



2014 Corporate Environmental Report

In 2010, Planar began an ambitious program to define, measure and improve our corporate facility's environmental impact. While resource restrictions have limited our involvement with EPEAT since 2010, Planar has sought continuous improvement in the areas identified in that 2010 report. This 2014 Corporate Facility Environmental Report will show the progress Planar has made over the last four years in those areas and new goals that have been established. As new environmental concerns arise and compliance requirements increase, Planar expects our program to grow and develop in the years to come.

Description of Facility and Planar activities

Our corporate facility is located in Beaverton, Oregon where design, sales, testing, marketing, quality assurance and customer support activities take place. We have approximately 150 employees and approximately 72,000 square feet.

Our corporate report will focus on areas within our corporate facility and areas that are managed by employees in our corporate facility.

Energy Consumption

In 2010, we found that the energy cost we pay to operate our facility is aggregated with other costs and not separable, making the quantitative measuring of our energy consumption difficult. Our goal for calendar year 2011 was to secure better reporting of our energy consumption in order to develop concrete action plans for reduction. We have been unable to change the process of receiving operational costs due to specific contract agreements. However, that does not mean that we are not taking actions to reduce our consumption. Most of our fixtures use florescent lighting. All of our conference rooms and most of our hard-walled offices have movement sensors in them so the lights are turned off when no one is in the room. Since 2010, all of the projectors in the conference rooms have been replaced with LED displays that are more energy efficient and do not contain mercury.

We have zonal heating and cooling to help compensate for different areas within the building which may have different purposes. This way, areas such as equipment test labs with lots of equipment that need more cooling or more heat, are able to be regulated more efficiently.

Our goal for calendar year 2015 and forward is to continue to find creative and reasonable solutions to reduce our energy consumption through conservation and technology upgrades when possible.

Employee Transportation

Planar has an active Alternative Commuting Program which encourages all employees to take advantage of alternative forms of commuting to and from work. We work with both the Oregon Department of Environmental Quality's guidelines and those from Washington County where our headquarter facility is located. Information on carpooling, public transit, bicycling and vanpooling is provided on the company's intranet.

For carpooling, besides internet resources, Planar also has a map in a central location which allows employees to find other employees who live in their neighborhood. For bicyclists, there are plenty of places to lock up their bicycles outside and covered facilities inside for when the weather is inclement. Additionally, we have onsite showers for employees to use.

To encourage alternative commuting, Planar offers an Emergency Ride Home program which allows an employee who does not have a car at the office to get a ride anywhere needed in an emergency. This helps alleviate concerns employees have about responding to family issues.

An Employee Commute Option survey is conducted every two years in compliance with state requirements. It identifies the major ways that people commute, specifically looking at auto trips and single occupancy trips. Our baseline was created in 1997 at 93% single occupancy trips. Our long term goal in the 2010 report was to be at 84% single occupancy trips. We have exceeded this goal, as our single occupancy trip rate in 2014 was 80%. Reviews are conducted every two years, with the next one due in July of 2016. Our goal for that review is to further reduce the number of single occupancy trips to 79% even as our employee population grows.

Lastly, Planar offers a telecommuting option. Although it is difficult to measure participation because employees work with their manager individually to enter the program, we estimate 50% of the facility's employees are enrolled with 10% of them working from home at least one day a week.

Product Transportation

An effective management program was put in place during 2009 and 2010 to reduce the number of shipments in our high volume, high mix business unit. We have worked aggressively with our partners to consolidate their orders into one or two larger shipments a week versus shipping each order as it is received. This allows for more efficient transportation, as well as cost savings for both us and our partners and reduction of greenhouse gas emissions. In 2010,

we consolidated more than 55% of total shipments and continue to work with all groups and logistics to ship as efficiently as our business allows. Although this program directly affects our distribution center, it is actively managed out of our corporate facility.

In 2014, we implemented and managed two additional programs out of our corporate facility that have contributed to more efficient transportation. A secondary shipping location was established on the East Coast that our supplier could access via water instead of truck, which was more cost effective and fuel efficient. This location was also closer to the product's final destination. Our return and repair depot was moved from California to Ohio, a more central location for our nation-wide customers to ship their defective product. Going forward, we will continue to consolidate as many shipments as possible leaving our facility and find opportunities to improve the fuel and cost efficiency in our international supply chain.

Office Products

In 2010, we evaluated our usage of consumables along with IT infrastructure and have made considerable improvements over the last four years. In 2010, we reduced our physical server count from 142 to 47 and expected a further reduction in the coming years. Currently, 87% of our servers are virtual and our physical server count has been reduced from 47 to 37. We have begun upgrading our remaining physical servers to Blade Technology, which consumes 70-80% less power. We have further reduced our power consumption through the conversion of approximately 40 desktop computers to laptops and approximately 25 older laptops to more efficient models since 2010. As resources permit and need arises we will further consolidate our physical servers, convert the remaining to Blade Technology and replace older laptops with more efficient models.

Copier/Printer paper consumption was another area that was reviewed. Employees continue to use SharePoint, an intercompany server, in order to share and store documents thereby reducing the amount of paper needed to run our business. In 2010, we committed to reducing our overall paper usage by 5% and increasing our paper from recycled material from zero to 10%. We have decreased our overall paper usage by 28% and increased our paper from recycled material to 19%. Our goal for 2015 is to have 22% of our paper from recycled material and reduce our overall paper use by another 2%.

Sourcing of marketing materials was also reviewed in 2010. We produce many promotional items such as linecards, brochures, and notecards to hand out to our partner's employees and at tradeshow. From 2009 to 2010, we were able to reduce this quantity by 5% and expected to reduce that quantity again by 10% by 2012. We also anticipated increasing the amount of recycled material in what paper we do use from 0% to at least 25% by year end 2014. We have made organizational changes since 2010, resulting in a loss of this data from 2010 to now.

While we cannot comment on our progress with those 2010 goals, we have established a 2014 count of 58,310 printed pages. We will reduce this by 2% in 2015 and continue to work with our Marketing Department and paper vendors to begin utilizing recycled material in our promotional items.

The last item we looked at in this category is the use of paper cups for coffee, tea, and water. Our corporate building consumed over 25000 paper cups in 2009. That is more than 100 per person who worked in the building at that time. We reduced the number of cups used by 10% in 2010 and expected to reduce our usage by another 10% in the following years. We have successfully reduced our paper cup consumption by 16% and 6% of cups used are biodegradable and made from fully renewable resources. In another approach to decreasing paper usage, Planar purchased all employees reusable coffee mugs in 2014. We expect this to further reduce our paper cup usage in the coming year. We commit to increase the amount of biodegradable cups in what we expect to be continued reduce usage.

Recycling

In our corporate building, we make it easy and convenient to recycle materials. For paper, every workstation has its own recycling bin plus there are both shred bins and recycle bins near every copier and printer. There are also locked cabinets for sensitive materials that are picked up by a local shredder/recycling company.

For cans and bottles, we work with a local charity that has setup collection bins in our canteen for employees to put their recyclables in. In the State of Oregon, there is a deposit on cans and bottles so the charity is able to use that money it collects by returning the cans and bottles for its programs. We also have handy recycle bins for cardboard and paper which helps with all the outside boxes from home-brought foods that employees heat up for lunch.

Lastly, we also have areas of the building where other recyclables such as plastics and metal parts from products can be left and will be picked up by others to be separated and placed in the main recycle bins. This has greatly reduced those items going into the waste stream or as more often happened, piled up in individual areas causing hazards.

Employee Health & Safety

Planar has a full EHS program in place with an active Safety Committee and Medical Emergency Response Team. Both teams meet at least once a quarter to discuss the state of our program, provide refresher training and discuss upcoming activities. Every year, we conduct an evacuation drill and meet afterwards to debrief. We encourage all employees to feel ownership in the safety of our facilities and have tools in place for them to report hazards, incidents and accidents. These reports are reviewed by the Safety Committee on a periodic

basis but are immediately reviewed by the Safety Committee Chairperson and our Human Resources team. An investigation will be conducted by qualified individuals, if necessary. The number of incidents reported through our tool has remained steady, despite increases in personnel and a large increase in their workload.

Planar also has a Building Inspection program whereby safety committee members or others who are properly trained, conduct inspections on a regular basis to ensure that the workplace stays safe for all employees.

In 2014, we began working with our janitorial service in order to identify the cleaning products that they use in our facilities to ensure they are safe for our employees and the environment. Once that review is complete, our 2015 goal will be to increase the amount of environmentally friendly products used.

Product Improvements

As mentioned above, this facility is dedicated to the development and design of Planar products and is responsible for developing our New Product Introduction (NPI) process. This product introduction process goes through continuous improvement to capture those items related to environmental compliance such as RoHS, WEEE, REACH, Conflict Minerals, etc. Those requirements are identified at the front end of the project and drive decisions throughout the NPI process. We are also currently working on updating our Supplier Surveys and Scorecards to include more environmental requirements including communicating that environmental concerns are important to Planar when selecting suppliers.

Our proactive NPI effort has led to improvements in plastics content, metal coatings, amount of packaging and energy consumption. In 2010, we expected 5% of our product line would be LED in the next year. Currently, 100% of our large format displays and 74% of our desktop and touch screen monitors are LED. Our long term goal is to have our entire desktop and touch screen monitors line LED. For 2015, we want to increase it to 76%. Additionally, at the end of 2013, we transitioned some of our product family's corrugated product packaging to 72% recycled content. The combined recycled content for all of our product families built here and elsewhere, is 80%.

2015 Baseline and Goal summary

| Topic | 2010 Actual | 2014 Actual | Future Goal |
|--|--|---|---|
| Energy measurement | Aggregated number not able to be separated | Aggregated number not able to be separated | Continue to find ways to improve energy consumption as our business allows. |
| Transportation – Single Occupancy Trips | 88% single occupancy trips | 80% single occupancy trips | 79% single occupancy trips |
| Transportation – Shipment Consolidations | 55% consolidation for our high volume team | East Coast shipping location; Repair depot more centrally located | Continue to ship as efficiently as our business allows; monitor for any possible areas of improvement. |
| IT Infrastructure | 47 physical servers | 37 physical servers; 87% virtual servers; Blade Technology | Further server consolidation and continue to upgrade personal employee laptops to more energy efficient models. |
| Paper Usage | 1656 reams | 1194 reams (28% decrease) | 2% decrease |
| Paper recycled content | 0% | 19% recycled content | 22% recycled content |
| Marketing Materials | Reduction of overall material by 5% | 58,310 pages were produced, setting a new benchmark | 2% reduction in number of pages produced and increase in recycled paper content in what is produced. |
| Paper Cup Usage | 19000 cups | 16,000 cups (16% reduction); 6% Ecotainer | Increase Ecotainer percentage while reducing overall cup usage |
| Corporate Cleaning Service | N/A | Identify products used | Switch to environmentally friendly products where possible. |