



CORPORATE ENVIRONMENTAL REPORT

CY 2015

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TABLE OF CONTENTS

Contents

Introduction	1
Environmental Management System	2
Demonstrated Performance and Commitment to Improvement	3
Public Outreach and Performance Reporting	10
Record of Sustained Compliance with Environmental Requirements	11
Contact Information	12



INTRODUCTION

Introduction

ABOUT THE COMPANY

Planar Systems, Inc. was founded in 1983 by Jim Hurd, Chris King, and John Laney as they broke away from Tektronix. They brought the ability to innovate superior display technology solutions that others could not, which is why the US Army came to them to build a “Digital Messaging Device” from the developing electroluminescent (EL) display technology that required unprecedented standards. This innovation not only established Planar as a leader in the flat panel display industry, but also laid the foundation for Planar’s ability to bring important innovations to the display market over the past 30 years.

Planar is a global leader in display and digital signage technology, providing premier solutions for the world’s most demanding environments. Retailers, educational institutions, government agencies, businesses, utilities, energy firms, and home theater enthusiasts all depend on Planar to provide superior performance when image experience is of the highest importance. Planar video walls, large-format liquid crystal displays (LCD), interactive touch screen monitors, and many other solutions are used by the world’s leading organizations in applications ranging from digital signage to simulation and from interactive kiosks to large-scale data visualization.

REPORT SCOPE

Planar’s corporate facility is located in Beaverton, Oregon and handles design, product testing, quality assurance, marketing, sales, and customer support activities. Planar has approximately 150 employees working in this facility with a footprint of 72,000 square feet.

The scope of the Corporate Environmental Report is limited to the corporate facility and the policies and procedures that are implemented by employees working within that facility. In some cases, these policies and procedures affect outside stakeholders and other interested parties.

This report is consistent with all four Entry Criteria listed in the *Performance Track Program Guide* published by the United States Environmental Protection Agency.

REPORT FREQUENCY

This report is published on an annual basis by the end of the first quarter of each calendar year and covers the preceding calendar year.

FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements where actual results may differ materially. Any and all information included in this report is presented in good faith and without any expressed or implied guarantees.

ENVIRONMENTAL MANAGEMENT SYSTEM

Environmental Management System

ENVIRONMENTAL POLICY

Planar maintains an environmental policy that serves as the basis for Planar's Environmental Management System and Planar's overall Environmental Program. This policy is consistent with ISO 14001:2004 requirements and is reviewed periodically to ensure it remains accurate and relevant to Planar.

The policy is available online at: <http://www.planar.com/about/green/>.

PLANNING

Planar's Environmental Management System includes a detailed plan for monitoring and reducing Planar's environmental impact. This plan also requires the continual monitoring of the global regulatory landscape for changes that materially affect Planar.

CHECKING AND CORRECTIVE ACTION

Planar maintains a valid ISO 9001:2008 certification and audits its Environmental Management System at least once per calendar year in accordance with ISO requirements for internal audits. Corrective Action Plans are issued for any Major or Minor audit findings. Recommendations for Improvement may be recorded in addition to any Major or Minor audit findings, but do not impact the audit result.

Although Planar has not been certified to the ISO 14001:2004 standard by an accredited 3rd party, the Environmental Management System was reviewed by an outside consultant and found to be consistent with applicable ISO 14001:2004 requirements.

MANAGEMENT REVIEW

On an annual basis, members of the Executive Management Team are briefed in accordance with Planar's Management System Review Procedure. Key milestones – as well as areas for improvement – are presented during this meeting. Regulatory changes with a material impact on Planar are also discussed. Executives and lower-level managers use this as an opportunity to learn about and help strengthen Planar's Environmental Program.

DEMONSTRATED PERFORMANCE AND COMMITMENT TO IMPROVEMENT

Demonstrated Performance and Commitment to Improvement

PROGRESS ON 2015 GOALS AND FUTURE COMMITMENTS

Planar's Environmental Management System specifically calls for the monitoring of Energy Consumption, Transportation, Office Product Transportation, Recycling, Employee Health and Safety, and Product Improvements. This section provides a report on the efforts made to monitor and reduce Planar's environmental impact with regard to these topics.

Energy Consumption

- Energy usage for the building remains aggregated with other costs and is not separable at this time. Planar continues to engage the property management company on this issue.
- Planar launched a pilot program in its showroom testing the use of LED bulbs in fixtures originally designed for fluorescent lighting. This program was deemed successful, and the transition from fluorescent to LED is expected to be expanded throughout the building incrementally over time.
- The use of physical servers has decreased from 37 in 2014 to only 12 in 2015. Virtual servers now account for 96% of total capacity up from 87% in 2014.

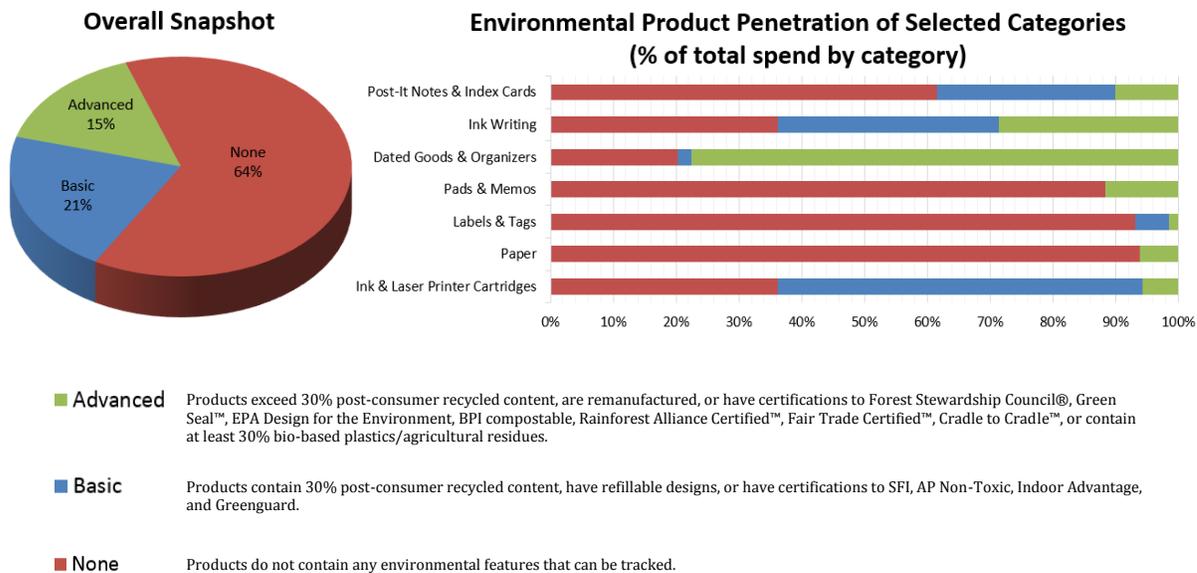
Transportation

- Employee Commuting
 - Public transportation options in Portland, Oregon are provided by an agency called TriMet. This agency conducts an Employee Commute Option survey on a biennial basis with the next survey scheduled to take place in July of 2016. Results from that survey will be addressed in the next publication of this report. Planar will continue to provide employees with information aimed at making it easier and more convenient to carpool and take public transportation.
- Shipping and Logistics
 - 2015 marked a significant shift away from shipping goods by air. Planar now ships significantly more of its products via container ships as compared to 2014 and relies on air shipments only when necessary. Planar has not attempted to quantify the significance of this change in terms of greenhouse gases or other environmental factors.

DEMONSTRATED PERFORMANCE AND COMMITMENT TO IMPROVEMENT

Office Products

- Paper cup usage increased by 25% or 4,000 cups to a total of 20,000 cups in 2015. Planar continues to distribute reusable mugs to employees and began distributing reusable thermoses at the end of 2015. As a result, Planar expects the total number of paper cups used in 2016 to decrease. Planar did not purchase Ecotainer cups in 2015, but will look to convert all purchases to Ecotainer cups by the end of 2016.
- The number of printed pages dedicated to marketing materials decreased 8.5% from 58,310 in 2014 to 53,350 in 2015.
- Paper usage resulting from non-marketing activities increased 11% from 1,194 reams in 2014 to 1,340 reams in 2015. Planar saw its business expand significantly over the last calendar year and expects this trend to continue through 2016. However, usage in 2015 remained 19% below what it was in 2010 when the company was much smaller in terms of revenue. Planar will continue to monitor usage and encourage employees to help minimize the company's environmental impact.
- Fewer purchases of paper containing recycled materials were made in 2015 compared to 2014. Planar will look to convert all purchases to at least 30% recycled content by the end of 2016.
- Planar is publishing by way of this report the following snapshots of its environmental profile with regard to stationery and related office supplies:



DEMONSTRATED PERFORMANCE AND COMMITMENT TO IMPROVEMENT

Recycling

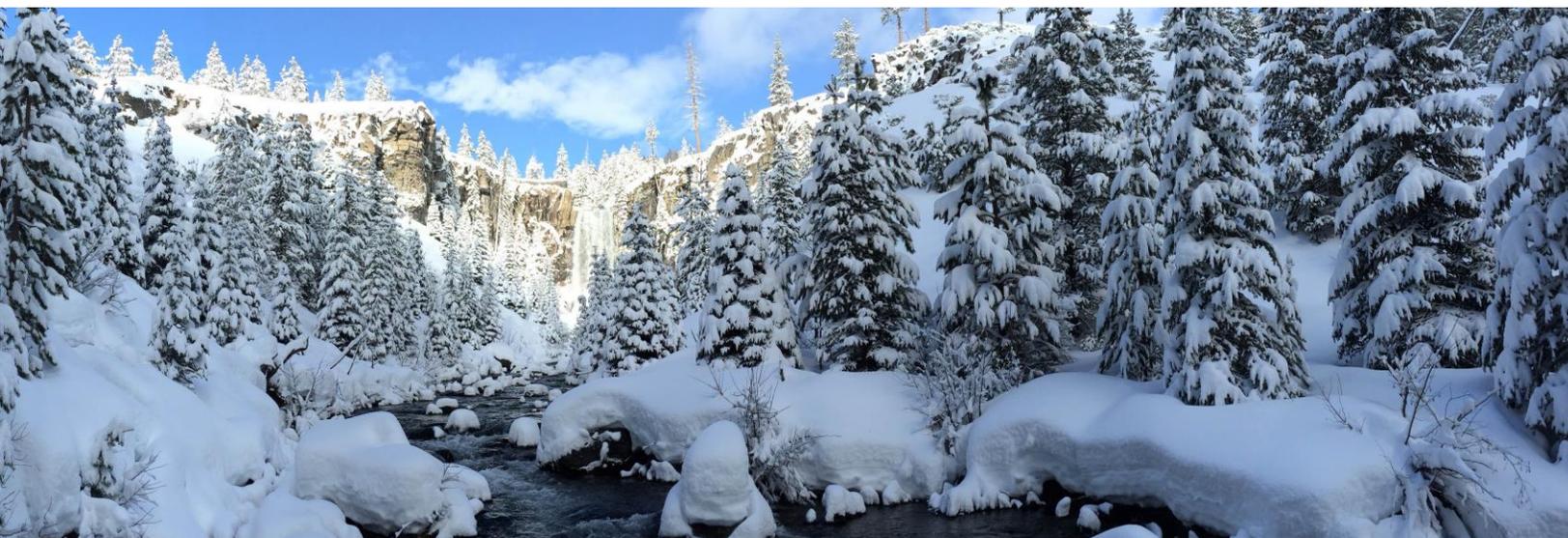
- Planar launched a proactive investigation into its electronics recycling supply chain that included on-site visits and documentation review of key partners. Planar is pleased to announce that it now only maintains direct business relationships with electronics recyclers that are certified to the R2 standard. More information about this standard has been included in the following section of this report. Additional on-site visits and verification of downstream recyclers are scheduled for 2016.
- Planar continues to work with a local charity for the disposal of recyclable containers holding a deposit.

Employee Health and Safety

- Planar continues to maintain a Safety Committee and Medical Emergency Response Team that is trained to assist employees in case of emergencies and minor injuries. A total of three incidents were reported in the corporate facility in 2015 up from a total of two in 2014:

Date Reported	3/1/2014	12/1/2014	1/1/2015	7/1/2015	9/1/2015	Grand Total
Illness			1			1
Cut				1		1
Strain	1					1
Fall					1	1
Hazard		1				1
Grand Total	1	1	1	1	1	5

- No changes were made in 2015 to any of the cleaning products used by Planar. However, further investigation of this topic remains a goal for 2016.



DEMONSTRATED PERFORMANCE AND COMMITMENT TO IMPROVEMENT

Product Improvements

- Planar is pleased to announce that 100% of its new products use LED technology and do not contain mercury. Planar now only carries very limited stock of discontinued items that do not use LED technology.
- Planar has instituted a robust program for managing the design of custom packaging products. With the understanding that product damage leads directly to undesirable environmental outcomes, Planar's design program emphasizes performance and protection to prevent product damage. However, this emphasis on prevention does not mean that more materials are used than is necessary to achieve this objective. Planar is proud to make the following statements about its custom packaging:

1) Responsible Design

- a. Planar emphasizes shipping multiple items in a single package to reduce the amount of packaging per product shipped.
- b. All plastic parts can be manually separated.
- c. No recyclable materials are attached to non-recyclable materials.

2) Responsible Materials

- a. The total weight of all packaging comes from 95% renewable or recyclable materials.
- b. Wood materials are derived entirely from North American pine and fir trees harvested from renewable and sustainably-managed forests.
- c. Paper products are made from at least 78% post-consumer waste and are 100% recyclable.
- d. All labels and signage are paper-based and 100% recyclable.
- e. Inks used for printing are water-based with a high soy content.
- f. Less than 5% of the packaging is made from petroleum-based material by weight.
- g. All packaging fasteners are metal. No petroleum-based fasteners are used.
- h. Plastic strapping contains at least 10% post-industrial waste.
- i. Adhesives are organic and compostable.
- j. No intentionally-added mercury, lead, cadmium, hexavalent chromium, PVC, or flame retardants.

DEMONSTRATED PERFORMANCE AND COMMITMENT TO IMPROVEMENT

OTHER ACCOMPLISHMENTS AND ACTIVITIES IN 2015

Electronic Product Environmental Assessment Tool (EPEAT)

- Companies participating in EPEAT undergo a thorough examination of their documentation for:
 - 1) The reduction or elimination of environmentally-sensitive materials
 - 2) Product longevity and lifecycle extension
 - 3) Responsible end-of-life recycling
 - 4) Energy conservation
 - 5) Responsible packaging
 - 6) Corporate performance
- Recognizing the value of EPEAT, Planar began the registration process towards the end of 2015. Planar expects its first product to be fully active in the EPEAT database by the end of the first quarter of 2016: <http://www.epeat.net/>.

Emerging Green Conference

- Planar attended the Green Electronic Council's first Emerging Green Conference to increase its understanding of the issues facing the broader electronics industry and also meet with representatives from similar companies to share best practices for responsible environmental management: <http://www.emerginggreenconference.com/>.

Conflict Minerals

- Planar successfully collected and vetted supplier data for its Conflict Minerals Report for calendar year 2014. This report was filed on time with the Securities and Exchange Commission in May of 2015.

Environmental Compliance Specialist

- Planar added this full-time position dedicated to surveying the regulatory landscape and implementing its Environmental Program.

Continuous Improvement through Internal Auditing

- The 2015 internal audit helped identify several opportunities for improving how and when its Environmental Program is communicated to employees. Process improvements are expected to be implemented by the end of the first quarter of 2016.
- This audit also identified opportunities for improving the clarity of the Environmental Management System. This document should be updated to reflect the suggested improvements by the end of 2016.
- No Major or Minor findings requiring a Corrective Action Plan were identified during the audit.

DEMONSTRATED PERFORMANCE AND COMMITMENT TO IMPROVEMENT

Improvements to Supplier Management Processes

- With the aim of collecting better data about suppliers and their sophistication when it comes to Environmental Management, Planar launched a multi-department review of its Supplier Survey. One of the key aims of this review is to increase the Survey's focus on Environmental Management. It is expected that the updated document will be released and available for use by the first half of 2016. Executing similar reviews of the Supplier Audit Checklist and Supplier Manual is also a goal for 2016.

Oregon's Most Admired Companies 2015

- *The Portland Business Journal* recognized Planar as one such company worthy of the honor in 2015 in the technology sector: <http://www.bizjournals.com/portland/event/140492>.

Community Involvement

- Planar recognizes not only the value of effectively managing and minimizing its environmental impacts, but also contributing positively to the local community. Shown below are a few of the institutions supported by Planar through donations and employee volunteer hours in 2015:



DEMONSTRATED PERFORMANCE AND COMMITMENT TO IMPROVEMENT

PARTNERSHIP PROGRAMS

In addition to pursuing membership in the Electronic Product Environmental Assessment Tool (EPEAT) program, Planar would like to highlight two additional programs through which the company has made significant contributions:

- Multiple Engineering Co-Op Program (MECOP)
 - Planar has participated in this regional program for over 20 years and did so again in 2015. MECOP is a business/education partnership specifically aimed at providing students with the learning opportunities they need to be successful in their careers with future employers based in the Northwest. The program has successfully expanded over time to offer opportunities in the marketing, finance, and accounting fields: <https://www.mecopinc.org/>.
- The Society for Information Display (SID)
 - Planar has presented a number of technical publications to this organization over the years focusing on the development of electronic display technologies, but now participates primarily through its attendance at local chapter meetings. SID is responsible for publishing the *Information Display* magazine and hosting the Display Week conference: <http://www.sid.org/>.



PUBLIC OUTREACH AND PERFORMANCE REPORTING

Public Outreach and Performance Reporting

IDENTIFYING AND RESPONDING TO COMMUNITY CONCERNS

Planar's Environmental Management System specifically recognizes the importance of local issues in the City of Beaverton, Washington County, and the State of Oregon.

Staff responsible for implementing the Environmental Management System pay close attention to local news sources and also respond to inquiries received through the "Learn More" button located on the Environmental Initiatives page of Planar's public website.

Inquiries received through other means are directed to the Environmental Compliance team based in the corporate facility. Readers of this report are encouraged to direct questions or concerns to Environmental.Compliance@Planar.com.

Planar is not aware of any issue in either identifying or responding to community concerns as of the time this report was made public.

INFORMING THE COMMUNITY OF IMPORTANT MATTERS

Planar's corporate facility is located within a business park that is operated by a 3rd party. Planar disposes of all electronic waste using recyclers certified to the industry-leading R2 standard maintained by the ANSI-accredited Standards Development Organization: <https://sustainableelectronics.org/about>.

As of the publication of this report, Planar does not foresee any environmental matter or concern that could potentially and reasonably require notification of the local community. However, in the event of an immediate environmental emergency requiring such notification, Planar would notify the property management company and/or appropriate local government body.

This report has been published on Planar's corporate website as a form of community notification.

REPORTING ON ENVIRONMENTAL MANAGEMENT SYSTEM PERFORMANCE

Planar reports on its environmental performance through two primary channels. The first is by responding directly to external inquiries. The second is by publishing this report prominently on its corporate website for public consumption.

To download a copy of this report or learn about Planar's Green Initiatives, please visit: <http://www.planar.com/about/green/>.

RECORD OF SUSTAINED COMPLIANCE WITH ENVIRONMENTAL REQUIREMENTS

Record of Sustained Compliance with Environmental Requirements

CRIMINAL ACTIVITY

Regarding Section A.4 (Criminal Activity) of the EPA's Performance Track Program Guide:

- *“Corporate criminal conviction or plea for environmentally related violations of criminal laws involving the corporation or a corporate officer within the past five years.”*
- *“Criminal conviction or plea of employee at the same facility for environmentally related violations of criminal laws within the past five years.”*
- *“Ongoing criminal investigation/prosecution of corporation, corporate officer, or employee at the same facility for violations of environmental law.”*

Planar hereby declares that all three statements do **not** apply.

CIVIL ACTIVITY

Regarding Section A.4 (Civil Activity) of the EPA's Performance Track Program Guide:

- *“Three or more significant violations at the facility in the past three years.”*
- *“Unresolved, unaddressed Significant Non-Compliance (SNC) or Significant Violations (SV) at the facility.”*
- *“Planned but not yet filed judicial or administrative action at the facility.”*
- *“Ongoing EPA- or State-initiated litigation at the facility.”*
- *“Situation where a facility is not in compliance with the schedule and terms of an order or decree.”*

Planar hereby declares that all five statements do **not** apply.



CONTACT INFORMATION

Contact Information

For questions or comments about this report, please contact Environmental.Compliance@Planar.com.

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