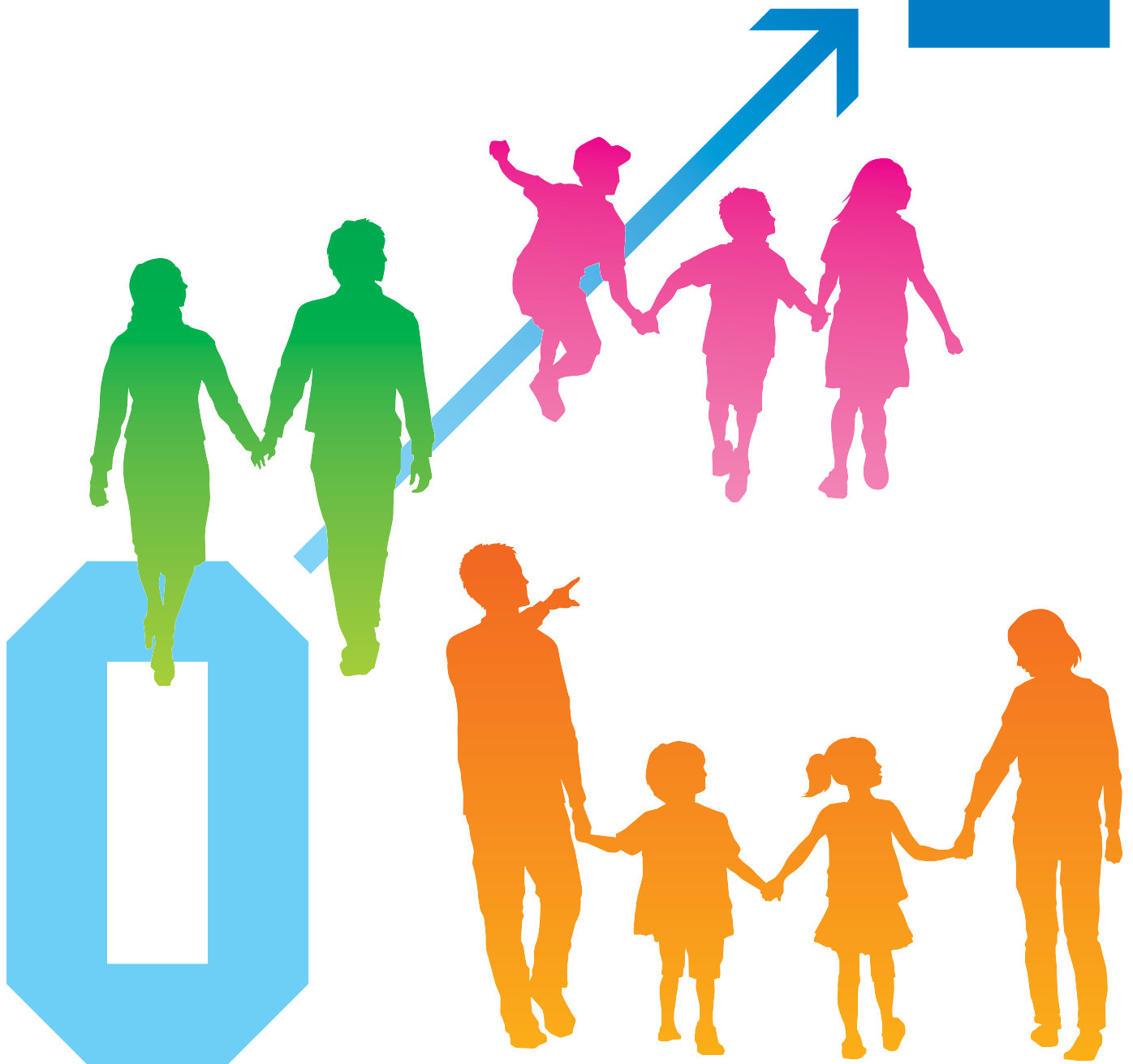


CASIO
SUSTAINABILITY
REPORT
2011

1



Editorial Policy

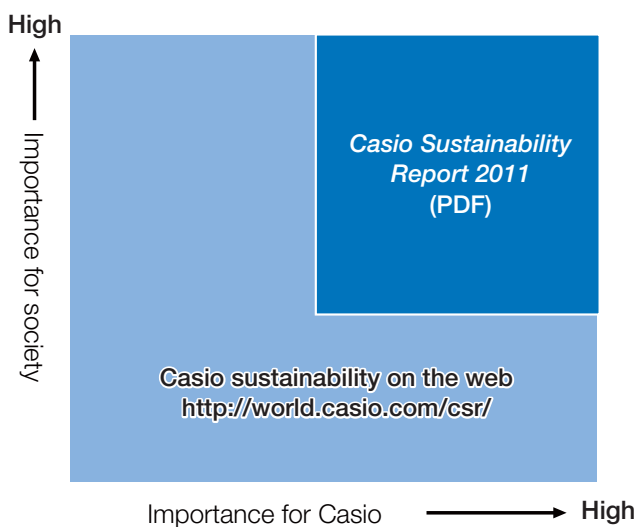
The *Casio Sustainability Report* is published to inform stakeholders about Casio's corporate social responsibility (CSR) initiatives aimed at building a more sustainable world. The report is intended to enhance communication with stakeholders in order to help Casio further improve its CSR performance.

An independent opinion from an outside expert has been obtained and included as an objective assessment

of the report overall. Third-party verification of environmental performance data has also been obtained to ensure reliability.

The Casio website includes a section on sustainability with the latest topics and discloses detailed information and data. Stakeholders are invited to review that information together with this report.

Positioning of this report and the website



[Importance for society]

- Third party opinions concerning the 2010 report
- Reader opinions and requests concerning the 2010 report
- Items from questionnaires such as socially responsible investment (SRI) surveys
- Items listed in the guidelines below

[Importance for Casio]

Matters Casio regards as important based on its corporate creed, the Charter of Creativity for Casio, the Casio Common Commitment, and the Casio Group Code of Conduct

This report is focused on items of especially high importance and has been edited for readability. The latest topics as well as more detailed information and data are comprehensively disclosed on the website.

Scope of the report

● Boundary

Some information in this report applies only to the parent company, Casio Computer Co., Ltd., while other material refers to the entire Casio Group. Further clarification is provided in each case, as needed.

The name "Casio" in this report indicates the Casio Group, while "Casio Computer Co., Ltd.," refers specifically to the parent company.

The scope of the environmental accounting and impact data in this report includes 10 sites of Casio Computer, Co., Ltd., in Japan, 14 group companies in Japan, and 23 group companies outside Japan.

● Important changes during the period covered

- With the business integration of the cellular phone business with NEC Corporation and Hitachi, Ltd., Casio Hitachi Mobile Communications Co., Ltd. (a con-

solidated subsidiary) was merged with NEC Casio Mobile Communications, Ltd., in June 2010, with the new company becoming an affiliated company accounted for using the equity method.

- With the business integration of the TFT liquid crystal display (LCD) business with Toppan Printing Co., Ltd., Ortus Technology Co., Ltd. (a consolidated subsidiary), which took over Casio's TFT LCD business, became an affiliated company accounted for using the equity method and Kochi Casio Co., Ltd. (a consolidated subsidiary) ceased to be an affiliated company.

● Issued

December 2011 (Previous publication: October 2010, next publication planned: October 2012)

Guidelines used as a reference

- GRI (Global Reporting Initiative)
Sustainability Reporting Guidelines 2006 of the Global Reporting Initiative (GRI)
- *Environmental Reporting Guidelines (2007 Edition)* issued by Japan's Ministry of the Environment
- *Environmental Accounting Guidelines 2005* issued by Japan's Ministry of the Environment
- ISO 26000 Guidance on Social Responsibility (GRI Guidelines and ISO 26000 content indices are posted on the website.)

Inquiries

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<http://world.casio.com/>

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Tel.: +81-42-579-7256 Fax: +81-42-579-7718
E-mail: eco-report@casio.co.jp

Forecasts and forward-looking statements

The future forecasts and forward-looking statements published in this report for Casio Computer Co., Ltd., and the Casio Group are based on information available at the time of publication. These forecasts and statements include potential risk and uncertainty, and the reader should be aware that the actual results of business activities may differ from these predictions.

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Message from the President

We are always aiming to provide new value and be a company essential to society.



Great East Japan Earthquake

The recent Great East Japan Earthquake has inflicted unimaginable damage. Many people suffered enormous destruction, including Casio customers and suppliers. Along with our heartfelt condolences to these victims, I would like to express our hopes for a speedy recovery. I would also like to take this opportunity to express gratitude for all the heartfelt support that the people of Japan have received from around the world.

Some Casio sites were also affected by the disaster, but through the cooperation of all employees, we were able to rapidly restore business operations. Although there has been some impact on the business, we are taking various measures to minimize it.

Casio will continue to help with reconstruction by providing various forms of support, always based on the needs of people in the disaster-struck region and creative ideas about how to provide assistance.

Providing new value to the world

Casio was founded with the invention of the world's first compact, fully electric calculator in 1957.

At that time, Japanese businesses mainly used foreign-made, electric-powered mechanical calculators. Casio's breakthrough calculator however, was smaller and quieter while offering more rapid calculation. Since it provided much better performance in many areas, it immediately penetrated the calculator market.

Developing a completely novel product that has never existed before—like that calculator—is exactly how we provide new value to the world. Over the more than 50 years that followed, Casio has developed more world-firsts and a whole range of other original products, including personal calculators, digital watches, electronic musical instruments, electronic dictionaries, and digital cameras. We have consistently kept providing new value to the world.

As we help to make people's lives more convenient and comfortable, and the world recognizes the value of what we do, whole new markets and cultural developments emerge. This is how we are realizing our corporate creed, "Creativity and Contribution." It is simply in Casio's "DNA" to make something from nothing—to go from "0" to "1".

Building a more sustainable world

Casio began focusing on environmental issues early on, and we have been working to reduce the environmental impact of our products. We strive to offer products with high performance that are consistently compact, lightweight, slim, and energy efficient.

Going beyond product development, our environmental initiatives include action plans for the management of business sites with, for instance, medium and long-term greenhouse gas emission reduction targets and activities for the protection of biodiversity.

By exchanging opinions with stakeholders, Casio is also working to help solve social problems in various fields relating to our business management.

In the area of school education in particular, we continue to hold meetings with teachers in Japan and around the world. We strive to research their teaching methods, and use their feedback for product development.

In our product development, Casio continues to work on making daily life more convenient for people worldwide. This includes market-specific development of products such as a calculator with Indian digit grouping.

Meanwhile, in order to ensure that future generations will inherit an even better world, Casio is continuing to fund pioneering and creative research by young researchers through the Casio Science Promotion Foundation. In addition to the target areas of electronics and mechanical engineering, the funded fields include natural sciences relating to health and energy conservation, as well as the cultural sciences. In this way, Casio is contributing broadly to the future of science and technology.

Casio is also continuing to educate the next generation based on unique programs offered for children who will be the opinion leaders and citizens of tomorrow.

To build a more sustainable world, Casio is striving to realize its corporate creed, "Creativity and Contribution." While continuing to provide the world with new value, we are helping to solve relevant environmental and social issues using an approach that is integrated with our business activities. Our balanced initiatives are based on the triple bottom line of economic, environmental, and social performance.

Participating in the Global Compact

Casio products are produced with the cooperation of not just our group companies, but many component makers and consignment manufacturers around the world. As a company with global operations, Casio respects international standards relating to human rights, labor, environment and anti-corruption. By fulfilling our corporate social responsibilities, Casio is promoting the ongoing development of the international community.

As part of these efforts, Casio joined the UN Global Compact in December 2010.

In the near future, the principles of the Global Compact will be incorporated explicitly into various aspects of our corporate management, and we will disclose progress updates at the appropriate times.

This report highlights the main initiatives taken by Casio in fiscal 2011. I encourage all of our stakeholders to review the information provided here. I look forward to your feedback, which will be used to improve our future initiatives. Your continuing support is greatly appreciated.


Kazuo Kashio
President & CEO

Casio's Corporate Creed and Approach to CSR

Making innovative products and contributing to social progress—these were the aspirations of Casio's founders, and they are summed up in the corporate creed, "Creativity and Contribution." Casio has carefully passed down this corporate creed to all of its employees today. By following the creed and practicing the Charter of Creativity for Casio and Casio Common Commitment, Casio is fulfilling its social responsibilities in all of its corporate activities.

Working to build a more sustainable world

The world today is faced with complex economic, environmental and social problems of a very serious nature. Humanity as a whole needs to consider what a desirable society is, and then find ways to resolve these problems. If economic activities are to be maintained on this planet with limited resources, every member of society must try to help achieve sustainability. Accordingly, Casio's

aim is to contribute to society through the resolution of social and environmental issues related directly and indirectly to business management, while continuing to provide new value to society, based on its corporate creed of "Creativity and Contribution." Casio will steadily pursue specific initiatives while always thinking originally about the best ways to solve each issue.

Keywords for a sustainable world and Casio's main initiatives

- **Resource recyclability (social and economic activities on a planet with limited resources)**
Reducing daytime power consumption through the use of geothermal electricity and the installation of power storage equipment, etc.
- **Biodiversity (respecting the diversity of species including organisms other than humans)**
Establishing an Environmental Action Plan, and evaluating the entire impact of the business, etc.
- **Fairness across generations (the current generation properly appreciating the legacy of previous generations and passing it on to future generations)**
Setting medium and long-term CO2 reduction targets, and promoting next-generation development and education, etc.
- **Fairness across regions (fairly distributing wealth and assets across regions)**
Being a member of the UN Global Compact, and conducting CSR activities globally, etc.

■ Casio's CSR Platform



Charter of Creativity for Casio and Casio Common Commitment

In 2003, Casio adopted the Charter of Creativity for Casio and Casio Common Commitment, a promise from everyone working at Casio. They are designed to ensure that Casio employees will be aware of the corporate creed at

all times, and act upon it. These promises cover the three key aspects of CSR—economy, environment, and society—as well as the company’s approach to compliance.

Charter of Creativity for Casio

- First Chapter We will value creativity, and ensure that our products meet universal needs*.
- Second Chapter We will strive to be of service to society, providing customers with delight, happiness, and pleasure.
- Third Chapter We will back up our words and actions with trustworthiness and integrity, and work as professionals.

* To create innovative products that everyone needs but no other company has ever produced. At Casio, this is the mission not only of product development, but of every other part of the business.

Membership in the UN Global Compact

Casio products are made through cooperation not just within the Casio Group, but with many other parts and consignment manufacturers. Through global distribution, over 100 million Casio products are being sold each year in 140 countries around the world.

In order for consumers worldwide to purchase Casio products with confidence, the company believes that it must support and adhere to common global principles for sustainable growth for the international community,

beginning with Casio’s global supply chain.

This is why, in December 2010, Casio joined the United Nations Global Compact, and made Casio Group employees thoroughly aware of this. While pursuing specific initiatives for the realization of the Global Compact principles, Casio is also appropriately disclosing progress.



Main stakeholders of the Casio Group

Through ongoing dialogue with various stakeholder groups, Casio is helping to resolve social issues in vari-

ous fields relating to its business activities.

Main Stakeholder Group	Main Casio Group Responsibilities	Main Dialogue Opportunities / Information Disclosure
Customers	Providing appealing, safe, and reliable products Ensuring stable product supply Providing the proper information regarding products Improving customer satisfaction Providing fast and accurate support to customers Properly managing customer information	Daily sales activities Customer Support Center Customer satisfaction surveys Casio’s official website
Suppliers	Fair and equitable transactions Requesting CSR implementation and providing support	Daily procurement activities Holding vendor conferences CSR questionnaires
Shareholders and investors	Timely and appropriate information disclosure Appropriate profit returns	General Meeting of Shareholders Briefings for investors Investor Relations website Issuing financial reports (shareholder newsletter) Responding to CSR questionnaires from socially responsible investors
Employees	Respecting human rights Promoting diversity and inclusion Promoting balance of work and family life Human resource recruitment and utilization Fair evaluation and treatment Industrial health and safety and employee health promotion	Casio intranet Group Workers’ Labor-Management Conference Occupational Safety and Health Committees Career challenge system Internal newsletter
Local communities	Respecting and preserving regional cultures Activities that contribute to local communities Preventing accidents and disasters at sites Providing support to disaster-stricken regions where sites are located	Factory and workplace tours School visit program Internships Employee participation in local community events
Global environment	Environmental consideration in product development Environmentally responsible production activities Complying with environmental laws Protecting biodiversity	

Casio's global management adapts to the culture and environment in each region. At Casio Thailand, where 90% of employees are locally hired, the company has a human resources policy that emphasizes the needs of Thai employees. The company is engaged in a wide range of activities that contribute to and deepen relationships with the local community.

Human resources policy of Casio Thailand and community support

Aiming for management rooted in local communities, Casio Thailand emphasizes human resources development, employee welfare programs and support for the local community. In order to realize these goals, the company has established human resources deployment guidelines and CSR activity policies, and is undertaking various activities accordingly.

● Human resources development and employee welfare programs

Based on its human resources deployment guidelines, Casio Thailand is improving employee welfare programs and providing career development training. Since 90% of its employees are women, the company is creating workplaces that enable staff to balance work and family responsibilities, including setting up a special facility to support breastfeeding mothers.

The company also supports human resources development by offering training programs based on various roles and proficiency levels.

● Supporting the local community

Casio Thailand places importance on improving quality of life in the local community, while contributing to economic and social development that makes local residents self-reliant. Using this CSR activity policy, the company has established guidelines and is carrying out various initiatives.

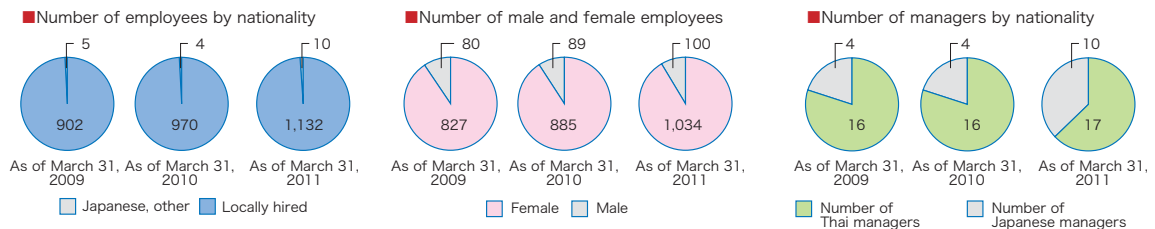
Based on a positive evaluation of the activities and results under this policy, Casio Thailand has received an award from the Thai Ministry of Labour and Social Welfare as an outstanding company in the area of labor relations and employee welfare. The company has received this award for five consecutive years.

The company received high marks in all five evaluation areas for the award: (1) codification of human resources and labor union policies; (2) wage and salary systems; (3) hotline establishment; (4) employee welfare programs; and (5) CSR activities.



Wanna Pakaew
CSR implementation team

Corporate data for Casio Thailand



1 Human resources development and employee welfare programs

Women's social advancement in Thailand is progressing. Because of this, Casio Thailand is putting particular effort into childcare support. The company has various programs such as training and seminars to help employees develop together with the company and build their careers.

Employee welfare program

Creation of a facility to support breastfeeding mothers

About 90% of Casio Thailand employees are women, and each month three to five of them have babies. According to Thai law, female employees are allowed three months maternity leave after giving birth. When they returned to work, however, they were not able to pump and store breast milk during the work day, in order to provide the infant at home with an adequate milk supply.

Therefore, Casio Thailand created an onsite room where mothers can pump and store breast milk. In addition to providing refrigerator space for hygienic milk storage and special storage packages, there is air conditioning and air purification equipment. Consequently, the room has clean air, preventing



Breast milk support room

any viruses and bacteria from getting into the milk during storage.

A special instructor is also available to provide guidance to women during and after pregnancy on how to pump the breast milk and store it safely. A course is also provided to teach pregnant employees about health and nutrition management. In this way, the company is enabling more employees to balance their work and family lives.



Duangdaw Prathumchai
Human Resources Department

Employee feedback

I use the facility in order to have a break and pump a supply of milk to take home. Since the room is very hygienic, I feel confident about taking the milk home to my child. It really helps to relieve breast pain. I feel the company is truly caring for the health of employees and our families.



Natthida Longkrue



Human resources development

Career development and training programs

Casio Thailand has training programs to support the career development of employees. The programs are open to all employees from general staff to managers, and include on-the-job training, lectures and seminars. The programs are divided into proficiency levels for each business area, so that employees can easily improve their skills, step by step.



Lecture

Employees can gain specialized knowledge for their jobs or learn about legal compliance at seminars and lectures given by outside experts or employees with the necessary qualifications and experience. In fiscal 2011, an official from the Ministry of Labor was invited to come and give a seminar entitled "The Latest Safety Laws and Taking Action for Legal Compliance." It was attended by safety committee managers and in-house safety instructors.



Training for factory employees

2 Supporting local communities

With the aim of supporting local communities, Casio is promoting various activities for social contribution and community outreach. The company also provides job hunting support to students and hosts factory tours, in order to contribute towards the revitalization of society through employment.

Donating money and food to monks

In December 2010, monks from a nearby temple were invited to the company to receive a donation of money, rice, other food, medicines, and daily necessities. The temple looks after over 200 poor children and orphans, so they received food and supplies as well.

In the Buddhist country of Thailand, it is considered very commendable to make an offering to the monks, who are a symbol of goodness. Since the monks pray for the happiness and prosperity of those that make offerings, the donors are also grateful for this kind of chance.

Consequently, Casio Thailand employees are pleased by such company donation opportunities. While engaging in charitable activities, the company is also supporting local culture, and giving employees a lot of peace of mind.



Donating money and food to monks

Helping students with job search

Casio Thailand is supporting the job search efforts of students by inviting them to company presentations and factory tours, thereby providing them with opportunities to learn about the company's activities. Due to the impact of a long-running internal dispute in Thailand, there have been very few opportunities for students to receive training at private companies. By providing them with these opportunities, Casio is helping to develop the next generation of citizens in Thailand. These efforts have been recognized by

the Thai Education Ministry, and in 2009 the company received an award for providing good support and learning opportunities to vocational students in outlying areas of Bangkok and southern Thailand.



Students receiving training

Support for flood victims

From mid-October to mid-November 2010, there was widespread flooding in Thailand, resulting in major damage. Fortunately, Casio Thailand did not suffer any damage, but some homes of employees were flooded, and there was damage in the surrounding communities.

Along with donating corporate relief funds, the company also encouraged employees to donate cash or supplies for flood victims. The total funds along with relief supplies, such as food and candles, were sent to the governor of the

affected region for distribution to victims. Casio Thailand employees also participated in the distribution of relief aid, and they delivered relief supplies directly to disaster victims.



Support for disaster victims

Casio's Response to the Great East Japan Earthquake

Casio offers its heartfelt sympathies to everyone affected by the Great East Japan Earthquake of March 11, 2011. Casio would also like to take this opportunity to express gratitude for all the heartfelt support that the people of Japan have received from around the world.

Below is a report on the effects sustained by Casio and its response to the earthquake disaster (as of July 31, 2011).

Status at Casio

Although some of Casio's business sites were damaged, fortunately employees and their families were not harmed, and the group was able to recover quickly. Nevertheless, operations at production sites have slowed slightly as a result of delays in the procurement of parts due to the damage sustained by certain suppliers.

In response, Casio has decentralized suppliers, started manufacturing parts in-house, and taken other measures to get operations back up to speed as soon as possible.

Impact of the Great East Japan Earthquake on Quality

The Great East Japan Earthquake and the subsequent power interruptions have had no impact on the quality of Casio products. The radioactive contamination from the damaged Fukushima Daiichi Nuclear Power Station has had no impact on Casio's production facilities in Yamagata and Yamanashi prefectures. The radiation levels in both prefectures were surveyed by Japan's Ministry of Education, Culture, Sports, Science and Technology, and the readings were below levels harmful to the human body. Casio products are also regularly checked for radiation at production and logistics sites, and their safety has been confirmed.

Special support for customers affected by the disaster

As a support measure for people in areas stricken by the Great East Japan Earthquake, Casio offered to repair Casio brand consumer products at half the usual price for products damaged in municipalities where the Disaster Relief Act was applied. This offer was made available until September 30, 2011.

Relief efforts for the disaster-affected areas

Casio donated a total of 55 million yen in relief funds to Japan Platform in order to help the victims and assist in the recovery effort. The company also matched the donations of its employees with an equal or greater amount. Casio Group employees worldwide donated a total of about 10.57 million yen, which was matched by Casio Computer Co., Ltd., with an additional 22 million yen, for a total of 32.57 million yen. This money was donated to the Japanese Red Cross Society, local governments in the disaster-affected areas (through the Japanese Association of Metal, Machinery, and Manufacturing workers), and Japan Platform.

Casio is also making ongoing donations to the Ashinaga Donation Fund for Children Orphaned by the Great East Japan Earthquake and Tsunami operated by Ashinaga, a non-profit organization, in order to support children who lost their parents in the disaster. In fiscal 2012, Casio donated 5 million yen and will continue to donate 2 million yen per year over 10 years for a total amount of 25 million yen.

All told, donations of aid money from the Casio Group will total 102 million yen.

Additionally, Casio is providing ongoing non-monetary support, including the donation of clocks for temporary housing, digital cameras with hybrid GPS for disaster response headquarters in prefectures and municipalities affected by the disaster, and calculators for schools that lost teaching materials.

Casio is committed to continuing to provide as much support as it can to meet the needs of people in the disaster-affected areas.

Casio's efforts to save electricity

Since the earthquake disaster, Casio has undertaken a number of energy-saving measures such as turning off some lights in offices and billboards, changing air conditioning temperatures, stopping some elevators, and expanding the length of the summertime cool-biz campaign (which encourages people to dress more casually to save on air-conditioning).

In response to the power usage restrictions issued in the summer of 2011 based on Article 27 of Japan's Electricity Business Act, Casio is working to strengthen the above energy-saving measures and making other aggressive efforts to comply with the restrictions, including moving days off from Saturday to Wednesday.

In July, Casio established a system to monitor electricity use at principal sites during working hours via an internal portal, which will help raise the awareness of employees at each business site to remember to save electricity by letting them see how much energy is being used in real time.

Responsibilities to Stakeholders

Customers

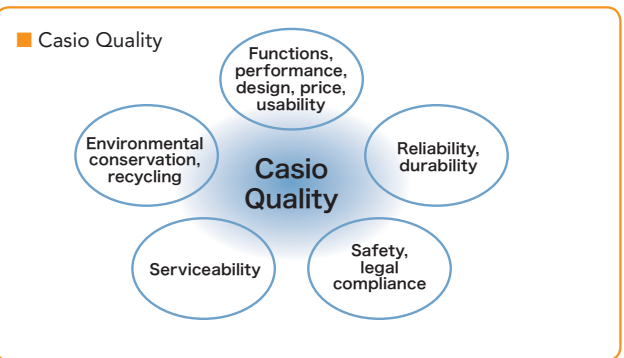
Quality Assurance

In all of its business processes, Casio always takes the customer's perspective and bases its actions on the Principle of the Five "Gens"—in Japanese, *genba* (on site), *genbutsu* (actual goods), *genjitsu* (reality), *genri* (theory) and *gensoku* (rule). Casio focuses on daily improvement in order to provide customers with reliability and peace of mind, and to meet customer demands with speed and integrity.

Quality assurance at Casio

In order to deliver products and services that offer reliability and peace of mind to customers, Casio is constantly working on improvements to pursue the best solution for customers.

Casio believes it is important not only to provide products and services that delight customers, but also to win acceptance from the whole of society and achieve mutual prosperity. Toward this end, Casio Quality includes everything from the quality of individual products, to environmental protection and recycling. The role of quality assurance is to deliver quality that satisfies customers in every possible way.

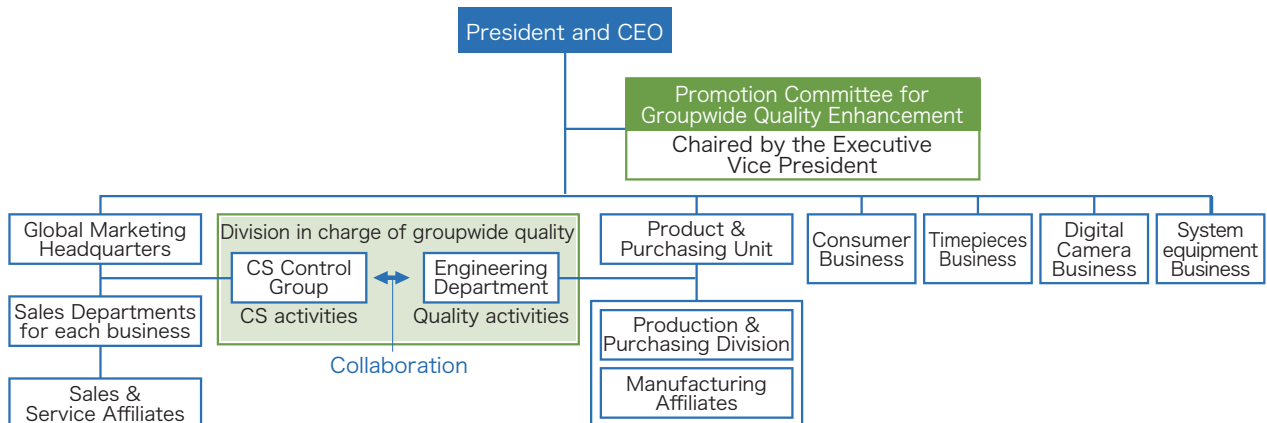


Quality assurance system

In order to carefully maintain and improve Casio Quality, the company has created the quality assurance system shown in the diagram below. Chaired by the Executive Vice President, the Promotion Committee for Groupwide Quality Enhancement meets twice a year. It pursues

activities such as making quality data accessible and easy to understand, and sharing quality information, while passing resolutions on quality policy and measures. The results are used for quality assurance activities in each division.

Quality Assurance Framework



As the division in charge of group-wide quality management, the CS Department (within the Global Marketing Headquarters) has been linked together with the Engineering Department (within the Production & Purchasing Division). By closely connecting the product development and sales teams, Casio is working hard to ensure quality, with the cooperation of all departments, while always pursuing the best solution for customers.

In order to create a common group-wide awareness of “Quality First” being the foundation all operations, strong leadership is essential from top management and those responsible for quality. The Promotion Committee for Group-wide Quality Enhancement implements training to ensure employees understand and are widely aware of

regulations and standards relating to quality and safety, and to learn technology expertise. This includes holding presentations for the improvement of quality management skills.

Moreover, Casio is striving to raise the level of quality initiatives and improve the quality skills of employees, including the holding of in-house seminars given by outside instructors.

Casio’s production plants carry out plan-do-check-act (PDCA) cycles using the ISO 9001 Quality Management System. In order to deliver reliability and peace of mind to customers that use Casio products, Casio employees focus on daily improvement.

■ List of ISO 9001 Certified Sites

Classification	Certified and Registered Sites	Initial Version Registration Date
Development, Production and Service Sites in Japan	Product Solution Unit, System Product Division, Casio Computer Co., Ltd.	June 25, 1994
	Kofu Casio Co., Ltd.	August 1, 1994
	Casio Electronic Manufacturing Co., Ltd.	August 5, 1994
	Yamagata Casio Co., Ltd.	December 16, 1994
	Casio Micronics Co., Ltd.	March 29, 1996
	Casio Techno Co., Ltd.	May 21, 2004
Production Sites outside Japan	Casio (Thailand) Co., Ltd.	October 24, 2000
	Casio Electronic (Shenzhen) Co., Ltd., Guandu Factory	March 22, 2002
	Casio Electronic Technology (Zhongshan) Co., Ltd.	October 26, 2006

Pursuing top quality

Casio’s efforts to achieve premium quality are guided by a clearly articulated Quality Concept and Quality

Management Policies, which provide indices for evaluating all quality initiatives.

Quality Concept

Casio maintains a strong quality assurance system, based on its belief in “Quality First.” This system requires all employees to make quality their first concern in every task they perform, enabling the company to offer products and services that please and impress customers. The company’s commitment to quality supports its corporate growth and makes social contributions possible, while at the same time winning customers’ trust and giving them peace of mind.

Quality Management Policies

- To build a good corporate image, we offer products and services that please and impress our customers, gain their strong trust, and ensure their peace of mind.
- We respond to our customers’ requests and inquiries with sincerity and speed, and reflect their valuable comments in our products and services.
- In all our business processes, we base our actions on the Principle of the Five “Gens”—in Japanese, *genba* (on site), *genbutsu* (actual goods), *genjitsu* (reality), *genri* (theory) and *gensoku* (rule)—and adhere to the basics of business operations.
- We capture and analyze quality assurance activities quantitatively, using reliable data, and use the analysis to make continuous improvements. We also maintain a quality information system that enables the sharing of quality information and prevention of problems before they occur, and prevents recurrence of quality problems.

▶▶ Raising Customer Satisfaction

Casio believes customer satisfaction can always go up, and is strengthening its three main customer satisfaction initiatives.

Raising Customer Satisfaction

In order to improve customer satisfaction (CS), in fiscal 2009, Casio began strengthening its initiatives for the three main CS activities listed below. The company is working to incorporate the voice of the customer more than ever before in the creation of even better products.

After-sales CS: Responding to customer requests and inquiries with service that is fast, accurate, and polite

Functional CS: Striving to create value and product functionality that leads to customer satisfaction

Quality CS: Working to strengthen product quality to assure customer satisfaction

Under these three main CS activities, Casio is investing in programs to improve product knowledge, repair technique, and customer service skills. With regard to after-sales CS activities, in fiscal 2011 Casio established its own survey method, recognizing the importance of continually ascertaining customer satisfaction levels.

Casio is also working hard to ensure that customer feedback is always delivered to the relevant departments, and that unified improvement measures are taken by those departments. The company is also working to ensure continual enhancement of product functions (functional CS), through daily efforts such as research into various industry-leading technologies.

Casio gathers and analyzes the details of customer inquiries regarding product quality, and strives to rapidly detect and respond to any problems.

Going beyond universal design to human-centered design

Casio works to develop products using human-centered design (HCD) in conformity with ISO 13407 processes, with the objective of improving product ease of use as part of the product's overall quality. In the HCD process, Casio seeks optimal ease of use by determining important issues from customer feedback and observation of product use in real-world situations. Through repeated evaluation and verification, Casio works to develop highly desirable products.

In fiscal 2011, Casio made its multi-function chronograph watches even easier to use. During the development of the OCW-T1000, issues with the complicated operations necessary for function setting were identified in the HCD process, and a new electronic crown was developed that enables more intuitive operation. In addition to the straightforward setting of the watch hands

by turning the crown, the user can now easily switch between different functions just by pressing the crown like a button. This has dramatically improved watch usability.



Casio's UD log



OCW-T1000

Ensuring customer satisfaction

Customer feedback is essential information for product improvement, and Casio regularly conducts customer satisfaction surveys. While also referencing customer

comments received by the Customer Support Center, Casio is striving to develop even better products and improve the level of customer satisfaction.

TOPICS

First in the Industry to Offer Indian Digit Grouping

Although inserting a punctuation mark after every third digit is the standard way to write long numbers internationally, in India, a comma is usually inserted after the thousand position, and then after every subsequent two digits (i.e. hundred thousand, ten million, etc.). Also, the Indian "comma" appears above the numbers rather than below. Casio was the first company to introduce a calculator that adopts this regional custom. The

calculator was developed based on the idea of Casio staff in India, and consumer appreciation of the product is steadily growing. Of course, the calculator can also display numbers using three-digit grouping, and even in the European format with a decimal comma instead of a decimal point. Casio excels at providing products that are tailored to meet consumer needs.



MJ-120D



Calculator with Indian Digit Grouping

TOPICS

Holding regular Global Teachers Meetings

The Global Teachers Meeting 2010 was held at the Hamura R&D Center and the Hatsudai Headquarters from August 23 to 25, 2010. Nine teachers passionate about mathematics education were invited from the US, Germany, France, Australia, and Norway. The meeting has been held regularly since 2007, in order to obtain product feedback from teachers living in different parts of the world, and contribute to the development of mathematics education in classrooms.

The main theme of this year's meeting was the perfection of the color graphing scientific calculator, planned for worldwide launch in 2011. There was a lively exchange of opinions based on the needs of actual classrooms. These opinions were immediately examined by the product development team, and the final product was improved to enable a deeper understanding of the relationship between mathematics and events in daily life. Improvements included the color coding of corresponding data on graphs, which was hard to follow on previous graphing models, and the layering of graphs on top of real-life images.



Applied feedback example

Color-coded, nested sets of brackets help prevent student errors and increase their understanding

Conventional model fx-9860G
It is difficult to distinguish individual sets of brackets.

$$(3(4-(3-(1+(2+(2+3)))))+1)=30$$

$$(3(4-(3-(1+(2+(2+3)))))+1)=24$$
 If the brackets are input incorrectly, the answer will be wrong.

Color graphing model
The bracket sets are automatically color coded during input to prevent error.
 User input is the same
 Color coding is activated only in input mode

$$3(4-(3-(1+(2+(2+3)))))+1$$

$$2(1+(3+(5+4)/(6-(2+1))))$$

Confirming data and charts
Relation between latitude and GDP

Adding color coding to a chart
Country with the highest GDP

Various charts can be created with the same information
(Corresponding data in different graphs and charts can be identified by color)
Level differences are clear in a bar chart
Numbers above the average value are in red
Relationship between the average value and the data is clear

Data from the table can be easily matched to the chart
(The relationship between the data and the chart can be easily seen for students just starting to learn statistics)

	GDP	A	B	C	D
S	DEU	404	40974	62,524	
R	FRA	490	42747	48,853	
L	GBR	486	35334	51,509	
I	NOR	490	7809	69,914	
I	RUS	478	8803	43,125	

A11: 211
Special function for education not found in Excel

▶▶ Customer Support Center Activities and Customer Feedback Utilization

Aiming to build enduring relationships of trust with customers, Casio values customer communication and incorporates the voice of the customer into its efforts to improve products and services.

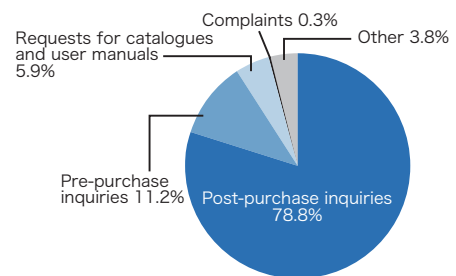
Customer Support Center activities

In order to promote long-lasting relationships of trust with customers, the Customer Support Center responds to customer inquiries with service that is fast, accurate, polite, and sincere. The center strives to resolve any issues customers may have.

Casio is working to expand its training programs for improving the primary skills of customer support staff, including technical, communication, and writing skills. These abilities are required every day to properly provide customers with the useful information that they need. The Customer Support Center also aims for the fast and accurate resolution of customer inquiries by standardizing customer response procedures in writing.

Customer inquiries and complaints are welcomed as important customer feedback. After analyzing the content of this feedback, the relevant departments and the Center work together to implement improvement measures, and these efforts help to improve customer satisfaction for Casio products and services.

■ Breakdown of Customer Inquiries (Fiscal 2011)



Customer Support Center

▶▶ Providing Support Information/Repair Service

Casio is improving its system for providing product support information, as well as the service skills of its staff, to ensure customer satisfaction and peace of mind.

Online support sites

Casio has customer support websites for various regions around the world, offering customers convenient access to information 24 hours a day, 365 days a year. In order to ensure that customers can use Casio products with confidence and peace of mind, these websites provide product operation, repair and other support information that customers may need. In fiscal 2011, the Japanese Casio website was improved so that customers can now look up product repair costs on their own just by entering the model and symptom. For some products, customers can also make a repair request

online. In this way, Casio continues to improve customer convenience.

Casio continues to monitor and analyze the traffic at each of its websites. The company is working to improve and expand its online support sites so that customers can get the information they need before having to call a customer support center.

Support
<http://www.casio-intl.com/support/>

Repair service

Casio's service departments, which are responsible for product repairs, strive to satisfy customers by providing after-sales service that fulfills three commitments: reliable technology, prompt response, and reasonable fees. Each year, Casio conducts its own customer satisfaction surveys concerning after-sales service. The findings are used in ongoing improvement activities.

Reliable technology

Casio's service departments are working to improve their repair technology, product knowledge, and customer service skills (through training programs and in-house competitions, for example) in order to maintain customer confidence and realize the kind of service quality that customers expect. In fiscal 2010, Casio holds technical contests where representatives from Casio sites across Japan compete. These events have produced many outstanding engineers.

Since fiscal 2002, Casio Techno Co., Ltd., which handles repair of Casio products, has been encouraging its employees to obtain formal qualifications. In fiscal 2011, the company revised its human resources development system with reference to the ITSS career framework, and set up four levels of recommended qualifications according to job types. At the same time, it added ".com Master" to the recommended qualifications, which involves systematically learning basic Internet knowledge.

It is now a mandatory qualification for all employees. Moreover, individual departments have their own systems of upper level qualifications. Casio Techno is encouraging its employees to obtain formal technical and other qualifications as part of its human resources development.



Technical contest

Prompt response

Casio's service departments are taking steps to improve operations by focusing on parts procurement, the repair system, and repair technology, so as to shorten repair time and return repaired products to customers as quickly as possible. The reception counters at some service centers offer quick service for the repair of digital cameras and watch battery replacement within about 60 minutes. Casio also offers an online pick-up repair service that enables customers who do not have the

time to bring in a broken digital camera, electronic dictionary, or watch to a service center or the retailer to arrange the repair through an online repair request system. In fiscal 2011, the online request page for digital camera repair was completely redesigned. Fees for the pick-up repair service were also cut by 50% or more, thereby further improving convenience for busy customers.

Reasonable fees

Casio is striving to ensure reasonable repair fees by controlling costs through the improvement of methods for repair and parts procurement. The company has created a fee structure based on fixed prices that are easy for customers to understand. In fiscal 2011, Casio carried out analysis of digital camera repair costs in the

market and at other companies, and revised its fees to ensure even greater customer satisfaction. Going forward, Casio will continue to meet customer needs, reduce costs and provide services that are a good value for repair fees.

Suppliers

▶▶ Strong partnerships with suppliers

Casio procures various materials from a large number of suppliers in and outside Japan. In order to develop long-term business relationships based on its Procurement Policies, Casio is working to strengthen CSR activities across its entire supply chain, while improving measures for proper transactions.

Socially responsible procurement at Casio

Casio has established Procurement Policies in order to execute its social responsibility to conduct fair and equitable transactions throughout the supply chain. The policies cover matters including legal compliance, respecting human rights, labor, safety, and health, as well as environmental protection such as biodiversity

preservation and risk control of chemical contents and information security. Casio constantly improves its socially responsible procurement by obtaining the understanding and support of suppliers for the policies and building strong partnerships.

■ Procurement Policies

Casio aims to fulfill its social responsibilities, including compliance with relevant laws and social norms, and protection of the environment, through fair and equitable transactions throughout the supply chain by strengthening partnership with suppliers.

1. Fair and equitable transactions

Casio carries out fair and equitable transactions by providing equal opportunities to all suppliers (and candidates) in and outside Japan in accordance with its internally established procedures.

2. Compliance with laws and social norms

Casio's procurement activities comply with all relevant laws, social norms, standards and treaties worldwide, including the protection of human rights, the prohibition of child labor, forced labor and discrimination, and respect for freedom of association, the right to associate, and the right to collective bargaining, as well as ensure that absolutely no contact is made with organized criminal elements. Therefore, Casio requires its suppliers to observe the same legal and social requirements.

3. Environmental protection

Casio helps to protect the global environment through environmentally friendly procurement, which is based on the Casio Environmental Vision and Casio's Environmental Declaration, in cooperation with suppliers.

4. Strengthening partnership with suppliers

Casio builds up relationship of trust with its suppliers

through reciprocal efforts, such as merging and complementing mutual technological development abilities, supply chain cooperation, compliance with laws and social norms and protection of the global environment, which will benefit both parties.

5. Policies on supplier selection and transaction continuation

Casio initiates and continues transactions with suppliers based on comprehensive evaluation criteria, which include compliance with laws and social norms, environmental protection, proper information security, respect for intellectual property, sound and stable corporate management, superior technological development ability, right price and quality, stable supply capabilities and electronic transaction systems.

6. Securing right price and quality

Casio endeavors to secure right price and quality in order to provide its customers with stable supply of optimal products, which ensures that Casio gains the full confidence of customers around the world.

7. Prohibition of personal-interest relationships

Casio does not allow any employees to have personal-interest relationships with any suppliers.

Fulfilling social responsibilities together with suppliers

In order to ensure compliance with the Procurement Policies together with its suppliers, Casio has established the Supplier Guidelines. All of Casio's suppliers in Japan and elsewhere have agreed to these guidelines to

help Casio fulfill its social responsibilities.

Casio is also managing its supply chain more successfully by introducing a regular monitoring system that ensures that these guidelines are properly fulfilled.

Disseminating supplier guidelines

Over 80% of Casio's production activities are in China and ASEAN. Every year, Casio holds briefings on its Procurement Policies in Southern China and Thailand.

In the past, these briefings simply involved Casio explaining its business policies to suppliers and asking them to undertake initiatives. Starting in fiscal 2010 however, Casio is using these briefings as an opportunity for interaction, for instance, by having a selected supplier present its own exemplary CSR initiatives. Through joint efforts with suppliers, Casio is aiming for continued improvement in the level of CSR performance.

More recently, Casio asked suppliers whose sites it had audited for CSR performance to present examples of their efforts to improve CSR activities. It is proving highly effective to share case studies and know-how when addressing CSR issues.



Briefing on Procurement Policies



Award ceremony at the Procurement Policies briefing



Presentation of exemplary CSR implementation and improvement by a supplier

Comprehensive management of CSR performance

In fiscal 2008, Casio started conducting a questionnaire survey* of principal suppliers in Japan on CSR performance in order to confirm the status of CSR procurement. In fiscal 2010, the survey was expanded to include suppliers in China and Thailand. Additionally, starting in fiscal 2010, Casio has been evaluating suppliers in Japan based on a five-point scoring system for all 340 items in the *Supply-Chain CSR Deployment Guidebook* published by the Japan Electronics and Information Technology Industries Association (JEITA), in an effort to gain a better grasp of and visualize the situation.

In fiscal 2011, Casio again conducted a questionnaire survey of suppliers in and outside Japan. The results were sent back to all suppliers, along with information on Casio's approach and goals for CSR procurement, to help support suppliers' improvement efforts.

After the questionnaire survey was conducted, implementation audits of major suppliers in China (three companies) and Thailand (two companies) were carried out with local staff members of the CSR promotion project launched at overseas sites. During these audits, opinions were exchanged with suppliers' managers and commitments received from them to make new developments, including improvement efforts in the next fiscal year, by deepening their understanding of CSR performance.

In Japan, the questionnaire response rate (95%) greatly exceeded the rate for the previous year (85%), providing assurance that understanding of and concern for CSR is increasing. Moreover, Casio visited suppliers who are passionate about CSR initiatives and held discussion meetings aimed at solving future issues with a view toward creating good partnerships within the industry.

* The questionnaire was prepared in accordance with a Supplier Checklist for CSR Procurement based upon the Guidebook for Supply Chain Implementation of CSR Procurement published by the Japan Electronics and Information Technology Industries Association (JEITA). It covered: (1) human rights and labor conditions; (2) health and safety; (3) the environment; (4) fair transactions and ethics; (5) quality and consumer safety; (6) information security; and (7) social contribution.

Supplier Message

ROHM Co., Ltd., takes an active approach to CSR implementation based on the ROHM Group Business Conduct Guidelines.

We support Casio's Procurement Policies, and will strive to fulfill and maintain the CSR performance items requested by Casio.



Hiromitsu Koizumi
East Sales Unit 3
West Tokyo Sales Team
ROHM Co., Ltd.

Improving CSR across the supply chain



Shareholders and Investors

▶▶ Proper Shareholder Return and Information Disclosure

Casio discloses information promptly and fairly to shareholders and investors, and always strives to increase shareholder returns.

Basic policy for shareholder returns

Casio considers the maintenance and expansion of returns for all of its shareholders an important management issue, and constantly strives to improve its business performance and financial structure. The company's dividend policy calls for maintaining stable dividends, and Casio determines the allocation of profit

by taking into account all factors such as profit levels, financial position, the dividend payout ratio, and future business development and forecasts.

Considering the above policy and forecasts for fiscal 2012, Casio paid dividends of ¥17 per share in fiscal 2011.

SRI listings Basic policy for shareholder returns

As of June 2011, Casio was included in the Morningstar Socially Responsible Investment Index, based on an evaluation of its proactive CSR initiatives.



Communication with shareholders and investors

IR events

Every quarter, Casio holds a financial results briefing for institutional investors and securities analysts on the same day that the company announces its results. The president or the director responsible for investor relations is the main speaker at these briefings, and explains the financial results and forecasts. Casio also holds meetings with institutional investors and analysts worldwide, while occasionally providing factory tours and small on-the-spot meetings for investors interested in specific business areas.

Improving IR publications

To provide IR information for shareholders and investors, the company issues an *Annual Report*, semiannual business reports (Japanese only), and quarterly Consolidated Financial Results. Casio's Investor Relations web-

site also features these publications and other IR information. Casio also periodically redesigns its Investor Relations site to reflect market changes and make the information more accessible and useful.

Reaching out to individual shareholders and investors

Casio is carrying out various initiatives in order to deepen the understanding individual investors and shareholders have of its business. Following the General Meeting of Shareholders, a management briefing was held, showing clips introducing Casio's core products and explaining key businesses using images. On the Japanese Investor Relations website, a section was added specifically for individual investors in an effort to make information disclosure clearer.



Results Briefing



Website for individual investors

Employees

▶▶▶ Human Rights (Respect for Human Rights, Prohibition of Discrimination)

In addition to participating in the UN Global Compact, Casio has spelled out its strong commitment to human rights in the Casio Group Code of Conduct, which is being thoroughly implemented throughout the group.

Policy concerning respect for human rights and prohibition of discrimination / expanding awareness

The Casio Group Code of Conduct mandates that the Casio Group complies with all laws, respects all fundamental human rights, will not engage in any form of discrimination, and will not use or permit any form of child or forced labor. The Code of Conduct also stipulates that Casio will respect the diversity of individuals and their unique personalities, will not engage in any acts that ignore individuality, including discrimination based on gender, creed, religion, ethnicity, social status, physical disability, or any other discriminator, and will not permit acts of violence, sexual harassment, or power harassment.

Casio shares the Code of Conduct with group companies in and outside Japan and attempts to ensure it is thoroughly understood in order to expand awareness of these human rights. Additionally, Casio Computer Co., Ltd., provides human rights education at training sessions given to new hires and employees before and after promotion and appointment to managerial positions.

In keeping with its participation in the UN Global Compact, which it joined in December 2010, Casio will continue to carry out its business operations with full consideration for human rights.

▶▶▶ Building Workplaces for a Diverse Workforce

Casio respects the human rights of every individual, and strives to continually expand the creation of employment opportunities for people, regardless of their gender or any disabilities they may have.

Policy on respect for human resources diversity

The Casio Group Code of Conduct states that "we will respect all fundamental human rights." In line with this

policy, Casio is working to create workplaces that truly respect diversity.

Initiatives to enhance the role of female employees

By promoting environments and systems that enable employees to further demonstrate their abilities, Casio is developing a greater number of professional employees, with the aim of raising productivity for the entire company. As part of these efforts, Casio created a Working Group for Female Employee Advancement in April 2008, and has been actively encouraging its activities.

Focusing on changing both employee mindset and behavior, Casio held a seminar for female employees and managers to encourage women's active involvement. The seminar created an opportunity for women and their supervisors to think about how to make the most of female employees' enthusiasm for work and channel it into fulfilling careers. Lectures by outside instructors as well as exchanges of opinions and information among the female employees helped the women gain insight about their career plans and get new ideas about how to approach their work.

Additionally, starting in fiscal 2011, Casio has been intro-

ducing female employees who are active within the company on a section of its intranet entitled "Interviews with Inspired Casio Women." This is helping employees share information among each other and raise motivation.

From here on Casio will continue to actively and effectively take actions aimed at building a corporate culture that fully supports the job satisfaction and career advancement of women.



At a meeting of the Working Group for Female Employee Advancement

Initiatives for hiring persons with disabilities

Casio hires people who display creativity and have the desire to work and take on challenges, regardless of any disabilities they may have. The company is creating workplace environments that allow every individual to display their full abilities and aptitudes.

The percentage of the workforce with disabilities in the Casio Group is 1.86%, higher than Japan's legally mandated rate.

■ Percent of workforce with disabilities

	As of April 1, 2009	As of April 1, 2010	As of April 1, 2011
Casio Computer Co., Ltd	1.83%	1.93%	1.93%
Group companies in Japan	1.52%	1.60%	1.80%
Average for consolidated group companies in Japan	1.67%	1.76%	1.86%

Encouraging the hiring of seniors / supporting the lives and employment of seniors

For seniors, Casio has introduced a Casio Senior Staff Program and a Senior Employee Program at all group companies in Japan. The purpose of these programs is to provide retirement-age employees with employment opportunities, and to effectively utilize the skills and know-how that these individuals have accumulated over the course of their careers. The system enables employees that wish to work past the age of retirement to continue using their career skills and expertise within the Casio group.

Each year, Casio holds Life Planning Seminars for employees who have just reached age 53 or age 58. The seminars cover topics such as the pension system, as well as living costs, taxes, and health after retirement. This provides participants with an awareness of these issues while they are still working, and helps them plan their post-retirement lives. Taught by an outside instructor,

the seminars also provide financial information including details on the costs required to sustain full retirement. These learning opportunities have been well received by participants.



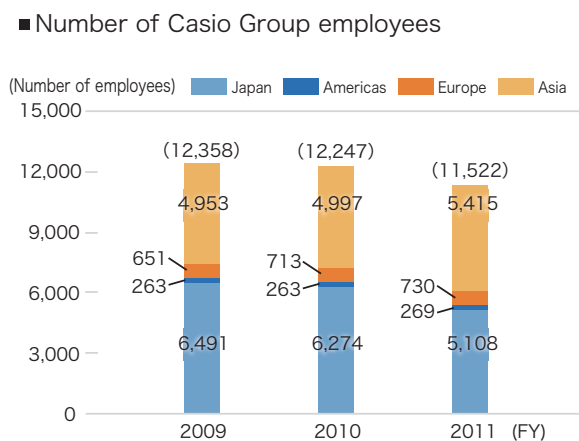
Life Planning Seminars

Prioritizing local hiring and promotion at subsidiaries outside Japan

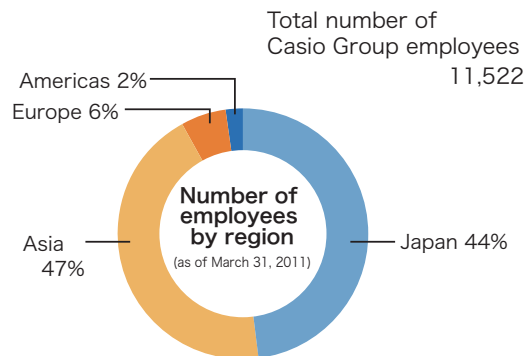
Along with the globalization of its operations, Casio is actively pursuing local hiring at its sites outside Japan. The aim is to promote management that is responsive to

local conditions in each country, as a truly global company. This is being done not just in manufacturing, but also in various other fields.

■ Number of Casio Group employees



■ Casio Group employees by region (FY2011)



* This includes only regular employees.

▶▶▶ Creating Supportive Workplaces

Casio creates work environments and systems that enable all employees to demonstrate their full potential.

Initiatives to help employees balance work and family life

Casio is working to build a supportive work environment that permits all employees to fulfill their job responsibilities and demonstrate their full potential on the job. Casio aims to be a place where people can achieve their desires for their own lifestyles and life stages. As part of this effort, Casio has set up a Special Committee on Measures to Aid the Nurturing of the Next Generation of Children. Through the exchange of information between the company and union, and while also considering the opinions of employees, the committee is working to build an employee support system that adjusts work schedules for family responsibilities such as child and

■ Number of employees taking childcare leave / returning from childcare leave (Casio Computer Co., Ltd.)

	FY2009	FY2010	FY2011
Number of employees taking childcare leave	26	32	30
Number of employees returning from childcare leave	25	31	30
Return rate	96.2%	96.9%	100.0%

nursing care. Casio's programs for child care support surpass legal requirements in Japan. During the three-year period from fiscal 2008 through 2010, over 90% of the eligible women at Casio Computer Co., Ltd., took childcare leave in connection with childbirth.

As a result of these initiatives, in July 2009, the Japanese Ministry of Health, Labour and Welfare granted Casio the Kurumin mark for helping to foster the next generation. This certification recognizes Casio as a company that actively supports employees' efforts to balance their work and family lives.



Kurumin mark for helping to foster the next generation



Discussion meeting on work-life balance

Main employee leave programs

Program	Description
Vacation Day Accumulation	Employees can accumulate a maximum of 30 unused vacation days to carry over to the following year, but which will expire at the end of that year. The leave days can be used if the employee gets sick or injured, or in order to care for a family member.
Refresh Leave	This program grants five days of leave for every 10 years worked.
Childcare Leave	An employee can take this leave until the day before the child turns one year and six months, or until March 31 after the child turns one. The employee can also reduce working hours, up to two hours per day, from the time that the employee returns to work until the child completes grade three of elementary school.
Nursing Care Leave	An employee can obtain up to one year of nursing care leave per eligible family member. After that, the employee can also reduce working hours, up to two hours per day, as long as the reason for nursing care leave continues.
Re-employment of Employees that Retire for Childcare or Nursing Care Reasons	This program enables the re-hiring of employees that retire in order to give birth, care for a child, or care for a family member, when they are ready to come back to work.
Child Nursing Care Leave	An employee with a child that has not yet completed grade three of elementary school, can take up to five days off per year (or ten days when there are two or more eligible children) in order to care for the child when sick or injured, or in order to take the child for vaccinations or medical appointments.
Hourly Leave	Employees can take their annual paid leave in hourly increments, for a maximum of five days per year.

Response to the Great East Japan Earthquake

Vacation Day Accumulation: Earthquake exceptional measures
Casio made accumulated vacation days usable in the following situations as a measure in response to the earthquake disaster. Furthermore, in this case, accumulated vacation days were allowed to be taken even if all of an employee's annual paid vacation had not been used yet. (Usually, accumulated vacation days cannot be taken until all annual paid vacation days have been used.)

(1) When an employee or his/her family was afflicted by the disaster and the employee's help was needed to evacuate from the area or for recovery

(2) When an employee intended to serve as a volunteer supporting the disaster-affected area

Work structure in response to scheduled blackouts

In response to scheduled blackouts during working hours implemented as a result of the earthquake disaster, Casio introduced a staggered time schedule including 1-2 hour flexes in addition to the usual work system as a temporary measure in order to make the most efficient use of time so that work would not back up and development lag behind in each department.

Effectively appointing and deploying employees

Casio works to maintain a healthy corporate culture where fairness is valued in all promotion decisions. The company uses a merit-driven system combined with a performance-based approach to evaluate employees and determine compensation.

Policy for fair evaluation and compensation

Based firmly on a foundation of fairness, Casio aims to continuously improve its human resource system in light of changes in the social environment. Within that system, the present basic human resources policy combines a role-based system that grades individual employees based on the extent of their roles with a performance-based approach to evaluation and compensation based mainly on outcomes of job performance

within their roles.

In addition to the above policy, Casio will place a premium on the six points of view listed below as it pushes ahead with innovative personnel measures. By taking this approach, Casio aims to strike the optimal balance between the growth and revitalization of society and the expansion and growth of the company.

- Respect of will: Grant significance to the individual's will and intentions
- Human resources development: Create opportunities for the acquisition of knowledge and skills needed in work
- Significance of abilities: Grant significance to abilities demonstrated through work
- Right person for the right job: Reflect individual wishes in job requests
- Priority distribution: Distribute limited management resources as efficiently as possible
- Stable employment: Strive to create workplaces where employees can work according to their abilities

Education for fair evaluation and compensation

Casio provides newly appointed managers with evaluator training in an effort to improve their evaluation, leadership, and interviewing skills. Additionally, all managers are evaluated by their colleagues and subordinates about once every three years. The results are fed back

to managers during training sessions to encourage continual improvement. An overview of the evaluation and compensation system is posted on the company intranet to keep all employees thoroughly informed about this system.

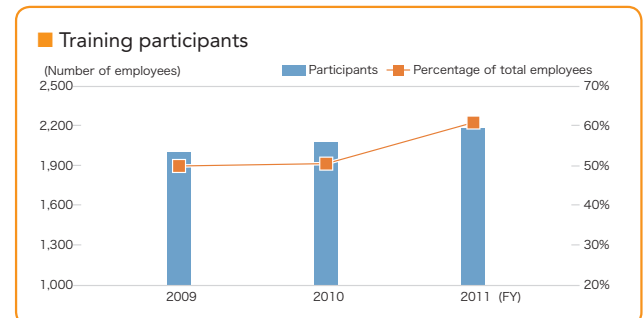
Overview of human resource development

Casio has various human resource development programs designed to develop creative employees who are eager to take on challenges and to train professionals with early tracking into specialized fields.

Casio aims to develop professionals in the form of strategic generalists who pass on the company's corporate culture, and technical specialists who pass on the company's unique technology and know-how. For this purpose, based on the convictions that people grow through their work and that the source of growth is personal motivation, Casio helps employees improve their skills by providing environments that enable them to overcome challenges through personal determination and effort.

Accordingly, the company emphasizes on-the-job (OJT) training to improve practical skills, complemented

by off-the-job (off-JT) training to provide theoretical knowledge. In recent years, the training system has been improved to ensure even more effective, efficient skill development via a broader choice of training courses.



Main human resource development programs

● Career Challenge System

This system lets employees periodically register their careers, skills, and personal challenges with the company, and serves as an important reference for assisting managers to determine policies on developing their subordinates and future placement planning.

● Career Challenge: Advanced

This program preferentially places employees who have been in their current career position for a rather long time and hope to challenge themselves to pursue work environments and careers that require new skills, for the objective of self-improvement and making further contributions to the company, in their desired divisions, if their desires meet the needs of the new department.

● Group-wide Job Posting System

This system seeks to satisfy both the company's business needs and employees' career paths, and is a program for priority placement of suitable people, based on selection of candidates for jobs which the company offers. It is operated jointly with other Casio group companies.

● New Employee Training, Follow-up Training, Career Development Training

Training for young employees becomes a place for learning the basics of being a Casio employee, and offers opportunities for employees to consider their own career paths, with training for new entrants as well as one-year and three-year employees.

● Skill Selective Training

The training targets all regular employees, for the objective of effectively and efficiently acquiring diverse skills required for work operations, in a training program that allows employees to select from a large variety of training courses.

● Techno Power

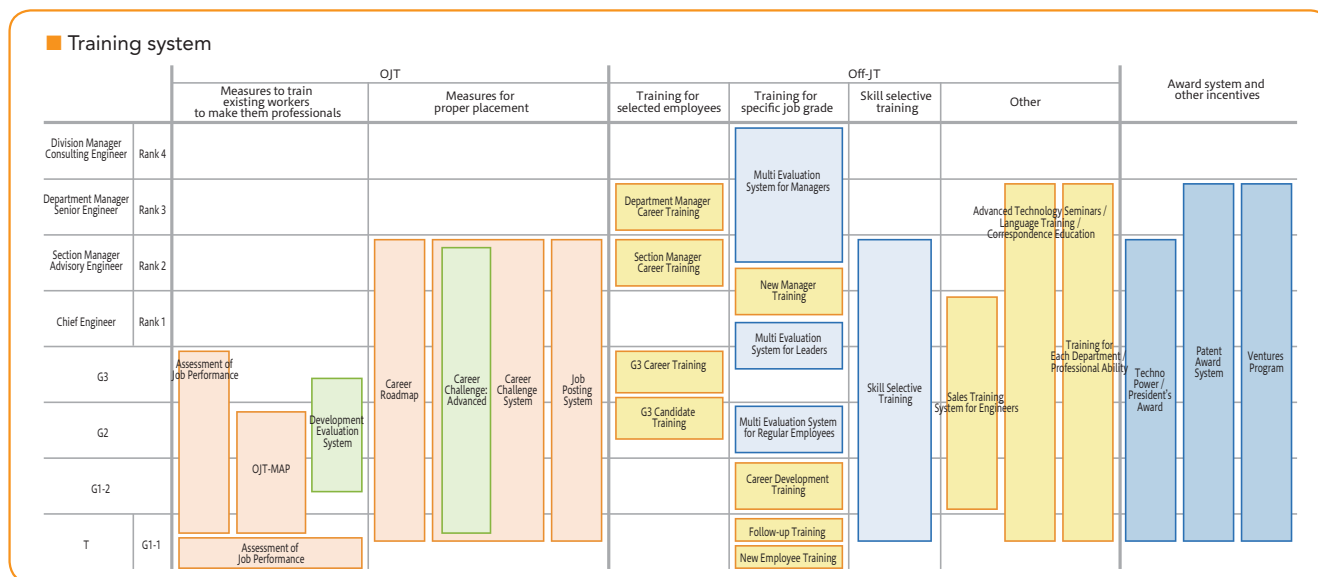
This is a technology exhibition held annually for the objective of stimulating engineers, and of sharing and accumulating technology, serving as a place for recognizing technology superiority, patentability, completeness, and other in-house advanced technology.

● Advanced Technology Seminars

These are in-house seminars mainly targeting engineers, using case studies of innovators at other companies who were able to develop revolutionary new manufacturing methods and create new businesses, for the objective of understanding advanced technology trends and of fostering a development mindset and the will to take on challenges.

● Intrapreneurship Program

Casio established its Intrapreneurship Program in April 2010 to foster the desire to take on challenges and expand opportunities for new business development. The program allows individual employees to make their own business proposals to top management. Those employees whose proposals are approved as management themes become the project leaders, and then work to realize the goals they proposed.



Right person for the right job

The Career Challenge System, Career Challenge: Advanced System, and Job Posting System are offered every year, and the company strives to place the right people in the right jobs by valuing employees' intentions.

Additionally, career interviews are conducted with those who desire one and support provided as appropriate when employees consider their career direction.

▶▶▶ Initiatives for Health and Safety

Casio undertakes various measures to maintain and enhance the health of all employees and prevent occupational injuries.

Approach and policies

Based on Japan's Industrial Safety and Health Act, various other legal requirements, and Casio's employment regulations, the entire Casio Group is dedicated to building an environment which ensures that all employees can work with peace of mind. Casio strives to maintain

and enhance employee health and to prevent occupational injuries and eliminate any chance of recurrence if one does occur. Similar measures have been adopted at group companies outside Japan in compliance with each nation's laws and regulations.

Occupational health and safety activities

Casio has established Occupational Safety and Health Committees in all of its business locations. The committees' industrial physicians, occupational health managers, and labor and management representatives design and implement policies tailored to each workplace, doing

all they can to keep employees physically and mentally healthy and to ensure occupational safety. Committee activities are reported to employees via the intranet. Casio also runs campaigns to raise employee awareness about occupational safety and health.

Initiatives for managing and promoting employee health

Casio goes beyond employee health management. It also seeks, by taking active measures to promote better health, to improve employee motivation and raise productivity.

Employees receive regular health checks that are more thorough than legally mandated, in order to maintain and enhance their health and to help prevent lifestyle-related diseases. An increased number of industrial physicians have been stationed at principal Casio sites, and careful health management activities are being carried out, including offering health guidance to employees after their regular health checks.

In the effort to prevent lifestyle-related illnesses, Casio is promoting initiatives that focus on exercise and healthy eating. From September to November every year, Casio holds a Walking Campaign at its sites across Japan: 2,809 people participated in fiscal 2011. In this way, Casio is providing opportunities for employees and their families to improve their health through exercise.

The employee cafeterias provide healthy menu choices

featuring a balance of calories and nutrition. Wellness Fairs are also held at all Casio cafeterias. Casio holds "employee cafeteria conferences" attended by the employees and medical staff of company sites as well as those who run its cafeterias. The purpose of the meetings is to report and share information on conditions and initiatives in different regions, in order to create menus that meet needs and develop recommendations for improving employee health.



Healthy menu selections in the cafeteria

Initiative to prevent working long hours

Casio is carrying out an initiative to prevent the damaging health effects to the brain or heart which can be caused by accumulated fatigue due to long working hours. In order to ensure proper work schedules, all employees that work 80 hours or more of overtime in a month must be interviewed by an industrial physician. The physician then checks the employee's health condition,

and provides the person with advice and guidance. In this way, Casio is working to prevent health problems from overwork, and to ensure employees observe appropriate working hours. Going forward, Casio will keep working to transform the employee mindset, encouraging the adoption of more productive working styles.

Mental health care initiatives

Casio has established a mental health education system to support the mental health of its employees.

As part of this system, Casio Computer Co., Ltd., has initiated an e-Learning Program, a Self-Checkup, and a Stress Test by Organization for all its employees. A separate e-Learning Program and a Program for Managers have also been created for those in leadership positions. All of these programs are designed to improve awareness of mental health issues.

In addition, Casio has an in-house mental health physician and an external Physical and Mental Health Hotline in place to offer counseling in and outside the company.

In fiscal 2011, Casio prepared to establish the same kind of support system for group companies in Japan, in order to ensure that all group employees can perform their jobs in good health.

Quit smoking campaign

Under Japan's Health Promotion Act that came into effect in 2003, smoking is prohibited in all company buildings. Starting in fiscal 2011, Casio and its Health Insur-

ance Association have been cooperating in the implementation of a concrete Quit Smoking Encouragement Program that uses stop smoking aid products.

Safety initiatives

Casio is committed to the goal of zero occupational injuries and operates regular safety programs with the aim of maintaining an accident-free record at all Casio work sites.

In addition, each site and group company conducts

fire and disaster prevention/evacuation drills, as well as general lifesaving classes to ensure emergency preparedness. The company has made good progress on equipping worksites with automatic external defibrillators (AEDs) and other emergency equipment.

■ Occupational injuries at Casio Computer Co., Ltd. (in the last five years)

(FY)	Injury frequency rate*1		Injury severity rate*2	
	Casio	Manufacturers	Casio	Manufacturers
FY2007 (Jan.–Dec. 2006)	1.11	1.02	0.027	0.110
FY2008 (Jan.–Dec. 2007)	0.33	1.09	0.004	0.100
FY2009 (Jan.–Dec. 2008)	0.51	1.12	0.005	0.100
FY2010 (Jan.–Dec. 2009)	0.19	0.99	0.001	0.080
FY2011 (Jan.–Dec. 2010)	0.20	0.98	0.001	0.090

*1 Number of deaths and injuries, per 1 million actual cumulative working hours, resulting from occupational accidents.

*2 Work days lost per 1,000 actual cumulative working hours; indicates accident severity

* The term "occupational injuries" here includes injuries or illnesses (requiring at least 1 day off work) and deaths of workers in connection with the performance of their jobs.

Local Communities

▶▶ Social Contribution Activities

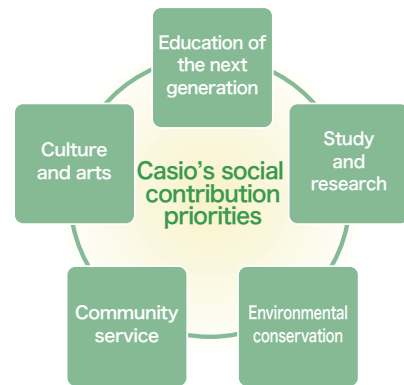
Striving to be a model corporate citizen, Casio makes the most of its unique know-how and management resources to fulfill its various social responsibilities.

Philosophy on Social Contribution

Aiming to help create a healthy, generous society, Casio is earnestly engaged in a variety of social contribution initiatives. Casio takes good corporate citizenship literally, so its process for determining the most useful things to do is guided by communication with various stakeholders. The five priority themes of Casio's social contribution initiatives are outlined in the figure below. Leveraging its unique know-how and management resources as well as the wide range of knowledge and experience possessed by its employees, Casio fulfills its social responsibilities in its own innovative way.

Going forward, Casio will continue to provide assistance to people suffering in the aftermath of the Great East Japan Earthquake. Casio also plans to make sure that its social contribution initiatives target global challenges.

■ Casio's social contribution priorities



Raising up the next generation

Factory tours, classes in the company, and school visits

In 2004, Kofu Casio started the "Factory Tours for 10,000 People" educational program with the aim of giving children awareness through factory tours that can help link "family connectedness," "the power of science," and "the realization of dreams" with "the power to live." In 2007, Casio started an original educational program for elementary school students including school visits and classes offered at the Hachioji R&D Center.

The school visit program is roughly divided into three parts. The first part covers the importance of life through "connectedness, creativity, and emotional growth." In the second part the students take apart and then reassemble a calculator to learn about environmentally friendly product technology. In the final segment, the instructor explains the importance of protecting the global environment with specific examples. The program is designed to help the children think for themselves, to understand the importance of empathy, kindness, goodwill, and a smile, and to foster generosity of spirit by raising awareness.

The classes offered at the Hachioji R&D Center are focused more on environmental initiatives. Touring the facilities at the Hachioji R&D Center, one of the most advanced environmentally friendly business sites in the Casio Group, gives children an experience intended to promote their awareness and understanding of the need to protect the global environment.



People are very interested in the "Factory Tours for 10,000 People" program, which enables visitors to observe and experience things for themselves.



The Hachioji R&D Center regularly holds classes for Casio employees and their family members.



The school visit program is offered for students from kindergarten through university.

The school visit program is offered for students from kindergarten through university and has been spreading around the country. In fiscal 2011, these learning opportunities were provided to a total of 1,932 students at 45 schools.

In fiscal 2011, Casio started offering cooperative classes with several universities affiliated with NGOs/NPOs. These classes give college students a chance to interact directly with the public and are also used to give students hoping to become educators someday some experience with teaching.

After these activities, the students have held their own summits to discuss issues such as life, peace, human rights, poverty, and the environment, and multiple elementary schools have rolled out interesting social initiatives.

One elementary school became the first to exhibit at

the Eco-Products exhibition in Japan in fiscal 2010. In fiscal 2011, two elementary schools exhibited.

What is more, Nagatadai Elementary School in Yokohama, Kanagawa Prefecture, which became involved through Casio's school visit program, declared its desire to become a UNESCO Associated School in order to engage actively in Education for Sustainable Development (ESD). In fiscal 2011, the school was the first elementary school in Kanagawa Prefecture to obtain certification from UNESCO.

Taking the ESD initiatives recommended by Japan's Ministry of Education, Culture, Sports, Science and Technology seriously, Casio will continue expanding these initiatives in collaboration with educational institutions in the future.

Message from a school principal

I was recently transferred to Nagatadai Elementary School. Thinking that I would really like the children here to experience the class offered by Mr. Hiroshi Wakao of Casio Computer Co., Ltd., I asked him to conduct a school visit.

For a long time children in the individual support class at Nagatadai Elementary School have grown plants outside the building to create green curtains that keep the building cool in summer, recycled vegetable peels and rain water, and undertaken other sustainable practices. I really wanted to exhibit these efforts at the Eco-Products exhibition.

I hoped that the exhibition would boost the

children's self-confidence by letting people know about their initiatives. When we confine our thinking to just within the school, our efforts tend to get stuck in a dead end, and so I asked Mr. Wakao for broad-ranging advice.

Mr. Wakao's continued involvement has helped to broaden and deepen the children's learning. Seeing how he interacts in earnest with the children and keeps talking to them, the teaching staff too has obtained new insights and strengthened its dedication to education. This has also led to forward-thinking efforts within Kanagawa Prefecture, such as our membership in the UNESCO Associated Schools. I am very grateful.



Masaharu Sumita, Principal
Nogatadai Elementary
School

Message from an NPO

"3.11"—I think that this great disaster has become a major turning point not just for individuals, but also for corporations and NGOs/NPOs. It has changed their values and altered the course of disaster support.

Through the cooperation of Mr. Wakao of Casio Computer Co., Ltd., my NGO, People for the Advancement of Cambodian Education, has had opportunities to give lectures at elementary schools and at the Japan International Cooperation Agency (JICA). "Children have the power to change the world of adults." Being able to communicate these words from Mr.

Wakao together with the things that we have gained from our actions on the ground in Cambodia to as many children in Japan as possible has been a very valuable experience for us.

Corporations and NPOs—although their standpoints are different, I think that having been able to work on a public awareness campaign together became a trigger for the further expansion of our initiatives. I believe that this overlaps exactly the spectacle of the Japanese people, of NGOs/NPOs, and of corporations groping for what that each could do and then taking action in response to the disaster.

I am determined to give my best in all our endeavors from here on, not just public awareness campaigns.



Noriko Takahashi
People for the Advancement of Cambodian
Education

Employee message

Children have unlimited possibilities and high aspirations. They have a great deal of power to change the world of adults. Children will eventually become the leaders of society. We should help them to build a more sustainable world by giving them early sentiments on "life," which is the starting point of living. That is why we place value on the "Class on Life."

Children who have had contact with senti-

ments on life and fostered awareness and aspirations engage on their own with peace, human rights, poverty or environmental initiatives. Efforts to foster children who can change society for the better by thinking and acting for themselves are important as a corporate social responsibility. From here on, we will work even harder on this, as a core part of our CSR initiatives.



Hisashi Wakao
CSR Promotion Office

Academic Research

Support for the Casio Science Promotion Foundation

Casio is contributing to the development of science and technology by supporting the Casio Science Promotion Foundation.

About the Foundation

The Casio Science Promotion Foundation was established in 1982 by the four Kashio brothers and the former chairman, Shigeru Kashio.

The Foundation provides research grants with the principle objective of fostering pioneering and creative research in the early stages by young researchers who are persevering with challenging research on limited funding. This is based on the philosophy that advanced R&D should be promoted in various fields, in order to fulfill the Foundation's mission of helping Japan contribute to the world as a nation of advanced technology.

Grants in fiscal 2011

In addition to its 21 basic categories in 5 fields, in fiscal

Relief for the Great East Japan Earthquake

The Casio Science Promotion Foundation donated 10 million yen to three universities in the Tohoku region that were severely damaged in the earthquake disaster in order to support the earliest possible recovery of university research.

Recipients: Tohoku University:	5 million yen
Tohoku Gakuin University:	2 million yen
Fukushima University:	3 million yen

2011 the Foundation established 3 special topics considered to be important based on recent social trends: miniaturization and energy-saving technology; electronic devices for the maintenance and improvement of health; and human intellectual progress in an IT society.

After a rigorous selection process, ¥44.00 million (34 grants) was awarded in the natural sciences, and ¥6.75 million (5 grants) was awarded in the cultural sciences.

Over the last 28 years, the Foundation has provided a total of about ¥1,332 million in 1,053 grants.

Message from a grant recipient

Thank you very much for the research grant from the Casio Science Promotion Foundation. I am grateful to the selection committee and everyone involved. My research is concerned with energy-related materials. Since the energy field is a pressing issue, there is a tendency merely to improve on existing research and to neglect basic research. In this context, Casio was bold enough to understand the value of my extremely challenging proposal, which could be seen as a privilege of academics. I will work at developing an innovative energy device so that it can help in the restoration of Japan. I ask for your continued guidance and encouragement in the future.



Jun Matsui, Assistant Professor
Institute of Multidisciplinary Research for Advanced Materials,
Tohoku University

Environmental Conservation

Tree planting events

Casio Electronics (Shenzhen) Co., Ltd., has been participating in tree planting events since six years ago with the aim of mutual harmony and benefit between the global environment and the local community.

In April 2011, 32 employees participated in the 2011 Green Universiade* Memorial Tree Planting Event, planting 25 jacaranda trees in the Longcheng Park in Shenzhen's Longgang District. The event helped the company build good relationships with community residents and heighten solidarity among employees.

* An environmentally friendly Universiade hosted in Shenzhen, China in August 2011.



2011 Green Universiade Memorial Tree Planting Event

Culture and the arts

By sponsoring symphony orchestras and cultural facilities, Casio provides people with opportunities to feel delight and deep emotion and promotes the development of culture and the arts.

- Sponsorship of the NHK Symphony Orchestra
- Sponsorship of the Tokyo Philharmonic Orchestra
- Sponsorship of the Maison de la culture du Japon à Paris (Institute of Japanese Culture in Paris), and more

Local community initiatives

Establishment of a Casio Technology Course in a manufacturing technical school and acceptance of trainees

In 2009, Casio Electronic Technology (Zhongshan) Co., Ltd., established a Casio Technology Course in a manufacturing technical school in Hunan province through an agreement with the school. The purpose of the course is to contribute to the community by training engineers and technicians in a developing region of China's interior, and to give students who wish to work at Casio an opportunity to join the company. The course currently has 309 students in six classrooms. In addition to manufacturing technical education, the students are provided with skills training in the assembly of Casio products using assembly practice equipment provided by the company and code of conduct education using Casio's work rules.

Additionally, Casio provides in-house practical training for students during summer and winter vacations. A total of 1,660 students have completed the practical training as of March 2011.



Casio Technology Course opening celebration

The first graduates of the Casio Technology Course are anticipated to join the company in June 2011, and Casio has expectations that they will become candidates for production line leaders in the future.

Support for Cherry Marathon in Higashine City

Yamagata Casio has been supporting the Cherry Marathon in Higashine City since 2004. The company's intention is to become an enterprise that is appreciated by the local residents not only for its corporate activities, but also for its contribution to the local community and Higashine City.

At the ninth annual marathon held in 2010, Yamagata Casio provided prizes as a corporate sponsor and set up a sales booth. About 60 Yamagata Casio employees also participated in the event as runners, cheering squad members, and route volunteers.



Yamagata Casio booth

Others

Product disassembly and separation work contracted to a welfare workspace

Aiming to be a company that is good for people and environmentally friendly, Casio Business Service Co., Ltd., contracts disassembly and separation work of Casio products to a welfare workspace operated by a social welfare corporation as part of its recycling initiatives in product disposal.

The workers have rated the work contracted by Casio, which handles a great variety of products, as giving

them a high sense of fulfillment. Casio has received reports that the ability to concentrate and the self-confidence gained here spreads into worker's everyday lives and helps shape them as citizens.



Disassembly work

Support for Jewelers for Children

Casio America, Inc., has supported Jewelers for Children since 2010.

Jewelers for Children (JFC) is an NPO established in 1999 by the US jewelry industry. It manages a fund used to help children fighting intractable diseases and children who have faced abuse and similar hardships. Since its inception, JFC has donated more than \$35 million to support the sound development of children.



Relief efforts for disaster victims

When a major natural disaster strikes, Casio provides relief to disaster victims, as well as support for rapid post-disaster reconstruction.

● Relief after the 2010 Yushu earthquake in China

Casio made the following donations for the relief of people suffering in the aftermath of the major earthquake that struck Yushu prefecture, Qinghai province, China in April 2010:

Amount: 1.5 million yen from Casio Computer Co., Ltd., and 1.0 million yen from Casio's local sales subsidiaries in China

Donated through the Japanese Red Cross Society and the local Red Cross Society

Environmental Initiatives

Environmental Vision

▶▶▶ Environmental Management at Casio: The Road to 2050

Casio is working hard to help build a sustainable society. Its initiatives, based on the Casio Environmental Vision, adopt a long-term perspective with a target date of 2050.

Environmental Management Policy

Casio's goal is to help build a more sustainable world while contributing to the creation of new markets and cultural phenomenon by developing compact, lightweight, slim, and energy-efficient products.

On behalf of everyone at Casio, I would like to take this opportunity to express our heartfelt condolences to the victims of the recent Great East Japan Earthquake and their families. We offer our sincere hopes for a speedy recovery and reconstruction.

The earthquake also resulted in a series of fires, nuclear meltdowns, and releases of radioactive materials at several reactors at the Fukushima Daiichi Nuclear Power Station operated by the Tokyo Electric Power Company, and this continuing challenge has yet to be fully resolved.

As a result, on June 1, 2011, the Japanese government issued power usage restrictions for large power customers (power contracts of 500 kW or more) of the Tokyo Electric Power Company and the Tohoku Electric Power Company, based on Article 27 of the Electricity Business Act. Energy saving measures are also required for small electrical users and households.

Given this situation, Casio is striving to reduce its energy usage in Japan by adopting creative ideas from employees. Emergency energy-saving measures are being carried out in various areas in order to ensure a reliable foundation for our business. Casio sites required to restrict power usage based on Article 27 of the Electricity Business Act are taking the necessary measures to comply with it.

The international COP16 conference on climate change was held in Cancun, Mexico in late November and early December 2010, and the Copenhagen Accord from COP15 was formally adopted. However, regarding the extension of the Kyoto Protocol to which Japan, Russia, and Canada are opposed, continued discussion is still needed while respecting the position of developing countries.

As for developments in the protection of biodiversity, COP10 was held in Nagoya in October 2010. The conference adopted the Aichi Biodiversity Targets, which outline 20 targets including long-term targets to be achieved by 2050 in order to build human societies that live in harmony with nature, as well as short-term targets



Yukio Kashio
Executive Vice President & Representative Director

to be achieved by 2020 in order to stop the loss of biodiversity. The Nagoya Protocol was also adopted, which sets out methods for the acquisition and handling of genetic resources and the distribution of their benefits. Specific initiatives are now needed for the protection of biodiversity.

Since fiscal 2010, we have been promoting environmental management with the objective of building a low-carbon society. Given the recent environmental trends, however, starting in fiscal 2012 we intend to add the protection of biodiversity as an additional objective of our environmental management. Casio will take steps to achieve both these objectives.

In order to improve resource productivity, Casio is contributing to both the fight against climate change and the protection of biodiversity by leveraging its expertise in creating products that are compact, lightweight, slim and energy efficient, thereby saving resources (parts/materials, and plant-derived materials).

In the future, Casio will continue to undertake the following two initiatives as it seeks to build its business.

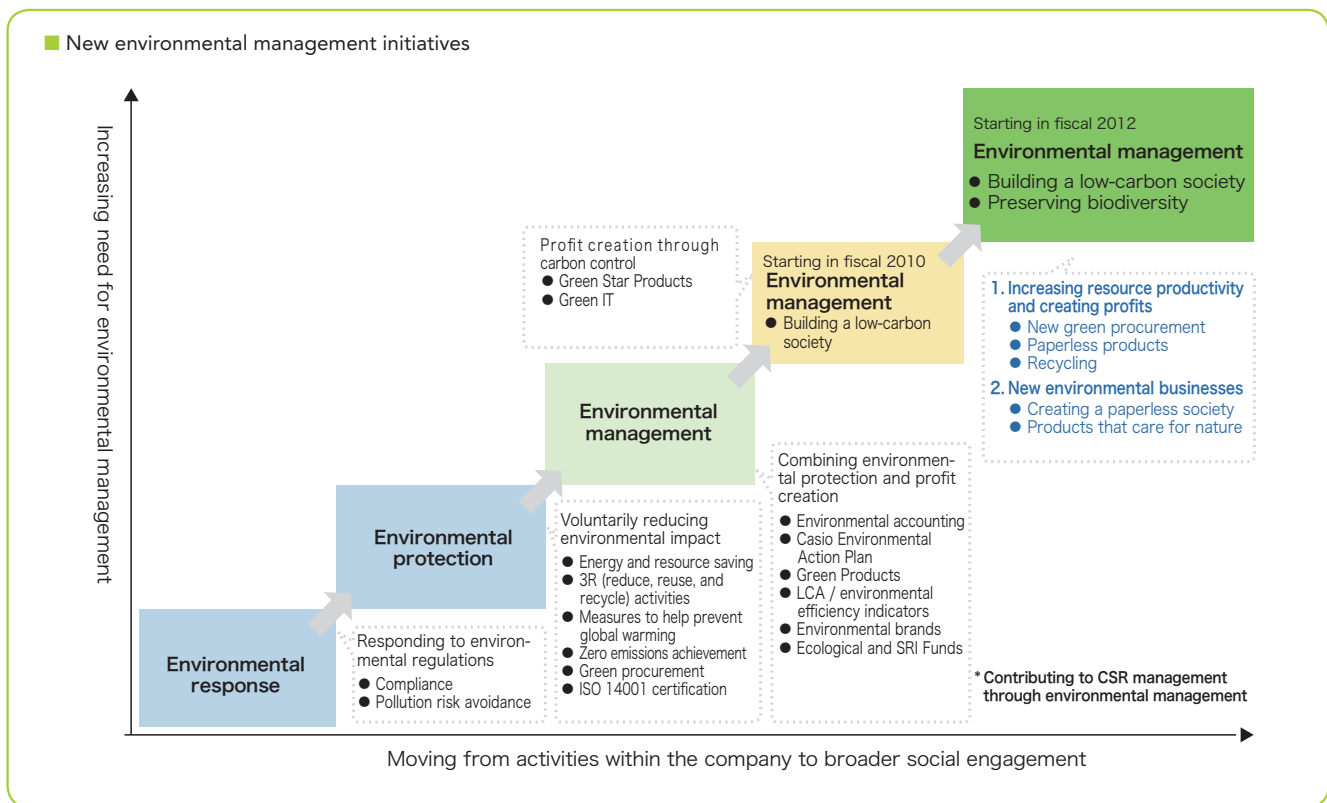
1. Generation of profits and improvement of brand power by pursuing superiority over competitors' products through the improvement of resource productivity.
 - New green procurement (adding requirements relating to biodiversity)
 - Expanding paperless products (electronic dictionaries, data projectors, digital cameras, etc.)
 - Recycling (investigating and promoting the recycling of rare and precious metals, as well as plastics)
2. New environmental businesses
 - Introducing products and frameworks that contribute to the creation of a paperless culture
 - Expanding products that care for nature

(Outdoor-oriented products: Protrek, EXILIM G, and digital cameras with GPS function, etc.)

In fiscal 2012, as part of efforts to fight climate change, Casio will establish specific plans and measures to achieve a 30% reduction in CO₂ emissions by fiscal 2021, a target of the Casio Environmental Action Plan already announced. As part of its activities to protect biodiversity, Casio will evaluate the impact of its business activities on biodiversity, revise its Green Procurement

Standards, and conduct supplier surveys based on those standards, following its Biodiversity Guidelines established on March 31, 2011. Casio will then confirm whether its business activities are posing any problems for biodiversity.

Through these initiatives, Casio intends to strengthen its foundation as a leading environmental company, while helping to build a more sustainable world.



Casio's fiscal 2012 environmental management policy for the realization of a sustainable society

1. Response to social environment changes after the Great East Japan Earthquake (emergency measures)

- Performing business activities using the creative ideas of all employees
- Striving to conserve energy in order to ensure a reliable foundation for the business

Casio is complying with power usage restrictions based on Article 27 of the Electricity Business Act, at sites designated as large contract power users of 500 kW or more within the service areas of the Tokyo Electric Power Company and the Tohoku Electric Power Company.

2. Investigation of measures to achieve medium and long-term targets for reducing greenhouse gas emissions

- Establishing a specific plan for a 30% reduction in CO₂ emissions compared to fiscal 2006 by fiscal 2021, and an 80% reduction by fiscal 2051.

3. Promotion of Green Office and Green Star Product development

- Promoting paperless products for the realization of Green Offices
- Enhancing technologies to develop Green Star Products that are more compact, lightweight, slim and energy efficient.

4. Establishing and executing strategies for improving environmental management

- Identifying issues through close examination of various stakeholder surveys to devise and implement the necessary measures
- Starting initiatives for the acquisition of ISO 26000 certification

5. Investigation and promotion of initiatives for the protection of biodiversity

- Evaluating Casio's impact on biodiversity
- Reflecting findings in the Green Procurement Standards, and surveying suppliers
- Investigating possibilities for business contribution through products and services that help protect biodiversity

Efforts to Fight Climate Change

In order to ensure that the next generation inherits this irreplaceable planet, Casio has established and is implementing medium- and long-term targets to fight climate change.

Approach to setting medium- and long-term targets

With the establishment of these medium- and long-term targets, Casio intends to reduce its greenhouse gas emissions significantly. Moreover, the company is emphasizing its goal of becoming carbon neutral^{*1} which

means reducing Casio's net greenhouse gas emissions to zero. Accordingly, Casio has adopted the following Environmental Management Policy.

Casio's goal is to become carbon neutral by leveraging its ability to develop compact, lightweight, slim, and energy-efficient products to create new markets and cultural phenomenon.

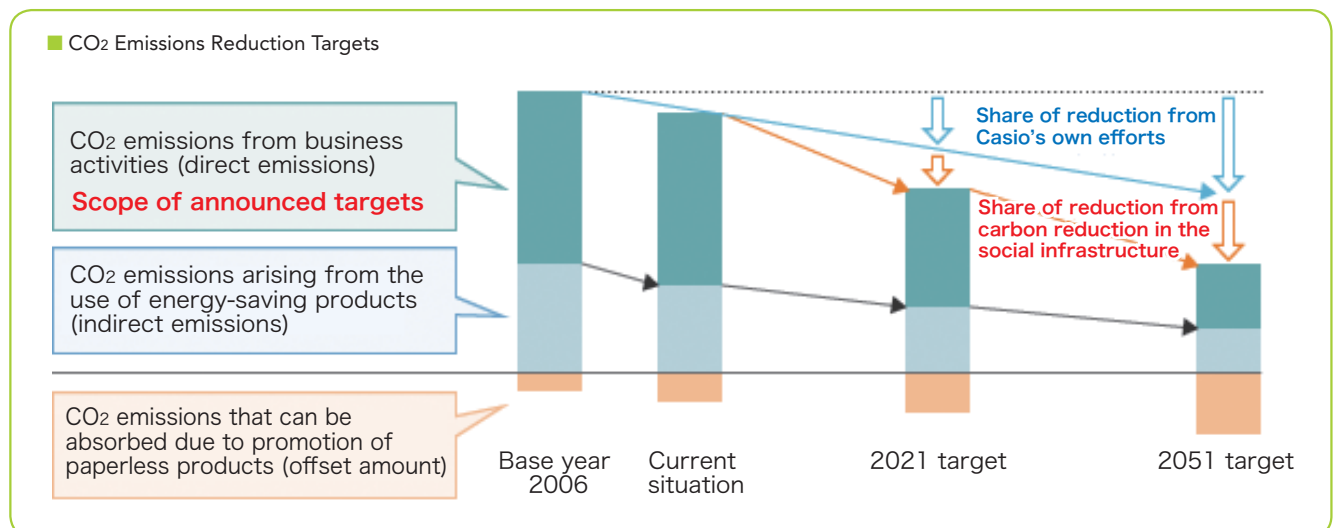
^{*1} Casio defines "carbon neutral" as offsetting its direct CO₂ emissions with CO₂ emissions reduction and absorption through other methods.

Scope of emissions reduction targets

When Casio established its medium- and long-term emissions reduction targets, it also announced the target scope as greenhouse gas emission from business activities at Casio's production sites and offices in Japan and around the world. Furthermore, Casio is aiming to become a carbon neutral company by offsetting its total volume of greenhouse gas emissions (including the CO₂ emissions resulting from logistics, product usage, employee travel, and consignment production) with the

reduction effects of Casio's eco-products such as data projectors, electronic dictionaries and other products that promote paperless lifestyles.

In addition to the CO₂ emissions reduction achieved by the efforts of the Casio group, the target CO₂ emissions reduction also includes reductions due to the availability of cleaner energy such as electricity, and due to carbon reduction in the entire social infrastructure (see diagram).



Switching to total-volume emission reduction targets

With the setting of global medium- and long-term targets, total-volume emissions reduction targets for greenhouse gases have been established in Japan and around the world, including reduction targets and emission trading systems. Casio has now finished the move to total-volume emissions reduction targets.

Casio had already set targets for the total volume of greenhouse gas reduction at its offices worldwide. How-

ever, with the establishment of its recent medium- and long-term targets, Casio has now set worldwide targets for reductions in the total volume of CO₂ emissions, which is a change from previous targets for reduction per unit of production.

The base year for Casio's medium- and long-term targets is fiscal 2006, decided based on changes in Casio's business structure, as well as the scope and accuracy of data acquisition.

Carbon neutral calculation examples

Casio is looking into trial calculations for its reduction of greenhouse gases based on the use of Casio's eco-products and, in particular, products encouraging the transition to a paperless society.

Casio's current target products for this paperless initiative are data projectors and electronic dictionaries.

Casio calculates the amount of CO₂ emitted during the manufacture and use of these products, as well as the amount of CO₂ absorbed by the trees not harvested to make the paper saved by these products. When these two amounts are equal, the products are considered carbon neutral.

Medium- and long-term targets

Casio group's medium- and long-term targets for greenhouse gas emissions reduction

- **Medium-term target:** To reduce the total volume of global greenhouse gas emissions from business activities by 30% compared to fiscal 2006, by fiscal 2021
- **Long-term target:** To reduce the total volume of global greenhouse gas emissions from business activities by 80% compared to fiscal 2006, by fiscal 2051.

* Business activities: This indicates activities of production sites and offices in Japan and overseas, and does not include CO₂ emissions from logistics, product usage, or employee travel.

Measures for achieving medium- and long-term targets

In order to achieve its medium- and long-term targets for fiscal 2021 and 2051, Casio will steadily promote the following three points relating to initiatives for greenhouse gas reduction, taken from the five points of the Casio Environmental Declaration.

1. CO₂ reduction and absorption

In order to contribute to the realization of a low-carbon society, Casio will work to create products that reduce CO₂ and systems that absorb CO₂ more than ever before.

2. Utilization of clean energy

Casio will work to create products and systems using energy sources that are easy on people and the planet.

3. Adoption of renewable energy in business activities

Casio will undertake its business activities based on the adoption of renewable energy resources such as solar, wind, and water-powered energy.

Measures for 2020

Casio is studying the potential of the following initiatives to achieve the medium-term target for 2020. It will also strive to assess as quickly as possible their potential to help meet the 2050 target.

1. Response to social environment changes after the Great East Japan Earthquake

- Responding to energy issues
- Introducing renewable energy sources

2. Environmental contribution through product usage

- Reducing the amount of electricity used by products
- Minimizing and optimizing the amount of product packaging
- Increasing the percentage of products that run on solar cells
- CO₂ absorption effect based on the expansion of paperless products (reducing demand for logging, etc.)

3. Utilizing carbon offsets

- Purchasing carbon offsets for products
- Promoting tree planting and greening
- Emissions trading, Clean Development Mechanism (CDM), and Joint Implementation (JI)

4. Reduction of CO₂ emissions in various business activity processes

- Materials procurement, product manufacturing, transport and distribution, product usage, recycling, and disposal
- Expansion of the scope of CO₂ emission data gathering on logistics, transport efficiency improvement, and modal shift
- Making production facilities more energy efficient, and improving production processes

5. Saving energy and increasing the percentage of non-fossil fuels used at sites

- Installation of LED lighting
- Installation of solar panels
- Installation of highly efficient air conditioning equipment

Green Star Products

Casio's Green Star Products offer even greater environmental performance than Casio's conventional products.

Green Star Product concept

In order to minimize the environmental impact of its products, Casio is promoting the development of environmentally friendly products in every aspect of planning and design.

In 1993, Casio began product assessment in order to systematize and promote its development of eco products. New products had to undergo a preliminary assessment for their environmental impact and meet certain criteria in order to be certified as Casio Green Products. Prior to fiscal 2008, Casio worked towards an initial Green Product sales target of 80% of total sales,

and in that year the company achieved 84%.

With the achievement of this target, Casio decided to create even stricter criteria and implement more specific, detailed assessments. Qualifying products are certified as Green Star Products, representing the best of Casio Green Products. This ensures that Casio's products continue to set the bar higher and drive the realization of a sustainable society.

For the convenience of customers, Casio indicates information about environmental features in catalogs and on packaging of the Green Star Products.

Green Star Mark

The Green Star mark is used according to the strict requirements of the Casio Green Star Mark Operation Manual.




This mark indicates a product that was developed in accordance with the Green Star Concept.

Casio Green Star Products

See the product lineups that were certified as Casio Green Star Products in fiscal 2011 (photos show

product examples).

Calculator




Environmental Features

- Solar battery powered
- Contains at least 40% recycled plastic (gross weight ratio of plastic)

DS-2DT

Electronic dictionary




Environmental Features

- Transport efficiency increased by 36% by reduced packaging (compared to Casio's XD-SP6600)

XD-B8500

Digital camera




Environmental Features

- Energy consumption per shot reduced by 44% in the QV according to CIPA standards
- Weight reduced by 21%
- Transport efficiency increased by 59% by reduced packaging (compared to Casio's EX-Z1200)

EX-Z3000

Data projector




Environmental Features

- We do not use a mercury light source
- Transport efficiency increased by 30% by reduced packaging (compared to Casio's XJ-S33)

XJ-M255

■ Electronic musical instrument





Environmental Features

- Energy consumption during use reduced by 78% (compared to Casio's AP-400)

AP-420

■ Watch





Environmental Features

- Solar battery powered

OCW-T1000

■ Page printer







Environmental Features

- Energy consumption during use reduced by 47% (TEC value in compared to Casio's N3600)

GE5000

■ Handheld terminal





Environmental Features

- Size reduced by 26%
- Weight reduced by 17% (compared to Casio's DT-500)
- Cord contains no PVCs, which are specified harmful substances

IT-300

Share of Casio Green Star Products in total sales: Performance and targets

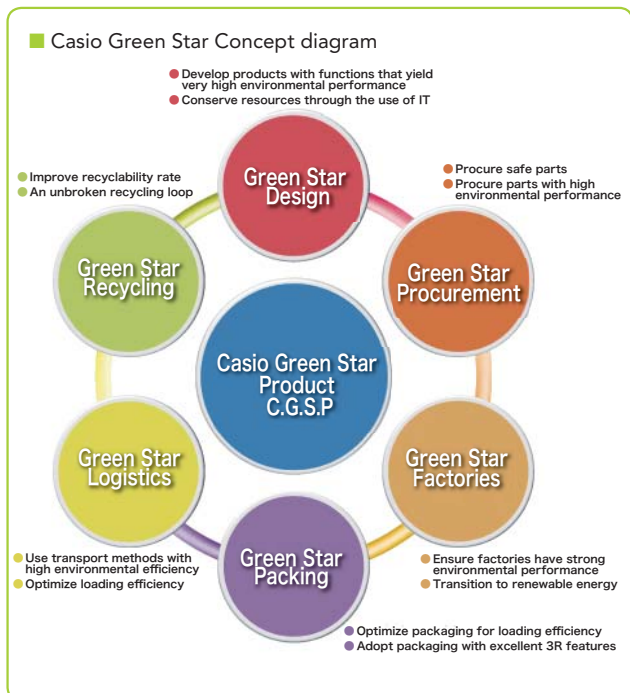
In fiscal 2010, Casio set a target of a 30% sales ratio of Casio Green Star Products to be achieved by fiscal 2013. The result in fiscal 2011 was 42%, hitting the

target two years ahead of schedule. A new target has been set in fiscal 2012, and Casio is aiming for even greater improvements.

Concept for Green Star Product expansion and designation standard

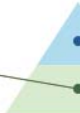
In order to develop more Green Star Products, Casio is strengthening initiatives at each stage of the product lifecycle. Casio addresses environmental issues based

on the Casio Green Star Concept, which calls for low environmental impact across the lifecycle.



■ Assessment categories

Casio Green Products
Products that meet the certification standards of the Green Product Assessment below



Casio Green Star Products Target: 30%
Products that meet the certification standards of the Green Product Assessment below and meet at least one criterion of the Green Star Product Assessment

■ Assessment criteria for each product

Green Product Assessment	Casio Green Star Product Assessment
1. Promotes recycling (labeling of materials contained)	1. Power consumption during use reduced by 20%
2. Designed for recycling	2. Solar batteries used and Eco Mark acquired
3. Components of products can be separated, disassembled	3. Use of solar batteries and long-life structure
4. Improved recyclability	4. Comes with a 10-year battery and long-life structure
5. Reduced resource volume	5. Body volume reduced by 20% or more
6. Reduced resource weight	6. Weight reduced by 20% or more
7. Improved energy efficiency	7. Load ratio reduced by 20% or more due to more compact packaging
8. Regulated use of chemical substances	8. Uses 30% or greater recycled plastic
9. Recyclability of batteries	9. Uses 25% or greater bioplastics
10. Recycling label on batteries	10. Contains no specific hazardous chemical substances (polyvinyl chloride)
11. Regulatory compliance	11. Improvement of 10% or more over the conventional ratio based on as LCA environmental assessment
12. Components of packaging can be separated, disassembled	12. Improvement of 10% or more over the conventional ratio based on product environmental efficiency
13. Regulated use of packaging materials	13. Has functions that make considerable contributions to environmental performance
14. Preserves the natural environment	When products meet the Green Production standards and also fulfill a criterion above.

90 points or more, out of a total 100 points possible

* Casio Green Star Product certification standards may vary for some products.
* These standards will be periodically revised to keep pace with environmental advances.

▶▶ Biodiversity

This section introduces Casio's initiatives for preserving biodiversity.

Casio's approach to biodiversity preservation

The 10th Conference of Parties to the Convention on Biological Diversity (COP10) was held in Nagoya, Japan in October 2010. At this important international conference for resolving issues related to preserving the abundance of life on this planet, the following measures were adopted.

- New Strategic Biodiversity Plan (2020), and the Aichi Biodiversity Targets (2050)
 - Nagoya Protocol on Access and Benefit-sharing
- In March 2011, Casio established Biodiversity Guidelines

for the entire Casio Group, as part of step 1 on this issue in its Environmental Action Plan. Next, the company will take steps 2 and 3 in order to preserve biodiversity and the services provided by ecosystems.

- **Step 1:** Establish a Casio Biodiversity Activity Policy and Guidelines (Recently completed)
- **Step 2:** Evaluate levels of biodiversity impact in all business areas (by fiscal 2012)
- **Step 3:** Implement Casio's policy themes for the realization of biodiversity preservation (by fiscal 2013)

Casio Group Biodiversity Guidelines

Casio Group Biodiversity Guidelines

Basic Policy

The Casio Group recognizes that its existence and business activities depend on the benefits afforded by biodiversity, and that these activities also have an impact on biodiversity. Casio emphasizes biodiversity preservation activities as well as efforts to fight climate change. By including biodiversity preservation in environmental management and creating a system for implementation, the Casio Group is working to build a more sustainable world.

Specific Initiatives

- | | |
|--|---|
| 1. Business Activities: | Casio will help to build a more sustainable world by creating and providing products and services that encourage consumers to care for nature. This will be done by learning from nature and developing technologies that utilize this wisdom. <ul style="list-style-type: none"> · Facilitating a paperless society · Contributing to resource saving by developing original technology · Developing products with care for nature |
| 2. Impact Assessment: | Casio will survey and analyze its impact on biodiversity through activities including R&D, design, procurement, manufacturing, logistics, sales, product use, disposal, and recycling, and at its office and plant locations. It will establish improvement measures and implement them starting with areas of highest environmental impact and benefit. <ul style="list-style-type: none"> · Actively taking initiatives for proper procurement of parts (leather, wood, paper, etc.) and materials (mineral resources, etc.) that depend on ecosystem services. · Conducting questionnaire surveys across the supply chain in order to check ecosystem protection efforts for parts and materials that make up products. · Establishing impact assessment methods (checklists and indices) for the Casio Group |
| 3. Information Disclosure: | Casio will strive to improve social awareness of biodiversity, by actively disclosing the results of its environmental activities. |
| 4. Community Involvement: | Casio will actively support activities that contribute to biodiversity preservation by NPOs and NGOs, government agencies, and local citizens. |
| 5. Full Employee Participation: | Casio is aiming for activities that involve the participation of all employees, by increasing understanding of biodiversity preservation, and training employees to act on their own initiative. |

March 31, 2011

Yukio Kashio, Chairman, Casio Environmental Conference

Fiscal 2011 Biodiversity Preservation Activities

Supporting Exhibitions by the Wild Bird Society of Japan

Casio Computer Co., Ltd., supported the 3rd "Interconnections Between Living Things Art Exhibit" held in Tokyo from November 12 to 21, 2010, and the exhibit of the same name in Nagasaki, held from November 27 to December 6, 2010. The two exhibits were attended by a total of more than 3,000 people.

The Casio Group is advancing activities to support biodiversity, fostering the many "interconnections between living things," including more than 30 million species on this planet. Casio has come together to promote activities to help protect all the irreplaceable living things on this planet and preserve the benefits they afford, while raising public awareness of these efforts.



Exhibit in the Collaboration Area (Tokyo)



Outdoor exhibit of stained glass with living things (Nagasaki)

Activities Starting in Fiscal 2012

• The Beautiful Tama River Forum

Casio will begin support for the Beautiful Tama River 100 Year Plan, with the aim of revitalizing the area,

based on activities in three main sectors: economy, environment, and education/culture.

Activities Receiving Ongoing Support

• WWF Japan

Casio endorses the mission and action principles of the World Wide Fund for Nature Japan (WWF Japan), which is striving to build a future where people and nature can live in harmony. Casio also supports the organization as a corporate member.

• ICERC Japan

Since the 4th International Dolphin & Whale Conference was held in Japan in 1994, Casio has released both official G-SHOCK and Baby-G models to support the International Dolphin & Whale Eco-research Network. For over a decade, Casio has donated a portion of the watch sales to help promote dolphin and whale educational and research activities worldwide through ICERC Japan (International Cetacean Education Research Center).



G-SHOCK and Baby-G watches help support the International Dolphin & Whale Eco-Research Network project

Environmental Action Plan

Environmental Action Plan (Targets and Performance)

Casio sets environmental targets and undertakes environmental initiatives for each fiscal year, based on a detailed Environmental Management Policy which takes into account the latest global trends.

Environmental Vision for the realization of a sustainable society

Casio's approach to environmental management is based on its Environmental Vision for the realization of a sustainable society and its Environmental Management

Policy. Please see pages 31-32, "Environmental Vision," for more information on the Environmental Vision and the Environmental Management Policy.

Fiscal 2012 Casio Environmental Action Plan

Product Targets

1. Development target for eco-products
Increase Casio Green Star product sales to **30%** of total sales by FY2013.

Plant and Business-site Targets

1. Medium- and long-term targets for greenhouse gas emissions reduction

Medium-term target

To reduce the total volume of global greenhouse gas emissions from business activities by **30%** compared to fiscal 2006, by fiscal 2021

Long-term target

To reduce the total volume of global greenhouse gas emissions from business activities by **80%** compared to fiscal 2006, by fiscal 2051.

* Business activities: This indicates activities of production sites and offices in Japan and overseas, and does not include CO₂ emissions from logistics, product usage, or employee travel.

2. Energy conservation targets (electrical power, fuel etc.)

Japan production sites

Reduce CO₂ emissions per unit of actual production by **35%**, averaged over 5 years from FY2009 to 2013 (compared to FY 1991).

* Actual production is calculated by adjusting the production output by the Bank of Japan Domestic Corporate Goods Price Index for electronic products, based on the policies of the four main electrical and electronics industry associations in Japan

Japan office sites

Reduce CO₂ emissions per unit by **9%**, averaged over 5 years from FY2009 to 2013 (compared to FY 1991).

Production sites outside Japan

Reduce CO₂ emissions per unit of production by **30%** by FY2013 (compared to FY 2005).

Office sites outside Japan

Reduce CO₂ emissions per unit by **3%** by FY2013 (compared to FY 2005).

3. Reduction target for greenhouse gases other than CO₂

Reduce total emissions of greenhouse gases other than CO₂ (CO₂ equivalent) to below fiscal 2001 level by fiscal 2013.

- Reduce HFC-134a emissions

* Replace HFC-134a used in machinery such as dust blowers, with products that use chemical substances that have a lower global warming factor

4. Resource conservation targets (water, paper)

Japan production sites

Reduce water usage per unit of actual production by **25%** by fiscal 2013 compared to fiscal 2001.

Production sites outside Japan

Reduce water usage per unit of production by **15%** by fiscal 2013 compared to fiscal 2005.

Japan sites

Reduce paper usage in offices per unit of sales by **10%** by fiscal 2013 compared to fiscal 2008.

5. Waste reduction targets

Japan sites

Reduce generation of waste per unit of actual sales by **50%** by fiscal 2013 compared to fiscal 2001.

Production sites outside Japan

Reduce generation of waste per unit of sales by **30%** by fiscal 2013 compared to fiscal 2005.

6. Volatile organic compound (VOC) reduction target

Japan production sites

Reduce emissions of VOCs by **30%** by fiscal 2011 compared to fiscal 2001.

* 20 types of VOCs are specified by the four main electrical and electronics industry associations in Japan. Among them, Casio uses 8 types.

7. Hazardous substance phase-out target

Detoxify PCB-containing equipment now in storage as Japan Environmental Safety Corporation (JESCO) starts program in each region.

- Kofu Casio Co., Ltd: By fiscal 2015

* Store stabilizers, including the low concentration capacitors kept at Hachioji R&D Center, until they can be accepted by JESCO.

8. Target for output reduction of PRTR substances

Japan production sites

Reduce output of PRTR substances per unit of actual production by **40%** by fiscal 2013 compared to fiscal 2004.

9. Green procurement target

Achieve **100%***1 green parts*2 procurement rate (all supplied parts are green parts) by fiscal 2012.

*1 Excluding those substances that are within legal limits, if customer request

*2 Green parts: Parts and materials that do not contain prohibited substances as designated by Casio

10. Green purchasing target

Raise the green purchasing ratio at Japan sites to **75%** of total purchases (based on the number of purchases) by fiscal 2013.

* Applicable to sites using the CATS e-P system

11. Logistics target for the fight against climate change

Achieve by 2012 a **22%** reduction in CO₂ emissions* from logistics in Japan per unit of sales, compared to fiscal 2006

* Scope covers processes relating to product sales, not including processes relating to materials procurement and recycling

Overall business activity targets

1. Biodiversity preservation target

To preserve biodiversity and eco-system services, conduct biodiversity impact surveys in all business areas by fiscal 2012, and establish a policy theme

Fiscal 2010 Casio Environmental Action Plan Performance

Fiscal 2010 Casio Environmental Action Plan Performance

Progress assessment key	Performance
① Target was achieved and a new, higher target was established.	☆☆☆☆
② Target was achieved.	☆☆☆☆
③ Target not achieved, but steady improvement made over previous fiscal year.	☆☆☆
④ Making progress toward achieving target and expect results next fiscal year and beyond.	☆☆
⑤ Same as or worse than base value.	☆
	▲

	Theme	Target	Per-unit value of base year, etc.	Target per-unit value of target year, etc.	Actual performance of per-unit value for FY2011, etc.	Performance by the end of FY2011	Progress assessment
Product targets							
1. Eco-products	Raise share of Green Star Product sales in total sales.	Increase Green Star Product sales to 30% of total sales by FY2013. Maintain Green Product sales at 80% of total sales or more.	—	30% [80% or more]	15.8% [83%]	14.2 percentage points remaining to reach target. Exceeded target by 3 percentage points	☆☆☆
Plant and business-site targets							
					Upper level: FY2011 Lower level: FY2010	Upper level: Compared with base year Lower level: (Compared with previous year)	
1. Reduction of greenhouse gas emissions over the medium and long term	Reduce greenhouse gas emissions over the medium term.	Reduce the total volume of global greenhouse gas emissions from business activities by 30% by fiscal 2021 compared to fiscal 2006.	132,213	92,549	54,217	Reduced by 59.0%	☆
			(Tons-CO ₂)	(Tons-CO ₂)	(Tons-CO ₂)	99,029 (Reduced by 45.3%)	
	Reduce greenhouse gas emissions over the long term.	Reduce the total volume of global greenhouse gas emissions from business activities by 80% by fiscal 2051 compared to fiscal 2006.	132,213	26,443	54,217	Reduced by 59.0%	☆
			(Tons-CO ₂)	(Tons-CO ₂)	(Tons-CO ₂)	99,029 (Reduced by 45.3%)	
2. Energy conservation (electrical power, fuel, etc.)	Reduce CO ₂ emissions (Japan production sites)	Reduce emissions per unit of actual production by 35%, averaged over 5 years from FY2009 to 2013, compared with FY1991.	0.312	0.203	0.185 *1	Reduced by 40.7%	☆☆☆
			(Tons-CO ₂ /¥ million)	(Tons-CO ₂ /¥ million)	(Tons-CO ₂ /¥ million)	0.211 *2 (Reduced by 12.1%)	
	Reduce CO ₂ emissions (Japan office sites)	Reduce total emissions by 9%, averaged over 5 years from FY2009 to 2013, compared with FY1991.	11,492	10,458	8,533 *1	Reduced by 25.8%	☆☆☆
			(Tons-CO ₂)	(Tons-CO ₂)	(Tons-CO ₂)	9,533 *2 (Reduced by 10.5%)	
Reduce CO ₂ emissions (production sites outside Japan)	Reduce emissions per unit of production by 30% by FY2013 compared to FY2005.	0.235	0.165	0.206	Reduced by 12.3%	☆☆	
		(Tons-CO ₂ /¥ million)	(Tons-CO ₂ /¥ million)	(Tons-CO ₂ /¥ million)	0.265 (Reduced by 22.3%)		
	Reduce CO ₂ emissions (office sites outside Japan)	Reduce total emissions by 3% by FY2013 compared to FY2005.	5,099	4,946	7,496	Increased by 47.0%	▲
			(Tons-CO ₂)	(Tons-CO ₂)	(Tons-CO ₂)	7,362 (Increased by 1.8%)	
3. Reduction of greenhouse gases	Reduce total emissions of greenhouse gases other than CO ₂ (CO ₂ equivalent) to below 2000 level.	Reduce total emissions to below 2000 level by 2010.	7,278	7,278	3,007	Reduced by 58.7%	☆☆☆☆
			(Tons-CO ₂)	(Tons-CO ₂) or below	(Tons-CO ₂)	11,355 (Reduced by 73.5%)	
4. Resource conservation (water, paper)	Reduce water usage (Japan production sites)	Reduce usage per unit of actual production by 25% by FY2013 compared to FY2001.	0.0077	0.0058	0.0045	Reduced by 41.6%	☆☆☆
			(Thousand m ³ /¥ million)	(Thousand m ³ /¥ million)	(Thousand m ³ /¥ million)	0.0089 (Reduced by 49.4%)	
	Reduce water usage (production sites outside Japan)	Reduce usage per unit of production by 15% by FY2013 compared to FY2005.	0.0039	0.0033	0.0045	Increased by 14.9%	▲
			(Thousand m ³ /¥ million)	(Thousand m ³ /¥ million)	(Thousand m ³ /¥ million)	0.0032 (Increased by 40.1%)	
	Reduce office paper usage (Japan sites)	Reduce usage per unit of sales by 10% by FY2013 compared to FY2008.	0.00035	0.00032	0.00047	Increased by 32.9%	▲
			(Tons/¥ million)	(Tons/¥ million)	(Tons/¥ million)	0.00041 (Increased by 13.5%)	
5. Waste reduction	Reduce generation of waste (Japan sites)	Reduce waste per unit of actual production by 50% by FY2013 compared to FY2001.	0.024	0.012	0.0136	Reduced by 43.2%	☆☆
			(Tons/¥ million)	(Tons/¥ million)	(Tons/¥ million)	0.0195 (Reduced by 30.1%)	
	Reduce generation of waste (production sites outside Japan)	Reduce waste per unit of production by 30% by FY2013 compared to FY2005.	0.012	0.008	0.0083	Reduced by 31.0%	☆☆☆
			(Tons/¥ million)	(Tons/¥ million)	(Tons/¥ million)	0.0106 (Reduced by 21.9%)	
6. Reduction of volatile organic compounds (VOCs)	Reduce emissions of VOCs to atmosphere (Japan production site)	Reduce emissions by 30% by FY2011 compared to FY2001.	47	33	21	Reduced by 54.7%	☆☆☆☆
			tons	tons	tons	32 (Reduced by 33.5%)	
7. Hazardous substance phase-out	Detoxify PCB-containing equipment now in storage as Japan Environmental Safety Corporation starts	Detoxify all PCBs stored at Kofu Casio by FY2015.	—	—	Finished delivering this equipment to JESCO. Continuing to store equipment until it can be accepted for treatment.	—	—
8. Output reduction of PRTR substances	Reduce output of PRTR substances (Japan production sites)	Reduce output per unit of actual production by 40% by FY2013 compared to FY2004.	0.00011	0.00007	0.00003	Reduced by 71.1%	☆☆☆
			(Tons/¥ million)	(Tons/¥ million)	(Tons/¥ million)	0.00005 (Reduced by 36.4%)	
9. Green procurement	Improve the green procurement ratio.	Achieve green part procurement ratio (ratio of green parts ^{*4} to all parts and materials ordered) at sites in and outside Japan of 100%. ^{*5} ^{*4} Parts and materials that do not contain prohibited substances as designated by Casio ^{*5} Excluding those substances that are within legal limits, if customer requests	—	FY2011: 100%	In Japan: 100% Outside Japan: 100%	—	☆☆☆
10. Green purchasing	Raise green purchasing ratio of office supplies and office equipment (Japan sites)	Raise the ratio to 75% of total purchases by FY2012 (based on the number of purchases)	—	75%	62.8%	—	☆
11. Logistics-related global warming countermeasures	Reduce CO ₂ emissions ^{*3} (distribution in Japan)	Reduce emissions per unit of sales in Japan by 22% by FY2013 compared to FY2006.	—	Reduce 22% by FY2013	75.2% compared to FY2006	Reduced by 24.8%	☆☆☆
Overall business activity targets							
1. Biodiversity preservation target	Preserve biodiversity and ecosystem services	Conduct biodiversity impact surveys in all business areas by 2012, and establish a policy theme.	—	—	—	Established the Casio Group Biodiversity Guidelines.	☆

*1 Average value for FY2009 to FY2011.

*2 Average value for FY2009 and FY2010.

*3 The scope of target for logistics-related global warming countermeasures is distribution for product sales.

Environmental Communication

Environmental Communication

Casio understands the importance of communicating with all of its stakeholders about environmental issues.

Exhibiting at Eco-Products 2010

Every year Casio exhibits at Eco-Products, the largest environmental trade show in Japan. Marking the show's 12th year, Eco-Products 2010 was held at Tokyo Big Sight from December 9 to 11. Over 700 companies and organizations set up booths to display their environmentally friendly products and services. The show attracted more than 180,000 visitors, the largest attendance to date. Casio has exhibited each year since the show began, and in 2010 the Casio exhibit was based on the theme, "The Harmony of Technology and Ecology." Divided into two zones, the exhibit presented Casio Green Star products and various other environmental initiatives taken by the Casio Group to build a more sustainable world. The "Blue Zone" featured the results of Casio's initiatives to address climate change, and the "Green Zone" highlighted Casio's efforts to protect ecosystems, which are part of its biodiversity preservation initiative.

On the main stage of the exhibit, Casio's environmental initiatives were described in a narrated video.



Exhibit featured "Blue" and "Green" zones



Working watches encased in ice... but is it real ice?

Throughout the exhibit space, various displays with eye-catching copy pointed out all the environmentally friendly components in various Casio products. And of course, the ever-popular calculator assembly classes attracted many children, teens, and young adults.

As the Eco-Products trade show continues to grow in coming years, Casio will continue to be there to inform the public about its environmental activities and introduce its new environmental concepts and strategies.

Participation in CES

Every year, Casio exhibits at the Consumer Electronics Show in Las Vegas, the world's largest event of its kind. This time, the show was held from January 6 to 9, 2011, and attracted 120,000 visitors. The show was an excellent opportunity for Casio to promote its innovative new products.

The environmental exhibit area of the Casio booth featured the company's initiatives under two themes: "Save Energy" and "Preserve Ecosystems." An intuitive panel display promoted Casio's advantages, and exhibits featured Casio Green Star products, including digital cameras and watches, as well as eco-friendly digital camera packaging.

The projector area of the booth highlighted Casio's



Going beyond initiatives against climate change, for the first time this year the exhibit featured Casio's efforts to protect ecosystems.



Green Slim Data Projector

Green Slim Data Projectors, which are mercury and lead free since they use a hybrid light source that combines LED and laser technologies.

External Evaluation

Casio obtains AAA rating for its environmental activities from the SMBC private placement bond program

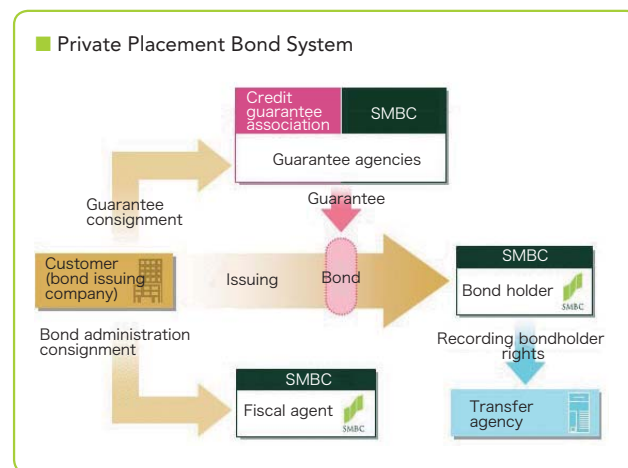
In October 2008, the Sumitomo Mitsui Banking Corporation began offering SMBC Environmental Assessment Loans, followed by SMBC Environmental Assessment Private Placement Bonds in June 2009. Currently, about 30 companies have raised approximately 100 billion yen from such loans and bonds.

Under this program, the Japan Research Institute interviews the heads of environmental management departments at applicant companies concerning the details of their responses to a survey conducted by the institute. After making a comprehensive assessment based on this, SMBC then assigns environmental ratings to the companies and preferential interest rates are made available to those with high ratings.

In 2010, Casio applied to participate in this private placement bond program. Based on the assessment results, the company's environmental corporate management was deemed to be outstanding, and Casio was given the highest rating, AAA. The process also helped Casio to identify issues with its environmental communication, and made it clear that more specific work needs to be done to reduce CO₂ emissions at sites outside Japan, performance of waste reduction measures needs

to be improved, and more attention needs to be given to biodiversity preservation. This feedback will be used to make improvements to enable Casio to achieve an even higher level of environmental management.

* A private placement bond ("Shibosai bond") is a bond sold directly to a few investors. It differs from a publicly issued bond, which is widely sold to an unspecified number of investors through securities companies.



Environment Data

Material Balance

The material balance represents an environmental assessment of Casio's energy-saving and resource-saving manufacturing practices. Casio is always striving to minimize its energy and resource inputs as well as its emissions and outputs.

What is a material balance?

A material balance provides an overall picture of a company's environmental impact. It shows the amount of energy and resources a company uses in its business activities (inputs into business activities), the amount of

environmentally harmful substances (including waste) it emits, and the amount of output it produces and sells (outputs from its business activities).

Fiscal 2011 performance

At the beginning of fiscal 2011, the TFT-LCD business (Kochi Casio and the Hachioiji R&D Center electronic component division) and the cellular phone business were transferred and removed from the consolidation scope of the Casio Group. Accordingly, Casio reduced the boundary of its environmental management in fiscal 2011, and there was a dramatic reduction in some environmental figures as a result.

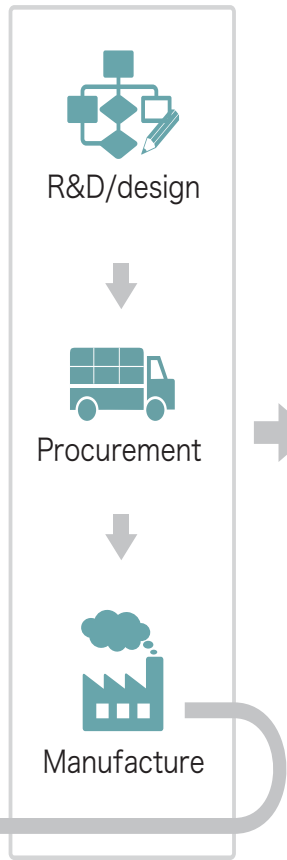
Casio has been working to save energy with its production equipment and is striving to improve production processes.

The group is now taking further energy-saving measures in order to cope with the power supply shortages following the Great East Japan Earthquake that struck in March 2011.

■ Material balance for business sites ■ Material balance for products

Inputs

Energy.....	26,291.4	kl crude oil equivalent
└ Electricity.....	90,204.0	million kWh
└ Fuel.....	3,448.6	kl crude oil equivalent
Water resources.....	1,208.8	million m ³
SF ₆ (sulfur hexafluoride).....	0.0	tons
Greenhouse gases other than SF ₆	0.4	tons
VOC.....	104.4	tons
Paper usage.....	143.4	tons
PRTR substance.....	19.3	tons
Parts and materials* ²	26,131	tons
└ Recycled material.....	329	tons
Manuals.....	4,120	tons
└ Recycled material.....	56	tons
Packaging material.....	13,014	tons
└ Recycled material.....	10,597	tons
Rainwater.....	4,900	m ³
Recycled industrial water.....	146,700	m ³
Reused plastics.....	8.5	tons



Outputs

Greenhouse gases	
└ CO ₂ emissions.....	53,719.5 tons-CO ₂
└ SF ₆ emissions.....	0.0 tons-CO ₂ equivalent
└ Other greenhouse gas emissions.....	497.5 tons-CO ₂ equivalent
Air pollutants* ¹	
└ NO _x	3.2 tons
└ SO _x	1.2 tons
└ Dust.....	0.7 tons
VOC emissions to atmosphere.....	21.4 tons
Wastewater.....	1,126.8 million m ³
└ BOD.....	22.8 tons
PRTR substance Releases / transfers.....	18.0 tons
└ Releases.....	4.7 tons
└ Transfers.....	13.2 tons
Waste generated, etc.....	3,676.9 tons
└ Waste.....	1,798.6 tons
└ Valuables.....	1,878.3 tons
Landfill disposal.....	257.7 tons
Recycled waste* ³	3,302.4 tons



Recovered

System equipment from corporate customers.....	34.8	tons
Household PCs.....	0.13	tons
Label printer tape cartridges.....	4.0	tons
Drums and toner cartridges.....	710.3	tons

Recycled

System equipment from.....	29.5	tons
Household PCs.....	0.10	tons
Label printer tape cartridges.....	4.0	tons
Drums and toner cartridges.....	710.3	tons

¹1. Ozone depleting substances have been fully phased out.
²2. Parts and materials include consumables, such as toner cartridges.
³3. Recycled waste includes thermally recycled material.
⁴4. Product distribution is consigned to transportation companies.

Responsibilities to Stakeholders

Environmental Initiatives

Philosophy and Management

Environmental Performance

This section presents environmental impact data related to business activities.

CO₂

Fiscal 2011 marked the third year of the target period (five years from fiscal 2009 to fiscal 2013) for CO₂ emissions from sites in Japan. The performance figures using comparisons with the base year are average values for the initial year (fiscal 2009) through the third year (fiscal 2011).

The target for production sites in Japan was a 35% reduction in CO₂ emissions per unit of actual production compared to fiscal 1991. In fiscal 2011, the sites' CO₂ emissions were approximately 41% lower than in fiscal 1991, which also represented a roughly 12% decrease from the previous fiscal year. The main reason for this decline from the previous year was the transfer of the TFT-LCD and cellular phone businesses, and their removal from the consolidation scope of the Casio Group.

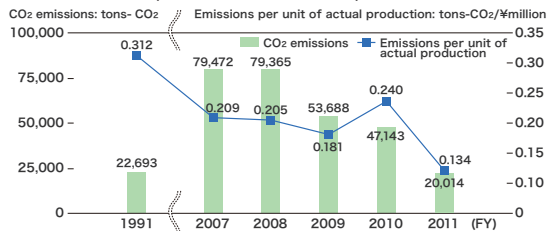
The target for office sites in Japan was a 9% reduction in the total amount of CO₂ emissions compared to fiscal 1991. In fiscal 2011, emissions were about 26% lower than in fiscal 1991, meeting the target again this year. This was also an approximately 11% reduction from the previous fiscal year.

Fiscal 2013 is the target year for all sites outside Japan. The target for production sites outside Japan was a 30% reduction in CO₂ emissions per unit of production compared to fiscal 2005. Fiscal 2011 emissions for these sites were about 12% lower than in fiscal 2005, an approximately 22% reduction from the previous year.

The target for office sites outside Japan was a 3% reduction in the total amount of CO₂ emissions compared to fiscal 2005. In fiscal 2011, emissions were approximately 47% higher than in fiscal 2005, which also represented an approximately 2% increase over the previous fiscal year.

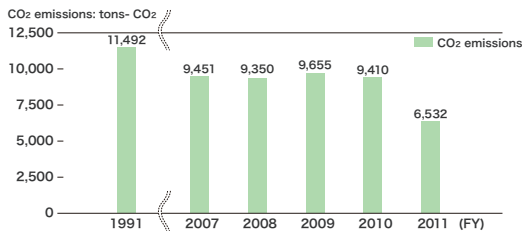
Casio will continue to strive to improve the energy efficiency of its production equipment and to streamline production processes at all of its production sites in and outside Japan. Casio will also work to reduce CO₂ emissions by implementing energy-saving measures for its lighting and heating/cooling equipment at offices in and outside Japan.

CO₂ emissions (production sites in Japan)



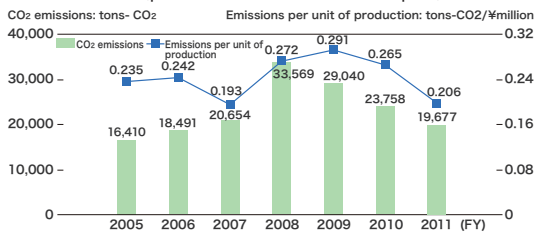
* Trends in CO₂ emissions from energy sources (electrical power, fuel, etc.) used at production sites in Japan.

CO₂ emissions (office sites in Japan)



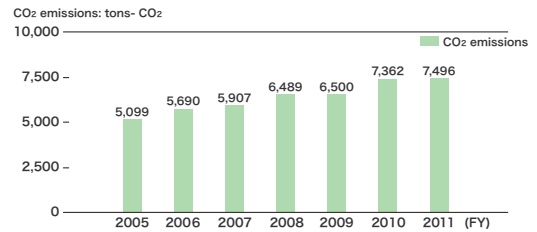
* Trends in CO₂ emissions from energy sources (electrical power, fuel, etc.) used at office sites in Japan.

CO₂ emissions (production sites outside Japan)



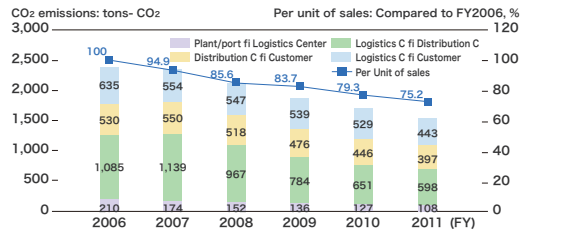
* Trends in CO₂ emissions from energy sources (electrical power, fuel, etc.) used at production sites outside Japan.

CO₂ emissions (office sites outside Japan)

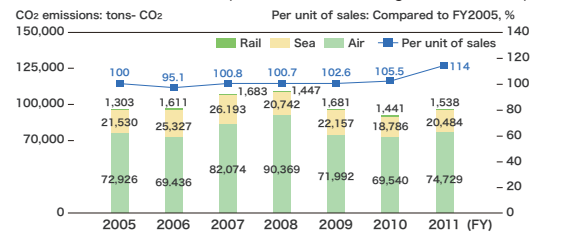


* Trends in CO₂ emissions from energy sources (electrical power, fuel, etc.) used at office sites outside Japan.

CO₂ emissions and emissions per unit of sales for logistics in Japan



CO₂ emissions and emissions per unit of sales for logistics outside Japan



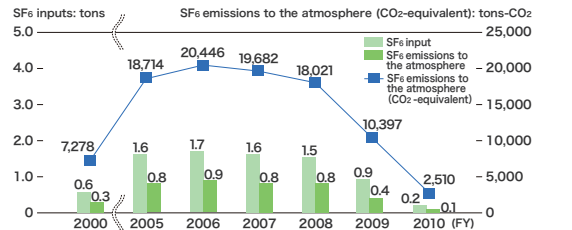
SF₆ gas

Casio has set a target of reducing its emissions of greenhouse gases other than CO₂ to less than year 2000 levels by 2010.*

The fiscal 2011 results for SF₆ emissions were approximately 59% lower than in 2000, and this represented an approximately 74% reduction compared to the previous year. In April 2010, the TFT-LCD business (Kochi Casio and the electronic component division of the Hachioji R&D Center) was transferred, and removed from the consolidation scope of the Casio Group. This was the main reason for the emissions reduction.

In the future, Casio will put effort into reducing greenhouse gases including those contained in dust blowers, spot freezing and sprays used mainly at service sites.

SF₆ gas usage and emissions to atmosphere (Japan production sites)



* Years shown in this graph are calendar years, to match industry action targets.

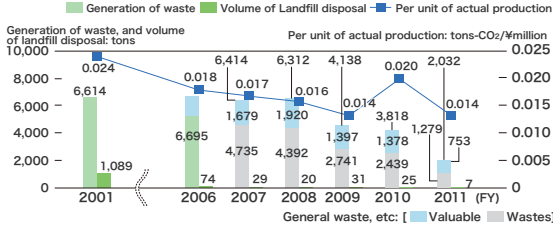
Waste

Casio evaluates its waste reduction (waste and valuables) using fiscal 2013 as the target year.

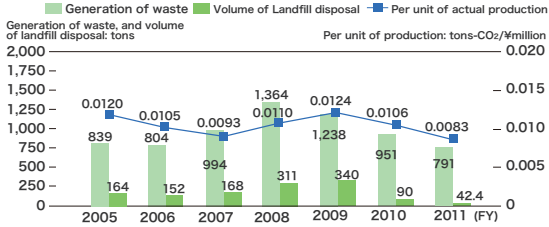
The target for reducing waste produced from sites in Japan was a 50% reduction in waste per unit of actual production compared to fiscal 2001. In fiscal 2011, waste was reduced by about 43% compared to fiscal 2001, which also represented an approximately 30% reduction from the previous year. Although the amount of waste produced compared to the previous fiscal year fell by about 15%, this was due to the transfer of the TFT-LCD and cellular phone businesses, and their removal from the consolidation scope of the Casio Group.

The target for reducing waste from production sites outside Japan was a 30% reduction per unit of production compared to fiscal 2005. In fiscal 2011, emissions were reduced by about 31% compared to fiscal 2004, for an approximately 22% reduction from the previous year. Further waste reduction measures for production sites outside Japan are being considered.

Generation of waste, volume of landfill disposal, and waste per unit of actual production (all sites in Japan)



Generation of waste, volume of landfill disposal, and waste per unit of production (production sites outside Japan)



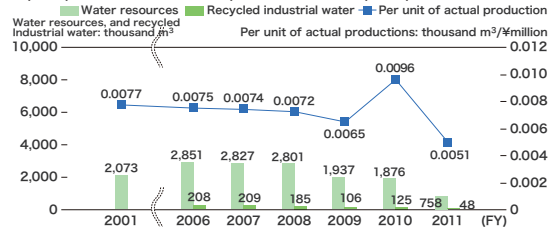
Water resources

Water resource input is evaluated using fiscal 2013 as the target year.

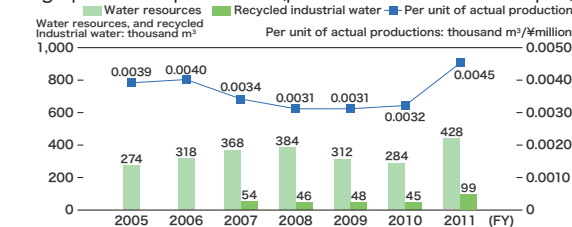
The target for production sites in Japan was a 25% reduction in water resource input per unit of actual production compared to fiscal 2001. In fiscal 2011, water input per unit of actual production was about 42% lower than in fiscal 2001, which also represented a reduction of about 49% from the previous fiscal year. Total water resource input was down by about 21% from the previous year. This was due to the transfer of the TFT-LCD and cellular phone businesses, and their removal from the consolidation scope of the Casio Group.

The target for production sites outside Japan was a 15% reduction in water resource input per unit of production compared to fiscal 2005. In fiscal 2011, the figure was 15% higher than in fiscal 2005, representing an approximately 40% increase compared to the previous year. This increase was due to the rise in TFT production output at the Casio Computer (Hong Kong) Ltd. Casio will continue to strive to reduce water usage.

Usage of water resources and recycled industrial water, and input per unit of actual production (Japan production sites)



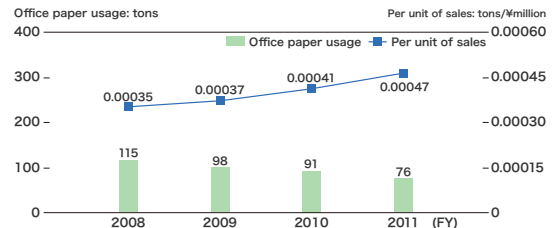
Usage of water resources and recycled industrial water, and usage per unit of production (production sites outside Japan)



Paper

The reduction target for the usage of office paper at sites in Japan, set in fiscal 2010, was a 10% reduction compared to fiscal 2008 by fiscal 2013, per unit of sales. The result for fiscal 2011 was about 33% higher than in fiscal 2008. This increase was due to a drop in sales, as the total volume of office paper used fell from 115 tons in 2007 to 75.5 tons in 2010. Along with the increased promotion of green IT, Casio will reinforce its efforts to reduce paper usage.

Office paper usage (all sites in Japan)

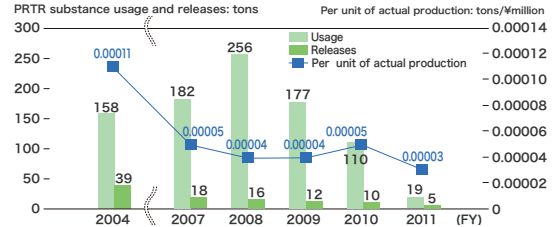


PRTR

Reducing PRTR substances

The target for reduction of emissions of substances specified by Japan's PRTR Act was a 40% reduction per unit of actual production compared to fiscal 2004, by fiscal 2013. In fiscal 2011, Casio met the target for another consecutive year, with approximately 71% lower emissions than in fiscal 2004, which was a reduction of 36% over the previous year. Casio will continue striving to further reduce the use of these chemicals.

PRTR substance usage, releases, and releases per unit of actual production (Japan production sites)

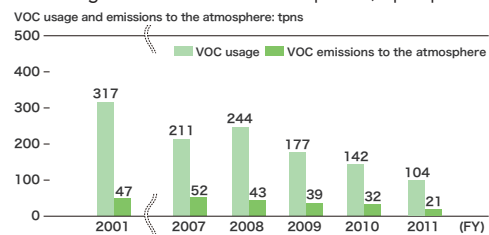


VOCs, NOx, SOx, and dust

Reducing VOCs

Fiscal 2011 is the target fiscal year for reducing atmospheric emissions of volatile organic compounds (VOCs) from production sites in Japan. The target was a reduction of 30% compared to fiscal 2001. In fiscal 2011, Casio's emissions of VOCs were about 55% lower than in fiscal 2001, achieving the target. This also represented a reduction of approximately 34% from the previous fiscal year. Casio will continue to pursue VOC replacements.

VOC usage and emissions to atmosphere (Japan production sites)

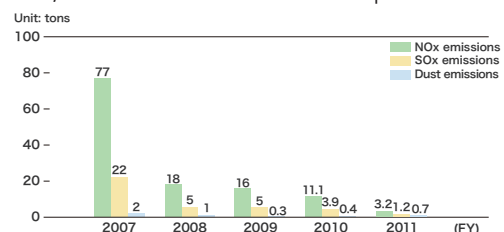


Reducing NOx, SOx and Dust

Casio's atmospheric emissions of nitrogen oxides (NOx), sulfur oxides (SOx) and dust in the peak year of fiscal 2006 were 138 tons, 37 tons, and 2 tons, respectively. Emissions in fiscal 2011 were 1.9 tons, 1.1 tons, and 0.2 tons, respectively. These dramatic reductions are attributed to the transfer of the TFT-LCD and cellular phone businesses, and their removal from the consolidation scope of the Casio Group.

By adjusting settings and practicing indoor temperature management, Casio also intends to reduce emissions of atmospheric pollution generated by air conditioning equipment such as hot and chilled water generators).

Nox, SOx and dust emissions to atmosphere



Environmental Accounting

This section shows a breakdown of the costs for environmental conservation activities and the benefits of environmental conservation.

Overview of fiscal 2011 performance

Casio's capital investments in environmental conservation, including the introduction of equipment to prevent water pollution, and energy-saving equipment, were valued at ¥137 million in fiscal 2011.

The expenses of Casio's environmental conservation activities, including recycling of products, parts and supplies such as toner cartridges, as well as the costs of maintenance of energy-saving and wastewater processing facilities, along with costs for processing and reducing waste, were ¥1,745 million.

That investment resulted in ¥1,498 million in business profits including a real benefit of ¥1,304 million from strengthening recycling activities and a cost savings of ¥194 million through energy-saving activities and the

reduction of resources used in product packaging. The fiscal year's total economic benefits were ¥1,854 million. This includes the reduction of CO₂ emissions from business activities, and the reduction of power consumption during product use by customers. It also includes estimated economic benefit such as the environmental impact reduction achieved by paperless products including electronic dictionaries and data projectors.

Although the environmental expenses and economic benefits were lower than in the previous fiscal year due to the transfer of the TFT-LCD and cellular phone businesses and their removal from the scope of consolidation, the environmental profitability rate improved and economic benefits exceeded environmental expenses.

Environmental conservation costs (April 2010 - March 2011)

Category by business activity		Main initiatives	Environmental investment (¥ million)	Environmental expenses* (¥ million)
Business area costs (costs arising in the main areas of business activity (manufacturing, processing, sales, distribution etc.))			137	291
	(1) Pollution prevention cost	Upgrading and maintenance of wastewater and exhaust gas treatment facilities	60	65
	(2) Global environmental conservation cost	Introducing and maintenance of energy-saving systems	77	128
	(3) Resource circulation cost	Reducing and recycling of industrial and general waste	-	99
Upstream/downstream cost*2		Collection and recycling of products, parts, supplies	-	1,103
Administration cost		Secretariat operation costs, environmental information disclosure	-	293
R&D cost		R&D for reduction of environmental impact	-	44
Social activity cost		Participation in, donations to, and support for environmental conservation organizations	-	15
Totals			137	1,745

*1 Depreciation costs are included in the expenses.

*2 Costs arising before and after the processes of the main business activities.

Economic benefits of environmental conservation (April 2010 - March 2011)

Economic benefit		Type of benefit	Amount (¥ million)
Actual benefit (benefit that contributes to profits as a result of the promotion of environmental conservation measures)			1,498
	Profits	Business revenue from recycling of used products, etc.	1,304
	Profits	Cost reduction through energy saving activities	13
		Cost reduction due to resource-saving activities such as the creation of smaller packaging, and reduction of waste disposal costs, etc.	181
Estimated benefit*		Reduction of CO ₂ emitted from business activities Reduction of power consumption during product use by customers, etc.	356
Totals			1,854

* The estimated benefit is calculated as the CO₂ reduction amount from business activities plus the reduction from power savings during product use by customers. It also includes the environmental benefit of paperless products such as electronic dictionaries and data projectors, as well as cost reductions achieved by a modal shift from air to sea transport, and the resource saving benefit from water recycling.

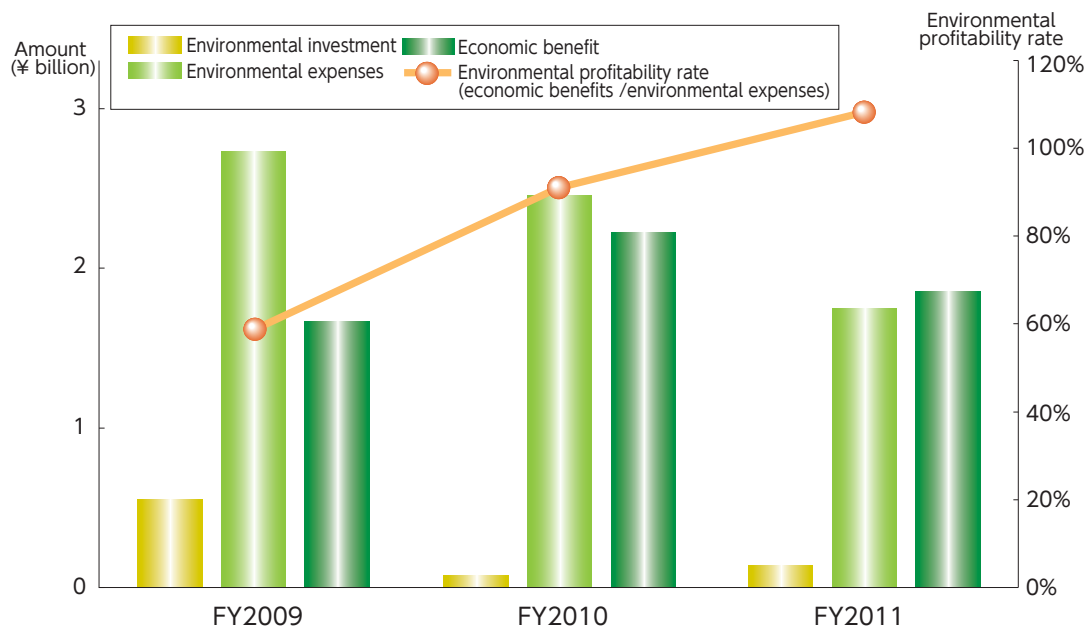
The calculation method for power savings during product use by customers was revised. It is now calculated as the electricity saving effect when comparing a product sold in this fiscal year to one sold in the previous fiscal year.

The following statistical sources are used to perform these calculations:

CO₂ unit prices are the average values for fiscal 2011 (¥1,431.3/ton) based on the Nikkei-JBIC Carbon Quotation Index.

Electrical power unit prices are based on the fiscal 2009 results published by the Agency for Natural Resources and Energy of the Ministry of Economy, Trade and Industry (¥16.02/kWh).

■ Trends in environmental investments, environmental expenses, and economic benefits (fiscal 2009 - fiscal 2011)



* The above graph revises past figures with regard to the estimated effects, based on the standards adopted this fiscal year.

■ Environmental conservation effect

Types of environmental conservation effects	Environmental performance indicator	Unit	FY2010	FY2011	Environmental conservation effect
Environmental conservation effect relating to resources used in business activities	Water resources	Thousand m ³	2,183	1,209	974
Environmental conservation effect relating to environment impact and waste generated by business activities	CO ₂ emissions	Tons-CO ₂	87,674	53,720	33,955
	Specially designated chemical (PRTR) emissions	Tons	10	5	5
	Waste emissions	Tons	5,584	3,677	1,907
	BOD	Tons	29	23	6
	NO _x emissions	Tons	11.1	3.2	7.9
	SO _x emissions	Tons	3.9	1.2	2.7

* The large decreases compared to the previous fiscal year were due to the transfer of the TFT-LCD and cellular phone businesses and their removal from the scope of consolidation.

Scope of data compilation for environmental accounting: Casio Computer Co., Ltd., and consolidated subsidiaries in and outside Japan.
Reference guideline: Environmental Accounting Guidelines 2005, Ministry of the Environment, Japan

Philosophy and Management

CSR Implementation System

Via its communication with stakeholders, Casio has determined the issues it must address to meet social expectations. The company is implementing management cycles to improve performance in these areas.

CSR Implementation System

Since the establishment of its CSR Operations Section in 2004, Casio has been implementing CSR activities while expanding the themes to be undertaken and the scope of their impact. In the initial stage, there was an emphasis on protecting corporate value. Now however,

the company is working to generate new corporate value from a global perspective. In fiscal 2012, Casio revised its system for CSR implementation to make it even more global, by incorporating all Casio Group companies worldwide.

CSR Committee

A CSR Committee headed by the director responsible for CSR has been established under the board of directors. The committee is the central body for implementation of CSR.

Operations conducted by the CSR Committee are based on the use of management cycles. A stakeholder meeting is held at the beginning of the fiscal year, after which the annual initiative themes are established and/or updated. The departments mainly responsible for each theme establish goals for their themes and set annual plans to achieve the goals before implementing the necessary programs. At the end of the fiscal year, the departments review and evaluate their own results, in addition to an objective evaluation by the Internal Audit Department. Based on this, issues are then re-defined and used to establish the themes and plans for the next fiscal year.

In fiscal 2011, Casio worked on 11 themes, including those continued from the previous year. There were eight relating to CSR, and three relating to compliance risk. The details are shown below.

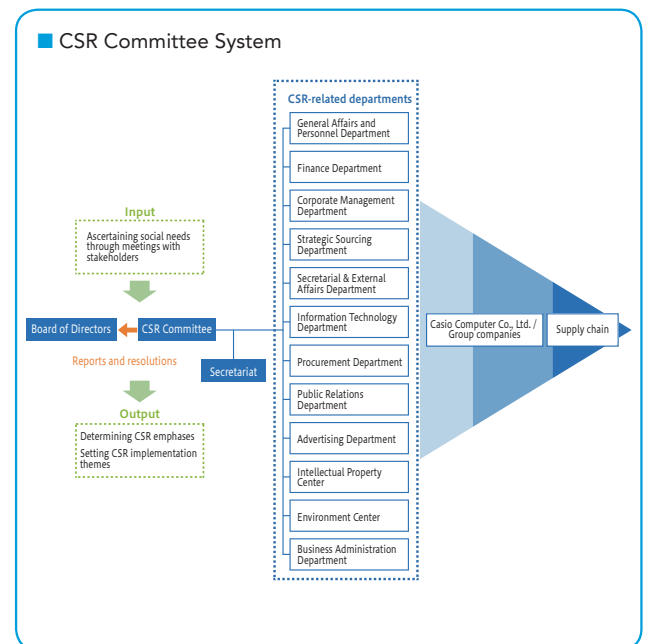
Fiscal 2011 Themes

- Themes relating to employees: 4
- Themes relating to brand value: 1
- Themes relating to social contribution: 1
- Themes relating to BCM: 1
- Themes relating to supply chain: 1
- Themes relating to compliance risk: 3

Targets were achieved for five of these themes in fiscal 2011. The remaining six themes were carried over

and continued as fiscal 2012 themes.

To choose the fiscal 2012 themes, in addition to those continued from the previous fiscal year, four working groups discussed theme proposals from the CSR-related departments, after the stakeholder meeting outlined below. When looking at proposals, they considered the CSR contribution level, return on investment, and similarity to other proposals. The proposals were then ranked within categories, before a balanced set of new themes was selected for fiscal 2012.



Stakeholder Meeting

The fiscal 2011 stakeholder meeting was held prior to setting the themes for the coming fiscal year. Hideto Kawakita of the International Institute for Human, Organization and the Earth (IIHOE) was invited to come and give a talk on the latest CSR trends and examples of leading initiatives. This was followed by a Q&A session, which also deepened the understanding of the CSR Committee members.

In the CSR Committee meeting at the start of fiscal 2012, Hideto Kawakita was invited in again. He and the committee members discussed how to reflect the arrival of ISO 26000 and the consequences of the Great East Japan Earthquake in the setting of fiscal 2012 initiative themes.

After the meeting, each CSR-related department

selected new theme proposals that Casio ought to pursue in fiscal 2012, submitted them to the Secretariat. The proposals were then divided up and discussed by the working groups mentioned above.



Mr. Kawakita, who has provided the Independent Opinion for some years now, offers ever more in-depth advice and proposals.

Corporate Governance

To increase corporate value, Casio always strives to improve management integrity and transparency. True to this commitment, Casio works to ensure that management decision-making is quick and that all operations are executed properly and efficiently.

Corporate governance framework

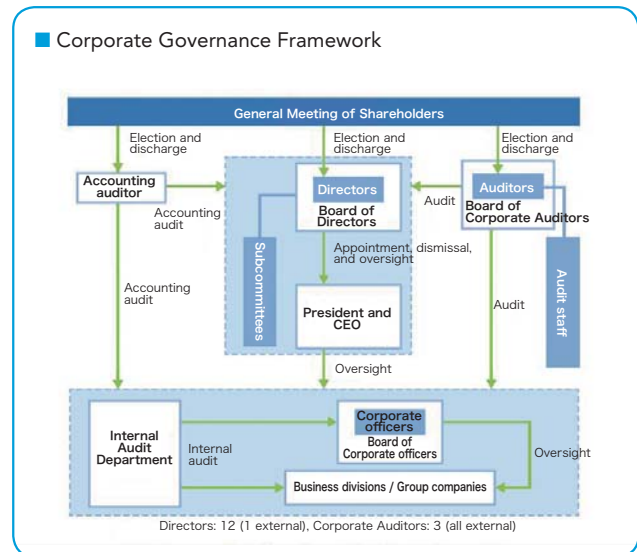
Casio constantly strives to improve corporate governance.

The board of directors is tasked with making prompt, reasonable management decisions. Board meetings are attended by directors and corporate auditors, who discuss and make decisions on important business issues. Furthermore, in order to clarify the management responsibility of directors and to ensure a prompt response to changes in the business environment, the term of office of directors was changed from two years to one, as of June 2007.

At the regular General Meeting of Shareholders in June 2011, a new external director and a new external auditor were appointed, with the intention of further strengthening the management supervisory function.

In accordance with audit policies approved by the board of corporate auditors, the corporate auditors (all external auditors) attend board of directors' meetings, meetings of the corporate officers, and other important meetings. In addition, they perform careful audits by gathering information and receiving reports from directors and others, and by reviewing resolution documents relating to important decisions. The external director and external auditors are independent officers registered with the Tokyo Stock Exchange in compliance with regulations. In addition, Casio has full-time staff that provide support for corporate auditors.

Accounting auditors perform external audits according to generally accepted Japanese auditing standards, and they also provide recommendations for operational improvement. The Internal Audit Department carries out audits to ensure that all Casio Group operations are being carried out in conformity with laws and regulations as well as internal standards.



System of internal controls

Based on its corporate creed of "Creativity and Contribution," Casio has established basic policies to ensure the accuracy and reliability of its financial reporting. It has also set up an Internal Control Committee composed of members of the Accounting Department, Information System Department, CSR Operations Section, and Internal Audit Department, in order to secure an effective system of internal controls.

Fiscal 2011 marked the third year since the introduction of the internal control reporting system based on Japan's Financial Instruments and Exchange Act (J-SOX). Casio seeks to improve the financial strength of the entire group and enhance management culture ahead of the introduction of the International Financial Reporting Standards (IFRS). As part of those initiatives, the company also promoted the strengthening of internal controls.

Here are the main initiatives.

- Reviewed the unified group accounting rules based on actual conditions, and revised them to establish the Casio Global Criteria for journal entry.
- Managed issues identified through daily organizational management as main J-SOX risks, and set Operation Improvement Rules for the entire group.
- Established Standard Operation Flows that should be regularly used across the entire group for main business processes, with the aim of ensuring that the Operation Improvement Rules are being followed.

By regularly checking and improving operation conditions based on these standards and rules, Casio intends to raise the level of operation processing group-wide.

For fiscal 2012 and later, Casio will continue to pursue activities that enhance the level of internal control, while further improving financial strength for the entire group and improving the management culture.

Compliance and Risk Management

Casio is pursuing total compliance through integrated management of three foundations of employee conduct: the Casio Group Code of Conduct, risk management, and the Whistleblower Hotline.

Casio Group Code of Conduct

The Casio Group Code of Conduct represents a pledge of ethical behavior by Casio executives and employees to those in and outside the company. They use the code to make specific decisions in their daily work and personal lives.

With the globalization of Casio, the code has been translated from Japanese to English, and is also translated into the languages of other countries where

Casio operates when needed.

With the revision of the code in 2008, Casio began conducting yearly compliance training for all group employees in Japan, in order to promote even better awareness. The company also conducts biannual compliance questionnaires together with the training, and is promoting improvement by identifying problem points and making them known.

Risk management

Based on its Basic Risk Management Policies, Casio has built a system to manage risks efficiently. In fiscal 2008, Risk Management Committee was established to take measures with an emphasis on managing compliance risk.

In the committee's first year, fiscal 2008, it identified 70 laws relating to Casio's businesses, and listed measures being taken to comply with each law. Regarding laws where Casio had deficiencies relating to management cycle operation and manual preparation, the committee analyzed the importance of each risk based on the occurrence possibility and its impact on company management. Measures were then prepared to deal first

with the risks of higher importance.

In fiscal 2008, there were 19 law types where the company's compliance was deficient and the risks were of high importance. By the end of fiscal 2011, specified measures had been put in place to deal with all of these laws.

As a result, Casio has changed its risk management method, and the Risk Management Committee Secretariat is regularly monitoring the risks identified by the Committee. The company has moved towards a system that checks for deficiencies in the status of management cycle implementation.

Responding to emergencies

In order to respond to emergencies with the resources of the company organization, Casio has created a Crisis Management Manual for securing the safety of all employees, directors, and their families, preserving corporate assets, and maintaining business activities.

Sequential updates of the manual keep pace with changes in the business environment, and the company is taking practical initiatives at the same time. Specifically, the following measures have already been undertaken:

- Regular evacuation drills and general lifesaving classes for employees
- Development and in-house distribution of disaster prevention support tools as well as disaster stockpiling
- Construction of a system to ensure absolutely no con-

tact with organized criminal elements

- Disaster prevention drill with the local community and provision of an open area for a temporary evacuation site

However, with the Great East Japan Earthquake that struck in March 2011, circumstances were encountered that exceeded previous expectations. Learning from this, the Crisis Management Manual required substantial revision. Visits were made to the sales sites in the disaster zone and interviews conducted. By verifying emergency response activities at the headquarters and local sites from the victims' perspective, Casio was able to identify various points for improvement. These points have been carefully reflected in the revised Crisis Management Manual to make it even more effective.

Information security

Casio is aware of its important social responsibility to maintain the security of information that it collects from customers and other stakeholders in relation to its business activities. Casio strives to maintain the highest level of information security. With the full implementation of Japan's Act on the Protection of Personal Information in 2005, Casio launched the Protection of Personal Information Project and publicized the Privacy Policy on its web site. Furthermore, as part of Casio's drive to strengthen its system for safe and proper handling of personal information, Casio Computer Co., Ltd., worked to qualify for the Privacy Mark* certification and received it in December 2005.

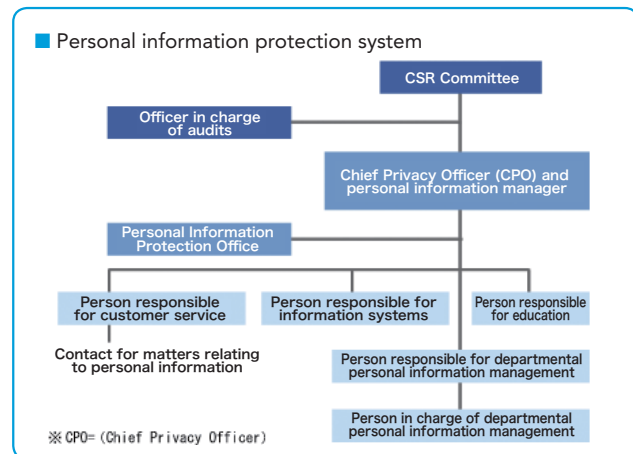
Since obtaining certification, Casio has been properly carrying out the plan-do-check-act (PDCA) cycle to maintain its personal information protection management system. This includes the establishment of annual plans, having all employees undergo training and make a pledge, regular checking of personal information, access management on information systems, consignee supervision, and internal audits. Accordingly, Casio has been able to renew and maintain its certification.

In fiscal 2011, Casio worked to further raise the awareness of employees by conducting an information accident prevention campaign and putting up posters in the company. The aim is to reduce the risk of an information security accident occurring at the individual employee level, such as data theft or loss off premises, or mistakenly sending a confidential email to the wrong recipient.

In November 2007, Casio's Information System Department received information security management system certification (ISO 27001). The aim of applying

for certification was to evaluate fulfillment of responsibility by the information system department, which has specialized skills and takes care of information assets for the entire company. Since then, Casio has further improved information security and its effectiveness, and continues to implement PDCA cycles for risk reduction activities. A certification renewal audit is held every three years. With the audit conducted in January 2011, the compatibility and effectiveness of Casio's information security management system was again evaluated.

* Privacy Mark: A program where the Japan Information Processing Development Corporation, a public-service foundation, evaluates the adequacy of corporate protective measures related to the handling of personal data. Companies that are found to have adequate protective measures in place are certified and permitted to display the Privacy Mark.



Whistleblower Hotline

As a way to help ensure compliance, Casio set up a Whistleblower Hotline in April 2006. The hotline has been functioning with neutrality and fairness across all of its internal and external contact points.

Operating on a basis of impartiality, the hotline follows up on all whistleblower reports and consultations, and takes resolute measures against any improper behavior discovered. Effort is put into preventing issues before they grow into real problems. In fiscal 2010, the hotline's intranet site was improved, and hotline awareness was raised within the company.

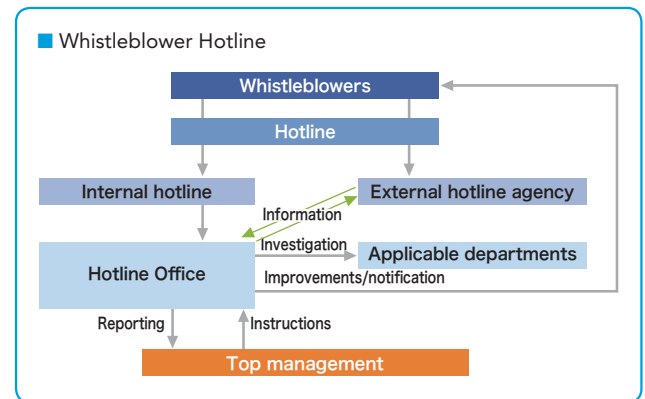
There were nine whistleblower reports in fiscal 2011. In each case, the callers were interviewed, and based on the content of their reports, investigations were made, and correction measures implemented to resolve the

Fiscal 2011 Report Details

- 4 cases concerning interpersonal relations in the workplace
- 2 cases relating to internal rules
- 3 other cases

problems.

With the aim of making the hotline well known within the company, a Whistleblower Hotline website was established. In fiscal 2011, the website content was further improved, and Casio is working to increase awareness among employees.



Export control

Export control, or export control security, aims to maintain international peace and security. It involves regulations on the export of goods and technology that could be diverted for the development of weapons of mass destruction or other weaponry. The regulations are designed to prevent such goods and technology from reaching countries and regions of concern or terrorist organizations.

In 1987, the Export Control Security Program of Casio Computer Co., Ltd. (a compliance program) was established in order to make sure proper measures are taken to ensure the security of exports. The program has since been continually updated along with changes in the Japanese Export Control Regulation.

Casio has appointed employees responsible for ex-

port control in relevant departments as part of an internal system to ensure observance of the program.

As the Exporter Compliance Standards took effect in April 2010, Casio has been striving to maintain and manage its system by conducting voluntary annual audits while ensuring through legal compliance, in response to the revision of applicable laws and regulations. Efforts include the strengthening of training activities at group companies in Japan.

Casio has also established a management system for complying not only with Japanese export laws but also with US Export Administration Regulations. The company is working to improve global export management, including the implementation of export management training at group companies outside Japan.

Initiatives for compliance with fair trade and advertising laws

Casio continues to hold compliance seminars given by employee instructors at the sales offices of Casio Computer Co., Ltd., in Japan. In order to promote proper transactions as well as fair, transparent and free competition, it is essential for sales employees to have a proper understanding of Japan's Act on Prohibition of Private Monopolization and Maintenance of Fair Trade and Act against Unjustifiable Premiums and Misleading Representations. In fiscal 2011, ten seminars were given at sales offices, while three were held at the sales management department in the headquarters. A total of 738

employees received the training, expanding their understanding of fair transactions.

As a tool for promoting proper and fair competition and transactions, Casio distributed Sales Compliance Cards to its sales employees in Japan so that they could always have it with them. The cards contain information such as an ethics and compliance test for making difficult decisions and contacts for advice or to make a whistleblower report. This led to an increase in the number of employee consultations on potential issues in advance.

▶▶ Social Initiatives: Action Plans and Performance

In order to steadily promote CSR initiatives, Casio carries out activities using a specific plan-do-check-act (PDCA) management cycle. The following covers the fiscal 2011 issues and activity results for social initiatives, along with the priority issues for fiscal 2012, based on these activity results.

■ Corporate governance

FY 2011 Action Plans	FY2011 Performance	FY2012 Targets & Plans
Promote further internal control improvements based on Japan's Financial Instruments and Exchange Act	Enhanced financial strength for the entire group ahead of the introduction of the International Financial Reporting Standards (IFRS), and promoted the strengthening of internal controls, among initiatives to improve management culture	Promote further improvement of internal controls based on Japan's Financial Instruments and Exchange Act.

■ Compliance and risk management

FY 2011 Action Plans	FY2011 Performance	FY2012 Targets & Plans
Monitor to confirm successive ongoing improvements and implemented simulations related to major laws	The Risk Management Committee Secretariat implemented monitoring relating to five major laws, and checked effectiveness and points for improvement (no simulations in fiscal 2011)	Continue monitoring relating to major laws by the Risk Management Committee Secretariat and implement simulations Conduct compliance training that includes group employees outside Japan
Carry out education on the Casio Group Code of Conduct at all group companies in Japan and for Japanese staff overseas	Along with implementing compliance training for all group employees in Japan based on the Casio Group Code of Conduct, conducted a questionnaire relating to the Charter of Creativity for Casio and Casio Common Commitment, and promoted a more thorough understanding of it (questionnaire not yet conducted at group companies outside Japan)	
Implement activities to reduce the risk of personal information leakage using the Privacy Mark system	Expanded training on personal information protection and employee pledges to group companies	Conduct risk review ahead of the Privacy Mark renewal audit and reestablish safety measures
Implement activities to reduce information system risk using ISMS	Established PDCA cycles for the ISMS, and received evaluation and certification for compatibility by renewal audit	Promote the effective utilization of information assets in the ISMS, along with better and more thorough management of incidents
Take on the challenge of reducing major system malfunctions to zero through ITIL introduction	Obtained ITIL V3 Foundation certification and promoted operation improvement projects through ITIL introduction	Start operation processes using the ITIL, and establish PDCA cycles for improvement

■ Customers

FY 2011 Action Plans	FY2011 Performance	FY2012 Targets & Plans
Take thorough initiatives for defect reoccurrence prevention and improve technological ability to prevent problems	Prevented defect reoccurrence based on the utilization of quality information database, and strengthened the prevention system	Strengthen initiatives to prevent reoccurrence based on re-analysis of past failure examples Implement a voluntary action plan on product safety Minimize risk by accelerating and streamlining collection of accident information Establish a system for responding to safety laws
Execute the Product Safety Action Plan and put safety first in every action	Implemented voluntary action plan relating to product safety, and ensured thorough safety-first actions Shared accident information and revised the design and manufacturing standards through cause analysis	
Ensure accurate compliance with all laws and regulations related to safety	Implemented an internal safety survey, and verified legal compliance measures	
Promote continuing measures to improve customer satisfaction, based on surveys of after-sales customer satisfaction levels	Identified issues based on an after-sales customer satisfaction survey	Continue to promote measures to improve customer satisfaction through after-sales customer satisfaction surveys Promote customer satisfaction improvement by strengthening the Casio online repair direct request system Update the customer service website Strengthen feedback for product quality improvement, by ensuring the thoroughness of the market monitoring function
Promote ongoing improvement of customer support websites	Increased direct requests for repairs by improving convenience of Casio online repair system Added content to the customer support website	
Promote ongoing improvement of customer satisfaction by enhancing repair service	Changed repair fees for digital cameras in order to improve customer satisfaction	
Strengthen analysis of customer feedback, and create a database for information distribution and sharing	Continued to analyze customer comments and use the information as feedback Started update of database for improvement proposals and sharing	
Expand the operation area for production management system integration	Improved production planning speed by improving the simulation function (already introduced at sites in Japan, and will be progressively expanded overseas)	Diversify China concentration risk Improve and streamline production system Restructure and integrate functions in Southern China Strengthen technological abilities at production sites in Japan
Simplify site allocation policy by standardizing production facilities and sharing management systems at production sites in China Implement SCM production in close adherence to the sales plan	Promoted cooperation with sites in and outside Japan in the effort to move from standardization to automation and fewer personnel	
Begin full-scale operation of the planning system. Promote logistics process reform at the global level together with Casio SCM	Partial operation with a new logistics system (SPACE)	

■ Suppliers

FY 2011 Action Plans	FY2011 Performance	FY2012 Targets & Plans
Continue CSR questionnaires for suppliers in and outside Japan	Continued implementation of CSR questionnaires in and outside Japan (responses were received from 128 companies in China and 41 in Thailand) An online questionnaire was conducted in Japan, with a response rate of 95% (85% rate in the previous fiscal year)	Continue to implement CSR questionnaires for suppliers in and outside Japan (Investigating a change in the question format for overseas questionnaires to one using a response scale of 1 to 5)
Urge CSR promotion by suppliers outside Japan through the activities of the CSR promotion project with new CSR organizations overseas	Implemented inspections of CSR measures at supplier sites outside Japan with local CSR promotion project staff (3 companies in China and 2 in Thailand) After inspection completion, held exchange of opinions with supplier top management in order to deepen understanding of Casio's CSR objectives	Expand CSR inspections for suppliers outside Japan (plan and implement inspections by CSR promotion project members at overseas sites, from planning to inspection result evaluation) Continue implementation of model initiative presentations by suppliers that have received onsite CSR measure inspections (present model cases where improvements have been made on issues identified in onsite inspections)
Make model CSR initiative presentations by representative suppliers a regular feature at vendor meetings outside Japan, and use the meetings as an opportunity for dialogue	At vendor meetings in China and Thailand, a selected supplier presented model CSR initiatives.	

■ Employees

FY 2011 Action Plans	FY2011 Performance	FY2012 Targets & Plans
Conduct an awareness survey among female employees and managers concerning female employee advancement, and establish a female employee advancement action plan based on the results	Conducted an awareness survey among female employees and managers concerning female employee advancement Established an action plan based on the results (action guidelines and targets) Listened to details of initiatives taken at three leading companies in the advancement of female employees Held two female employee role model presentations Held seminars for female employees and managers (3 seminars / 450 attendees)	Continue activities for the advancement of female employees Maintain the employment rate of persons with disabilities within the Casio Group in Japan
Continue to promote achievement of the legally mandated employment rate of persons with disabilities, group-wide	Employment rate of persons with disabilities rose from 1.76% to 1.86% for the consolidated Casio Group in Japan, achieving the legally mandated rate (1.8%)	Continue to provide job opportunities to employees that have reached the age of mandatory retirement
Continue to provide employment opportunities to retirees	Continued to provide rehiring opportunities to employees that have reached mandatory retirement age	Continue to maintain the percentage of eligible female employees taking childcare leave at above 90%
Continue to maintain the percentage of eligible female employees taking childcare leave (above 90%)	Maintained percentage of eligible female employees taking childcare leave (above 90%)	Continue initiatives for reducing overtime work Ensure recommendation of proper medical examinations at medical institutions for those with high-risk results in a regular health check
Promote activities to reduce overtime work as well as health and safety activities, group-wide	Began health and safety activities group-wide, and provided health counseling to employees including those posted outside Japan Computerized attendance management system at Casio Computer Co., Ltd.	Continue smoking cessation support program
Promote awareness raising activities for better employee health	Began health and safety activities across Japan including group companies, and implemented smoking cessation support programs to raise awareness through guidance relating to the safety, health and hygiene of employees.	

■ Local communities

FY 2011 Action Plans	FY2011 Performance	FY2012 Targets & Plans
Expanded activities by enhancing the content of the school visit program	Provided opportunities for learning to a total of 1,932 students from kindergarten to high school, through the development of programs in which many children can participate (an increase of 1,132 students compared to last year)	Expand activities by further improving content of programs for educating the next generation Continue support for cutting edge science and technology research
Continue to support cutting-edge science and technology research	Provided a total of 39 research grants totaling 50.75 million yen, through the Casio Science Promotion Foundation	Continue support for victims and for the disaster region after the Great East Japan Earthquake

Independent Verification



Independent Verification Report

11 July 2011

CASIO COMPUTER CO., LTD.

K.K. Satisfactory International

3-12-8 Hacchobori Chuo-ku Tokyo, Japan

Representative Director Komatsu Takeshi



Objective of Verification

Casio Computer Co., Ltd (Casio) has commissioned K.K. Satisfactory International (KCSI) to conduct verification of Casio's environmental performance data of the financial year of 2010 (1 April 2010 – 31 March 2011) for inclusion in the Casio Sustainability Report 2011(Report).

The aim of this verification is to consider the accuracy of environmental performance data detailed in the Report and to provide a verification opinion based on objective evidence.

Scope

The scope of the verification work covers the activities including 1)Inputs: Energy(Electricity and fuels), Water resources, SF₆, GHGs other than SF₆, VOC, PRTR substance, rainwater use and waste water use. 2)Outputs: GHGs (CO₂, SF₆, Other GHGs) , Air Pollutants (NO_x, SO_x, Dust), VOC emissions, Waste water, BOD, PRTR substance, waste generated, Landfill Disposal, Recycle waste, 3) CO₂ emissions from Logistics and Sales, 4) CO₂ emissions from products use.

The total of 50 business sites are covered, which comprises of 6 production sites and 20 offices in Japan and 4 production sites and 20 offices overseas.

Methodology

KCSI has conducted its verification activities by document reviews, five site visits, enquiries to person in charge and verification of the documents to determine the following.

- The reliability and adequacy of data collection and aggregation systems and related processes.
- The relevance of the scope of data selected for inclusion in the report.
- The reliability of measured and collected data and accuracy of aggregated data.
- The validity of conclusions drawn from and reported against aggregated data.

Verification Opinion

- There is no material error found in the reported data.
- All errors in reported data identified during the verification process have been duly corrected.
- The data measurement, collection and aggregation systems are credible and appropriately operated.

Independent Opinion

▶▶ Independent Opinion on the Sustainability Report 2011

The opinion presented here was written based on the content of this report (website version) and interviews with Casio personnel responsible for environmental, procurement, human resources, and CSR initiatives.

The report makes it reasonably clear that Casio's CSR initiatives have begun to use the plan-do-check-act (PDCA) management cycle with a focus on reducing the company's environmental impact.

Commendable efforts by Casio

- I commend the company for including efforts to build a low carbon society and protect biodiversity as themes in its medium- to long-term environmental policy. As Casio works toward these goals, I have high expectations for the progress of its initiatives across the entire product life-cycle. In addition to the company's efforts within the group and across its supply chain, I look forward to seeing how the company helps its customers to make the most eco-friendly use of its products, including improving recycling rates at the end of the product cycle. I also expect the company to disclose information on its progress.
- Regarding the CSR initiatives for suppliers, it is admirable that Casio is ascertaining, "visualizing," and sharing data about suppliers. For instance, feedback was

sent to 169 suppliers in China and Thailand based on the results of questionnaires on the reduction of environmental impact, initiatives to protect the human rights of workers, and other matters, plus onsite investigations of some companies. Casio also evaluates suppliers in Japan based on a five-point scoring system for all 340 items in the Supply-Chain CSR Deployment Guidebook, published by the Japan Electronics and Information Technology Industries Association (JEITA). Going forward, I hope that the company will further raise the visibility of its suppliers' initiatives and issues by providing specific examples, while continuing to build a system of dialogue for sharing case studies, rewarding outstanding suppliers, and resolving issues.

Points for improvement while commending progress to date

- Regarding efforts to make Casio a better place to work, the company deserves congratulations for achieving 3.96% in the percentage of employees who make use of leave and reduced working hours programs for childcare and nursing care. Now Casio needs to more proactively create opportunities for users of these programs to share their awareness of issues and how they overcame them.
- Regarding the improvement and utilization of human resources diversity throughout the group, Casio should be commended for giving consideration to different cultures and the environment at production sites and other sites. Now it is essential for the group to further globalize its business development. Casio should take a ten-year perspective, and plan a global personnel portfolio that goes beyond division and company boundaries. Along with the appointment of a global personnel officer to oversee and promote personnel hiring, training, and interaction, the group should build a human resources database for getting a comprehensive grasp of its personnel, including the national staff in each country. In these and other ways, Casio needs to establish strategies and systems that can make the most of its diverse workforce as a truly global company.
- Regarding the hiring of employees with disabilities, Casio deserves applause for exceeding the legally mandated employment rate within the consolidated group in Japan and for starting a follow-up program that makes it easier for persons with disabilities to keep working within the group and ensures cooperation between employment sites and the personnel department. Now the company should work at building community based on the different types of disabilities and occupations, and continue making Casio an easy place for persons with disabilities to work.
- Regarding the CSR initiatives for the entire group, Casio should be commended for the fact that many divisions started proposing initiatives following the reorganization of its CSR Committee in at the end of fiscal 2010 to allow each division to independently look into and pursue issues of concern to society. In the future, Casio will need to further promote bottom-up approaches like these.
- On a related matter, Casio should be praised for continuing to feature articles about CSR in its internal newsletter. I hope that the newsletter will continue to cover particularly important CSR issues and initiatives from diverse sites within the group, in and outside Japan, as well as from suppliers.

Points for improvement

- Regarding the environmental impact reduction data in this report, it is commendable that details are provided on the principal sites in and outside Japan including group companies. My hope, however, would be that Casio will continue to increase the level of accuracy of group reporting, not only for environmental data, but also for personnel and procurement initiatives and data.

International Institute for Human, Organization and the Earth (IIHOE)
Hideto Kawakita Chief Executive Officer



Profile of IIHOE: International Institute for Human, Organization and the Earth (IIHOE) is a nonprofit organization (NPO) that has been supporting NPO management and CSR capacity building since 1994.
<http://blog.canpan.info/iiohoe> (in Japanese)

Responses to the Independent Opinion on the 2010 Report

Points for improvement while commending progress to date

Independent Opinion

Regarding the CSR initiatives for the entire group (pages 32-33), Casio should be commended for reorganizing its CSR Committee in March 2010, in order to allow each division to independently look into and pursue issues of concern to society. In the future, Casio will need to promote and establish bottom-up approaches to make the most of this new framework.

Casio's Response

In keeping with the reconsideration of the operation of the CSR Committee in fiscal 2011, Casio decided to operate the committee as follows from fiscal 2012:

- 1) In order to confirm society's expectations of Casio, the committee held a stakeholder meeting in April and extracted themes that Casio should address.
- 2) These themes were broadly grouped into four categories. Working groups made up of members from relevant divisions were established for each theme. The working groups delved into the specific issues that should be addressed in fiscal 2012 and set a priority order.
- 3) Based on the conclusions of these working groups, each division responsible envisioned how resolving these issues would change their operations, devised annual action plans, and committed to carrying out the plans in a concrete manner.

Through the establishment of the above system, Casio is promoting a bottom-up approach to resolving issues.

Independent Opinion

On a related matter, Casio should be praised for continuing to feature articles about CSR in its internal newsletter. I hope that the newsletter will continue to cover particularly important CSR issues and initiatives from diverse sites within the group.

Casio's Response

In fiscal 2011, Casio continued to introduce CSR initiatives undertaken by group companies in and outside Japan using an internal website in addition to articles in the internal newsletter. A total of 73 articles on CSR were published, taking up issues such as the creation of comfortable work environments at production sites, cooperation in community development events, site tours and other educational support, and relief efforts for areas stricken by the Great East Japan Earthquake.

Independent Opinion

It is also admirable that Casio cut paper usage by 39% compared to the previous year by reducing the size and number of pages for user manuals for products such as electronic dictionaries and other measures. Now the company should make an even greater contribution by

introducing universal design fonts and other such steps.

Casio's Response

Casio began using universal design fonts, mainly for the new models of multifunction watches such as OCEAN-US, EDIFICE, and PROTREK, making increased clarity the highest goal.

This effort resulted in the user manual for the OCEAN-US winning an award for excellence in the 1st category of booklet operational manuals in the Japan Manual Contest 2011.

The number of pages increased with additional product functions, but from here on the company will strive to reduce the number of pages through measures such as improving the heading organization and wording. These efforts will then be expanded to other products.

Independent Opinion

Regarding the environmental impact reduction data in this report, it is commendable that details are provided on the principal sites in and outside Japan including group companies. My hope would be that Casio will continue to increase the level of accuracy of group reporting, not only for environmental data, but also for personnel and procurement initiatives and data.

Casio's Response

In the 2011 report, Casio worked hard to disclose data on group company initiatives, to the extent currently possible, in the area of social activities in addition to including a special feature on the initiatives of Casio (Thailand) Co., Ltd., which is one of the group's principal production sites.

The company will continue striving to improve the level of its reporting.

Independent Opinion

Regarding the employment of persons with disabilities (page 68), Casio deserves congratulations for maintaining the legally mandated employment rate, which had been an issue for many years. Now however, the company must work with the parties concerned to make it easier for persons with disabilities to keep working within the Casio group.

Casio's Response

In fiscal 2011, the entire group in Japan reached Japan's legally mandated employment rate for persons with disabilities. Going forward, the group will continue with proactive hiring of all persons, regardless of level of ability, who are ready for a challenge and have the will to work and demonstrate creativity.

Points for improvement

Independent Opinion

Casio must take steps to promote reuse of the rare metals used in high-performance products such as digital cameras and electronic dictionaries, for which recycling systems have not yet been established. Measures could include further studies with other companies in the same industry and recovery of rare metals in used products. This, in turn, could be linked to sales promotion, and to development of products that use recycled metals.

Casio's Response

In recent years, study groups looking into the recycling of rare metals contained in cellular phones, digital cameras, and other used small electronic devices have been launched, mainly by Japan's Ministry of Economy, Trade and Industry and Ministry of the Environment. These groups are studying the issue, including facilitating recovery demonstration pilots by local governments.

The Mobile Recycling Network operated jointly by cellular phone network carriers is already recovering and recycling cellular phones. Digital cameras are collected and disposed of as general waste by local governments and there are also secondhand markets. Accordingly, the industrial associations concerned are jointly establishing study sessions on the recycling of used small electronic devices and looking into how to handle this issue.

Furthermore, the Ministry of the Environment is putting together the outline of a new recycling program, creating a system with intermediate processors and refining companies centered on municipalities, and moving ahead with plans to extract metals such as gold, silver, copper, zinc, and palladium. Also, a bill on other rare metals is anticipated to be submitted into a regular session of the Japanese Diet in 2012. Casio will therefore closely monitor these developments and consider how to respond.

(Main products: Cellular phones, digital cameras, electronic dictionaries, calculators, and AC adapters)

Independent Opinion

The improvement and utilization of human resources diversity throughout the group is essential for the company to further globalize its business development. Casio should take a ten-year perspective, and plan a global personnel portfolio that goes beyond division and company boundaries. Along with the appointment of a global personnel officer to promote this goal through various channels including personnel hiring, training, and interaction, the company needs to establish recruitment and training systems that can make the most of a diverse workforce as a truly global company.

Casio's Response

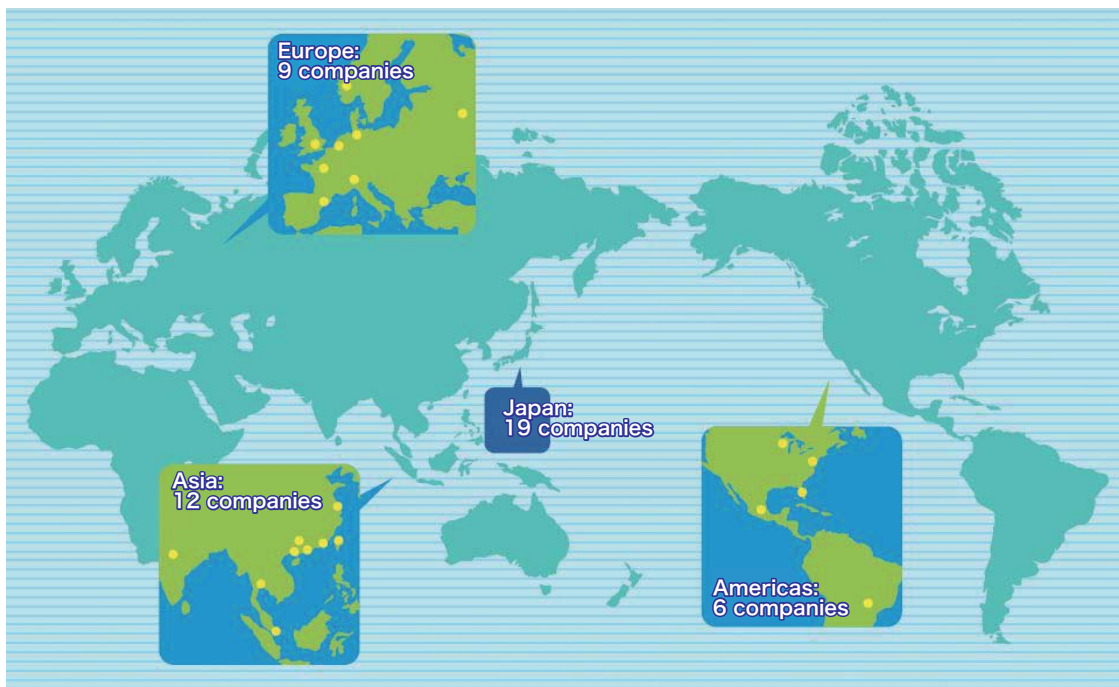
In fiscal 2011, the company began needs-analysis and other preparatory studies regarding the development and implementation of a human resources management system befitting a global company. First, the company identified the issues and needs not only of the personnel department, but also the relevant departments and each of the Casio sites in and outside Japan. Based on these efforts, Casio then began implementing specific measures for the building of a global human resources management system. Going forward, the company will continue to strengthen these efforts.

About Casio Computer Co., Ltd.

Company data (as of March 31, 2011)

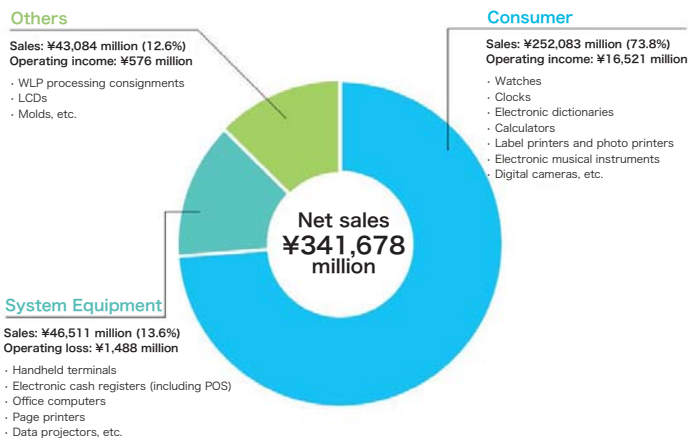
Name	Casio Computer Co., Ltd	Paid-in capital	¥48,592 million
Headquarters	1-6-2, Hon-machi, Shibuya-ku, Tokyo, Japan	Net sales	¥341,678 million
Established	June 1, 1957	Operating income	¥12,042 million
President and CEO	Kazuo Kashio	Ordinary income	¥11,702 million
Employees	2,629	Net income	¥5,682 million

The Casio Group's Global Reach

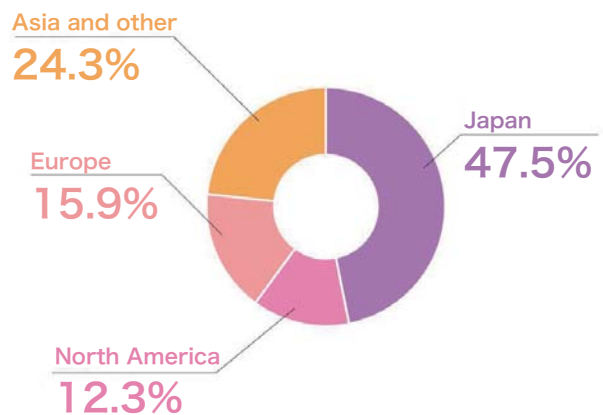


Net Sales and Income

Sales and operating income by reportable segment



Sales by region



Products and Services

FOR CONSUMERS

Timepieces

Casio provides highly appealing timepieces under the G-Shock, Oceanus, Protrek, and other brands. Casio's timepiece product development and marketing approach are unique, driven by advanced electronic technologies, such as a solar-powered radio-controlled function that can receive standard time signals from six radio towers worldwide. In 2009, Casio surpassed the 50-million mark for G-Shock watches sold. Casio has the top share of the global market for radio-controlled watches (Casio survey).



G-SHOCK GW-9300

Digital Cameras

Casio digital cameras deliver outstanding performance in fundamentals like image quality and battery life, but that's not all. They also offer people entirely new ways to do digital photography made possible by Casio's high-speed image processing technology and ultra high-speed burst shooting, and a revolutionary function for creating composite moving images right on the camera. Casio is constantly redefining what the digital camera can do.



EXILIM EX-TR100

Electronic Dictionaries

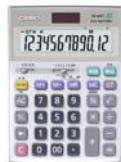
At over 50%, Casio has the top share of the electronic dictionary market in Japan (according to a 2010 GfK Japan survey). The company offers a full lineup of products for diverse customer segments including high school students, foreign language learners, and businesspeople. While delivering ease of use through intuitive touch-panel operations and easy-view color screens, Casio's electronic dictionaries appeal to the universal desire to learn and are packed with all the resources people need to get the job done.



EX-word XD-B10000

Calculators

Casio also commands the largest portion of the calculator market in Japan, with a share of over 50% (according to a 2010 GfK Japan survey). The company has sold over 1 billion units worldwide. The diverse lineup of models ranges from practical business calculators that meet the needs of accounting and finance experts, to scientific calculators that are useful for mathematics education. Casio calculators are popular worldwide thanks to their convenient functions and superior quality.



DS-20DT

Label printers and photo printers

Casio products meet a diverse range of printing needs from the home to the office. Casio's unique label printers and photo printers can be used as stationery tools. The Name Land conveniently prints beautiful labels, and the Purinsharu prepares and prints custom postcards without a computer.



Purinsharu

Cellular phones

Casio develops innovative cellular phones for the Japanese and US markets. Casio's cellular phones make the most of toughness technologies from the company's other waterproof and shock-resistant products and offer advanced camera performance based on Casio's work with the Exilim digital camera.

* The cellular phone business is operated by NEC Casio Mobile Communications, Ltd.



au G'zOne IS11CA

Electronic musical instruments

Casio aims to make the joy of music accessible to as many people as possible by providing a diverse lineup of instruments. Casio offers electric pianos with the beautiful sound and rich power of expression of a grand piano, as well as high-grade keyboards that offer the enjoyment of making songs and creating original sounds. It even makes electronic keyboards for beginners with keys that light up and show where the fingers should go.



Privia PX-830BP

FOR PROFESSIONALS

Handheld terminals

Casio is bringing the benefits of IT to a variety of different industries with its extensive lineup of durable, intuitive handheld terminals. These range from communication terminals for improving retail customer service, to handheld terminals for logistics that have special features for people working up high in a warehouse.



IT-300

Data projectors

All Casio's data projectors are equipped with its original Laser & LED Hybrid Light Source. This technology offers high brightness without using a lamp containing mercury, which is hazardous to the environment. These advanced, next-generation projectors have been well received by many kinds of users.



XJ-H1650

Page printers

Casio's page printers are both environmentally friendly and economical, leveraging a unique, all-in-one system that includes the main printer unit, the toner and the printing software. Casio was the first in the industry to offer toner featuring a carbon offset, and also provides free printing tools to help users save paper. Users appreciate all these advanced features.



SPEEDIA GE5000

Electronic cash registers

Casio has the largest share of the electronic cash register market in Japan (according to a 2010 RJC Research survey), thanks to an extensive offering of functions and uses. With the 2007 development of the Net Register service, which enables users to perform sales tracking and management over an Internet connection, Casio cash registers are popular with restaurants and retailers.



QT-6000

System Solutions

Casio Information Systems develops specialized systems for various industries, business types, and operations. One such system solution is Rakuichi, which provides support for sales management, accounting, and payroll operations at small and medium-size companies. Casio Human Systems offers the ADPS Personnel System and other tools to support the effective use of human resources.



Rakuichi

Electronic components

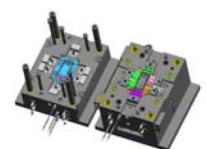
Casio Micronics is engaged in consignment production of cutting-edge semiconductor packages (WLP), which are used in many devices including smartphones. Kofu Casio manufactures electronic components such as small and medium-sized STN/TN LCDs.



WLP

Molds and plastic molding

Utilizing the molding technologies it has developed for making Casio products, Yamagata Casio is engaged in consignment production of molds, and the molding of plastic parts for cellular phones and electronic components in automobiles.



Mold

History of Casio

1957

Four Kashio brothers start commercial production of the world's first all-electric compact calculator, the 14-A. Casio Computer Co., Ltd., founded.



1965

001 transistor-based electronic desktop calculator released.



1966

Export of electronic desktop calculators to overseas markets begins.

1967

Europe office established in Switzerland.

1970

Casio Inc., a sales subsidiary, established in the US. Casio stock listed on the second section of the Tokyo Stock Exchange.

1972

Casio stock transferred to the first section of the Tokyo Stock Exchange. Casio Mini, the world's first personal electronic calculator, released.



1974

Casiotron digital wristwatch released.



1978

Casio Taiwan Co., Ltd., a production subsidiary, established.



1980

Casio Tone electronic keyboards released.

1981

TR-2000 electronic dictionary released.



1983

First G-SHOCK shock-resistant wristwatch released.



1985

China office established in Beijing.

1989

ADPS R1, an office information processing device that requires no user program, released.

1995

QV-10, a digital camera with an LCD monitor, released. FKT-100 radio-controlled watch released.



2000

C303CA, a waterproof, shock-resistant cellular phone, introduced for sale by the IDO/DDI Cellular Group.



2002

EXILIM, then the world's thinnest, wearable card-sized digital camera, released.

2003

Charter of Creativity for Casio established. Casio enters the data projector market.

2004

OCEANUS, a solar-powered radio-controlled watch with full metal case, released.

2006

Casio achieves total sales of 1 billion calculators worldwide.

2008

EX-F1 high-speed burst shooting digital camera released.



2009

Casio achieves total sales of 50 million G-Shock watches.

2011

Imaging Square online service launched.