job performance, market insight and a global mindset

► Supporting Career Development

We encourage employee career development by providing a complete and diverse range of self-development programs, including language classes, business seminars for increasing knowledge about such areas as finance and accounting, compliance, and marketing strategy, and by subsidizing the cost of distance learning or obtaining certifications.

► Development of Global Human Resources

To develop global human resources, we provide English and Chinese classes in Japan as well as Japanese classes at affiliates outside Japan, and we hold seminars on cross-cultural communication. We also run an exchange program for engineers between Group companies outside Japan, in which employees are dispatched for one or two years, and a trainee program for young core personnel (short-term assignment, about three months). The program aims to increase the number of employees who can work effectively in a different culture and manage technology with a global perspective, as well as to cultivate new technological expertise.

◀ Voice from a Worksite ▶

I participated in training at EIZO Inc., the Group's sales company in North America, for about three months from July to September in 2015. Accompanying the sales staff of the respective region, I visited over 100 resellers and customers in 13 North American cities. During the visits I was able to listen to overseas customers and staff from the perspective of an engineer, which made me realize there is a variety of values related to products and technologies resulting from cultural differences. From this experience, I learned the importance of developing new technologies from a wide perspective and with an eye for global deployment. I also had opportunities to learn the need for developing cooperative relations across cultural and linguistic borders. Going forward, I want to create new value for EIZO while drawing upon what I have learned from the training.



Yusuke Banba
Asic section
Visual Technologies
Department
Joined the company
in 2006

◆ Securing Safety and Health

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

▶ Efforts in Safety Management

We investigate dangerous situations and toxicity and implement countermeasures at each worksite using risk assessment methods and strive to prevent workplace accidents and impaired health, in addition to KYT (hazard prediction training) and 5S activities. We will continue these efforts by identifying and reducing risks through risk assessments and safety screening of newly installed machinery and equipment, and by raising awareness on safety through workplace patrols and employee training.

▶ Efforts in Health Management

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

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

The basic policy on the safety and health of EIZO 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 2016 to 2018)

Strive to maintain and improve a safe, healthy and vibrant work environment, in which every employee is comfortable, in order to enhance business operations.

■ Fiscal 2016 Targets/Key Actions and Fiscal 2015 Results

| Management Area | FY 2016 Targets/Key Actions | FY 2015 Results | | |
|-------------------|---|---|--|---|
| Safety Management | Achieve zero workplace accidents, reduce traffic accidents during working hours* Key points • Fully enforce prevention of workplace accidents during infrequent operations • Implement risk assessment (including chemical substances) • Improve ability to anticipate hazards through KYT (hazard prediction training) activities and fully enforce 5S activities. | • Workplace accidents | 3 | △ |
| | | Frequency rate | 0.65 | |
| | | Severity rate | 0 | |
| Health Management | Implement mental health measures in the workplace Key points • 100% follow-up on checkup results • Promote preventive measures for lifestyle-related diseases (including specific health guidance) • Promote mental health efforts through implementation of stress check tests • Proper management of chemical substances | • Traffic accidents during working hours* • Unacceptable risks | 10 (3 injured someone else, 6 injured self only, 1 injured by someone else) 0 | △ |
| | | • Follow-up | 96.0% | |

• 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.

* Includes commuting traffic accidents