



Environmental Report 2016

Japan Display Inc. Group

Management Philosophy/Environmental Policy

Management Philosophy

To contribute to the realization of a prosperous society by delivering beauty and excitement to the world's people through leading-edge technology.

JDI aims to contribute to the enrichment of peoples' lifestyles and cultures by developing and delivering to the world beautiful displays which generate surprise and excitement using state of the art technology.

Environmental Policy

Under the management philosophy, recognizing that global environment conservation is one of the most important challenges for humanity, we at Japan Display Inc. group respect people and environment, and aim to contribute to a sustainable society.

◆ Basic policy

- We will continually improve our environmental management system to work to reduce environmental burden, considering lifecycle of our display products.
- We will comply with domestic and foreign legal requirements and other voluntarily accepted requirements.
- We will set environmental objectives or others on the following priority themes and promote activities for their achievement to work for prevention of pollution and protection of environment.

◆ Priority themes

- 1) We will reduce environmental burden of business activities.

We will:

- 1-1) Promote measures against global warming, energy conservation and effective use of water;
- 1-2) Thoroughly manage chemical substances and promote their reduction and substitution;
- 1-3) Promote 3R (Reduce, Reuse, Recycle) activities of wastes.

- 2) We will reduce environmental burden of products.

We will:

- 2-1) Promote the development of environmentally considered products;
- 2-2) Thoroughly manage chemical substances contained in products;
- 2-3) Promote green procurement.

- 3) We will work on activities for conservation of biodiversity and environmental activities at local communities.

To ensure our environmental conservation activities, all employees are communicated on this policy and provided with environmental education thoroughly. Our business partners are also expected for cooperation.

April 1, 2016
Chairman and CEO
Japan Display Inc.


Mitsuru Homma

Message from the Management

We wish to express our deepest gratitude and appreciation for your support of Japan Display Inc.

Established on April 1, 2012, JDI was listed in the first section of the Tokyo Stock Exchange in March 2014. The reformation of our management structure in June 2015 marked the company's transition to the next phase. JDI develops, manufactures and delivers "displays" to the global market that are essential in creating an interface capable of transmitting large amounts of information instantaneously and linking people to the world at large.

While displays for mobile products currently represent more than 80% of JDI's sales volume structure, we are currently also strengthening our automotive in-vehicle display business as our second core business, a field that is showing remarkable market growth. Furthermore, with the aim of establishing our third core business, April 2016 saw the inauguration of our Display Solutions Business Unit, which is opening up new business frontiers, such as: high-definition, low power consumption displays for devices such as 2-in-1 notebook PCs and tablets, reflective displays, displays for high-definition medical devices, and displays for the virtual reality (VR) market. We will increase JDI's business ratio in these non-mobile fields to 50%.

Moreover, in addition to high added-value liquid crystal displays (i.e., high-definition, slim, and narrow frame displays with high-sensitivity in-cell touch sensors) in mobile fields, we are now in the process of establishing flexible OLED mass production technologies with the aim of realizing mass production in 2018. It is anticipated that bendable displays will lead to major changes in the design of many devices, such as smartphones.

Conversely, the production of our products involves enormous inputs of energy and resources and outputs of waste. The Hakusan Plant (Ishikawa Prefecture), which will be a state-of-the-art production line, is scheduled to begin operating in 2016 to increase our production capacity for the mobile category, which continues to grow. Seeing as how our company is one that involves a particularly large environmental burden, we consider it our responsibility to continuously strive to reduce this environmental burden at the production stage. As such, we have set forth an Environmental Policy and promote activities for this sake.

To meet the needs of markets that are constantly changing with dizzying speed, JDI will leverage its advanced technological capabilities, cost-competitiveness, production capacity and product quality and contribute to the realization of a prosperous society by delivering beauty and excitement to the world's people through our leading-edge technology.

We will contribute to the creation of a new society by delivering on our corporate slogan of "Exciting Live Interface." At the same time, we will build consideration for the environment into our product development process, and will strive to create innovative products that strike a balance between value and the environment.

Thank you for your continued encouragement and support.



Mitsuru Homma
Chairman and CEO

On June 21, 2016, I was appointed to the post of Environmental Management Officer.

In 2013, the second year after JDI was founded, we acquired integrated ISO 14001 certification for our plants and offices in Japan, and since then we have promoted our environmental activities under an integrated management system. In FY2015, ended March 2016, JDI underwent its first renewal audit, and on having all of its domestic bases rigorously examined by a third party, the company was found to have committed no nonconformities. We were recognized as conforming to the ISO's requirements, and the continuance of our ISO certification was certified. This report provides an overview of our environmental activities in FY2015, including the contents of the results of audit.

Our environmental activities can be broken down into two aspects: product-related and production-related. Firstly, product-related environmental activities consist of knowing and responding to the regulations of various countries and demands from customers related to the chemical substances contained such as REACH and RoHS in our products. Our thorough management includes confirmation of the chemical substances in products from the development and design stages onward, prevention of contamination in our production lines, and so on.

We have established criteria for environmental consciousness, and we define the products satisfying these criteria as "environmentally conscious products." One of our environmental targets is to raise the proportion of environmentally conscious products in our lineup. We have made this a key performance indicator, and we will work towards achieving it.

Next, in production-related environmental activities, we are committed to observing all laws and ordinances related to the environment in our production activities. We have determined that the rising share of high-value-added products in our output has been accompanied by an increase in industrial processes, hence an increase in the environmental burden per sheet of glass. With a new plant scheduled to start operating this fiscal year, we believe our environmental burden will continue to grow. So with a view towards reducing our environmental burden, we have set new medium-term environmental targets that call for continual reductions in use of energy such as electricity and gas, as well as water, waste, and chemical substances. As we achieve these targets, we plan to collect and disclose indirect data (Scope 3) on our entire supply chain, a new initiative. To improve the reliability of our environmental data, we are considering data verification by a third-party organization.

In relation to global warming, JDI does not act alone, but rather participates in an industry-wide initiative to bring about a low-carbon society. We are contributing to the achievement of industry-wide goals on this front.

We look forward to your continued encouragement and support.



Nobuyuki Tamiya

HR & General Affairs Manager
Environmental Management Officer

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Editorial Policy

This is the fourth environmental report issued by Japan Display Inc. continuing on from last year. We think it important to appropriately disclose information to and communicate with all of our stakeholders. This report was compiled with the goal of conveying our activities for the realization of a sustainable society in an easy to understand manner.

In editing the report, we added the data and details of activities taken by overseas manufacturing subsidiaries. We also expressed ideas by incorporating as many figures and photographs as possible, and we introduce each of our activities through their own page layout. We plan to issue this regularly once each year while working to make the report even easier to read in the future.

Japanese version is also available from our website (<http://www.j-display.com/Environment/report.html>), and we would be pleased if people were to make use of this as well.

If there are any comments, advice, and so forth, please contact us via our website below so that we can use them as references for the future.

Please use these forms to contact us.

Enquiries about products, etc.

<https://www.webcoms.jp/jdi/eng/form.php>

Enquiries from shareholders and investors

<https://www.webcoms.jp/jdi/ir/eng/form.php>

◆ Target Period

April 2015 – March 2016

Some activities outside of the above period are also included.

◆ Month Issued

August 2016

◆ Assumed Readers

This report is aimed at a diverse range of stakeholders that includes our customers, shareholders, investors, suppliers, everyone in our local communities, and more.

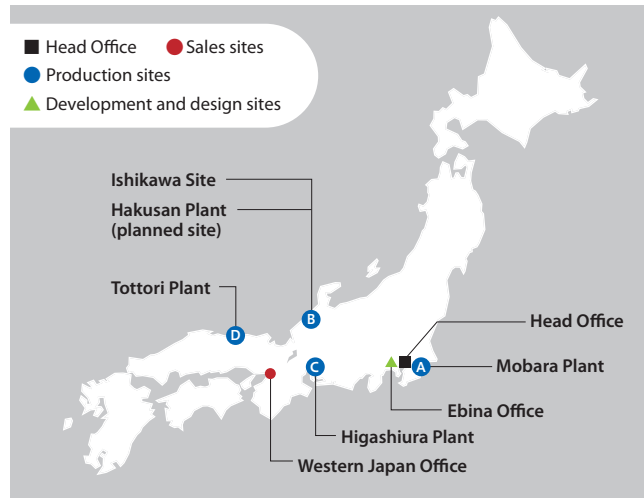
◆ Publisher

HR & General Affairs Division, CSR & Environmental Management Department, Japan Display Inc.

Company Outline

Company name	Japan Display Inc.
Head office address	3-7-1 Nishi-shinbashi, Minato-ku, Tokyo
Start of business	April 1, 2012
Capital	96.8 billion yen
Business content	Development, design, production, and sale of small- and medium-sized display devices and related products
No. of employees	Approximately 15,722 (consolidated, March 31, 2016)

◆ Domestic sites

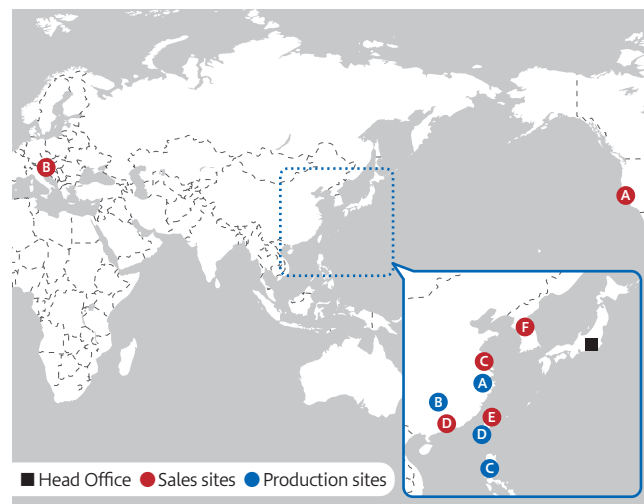


Major production lines by plant

A Mobara Plant	G6 LTPS & G4.5 a-Si/LTPS
B Ishikawa Plant	Ishikawa Plant G4.5 LTPS Nomi Plant G5.5 LTPS Hakusan Plant G6 LTPS (Scheduled)
C Higashiura Plant	G3.5 LTPS
D Tottori Plant	G4 a-Si

a-Si: amorphous silicon TFT technology-adopted plant
LTPS: low temperature poly-silicon technology-adopted plant

◆ Overseas sites



Sales subsidiaries	A JDI Display America, Inc. B JDI Europe GmbH C JDI China Inc. D JDI Hong Kong Limited E JDI Taiwan Inc. Taiwan Display Inc. F JDI Korea Inc.
Manufacturing subsidiaries	A Suzhou JDI Devices Inc. Suzhou JDI Electronics Inc. B Shenzhen JDI Inc. C Nanox Philippines Inc. D Kaohsiung Opto-Electronics Inc.

Product Overview

To meet customers' wide range of demands, we provide the most suitable flat panel displays, like low temperature poly-silicon LCD for ultra-high resolution, IPS for wide viewing angle and high picture quality, WhiteMagic™ for powersaving, Pixel Eyes™ for thin and light touch functionality, etc.

WhiteMagic and Pixel Eyes are trademarks of Japan Display Inc.



Smartphone, Tablet

Wide variety of LCD modules for mobile applications including smartphone and tablet devices. JDI leads mobile display technologies with thin structure, large screen, high resolution, enhanced optical performance, etc.

Light, Thin & Compact

- Thin structure with integrated touch functionality
- Robustness

High Display Quality High Resolution

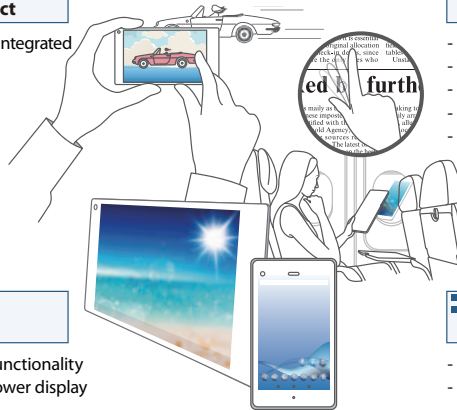
- High Resolution
- Wide viewing angle
- Wide color gamut
- Fast response
- Good outdoor visibility

Easy to Use

- Integrated touch functionality
- High speed, low power display interface
- Robustness

Low Power Consumption

- Paper-like display
- Long battery life



Wearable

Color reflective LCD modules for a wide variety of wearable applications, including sports watches, healthcare equipment, and action cameras. JDI's low power consumption technology contributes to long battery life for wearable devices.

Ultra-Low Power Consumption

- Long battery life with memory-in-pixel technology

Good Outdoor Visibility

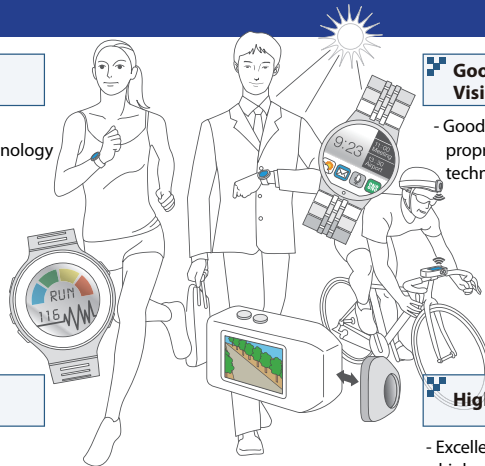
- Good visibility realized by proprietary reflective color technology

Light, Thin & Compact

- Robustness
- Narrow border design

High Display Quality

- Excellent image quality with high color reflectance
- Videos and movies can be displayed



Industrial (Reflective)

Color reflective LCD modules for a wide variety of industrial application, including outdoor sports gears, healthcare equipment, remote controllers and outdoor-use hardware. JDI's low power consumption technology contributes to long battery life for battery drive devices.

Ultra-Low Power Consumption

- Long battery life with memory-in-pixel technology

Good Outdoor Visibility

- Good visibility realized by proprietary reflective color technology

User-friendly I/F

- Serial Peripheral Interface
- 3V Drive

High Display Quality

- Excellent image quality with high color reflectance





Medical

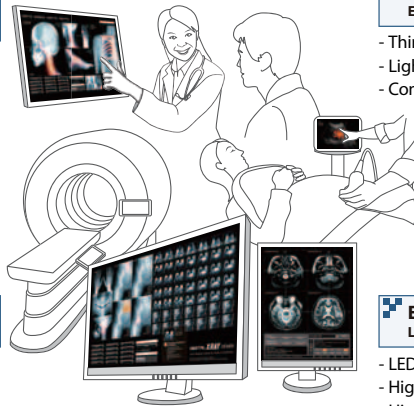
LCD modules for displaying images and diagnosis, such as PACS (Picture Archiving and Communication System, a medical imaging management system), ultrasonograph, mammography, etc. IPS for wide viewing-angle and high contrast provides for accurate screen images. An LED backlight is suited for environmental needs and low power consumption.

Accurate Screen Image High Resolution, High Picture Quality

- Wide viewing angle
- High contrast
- True black
- High brightness
- High resolution
- Low reflectance
- Wide color gamut

Reliable Quality

- Brightness life
- Brightness uniformity



Usability Easy to Use, Small Footprint

- Thin
- Light weight
- Compact (narrow frame)

Environment Low Power Consumption

- LED backlight
- High transmissivity
- Highly efficient backlight



Automotive

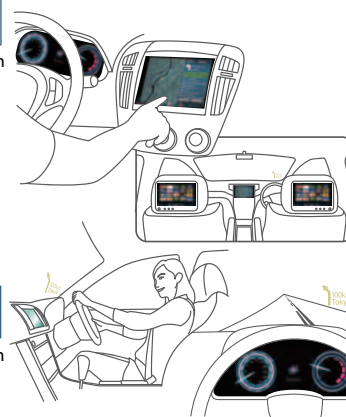
LCD modules for automotive applications, such as car navigation, instrument panel, and rear seat monitor. The products are designed to be reliable and durable in temperature, vibration, and other conditions required by automotive environments.

High Resolution, Easier to Use

- High resolution, large screen
- ScreenFit
 - ▶ Good visibility by optical adhesion of cover glass
- Equipped with touch functionality
- Narrow border

Comfortable Space for Driving

- High resolution, large screen
- Wide color gamut
- Display uniformity
- Wide viewing angle
- Thin, light weight



For Safety and Reassurance

- High brightness
- High contrast
- Large screen
 - ▶ Large amount of information
- Fast response
- True black appearance
 - ▶ Interior design styling



Digital Camera

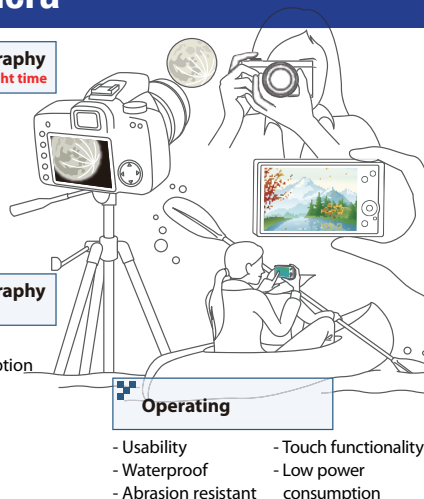
Landscape IPS LCD modules for single-lens reflex and high-end compact digital cameras requiring displays with high brightness, low power consumption, wide viewing angle and sRGB. Pixel Eyes with integrated touch functionality, and WhiteMagic for good outdoor visibility with high luminance, are also available.

Special Photography Shooting **Studio**, **Night time**

- Truck-black
- Black uniformity
- Smooth gradation

Special Photography Shooting **Outdoor**

- High brightness
- Low power consumption
- Waterproof
- Color accuracy
- Low reflectivity
- High contrast



Everyday Photography Shooting

- Large screen
- Bright
- Narrow border
- Light weight
- Thin structure

Viewing

- Large screen
- High resolution
- High brightness
- High contrast
- Wide color gamut
- Uniformity
- Low reflectivity

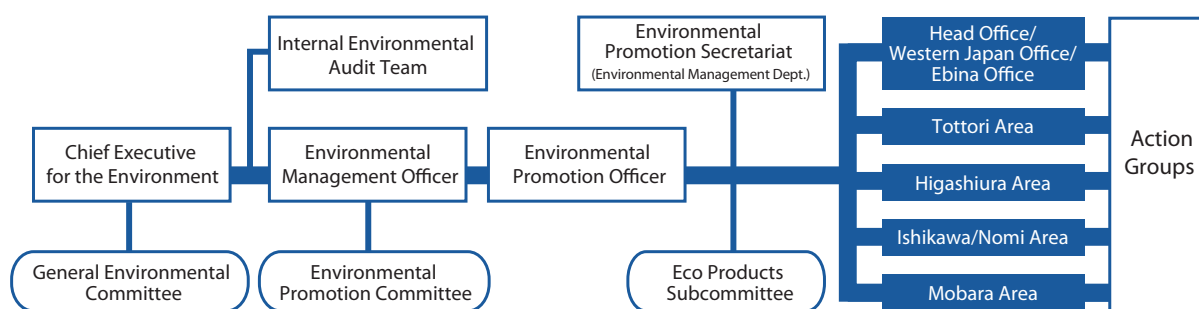
Operating

- Usability
- Waterproof
- Abrasion resistant
- Touch functionality
- Low power consumption

Environmental Management Organization

JDI acquired integrated ISO 14001 certification in FY2013, through which we promote ongoing activities. Our environmental management organization consists of a structure with the Chief Executive Officer (CEO) as the Chief Executive for the Environment, and which is also comprised of an Environmental Management Officer (CAO); Environmental Promotion Officer; and the head office, offices, and manufacturing sites below them.

Our overseas manufacturing subsidiaries have individually acquired ISO certification and have set up environmental management organization, which promotes environmental activities. In the aim of integrating them with the environmental activities in Japan starting from last fiscal year in particular, we are making efforts such as onsite visits to each overseas manufacturing subsidiary for mutual understanding of the activities and offering instructions for improvements, while also meeting periodically with each subsidiary to strengthen governance each other.



Schematic Diagram of Our Environmental Management Organization in Japan

Under the Chief Executive for the Environment, the Environmental Management Officer, to whom responsibility and authority for environmental activities has been transferred, manages environmental activities. The Environmental Promotion Officer coordinates overall environmental activities for the head office, offices, and each area.

Our management-level executives gather together to perform Management Review at the General Environmental Committee, which is chaired by the Chief Executive for the Environment once a year.

In addition, the Environmental Promotion Committee, which is chaired by the Environmental Management Officer, is our highest deliberative body for environmental activities whose members consist of Area Chief Executives for the Environment, promotion leaders for Head office and offices, and others.

The Eco Products Subcommittee, which is chaired by the Environmental Promotion Officer and held twice a year, convenes members from each business headquarters. Here they primarily engage in deliberations over issues such as notification of laws and regulations related to product-related environmental activities, the management of the chemical substances contained in products, registering and expanding environmentally conscious products.

As for the effectiveness of our environmental activities, our Internal Environmental Audit Team, which consists of certified auditors from within the company, objectively examined environmental activities. Moreover, we ask third-party organizations to periodically confirm that our system of environmental activities is compliant with ISO 14001-2004 Requirements.

Environmental Activity Plans and Actual Performance

Our domestic environmental activity plans and actual performance for FY2015 are shown in the table below. When it comes to our environmental activities for the current fiscal year, as a result of our legal compliance and periodic progress management for our environmental targets that was carried out in each quarter, we were able to achieve every item. Moreover, various committee meetings were held as planned, activities were confirmed by internal and external audits, and improvements were made. We also instituted environmental aspect surveys geared towards our activities in the next fiscal year at each site. We offered general environmental education and product-related environmental education via e-learning, carried out a document review on two occasions, and achieved all other items according to plan.

Items	Frequency	Category	2015/4~/6	2015/7~/9	2015/10~/12	2016/1~/3
Environmental Promotion Committee (Management Reviews)	Once every year	Planned	-	-	-	○ March
		Conducted	-	-	-	● 3/30
Environmental Promotion Committee	Once every term	Planned	-	-	○ October	○ March
		Conducted	-	-	● 10/9	● 3/11
Eco Products Subcommittee	Once every term	Planned	-	○ September	-	○ February
		Conducted	-	● 9/18	-	● 2/19
Revise manuals	Once every year	Planned	○		-	-
		Conducted	-	● 6/8	-	-
Internal/external audits	Once every year	Planned	-	○ Internal audits	○ External audits	-
		Conducted	-	●	● 11/5~13	-
Environmental aspect surveys	Once every year	Planned	-	-	-	○
		Conducted	-	-	-	● 2/26
Confirm legal compliance/target progress	Once every quarter	Planned	○ July	○ October	○ January	○ April
		Conducted	● July	● October	● January	● April
Environmental education	Once every year	Planned	○ General environmental activity	-	○ General environmental activity	-
		Conducted	● May-June	-	● October-November	-
Other	As needed	Planned	○ Liaison Committee for Overseas Manufacturing Subsidiaries	○ Liaison Committee for Overseas Manufacturing Subsidiaries	○ Liaison Committee for Overseas Manufacturing Subsidiaries	○ Liaison Committee for Overseas Manufacturing Subsidiaries
		Conducted	● 4/23,28,5/8~9	● 9/10,16,25	● 10/9,27,29	● 2/23,24,29, 3/17~19

Environmental Targets

In accordance with JDI's environmental policy, we have set targets for reducing CO₂ emissions from energy sources, reducing water intake, reducing emissions of chemical substances, reducing waste output, and expanding our lineup of environmentally conscious products. We continue to work for improvement in all areas.

Environmental Targets for FY2015

Our record on FY2015 domestic environmental targets is shown in the chart below. We achieved our targets in all areas. The energy-efficient new line at the Mobara Plant was included in calculations for the first time in FY2015, and thus contributed to items ①–④. Reductions were relatively large per basic unit. Each plant is also steadily and incrementally reducing inputs and outputs on their own. Examples are shown on pages 16-18. Regarding the product-related item ⑤, please see page 24 for an explanation of products with built-in environmental consciousness.

In the same way, overseas manufacturing subsidiaries also set environmental targets and pursue activities based on their own environmental policies.

	Item	Indicator	Target value	Actual value	Evaluation
①	Reduce emissions of energy-derived CO ₂	Reduction rate for basic unit (Baseline: FY2012)	40%	41.4%	○
②	Reduce the amount of water received		34%	43.3%	○
③	Reduce emissions of priority controlled chemical substances		53%	59.4%	○
④	Reduce emissions of waste, etc.		15%	19.8%	○
⑤	Expand environmentally conscious products	Proportion of environmentally conscious products	90%	96%	○

Applicable range: ①–④ apply to the five plants of Tottori, Higashiura, Ishikawa, Nomi, and Mobara (including the new production line), which are manufacturing sites in Japan.

The baseline year covers the five plants at Tottori, Higashiura, Ishikawa, Fukaya, and Mobara (not including the new line).

*1: The CO₂ emissions coefficient from electricity is 0.476 t-CO₂/MWh (receiving-end CO₂ emissions basic unit for FY2011 announced by the Federation of Electric Power Companies of Japan). The other conversion factors are from the Act on the Rational Use of Energy and the Act on Promotion of Global Warming Countermeasures.

*2: The priority controlled chemical substances refer to 36 substances selected as being subject to priority control efforts. They include volatile organic compounds (VOC) and PRTR targeted substances, and constitute the bulk of the substances that we use and emit.

*3: Waste, etc. = General waste + Industrial waste + Valuables

*4: The denominator for the basic unit is the glass substrate area (converted value)

*5: Proportion of environmentally conscious products = Number of environmentally conscious products for the fiscal year in question / Number of products developed in the fiscal year in question

Environmental Targets for FY2016

Our FY2016 domestic environmental targets are shown in the chart below. Regarding the four production-related targets ① through ④, our enterprise scale has changed so much from FY2012 that we decided to change the baseline to FY2013. Also, in accordance with a revision to our environmental policy, we have added a biodiversity-related target and simultaneously increased the number of targeted items so our activities will cover a broad range of product-related issues.

	Item	Indicator	Target value
①	Reduce emissions of energy-derived CO ₂	Reduction rate for basic unit (Baseline: FY2013)	18.5%
②	Reduce the amount of water received		2.4%
③	Reduce emissions of priority controlled chemical substances		27.8%
④	Reduce emissions of waste, etc.		7.5%
⑤	Continue biodiversity conservation activities and environmental activities in local communities	Carried out as planned	
⑥	Supply environmentally conscious products that take product life cycles into account	Percentage of products meeting our “environmentally conscious product” standards *excluding customer causes	100%
⑦	Confirm chemical substance levels in products within the development process	Appropriate management of chemical content judgments	
⑧	Promote environmentally conscious procurement activities	Revision of Green Procurement Guidelines to take legal and other requirements into account will be considered	

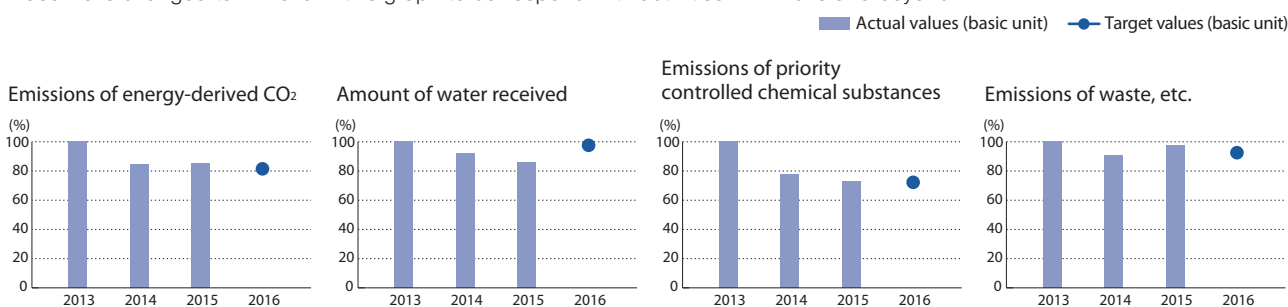
Applicable range: ①–④ apply to the six plants of Tottori, Higashiura, Ishikawa, Nomi, Fukaya, and Mobara (not including the new production line), which are manufacturing sites in Japan.

Fukaya Plant to be included in baseline calculations.

*6: After a review in FY2016, the number of priority controlled chemical substances was set at 38.

Results and FY2016 target values(Four production-related items)

Baseline is changed to FY2013 in this graph to correspond with activities in FY2016 and beyond.












(Note) Due to changes in the baseline and coverage, we are unable to show targets over multiple years, so only FY2016 values are shown this time.

Environmental Aspects (Environmental Burden)

When it comes to our business activities, these involve inputs such as energy and resources and the creation of products, which is accompanied by outputs such as CO₂, waste, and so on. These inputs and outputs are regarded as environmental aspects within ISO 14001.









An overview of this is shown in the figure below (covers all domestic plants + overseas manufacturing subsidiaries). The basis of our environmental improvement activities lies in reducing the amount of inputs and outputs, and we work to address such activities by determining each of these items for every area in a detailed manner.

INPUT

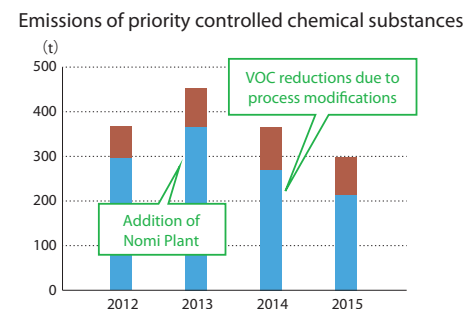
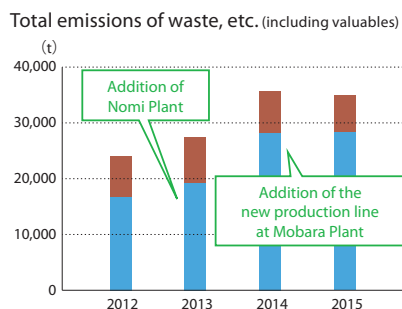
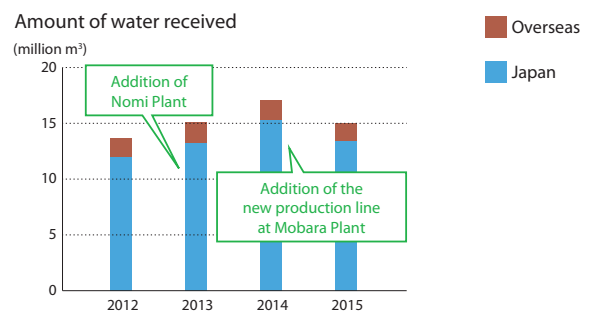
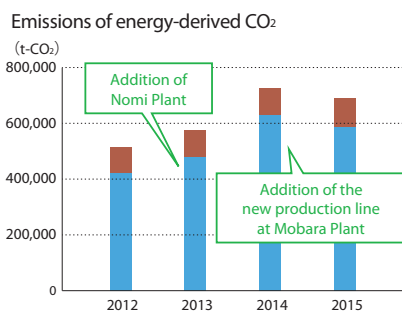
Energy		Japan	Overseas
 Electricity (purchased power)	MWh	1,116,575	130,226
 Electricity (solar power)	MWh	121	0
 City gas	million m ³	16.236	0.310
 Heavy fuel oil	kL	6,127	81
 LPG	t	2,033	0
 LNG	t	907	0
 Diesel oil	kL	0	1,588
 Amount of water received	million m ³	13.363	1.681
 Amount of priority controlled chemical substances* ¹ used	t	16,520	327

Production activities

OUTPUT

CO ₂		Japan	Overseas
 Energy-derived CO ₂ * ²	t-CO ₂	586,000	101,000
 Greenhouse gases* ³	t-CO ₂	54,000	0
 Wastewater	million m ³	12.642	1.393
 Amount of priority controlled chemical substances* ¹ emitted	t	214	84* ⁴
 Total waste, etc.	t	28,272	6,665
 Industrial waste	t	18,874	2,630
 Valuables	t	9,065	2,219
 General waste	t	333	1,816

- *1: The priority controlled chemical substances refer to 36 substances selected as being subject to priority control efforts.
- *2: The CO₂ emissions coefficient from electricity in Japan is 0.476 t-CO₂/MWh (receiving-end CO₂ emissions basic unit for FY2011 announced by the Federation of Electric Power Companies of Japan). The other conversion factors are from the Act on the Rational Use of Energy and the Act on Promotion of Global Warming Countermeasures. Local emissions coefficients for China, Taiwan, and the Philippines were used for the CO₂ emissions coefficients from electricity in other countries.
- *3: Among substances covered in the Act on Promotion of Global Warming Countermeasures, we use the term "greenhouse gases" to refer to these seven substances: PFC (CF₄, c-C₂F₆), HFC (CHF₃, C₂HF₅), SF₆, NF₃, N₂O. We use AR4 for the emission coefficient.
- *4: Within Japan, this refers only to emissions of the 36 priority controlled chemical substances designated by JDI, and overseas it refers only to emissions of VOC.



Environmental Audits

JDI conducts internal and external audits in order to verify that our environmental management system conforms to ISO 14001 requirements, is recognized by all applicable organizations, and that continuous improvements are made to our environmental activities by substantively going through the PDCA cycle.

The following indicates the details of audits held in Japan. Similar audits are also performed at each overseas manufacturing subsidiary.

(1) ISO 14001 Internal Audits

Date: July 6 – September 11, 2015 (implemented at each site during this period)

Targets: Head Office, Western Japan Office, Ebina Office, Tottori Area, Higashiura Area, Ishikawa / Nomi Area, Mobara Area

Applicable standards: ISO 14001: 2004, JIS Q14001: 2004

Findings: 2 nonconformities, 43 recommendations for improvement, 32 good practices

Audit results:

Items	Audit summary
Nonconformities, recommendations for improvement	A slight nonconformity was detected in relation to educational document management. Recommendations for improvement were conspicuous in relation to strengthening office activities. All corrections and confirmation of improvement plans have been completed.
Good Practice* ¹	We have practical examples of innovations in supplementary document improvement, fundamental business themes, and observation and measurement, and we will horizontally deploy them in other situations. Conclusion: We confirmed that JDI's environmental management system is functioning effectively.

*1: Excellent case examples that will be deployed to other sections

Conclusion: It was affirmed that our environmental management system is functioning effectively.

(2) ISO 14001 External Audits

Date: November 5–13, 2015 (renewal audit)

Targets: Head Office, Western Japan Office, Ebina Office, Tottori Area, Higashiura Area, Ishikawa / Nomi Area, Mobara Area

Certification body: Bureau Veritas Japan

Applicable standards: ISO 14001: 2004, JIS Q14001: 2004

Findings: 0 nonconformities, 0 observations, 6 opportunities for improvement

Audit results:

Audit summary items	Audit summary
Effectiveness and reliability of internal audit	Reliability has been achieved. The audit was pursued in a way to make it more effective.
Effectiveness of management review	Appropriate output was received from managers. Functioning is effective.
Effectiveness of goal achievement system	Through improvement activities at each site and assessment of the Design Department, all goals were achieved.
Compliance situation	There were no legal deviations and the situation is good. The Company's quick response to the revised CFC Recovery and Destruction Law is complete.

Conclusion: The management system had no nonconforming items and was found to be in compliance with the requirements of the standards by which it was judged.

Environmental Accounting

We determine investments and expenses related to environmental conservation in order to tabulate and perform analysis in working towards environmental accounting that reflects factors like cost-effectiveness in managerial decision-making. We have established accounting items by referring to the Ministry of the Environment's Environmental Accounting Guidelines, while also taking matters such as their degree of importance into consideration.

FY2015 environmental conservation costs and the effect of those conservation measures are shown in the table below.

Within costs, "investment" for pollution reduction refers to the laying of pipes for liquid waste, and "investment" for global environmental conservation refers to the use of waste heat from an external cooling unit that chills water for the production process (page 16). Expenses include those for environmental analysis and measurement, waste disposal, outsourcing, repair and maintenance, and other uses. With the closure of the Fukaya Plant, CO₂ emissions declined about 5% year on year from the previous fiscal year, and waste output increased about 1.5%. We expanded the range of valuables, and we recovered more than in FY2014.

Summary of Environmental Conservation Costs in Japan

Unit: 1 million yen

Major category	Item	Details	Investment	Expenses
Environmental conservation costs (costs within business areas ^{*1})	Pollution prevention costs	Costs for preventing air pollution, water pollution, soil pollution, noise, foul odors, and more.	38	2,318
	Global environmental conservation costs	Costs for preventing global warming, conserving energy, preventing the depletion of the ozone layer, and more.	19	41
	Resource recycling costs	Costs for the efficient utilization of resources, as well as the recycling, treatment, and disposal of industrial waste and general waste.	2	738
	Total			59

*1: Analysis and measurement costs related to the environment are also included in the costs within business areas.

Summary of Environmental Conservation Benefits in Japan

Major category	Category	Item	Benefit	Unit
Environmental conservation benefits (physical unit)	Environmental conservation benefits related to environmental burdens and waste ^{*2}	Emissions of energy-derived CO ₂	36	1,000 t-CO ₂
		Emissions of waste, etc.	-428	t
Economic benefits associated with environmental conservation activities	Operating revenue related to environmental burdens and waste	Revenue from the sale of valuables	89	1 million yen

*2: In order to consider the changes in the production output, values were derived using the following formula, which was established by referring to the Environmental Accounting Guidelines.

Benefit = Emissions from the previous fiscal year × (glass substrate area from the fiscal year in question / glass substrate area from the previous fiscal year) – Emissions from the fiscal year in question.

Applicable range: Environmental accounting is applied to the six plants of Tottori, Higashiura, Ishikawa, Nomi, Fukaya, and Mobarra (including the new production line)

Initiatives on Global Warming Prevention and Energy Conservation

In our Environmental Policy, we declared that we will take countermeasures against global warming and conserve energy. We have taken action based on FY2015 environmental targets, which take FY2012 as the baseline for our medium-term environmental targets. We also participate in the “Commitment to a Low Carbon Society” plan being addressed by the electrical and electronics industry as a whole, and are working on energy improvements with a view towards FY2020.

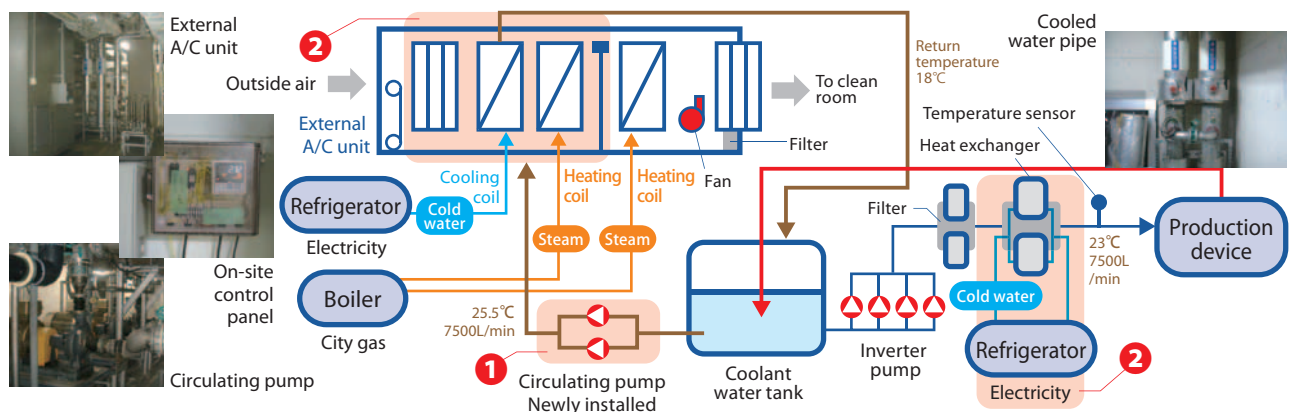
When it comes to reducing emissions from our plants, we have been working to make improvements by optimizing equipment use at our Ishikawa, Higashiura, Nomi, and Tottori Plants, with the highest priority being placed on reducing the energy used at and greenhouse gases emitted from our plants. Case examples will be introduced below.

Higashiura Plant: Energy Conservation by Using Waste Heat in External A/C Unit

The external unit of our clean room air-conditioning system uses steam from a boiler for heating. Elsewhere in the plant, coolant water that has been warmed in production devices is then cooled in a refrigeration system. We tied these two processes together, sending the warmed coolant water to the external unit of the air conditioner, where the waste heat is used. This reduces natural gas usage by the boiler and cuts down on use of the refrigerator to cool our coolant water, which results in lower electricity consumption.

◆ Improvements

- (1) The installation of a pump to send warmed coolant water to the external unit instead of using steam from a boiler reduces natural gas consumption.
- (2) Use of the cooling coil in the external unit of our air-conditioning system reduces the burden on our coolant water refrigerator.



Effect: CO₂ emission reduction 1,954 (t-CO₂/year)

Ishikawa Plant & Higashiura Plant: Improvement in Cooled-Water Pump Optimization

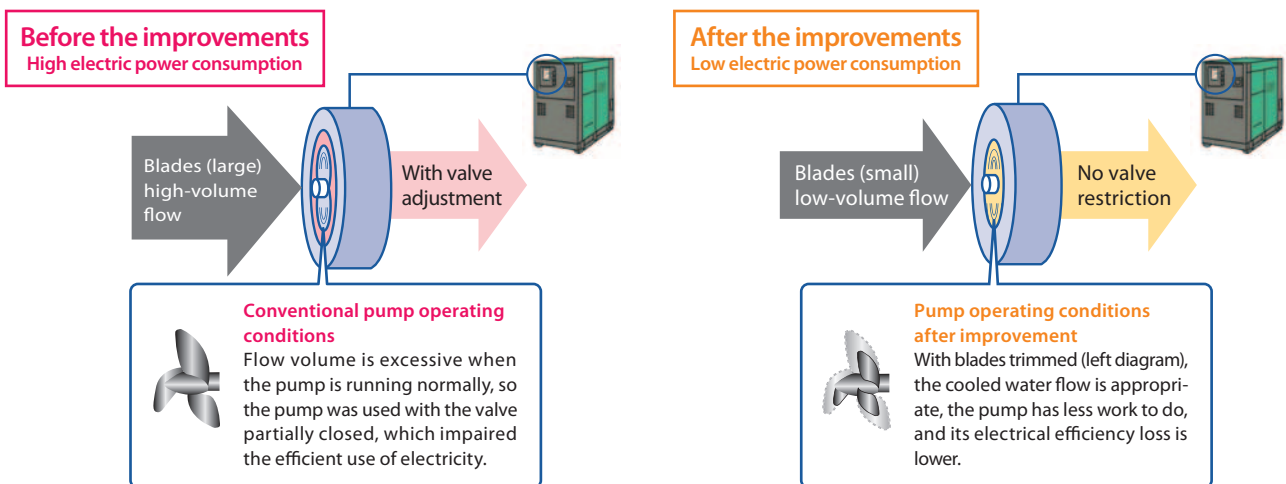
The primary cooled-water pumps at the Ishikawa Plant and Higashiura Plant had large pump head, so water was sent to refrigerators and to cooled water pumps with valves partially closed, which impaired the efficient use of electricity. Operating at a set flow allowed blades in flow pumps to be trimmed, and adjustments were made so that an appropriate water flow could be maintained without closing valves, resulting in a reduction of pump shaft power. In this way, we were able to reduce overall electricity use by the refrigeration system.

◆ Improvements

Blades in cooled-water pumps were trimmed and pump shaft power was reduced, which reduced electricity consumption in the refrigeration system by 15%.

*We verified the pressure loss with the pump manufacturer, and then decided how much to trim the blades to give the appropriate pump head (pressure).

*These measures were applied to four pumps at the Ishikawa Plant and two at the Higashiura Plant (with plans for one more in FY2016).



Effect (total of Ishikawa and Higashiura plants): CO₂ emission reduction 212 (t-CO₂/year), to be continued in FY2016

Tottori Plant: Reduction of Water Use through Reuse of Waste Water

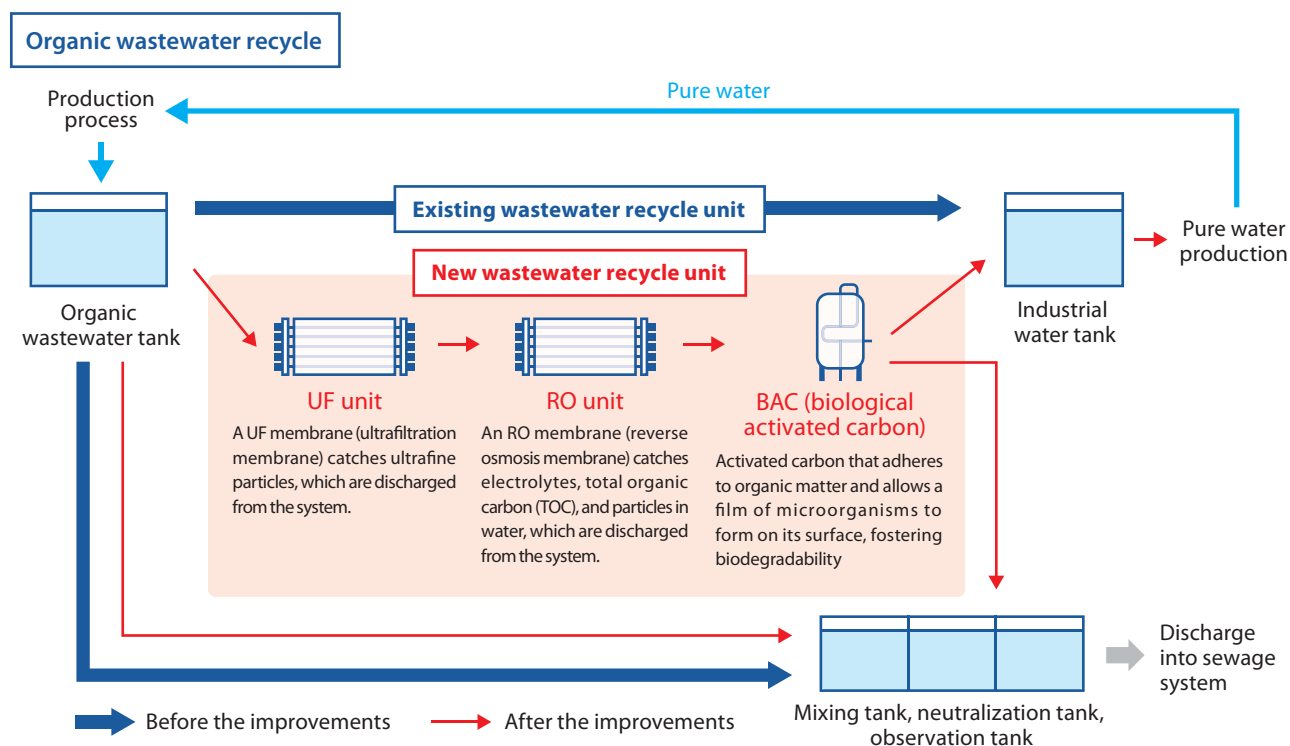
In an effort to improve water circulation volume and trim its utility expense, the Tottori Plant worked on ways to reuse organic waste water from production processes.

Pure water is used to wash panels in their production process, and previously the water, once used, was treated and discharged into the sewage system.

To fulfill our goal of reusing organic wastewater from the production process, we expanded facilities at the plant. As shown in the diagram below, a new wastewater recycle unit has been added to enable reuse of the concentrated wastewater used in washing. For the purified water to be reused like new water, stabilization of water quality is also necessary. This problem was solved by returning the water to an industrial water tank, which made reuse possible.

As a result, the Tottori Plant used 28% less industrial water than it budgeted for, and the plant has been able to hold down its use of water resources even as its capacity utilization rate has risen.

Effect (water use reduction): 380,972m³/year (Recycle of over 1,000m³/day of organic wastewater led directly to the reduction in water use)



Tottori Plant: Renewable Energy Initiatives

The popularization and spread of renewable energies throughout society is important from the perspectives of combatting global warming, diversifying energy sources, and creating new industries and jobs. Our plants are striving to put in place solar power system as initiative to promote renewable energies.

◆ Effectively Using Renewable Energy from Solar Power

As part of its efforts to prevent global warming, our Tottori Plant introduced a solar power system on the plant's rooftop in 2001.

It started operation of the system as part of a joint study with the New Energy and Industrial Technology Development Organization (NEDO) to expand the adoption of solar power. The system has a maximum output of 150 kW (with a total of 900 solar power generating panels) and generated 121 MWh of electricity in FY2015, thereby contributing to reductions of approximately 58 t-CO₂.



Solar power generating panels at our Tottori Plant

Waste Reduction Activities and Waste Management

JDI has set forth the goal of reaching zero emissions by promoting the 3Rs (Reduce, Reuse, Recycle) for waste in its Environmental Policy, and is working towards this goal.

Furthermore, pursuant to law we separate out specially-controlled industrial waste, industrial waste, and general waste, and perform risk management for each of these. Below we will introduce case examples of responses to indirect risks (illegal dumping, accidents, etc.), as well as case examples of reducing the quantities of materials used and recycling activities in which the waste emitted is restored to its original state and reused to the extent possible.

Initiatives to Reduce Indirect Risks from Waste (All Plants)

To protect against problems such as the illegal dumping of waste, which has recently come to pose a social problem, JDI manages its waste pursuant to law as a waste emitter. We have also voluntarily set standards for the environment and visit the disposal companies to which we consign our waste disposal and transport, and call upon them for their cooperation to ensure that accidents and problems do not occur.

During the periodic visits we use a checklist to confirm the permitted scope and licenses of the disposal companies. We also confirm matters dealing with their waste disposal business, storage conditions, and management conditions via the four-page checklist, and grade them as either passing or failing for each item before finally rating them with an overall score.

The waste collection and transportation companies and intermediate treatment companies we visited in FY2015 all received sufficiently favorable overall ratings for us to continue using them.

◆ Image of JDI's standards check sheet

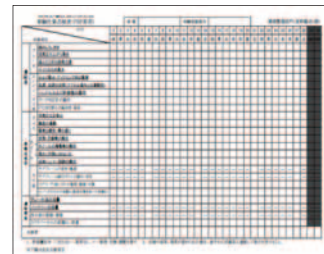
◆ Confirmation examples for waste intermediate treatment companies



Permit for a waste treatment company



Inside the premises of a waste treatment company



Example of an inspection form



Inside the premises of a waste treatment company



Inside the premises of a waste treatment company



Inside the premises of a waste treatment company

PCB Waste Disposal at Mobara Plant

The term “PCB waste” refers to polychlorinated biphenyls (PCB), oil containing this substance, and waste products that contain PCB or have PCB residue on them.

In accordance with the provisions of the Act on Special Measures concerning Promotion of Proper Treatment of PCB Wastes, companies that store PCB waste must report to the government annually on storage conditions and either dispose of the waste materials before the legally allotted time limit or outsource the disposal to another entity. The legally allotted time limit is March 31, 2027.

JDI stores PCB waste at the Mobara Plant. The Mobara Plant stores the waste appropriately, reporting annually to the government and cooperating with on-site inspections. Last fiscal year, we drew up a disposal plan in preparation for the legal time limit on PCB disposal. Disposal of low-concentration PCB is now complete, and we are implementing the plan with the aim of removing all high-concentration PCB waste from the site in FY2017.

◆ PCB waste disposal plan

JESCO: Japan Environmental Storage & Safety Corporation

Classification	FY2015	FY2016	FY2017
Drafting of disposal plan	Drafting of plan		Low-concentration waste: 0.5 – 5,000ppm High-concentration waste: over 5,000ppm
Low-concentration waste (Disposal destination: authorized disposal company)	Treatment		
High-concentration waste (Disposal destination: JESCO)		Primary treatment	Secondary treatment



PCB waste before sorting



PCB waste (large condensers in packaging)



PCB waste after sorting (wrapped in plastic)



Small items being carried out in a drum can



Scene of PCB waste being removed



Scene of PCB waste being removed

Initiatives for Minimizing Environmental Risks

In order to minimize the risks of environmental pollution and the destruction of ecosystems, JDI continues to take action by carrying out initiatives for wastewater and air emissions management, such as establishing our own voluntary standard values for these that are stricter than the regulated values found in laws, ordinances, and local agreements. This time, we use FY2015 data from the Higashiura Plant to explain water quality management, from the Tottori Plant to explain air emissions management, and from the Mobara plant to explain noise and vibration management. What is more, the chemical substances we use carry with them the potential to pose risks in the form of considerable negative impacts to human health and the global environment. As such, we soundly manage the chemical substances we use and make efforts to prohibit the use of substances that have the potential to considerably impact the environment, and to continuously eliminate or find substitutions for them, from the point of view of prevention.

Wastewater Management

When it comes to wastewater management for the wastewater we discharge into rivers and sewage systems within Japan, JDI has established voluntary standard values that are 20% stricter than the regulatory values found in the decisions made with local government agencies for each of our plants from among 15 living environment items and 28 hazardous substances, and perform measurements and management based on these. The measurement results for representative items for each of these are shown in the table below. The results of regular measurements and on-site inspections by government officials reveal that none of the regulatory values had been exceeded for any of the items. We will continue working to improve wastewater management for wastewater and the facilities related to wastewater. Our overseas manufacturing subsidiaries perform similar operations, and also had no findings that were in excess of the regulatory values. Shown below is measurement data from the wastewater treatment facility discharge point at the Higashiura Plant in the seventh total emission control area, where the strictest regulations for discharge are applied.

◆ Measurement data (Higashiura Plant)

	Hydrogen ion concentration (pH)	BOD* ¹	COD* ²	SS* ³	Normal hexane extractable material	Phenols	Phosphorus	Nitrogen	Fluorine and its compounds	Boron and its compounds
(Unit)	-	mg/L	mg/L	mg/L	mg/L	mg/L	mg/L	mg/L	mg/L	mg/L
Legal limits	5.8~8.6	15	10	15	2.0	5.0	1.0	10	8	10
JDI standards	6.0~8.3	12	8	12	1.6	4.0	0.8	8	6.5	8
Maximum value	7.5	1.8	4.6	3.0	0.5	0.05	0.53	4.5	3.9	1.0
Minimum value	7.2	0.6	2.7	1.0	0.5	0.05	0.04	2.5	2.1	1.0
Average	7.4	1.1	3.4	1.7	0.5	0.05	0.30	3.4	2.7	1.0

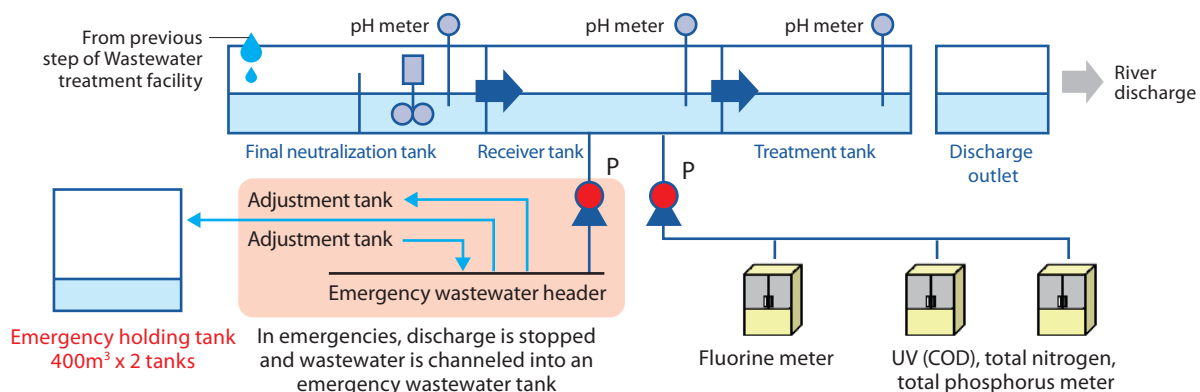
*1: Biochemical Oxygen Demand

*2: Chemical Oxygen Demand

*3: Suspended Solids

◆ State of Discharge at Wastewater Treatment Facility (Higashiura Plant)

At the Higashiura Plant, wastewater is constantly observed by UV (COD) meter, total nitrogen, and total phosphorus meter to ensure that legal limits are not exceeded in wastewater discharged to the nearby river. When values exceed JDI's own standards, we stop discharging water and channel it into an emergency holding tank. After appropriate treatment, the water is discharged.



Air Emissions Management

In JDI manufacturing plants in Japan, specified facilities under the Air Pollution Control Act, such as boilers, gas turbines, and absorption cooling machines, are installed and under operation. The measurement results for representative items for them are shown in the table below. The results of regular measurements and on-site inspections by government officials reveal that none of the regulatory values had been exceeded for any of the items. We will continue working to improve air emissions management and the facilities related to this.

◆ Measured Data (Tottori Plant)

no	Item	Unit	Air Pollution Control Act legal limits	JDI voluntary standards	Target facilities	Measured values	
1	Particulate matter*1	g/m ³	0.10	0.05	Boiler	Unit 1	Operation suspended
						Unit 2-8	Less than 0.001
2	Nitrogen compounds*2	volppm	150	75	Boiler	Unit 1	Operation suspended
						Unit 2-8	18~30

*1: "Particulate matter" refers to soot and other solid particulate matter resulting from combustion.

*2: "Nitrogen oxides" is a generic term that refers to compounds that arise from a combination of nitrogen atoms (N) and oxygen atoms (O).

Noise and Vibration Management

JDI operates facilities (compressors, blowers, refrigeration units) that are designated by the Noise Regulation Act, the Vibration Regulation Act, and prefectural ordinances. The table below shows noise and vibration measurements taken at the edge of a plant site with those facilities. As a result of periodic measurements, no values were in excess of regulatory limits.

◆ Measured Data (Mobara Plant)

Item		Unit	Legal limits	JDI voluntary standards	Results
Noise	Morning 6:00~8:00	dB	65	60	42~54
	Daytime 8:00~19:00	dB	70	65	45~60
	Evening 19:00~22:00	dB	65	60	43~57
	Night 22:00~6:00	dB	60	57	41~54

Item		Unit	Legal limits	JDI voluntary standards	Results
Vibration	Daytime 7:00~22:00	dB	65	60	36~42
	Night 22:00~7:00	dB	60	55	34~39

Management of Chemical Substances

At JDI, we perform chemical substance management by broadly classifying these into the chemical substances used in our manufacturing processes, as well as the chemical substances contained in our products. An overview of our management of chemical substances used in our manufacturing processes, as well as our management of chemical substances contained in products, is described below. Our overseas manufacturing subsidiaries also perform similar operations.

◆ Management of Chemical Substances from Manufacturing Site

We assign chemical substances into three categories of "Prohibited," "Reduction," or "General" considering their impact on humans and the environment, as well as international treaties and the regulations of each country. Based on this, we defined our 36 highest-ranked substances by emissions volume as priority controlled chemical substances and have set forth reduction items for them in our environmental targets, through which we promote reduction activities.

Currently, prior to use new chemical substances, the division is required to submit an application for chemical substances that it would like to use in the manufacturing processes at our plants with attaching an SDS*1 through our Chemical Substance Usage Application system. With this system, the relevant divisions check on factors like the substance's hazardousness, if it can be substituted with other substances, regulations, and safety aspects. The Only approved substances can then be used.

Each approved chemical substance is registered to the chemical substance management system, and they are managed appropriately based on their chemical identity (CAS*2 number). There are currently about 2,000 substances registered. Each month, we acquire the information such as the quantities of greenhouse gases, substances subject to notification under PRTR*3, and substances corresponding to regulations and local ordinances in each region that are used, emitted, and transported, and undertake appropriate management. In this section our notification status based on the PRTR system will be explained.

◆ PRTR Reporting Situation

Based on the Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof, we currently report on seven substances.

With the goal of improving report accuracy in the FY2015 report, we measured and analyzed each substance, confirmed with the government, and reviewed our calculation method based on PRTR guidelines. As a result, we revised some reported values in the FY2014 report and reported on the change. In April 2016, we completed the switch to a facility that is highly efficient at removing acetic acid 2-methoxyethyl, and in FY2016 and beyond, we plan to reduce levels of this substance to about 1/3 of FY2015 levels.

Table of Substances Subject to PRTR Notification

Unit: kg

	Quantity discharged				Quantity transferred			
	To air		To public water bodies		Transferred to sewage system		Off -site	
	FY2014	FY2015	FY2014	FY2015	FY2014	FY2015	FY2014	FY2015
acetic acid 2-methoxyethyl	2,370(1,700)	4,730	0	0	0	0	23	0
2-Aminoethanol	190	1,620	1,478.1	1,301	0	0	2,004.7	2.2
Hydrogen fluoride and its water-soluble salts	3.2	1,320	0	0	0	0	10,000	61
Boron and its compounds	3.0	0	200(2,380)	190	0	0	400(12,320)	330
Indium and its compounds	0	0	14	33	1.5	0	734	140
Molybdenum and its compounds	0	0	690	460	2.5	0	2,690	2,500

Since the actual quantities discharged into soil and disposed in landfill for the sites in question were "0," these were not recorded. FY2014 figures (in parentheses) predate the change notification.

*1: Safety Data Sheet

*2: Chemical Abstracts Service (a worldwide ID system in which a unique number is assigned to each chemical substance)

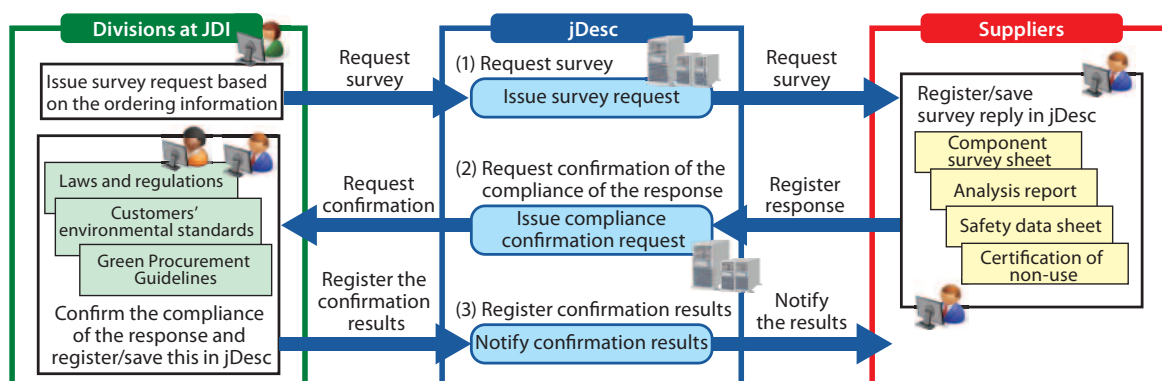
*3: The Pollutant Release and Transfer Register is a system in which the quantities of chemical substances designated as hazardous that are discharged into the environment (air, water, soil) or transferred out of business sites contained in waste must be determined by the business itself, which must also notify this to the national government

◆ Management System for Chemical Substances Contained in Products

Since April 1, 2013, we have been operating a system (jDesc^{*4}) that links us with suppliers and helps us to manage the chemical content of products. Under this system, suppliers register a variety of data stipulated in our Green Procurement Guidelines. By the end of FY2015, data on about 10,000 procured items was registered in the system. Based on the final parts tables of JDI's products, this data allows us to confirm the absence of chemical substances in our products, or to tally up the amount of chemical substances contained in products. We will continue using this system effectively to make our management of product chemical content more thoroughgoing, as set forth in our environmental policy.

*4: JD Environmental information System for Chemical substance

Conceptual diagram of our management system for the chemical substances contained in products



Environmentally Considered Products

As the environmental aspect of the LCD devices dominate the final products, we work towards minimizing the environmental burden for the products and manufacturing. We will introduce the activities of environmentally considered products in FY2015.

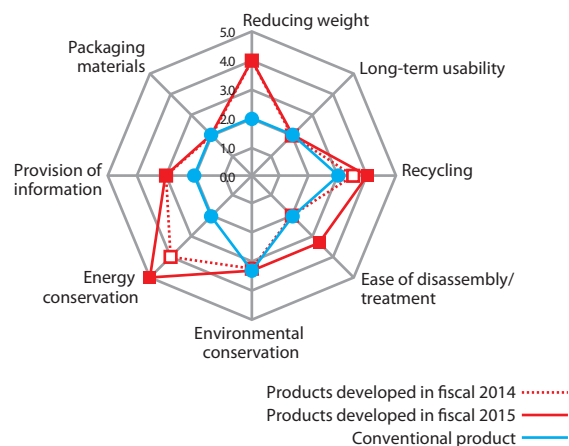
Initiatives Related to Environmentally Conscious Products

Regarding the environmental performance of our products, we avoid biased assessments by considering the entire lifecycle of products, from raw material procurement to the disposal stage, and we numerically score each product on eight scales. These assessments are incorporated into the product development process so that all developed products are assessed. Products that score especially high on environmental performance are ranked as environmentally conscious products. By raising the ratio of environmentally conscious products within our lineup, we aim to comprehensively reduce the burden our products put on the environment. In FY2015, we raised this ratio to 96%. We will continue to develop environmentally conscious products in accordance with our environmental policy, and thus contribute to reducing the impact of our products on the environment.

Evaluation Criteria and Primary Evaluation Items

	Evaluation criteria	Primary evaluation items
①	Reducing weight	Reducing product size/weight
②	Long-term usability	Durability/reliability
③	Recycling	Reuse/recycling of parts
④	Ease of disassembly/treatment	Ease of dismantling/disassembly and disassembly time, etc.
⑤	Environmental conservation	Chemical substances in parts and in manufacturing processes
⑥	Energy conservation	Energy conservation in the product design
⑦	Provision of information	Framework for providing environmental information
⑧	Packaging materials	Reducing the weight of packaging materials and the chemical substances they contain, etc.

Example for determination of environmentally conscious products



Management of Chemical Substances Contained in Products

When it comes to our products, the JDI Group as a whole is carrying out the following measures to accommodate laws related to chemical substances in products, such as the RoHS Directive and REACH Regulations, as well as our customers' demands.

◆ Enactment of the Green Procurement Guidelines

Our Green Procurement Guidelines were enacted based on trends in the laws of various countries pertaining to products obtained from the relevant groups. We ask that our suppliers comply with these as a reflection of the demands concerning chemical substances in products by our customers. These Green Procurement Guidelines are revised annually to ensure they appropriately reflect the legal trends related to chemical substances in products, and are disclosed on our website.

◆ Management of Chemical Substances in Product Development Processes

When it comes to chemicals contained in the products we procure from external sources, we adhere to our Green Procurement Guidelines, and we ask our suppliers to register data on those chemicals to our Product Chemical Content Management System.

We then confirm that the data they register with us conforms to our Green Procurement Guidelines and our customers' demands via multiple internal divisions, starting from the product development process onward.

◆ Managing Suppliers' Management Systems for the Chemical Substances in Products

We request that our suppliers' management systems for the chemical substances in products meet the standards set by JDI, and that they use the Guidelines for the Management of Chemical Substances in Products that are widely used by the electrical and electronics industry and other industries. In FY2015, we finished confirming the chemical substance management status of our suppliers and their ISO 14001 and ISO 9001 acquisition status using a system that we developed in-house.

◆ Management of Chemical Substances in Parts Prior to Their Use in Mass Production Lines

Prior to mass production stage, we periodically inspect and analyze product parts via a fluorescent X-ray analyzer to investigate the containing chemical substances, and check if prohibited toxic substances, such as the RoHS Directive (lead, mercury, cadmium, hexavalent chromium, and brominated flame retardants), are included in the parts.

Moving forward, we will continue to manage chemical substances in our products together with our suppliers and related internal divisions conforming to our customers' requirements.

Displaying at Exhibitions

With the goal of disclosing information to and achieving mutual understanding with our stakeholders, we display products that incorporate the latest in JDI's technology at various exhibitions, such as SID (The Society for Information Display). These exhibitions open up two-way lines of communication. We would like to report on two recent exhibitions: the Japan Display Technology Exhibition and SID Display Week 2016.

The Japan Display Technology Exhibition

On January 22, 2016, JDI opened its Japan Display Technology Exhibition at the Shinbashi Kokukaikan.

At the explanatory meeting, the head of our Research and Development Center spoke about market trends, JDI's business developments, and its technological strategy. He explained LTPS technology—the basis of displays—and product development with this technology at its core, and announced that JDI had the world's top LTPS production capacity. High-resolution technology, low power-consumption technology, in-cell touch technology, OLED technology, curved panel technology for automobiles, high-speed system technology for electronic mirrors, and ultra-low power consumption reflective-type LCD modules were introduced.

In the exhibition area, the numerous visitors had a chance to see many of the latest displays that embody our four technology themes: Mobile, Automotive, C&I, and Reflective.



Japan Display technology exhibit



Explanation of market trends, our business developments, and basic strategy

SID Display Week 2016

This event, the world's largest for displays, was held in San Francisco, California, from May 22 to 27, 2016 (local time). JDI gave presentations at the symposium and exhibited its technology at a booth.

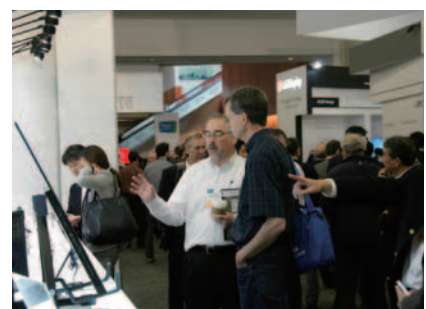
Under the concept of "LTPS World – What JDI's LTPS offers," we showed the added value provided by our low-temperature polysilicon (LTPS) technology. Exhibited items included 8K4K high-resolution LCD modules, as well as low power-consumption WhiteMagic™ and reflective LCD modules, and Pixel Eyes™ with in-cell touch technology. In addition, JDI gave six presentations at the symposium, which attracts display-related researchers and technologists from the entire world. On top of all that, we were greatly honored that JDI's 17.3-inch (43.9cm) 8K4K LCD display won the Display of the Year Award, one of the well-known Display Industrial Awards presented at SID Display Week 2016.



Keynote speech at the symposium



Receiving the Display of the Year Award



Scene in the exhibition area

WhiteMagic and Pixel Eyes are trademarks of Japan Display Inc.

Ecosystem Conservation Activities

JDI works for the conservation of ecosystems through greening activities at our business sites and nature recovery activities for nearby area of each site. We will introduce the initiatives of our Mobara Plant and Nomi Plant.

Activities at Mobara Plant

In the Mobara Plant, we have the Hotaru-gawa Creek and the Koi Pond, a man-made creek and a pond with koi, carps in Japanese, living in it. The fireflies dwell in the creek, and we clean the area around the creek and maintain the water quality so the environment remains amenable to fireflies.

In July 2015, volunteers trimmed grass along the banks, picked up trash from the creek, and cleaned the Koi Pond.

Every year in June, fireflies can be seen flying near the creek. We will continue this conservation activity to maintain an environment where fireflies can be seen flitting through the air.



the Hotaru-gawa Creek



Cleaning activity at the Koi Pond



The Koi Pond

Activities at Nomi Plant

In addition to creating a biotope environment, the Nomi Plant has conducted repeated surveys of the plants and animals living there. In FY2015, newly planted trees were given a regular trimming. The biological survey confirmed the presence of loaches in the biotope, and the 80 medaka originally released there had multiplied to approximately 1,000. The presence of many kinds of dragonfly larvae (nymphs) and adults was confirmed, showing that the Nomi Plant has become a dragonfly sanctuary.

We aim to maintain this ecosystem and its food chain as part of the natural surroundings, and we will preserve the bio-friendly environment and natural scenery.



Loach and dragonfly nymph



Medaka



Biotope panorama



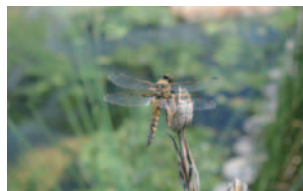
Redtails mating (the heart shape they form is characteristic)
Plant: Simplestem bur-reed (Type II Endangered in Ishikawa Prefecture, Near Threatened according to Environmental Agency)



Lesser emperor depositing eggs
Plant: Water snowflake (Type I Endangered in Ishikawa Prefecture, Near Threatened according to Environmental Agency)



Scarlet skimmer
Plant: Fringed water-lily (Type II Endangered in Ishikawa Prefecture, Near Threatened according to Environmental Agency)



Four-spotted chaser
Plant: Wild Japanese iris (Near Threatened in Ishikawa Prefecture)

	Found in the Nomi Plant Biotope	
	Dragonfly nymphs	Adults
Damselflies 8 Species	Redtail	
	-	Yellow damselfly
	-	Dusky lilysquatter
	-	Ezo bluet
	Tropical bluetail	
	-	Emerald damselfly
	-	Greater emerald damselfly
	-	<i>Monosashi</i> damselfly
	2 Species	7 Species
Hawkers 3 Species	Lesser emperor	
	Black-striped lesser emperor	
	-	<i>Yabu</i> hawkler
	2 Species	3 Species
Dragonflies 13 Species	<i>Neki</i> dragonfly	
	White-tailed skimmer	
	Blue-tailed forest hawk	
	Wide-bellied skimmer	
	Scarlet skimmer	
	<i>Konoshime</i> skimmer	
	-	Pied skimmer
	-	Four-spotted chaser
	-	Globe skimmer
	-	<i>Mayudate</i> skimmer
	-	Autumn darter
	-	Butterfly dragonfly
	Banded darter	-
7 Species	12 Species	
Total 24 Species	Total 11 Species	Total 22 Species

Communication

We promote social welfare and contribution activities that are firmly rooted in local communities at each of our plants in Japan and overseas.

Of these, let us introduce the Kawakita Clean Campaign and Ishikawa Autumn Festival at the Ishikawa and Nomi Plants, the Higashiura Plant's participation in the natural environment learning forest, and the Tottori Plant's sand dune and plant vicinity cleanup activities.

Activities by the Ishikawa and Nomi Plants

This year marks the 19th time that we have carried out the Kawakita Clean Campaign & Tedoru River Clean-up Blitz, which is held annually. These consist of clean-up activities over an extensive zone covering a total length of 20 km, and which include major roadways within Kawakita Town and the embankments along the Tedoru River.

For FY2015, on May 30 a total of 446 JDI employees, family members, and people from other companies in the area took part in collecting 190 kg of trash.



The opening ceremony

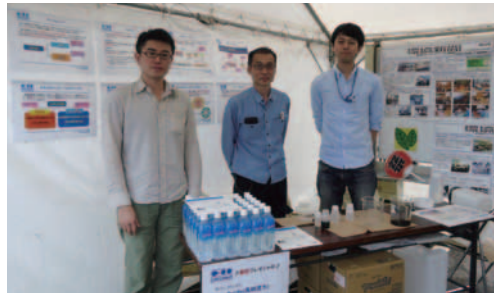


Cleanup activity along a road

At the JDI Autumn Festival, held at the Ishikawa Plant, we set up a “water treatment demonstration corner.” We explained the plant's water treatment process to visitors from the surrounding area. By demonstrating the treatment mechanism, we showed visitors that treated water is discharged appropriately.



Opening ceremony



Demonstration corner where the wastewater treatment process was explained

Activities at the Higashiura Plant

A “natural environment learning forest” is located on the west side of the Higashiura Plant. This is a place where local residents can come into contact with a natural farm-and-forest landscape and learn about the relationship between people and nature. Various events are held here, and every year we participate in planting and harvesting a rice paddy. In FY2015, the rice paddy was expanded and yielded a good crop. The 30 kg of rice we received for our participation was distributed to employees at no cost through the company cafeteria. We will continue to participate in local events and contribute to the community.



Planting the rice paddy

Activities at the Tottori Plant

The Tottori Plant contributes to eastern Tottori Prefecture by participating twice a year, spring and fall, in the Tottori Sand Dunes cleanup. Participants totaled 175 and included both JDI employees and their family members. This was the tenth year that JDI participated.

We also hold a semiannual Operation Cleanup around the Tottori Plant. In FY2015, a total of 28 people participated in the two events. We intend to keep making social contributions that are rooted in the community.



Group photo taken at the Tottori Sand Dunes cleanup



A scene during Operation Cleanup

Communication with Overseas

We have five overseas manufacturing subsidiaries. They mainly assemble liquid crystal panels and manufacture liquid crystal parts. Each company has acquired ISO 14001 certification, and they promote to continue improvements for environmental aspects.

Their primary environmental burdens come from the electricity and water used in production, as well as their waste. All of the companies promote reductions of their environmental burdens, and work on preventing global warming (reducing CO₂) and effectively using resources (reusing water resources and reducing the amount of waste generated) as priority issues. We work to communicate with the companies by holding regular meetings to confirm and to ascertain the progress of each company.

The following articles show the activities by Suzhou JDI Electronics Inc. (SE).

Environmental Activities at Suzhou JDI Electronics Inc.

Company name	Suzhou JDI Electronics Inc. (SE)
Time established	February 1996
Capital	US\$126 million
CEO	Kotaru Ueno
No. of employees	2,613 (as of May 2016)
Location	No.168 Jin Feng Road, Suzhou New District, Suzhou, 215011, PRC
Business line	Manufacture of small and medium-sized LCD



Suzhou JDI Electronics Inc. (SE)

1. Environmental Plans and Results

	Initiatives	Unit	Targeted reduction	Actual reduction ^{*1}	Achievement rate	Assessment	FY2016 targets
①	Reduction of electricity usage	kWh	749,907	2,663,281	355%	○	4,310,788
②	Reduction of water usage	m ³	51,423	141,216	275%	○	20,616
③	Reduction of waste	t	55	140	254%	○	108
④	Reduction of VOC emission	kg	1,195	988	83%	△ ^{*2}	5,084 ^{*3}

*1: Actual reduction = cumulative effect of environmental policies we implemented

*2: Target not reached because of production cutback

*3: Will change to VOC usage reduction in FY2016

2. Example of Activities

We would like to introduce some examples of environmental activities in FY2015.

(1) Electricity usage reduction

- We matched and optimized FFU, circulation equipment, and air conditioning operation values to requested workplace air cleanliness, temperature, and humidity values.

227 FFU stopped

Four circulators stopped

11 air-conditioning systems stopped

Reduction effect: 26,047kWh/month (CO₂ emission cut of 196 (t/ CO₂))

(2) Waste reduction

- Matching the washing machine's operations to production volume resulted in a reduction of organic wastewater emission.

- Reduction effect: 59.4 T/year of organic wastewater

(3) VOC emission reduction

- Ethanol usage was reduced through improvements to containers and other measures.

- Reduction effect: 988 kg/year of VOC emission

(4) Summer/winter autonomous energy savings activity

- Autonomous energy saving activities were instituted to reduce unnecessary use of lighting, PCs, and other office equipment, and to rationalize air conditioner temperature settings

(5) Contributions to the community

- No car day (monthly)

- KIDS environmental education activity (annually)

- Environmental conservation volunteer activity (annually)



Each person declares an energy-saving target



In winter, air conditioner is set to 22°C or lower



KIDS environmental education



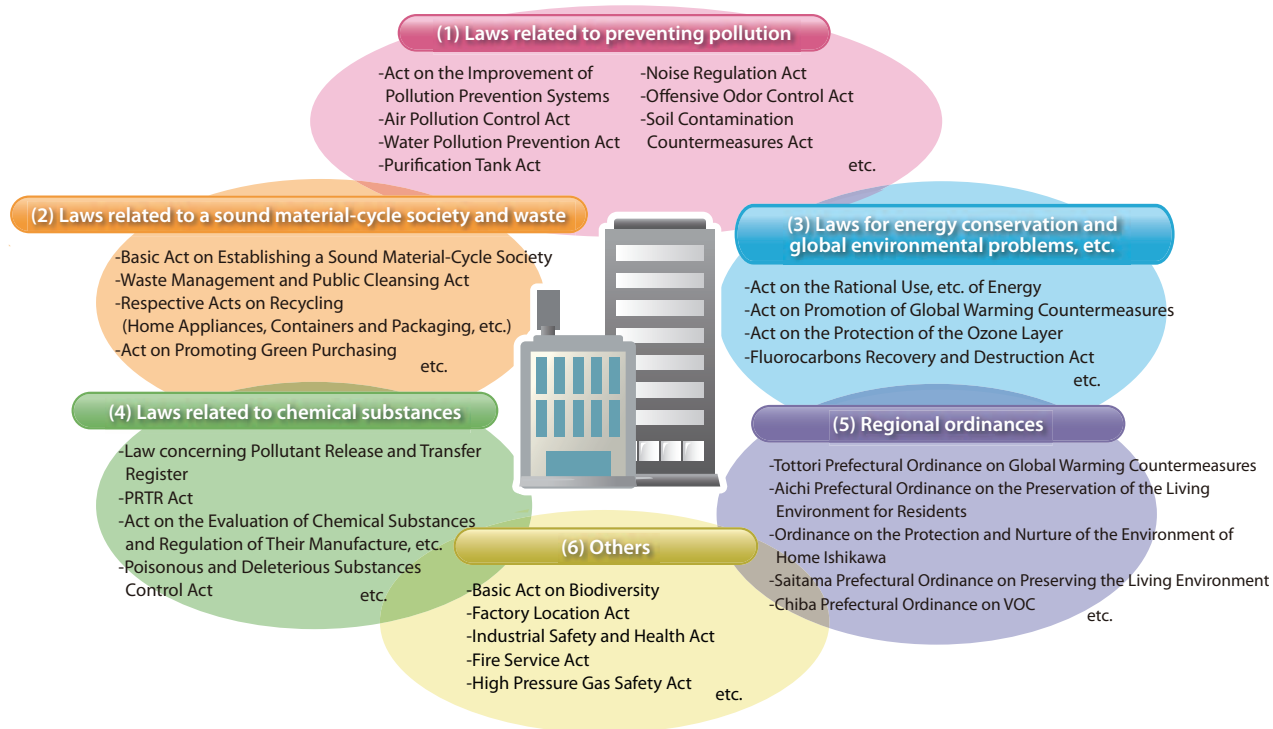
Environmental conservation volunteer activity



Environmental conservation volunteer activity

Legal Compliance

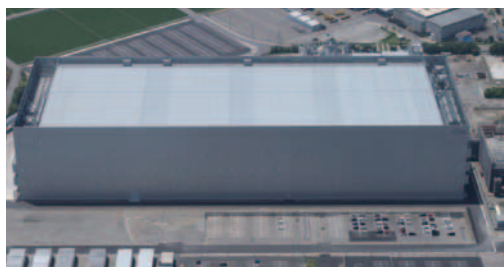
Compliance is one of the most fundamental challenges when it comes to companies fulfilling their social responsibility. We pre-emptively prevent the discharge of environmental pollutants and other contaminants into the soil, groundwater, and atmosphere, while also creating systems for compliance to environmental laws and undertaking environmental conservation activities. This fiscal year, there were no violations of environmental laws, neither in Japan nor overseas. Major laws related to the environment in Japan are indicated below. Of these, this report will explain reporting on the opening and closing of plants and initiatives related to the Act for Rationalized Use and Proper Management of Fluorocarbons.



From Opening to Closure of a Plant

Two big plant-related moves are planned for FY2016: the Hakusan Plant will start operations and the Fukaya Plant will be shut down.

The opening and closure of a plant are attended by many legal obligations, such as reporting on the establishment of new facilities and their decommissioning. We cooperated with government bodies to ensure that our response was complete. We will maintain our appropriate response in the future.



Exterior of Hakusan Plant



Fukaya Plant turned into vacant lot

Response to Act for Rationalized Use and Proper Management of Fluorocarbons

In FY2015, the Act for Rationalized Use and Proper Management of Fluorocarbons went into effect and so did our response. Based on the act, the relevant equipment has been listed and simple, regular inspections have been carried out. We rely on government-authorized specialists to do the regular inspections and repair the equipment in case of malfunctions. Also, we track the amounts of fluorocarbons added and recovered each year.



External unit of an air conditioner using fluorocarbons



Inspection scene



Japan Display Inc.

3-7-1, Nishi-shinbashi, Minato-ku, Tokyo, 105-0003, Japan