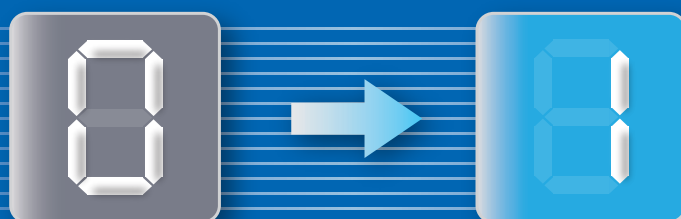


# CASIO SUSTAINABILITY REPORT 2012

---



**CASIO**

## C o n t e n t s

<b>Contents</b> .....	<b>2</b>
<b>Editorial Policy</b> .....	<b>3</b>
<b>Business Overview</b> .....	<b>5</b>
<b>Message from the President</b> .....	<b>6</b>
<b>Earthquake Reconstruction Support Activities</b> .....	<b>8</b>
<b>Stakeholder Dialogue</b> .....	<b>11</b>
<b>Casio's Corporate Creed and Approach to CSR</b> .....	<b>13</b>
<b>Casio's CSR Management</b> .....	<b>17</b>
CSR Implementation System.....	18
Corporate Governance.....	21
Compliance and Risk Management.....	23
Social Initiatives: Action Plans and Performance.....	28
<b>Responsibilities to Stakeholders</b> .....	<b>32</b>
Responsibilities to Customers.....	32
Responsibilities to Suppliers.....	52
Responsibilities to Shareholders and Investors.....	55
Responsibilities to Employees.....	57
Responsibilities to Society.....	70
<b>Environmental Initiatives</b> .....	<b>77</b>
Environmental Vision.....	77
Climate Change Action.....	81
Biodiversity.....	85
Green Star Products.....	88
Environmental Action Plan (Targets and Performance).....	91
Fiscal 2012 Casio Environmental Action Plan Performance.....	95
Material Balance.....	96
Environmental Performance.....	97
Environmental Accounting.....	107
Printer Initiatives.....	110
Packaging.....	112
Logistics.....	115
Design and Procurement.....	118
Green purchasing.....	120
Production.....	121
Offices.....	122
Environmental Management.....	125
Environmental Compliance.....	127
External Evaluation.....	130
Environmental Communication.....	131
<b>Independent Verification Report</b> .....	<b>135</b>
<b>Independent Opinion on the Sustainability Report 2012</b> .....	<b>136</b>
<b>G3.1 GRI Content Index</b> .....	<b>138</b>

# Editorial Policy

**Casio discloses information to stakeholders about its corporate social responsibility (CSR) initiatives aimed at building a more sustainable world. By constantly improving communication with stakeholders, Casio expects to 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.
- This report provides the information that Casio believes stakeholders most want to know, as well as information that Casio especially wants to convey. It focuses on content with a high level of importance to both society and Casio, and gives details on those initiatives.

#### [Importance for society]

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

- Third party opinions concerning the 2011 report
- Reader opinions and requests concerning the 2011 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

Casio has created downloadable PDF files containing information from its Sustainability site. You can print the whole thing or just the part you need.

## Scope of the report

- **Period**  
This report covers fiscal 2012 (April 1, 2011 to March 31, 2012), and also includes some information pertaining to years before and after fiscal 2012.
- **Issued**  
November 2012 (Previous publication: December 2011, next publication planned: October 2013)
- **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, 12 group companies in Japan, and 21 group companies outside Japan.
- **Important changes during the period covered**  
On October 1, 2011, the wafer level package (WLP)-related business of the company and its consolidated subsidiary Casio Micronics Co., Ltd., was spun off and transferred to Teramikros, Inc., a newly established subsidiary. All issued shares in Teramikros, Inc., were then sold and transferred to Tera Probe, Inc.

#### Guidelines used as a reference

- GRI (Global Reporting Initiative) Sustainability Reporting Guidelines Ver3.1 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**

Casio Computer Co., Ltd. <http://world.casio.com/>

For inquiries on CSR in general: CSR Promotion Office

Address: 1-6-2 Honmachi, Shibuya-ku, Tokyo 151-8543

Tel.: +81-3-5334-4901 Fax: +81-3-5334-4547

E-mail [✉ csr-report@casio.co.jp](mailto:csr-report@casio.co.jp)

For inquiries on environmental issues: Environment Center

Address: 3-2-1 Sakae-cho, Hamura-shi, Tokyo 205-8555

Tel.: +81-42-579-7256 Fax: +81-42-579-7718

E-mail [✉ eco-report@casio.co.jp](mailto:eco-report@casio.co.jp)

## **Forecasts and forward-looking statements**

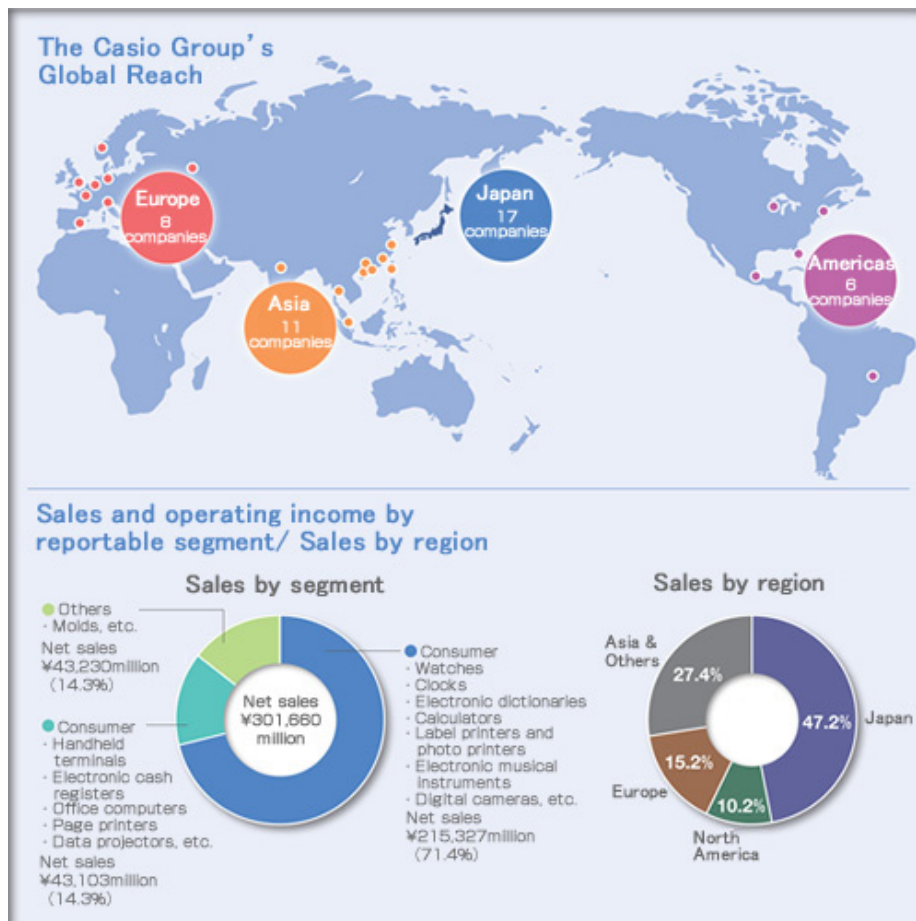
The future forecasts and forward-looking statements published in this report for Casio Computer Co., Ltd., and the Casio Group are based on information available at the time of publication. These forecasts and statements include potential risk and uncertainty, and the reader should be aware that the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

# Business Overview

## Company data (as of March 31, 2012)

Name	Casio Computer Co., Ltd.
Headquarters	1-6-2, Hon-machi, Shibuya-ku, Tokyo, Japan
Established	June 1, 1957
President and CEO	Kazuo Kashio
Employees	11,663
Paid-in capital	48,592 million Yen
Net Sales	301,660 million Yen
Operating income	9,065 million Yen
Ordinary income	6,908 million Yen
Net income	2,556 million Yen
Major Products	Digital Cameras, Timepieces, Electronic Dictionaries, Electronic Musical Instruments, Calculators, Label Printers, Cellular Phones*, Cash Registers, Projectors, Handheld Terminals, Page Printers, Office Computers, Molds  * Cellular phone business has been transferred to NEC CASIO Mobile Communications, Ltd. since June 1, 2010.

## Sales and operating income by reportable segment/ Sales by region



## Message from the President



**Always striving to create new value, and contributing to unceasing social progress.**

### Casio's Heritage of Creativity: Making Something from Nothing, Going from "0" to "1"

Casio was founded with the invention of the world's first compact, fully electric calculator in 1957. By completely revolutionizing the conventional technology of the time and offering overwhelmingly better performance, this product immediately penetrated the market. It was the first manifestation of Casio's spirit of creativity, our unique capacity to make something from nothing, to go from "0" to "1".

Then in 1972, the Casio Mini became a big hit as the world's first personal calculator. It transformed the once costly electronic calculator into the now familiar pocket calculator, and contributed greatly to the dawn of the digital age.

In 1983, the shock-resistant G-SHOCK watch was born from a completely new idea for the time, namely, to create a virtually indestructible wristwatch. This was followed by the QV-10 compact digital camera with LCD display in 1995, which gained popularity as a camera requiring no film. All of these types of products are taken for granted today, but they were unheard of when Casio introduced them. Casio has continued to produce products like these over the years. This heritage of providing the world with revolutionary products time and again was built by using technology to initiate paradigm shifts, and created repeated breakthroughs in thinking and engineering. Casio has also worked to re-invent products, to achieve new business growth even in existing product areas.



By developing completely new products and services that never existed before, Casio is providing the world with new value. As a result, people's lives have become more convenient and rewarding. Also, when the value we provide is recognized by society, it gives rise to new markets and new cultural phenomena. This is nothing less than the realization of Casio's corporate creed, "Creativity and Contribution." Each and every employee at Casio strives to put this creed into practice. We pledge to continue to contribute to social progress by going from "0" to "1."

### Participating in International Initiatives and Pursuing CSR Management

In addition to the kinds of social contributions made through business activities, Casio aims to build a more sustainable world by helping to resolve social and environmental issues. Using our core technology competencies for making products compact, lightweight, slim, and energy efficient, we are reducing the environmental impact of Casio products. Not only that, we are managing our business sites using medium and long-term targets with the aim of reducing greenhouse gas emissions. Casio is also curbing its negative impact on the environment by pursuing environmental activities such as biodiversity conservation. We are ensuring thorough environmental management in order to maintain and increase our positive contributions to the environment.

Casio makes over 100 million product units annually, and sells them in 140 countries, through worldwide logistics operations. We do this 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, the environment and anti-corruption. By fulfilling our corporate social responsibilities, Casio is promoting the ongoing development of the international community.

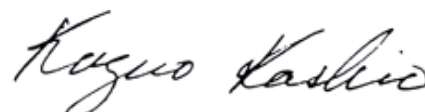
As part of these efforts, Casio joined the UN Global Compact in 2010. Along with declaring our support for the Compact's ten principles in the four aforementioned areas, we have incorporated them into all of our corporate activities. We also identified CSR issues that affect all Casio Group companies worldwide, based on the international ISO 26000 standard, issued in November 2010 to offer guidance on socially

---

responsible behavior. This serves as a framework for our pursuit of CSR, including dialogue with stakeholders for the resolution of CSR issues identified. Furthermore, by selecting disclosure items in reference to GRI guidelines and making improvements, Casio is striving to implement CSR management that meets the expectations of the international community.

On March 11, 2011, the Great East Japan Earthquake unleashed widespread destruction, including a catastrophic tsunami along the northeastern coastline of Japan, and a nuclear disaster at the Fukushima Daiichi power plant. Over a year has passed since the catastrophe, but the recovery and reconstruction have not proceeded as quickly as hoped. Many victims of the disaster are still enduring great difficulties and have not been able to rebuild or return to their homes. Casio will continue to accurately ascertain the needs of those in the disaster region and provide long-term support.

This report highlights the main initiatives taken by Casio in fiscal 2012. After reviewing it, please let us know what you think. We value the opinions of all of our stakeholders, and use them to improve our future efforts.



**Kazuo Kashio**  
President and CEO

# Earthquake Reconstruction Support Activities

The Great East Japan Earthquake struck on March 31, 2011. In order to help with recovery and reconstruction in the disaster region and provide relief to the victims, Casio has been donating both money and supplies, while providing other kinds of support such as sending employee volunteers.

## Reconstruction Support Initiatives

### Employee Volunteers

#### Volunteer Support in the Disaster Region

In October 2011, 23 Casio Group employees engaged in volunteer work in Shichigahama, Miyagi Prefecture. The volunteers filled sandbags, helped with road maintenance work along the coast, and labored to remove and gather roof tiles from homes that had been destroyed. They also supported the reconstruction effort by purchasing local specialty products.

In April 2012, 35 newly hired employees from Casio Computer Co., Ltd., and Yamagata Casio performed volunteer work in Shichigahama. They dug up debris along a canal, sorting it, and leveled the ground.



New Casio employees volunteering together

#### School Visits

In December 2011, Casio paid a visit to Koharagi Junior High School, followed by a visit to Magome Elementary School in March 2012. Both schools are located in Kesenuma, Miyagi Prefecture. Each time a class was delivered to the entire school on the “Connections of Life.” After the class the students responded with comments such as “Now I have a better idea how to approach my life,” and “I learned that by having the right perspective on life, the way I live will change,” as well as “I really understood the importance of life.”



This dialogue-based class showed students how empathy can arise even under difficult circumstances, and went two hours longer than planned.

### Providing Relief Supplies

Relief supplies	Quantity	Main recipients	Remarks
Clocks	9,600	Temporary housing residents, etc.	
Calculators and scientific calculators	2,150	Affected schools and teachers, etc.	
Name Land	300	Government agencies, affected companies, etc.	
GPS digital cameras	100	Prefectural and municipal disaster response headquarters, and NGOs / NPOs providing humanitarian aid	
Electronic pianos	80	Affected schools	Joint donation with the Watanabe Foundation for Music & Culture
Digital cameras	70	Affected kindergartens, and NPOs providing mental health care	
Electronic cash registers	30	Temporary shopping area in Minamisanriku	



## Support for the Temporary Shopping Area in Minamisanriku

Minamisanriku, Miyagi Prefecture, was devastated in the tsunami caused by the Great East Japan Earthquake. A temporary shopping area, the Minamisanriku Sansan Shopping Plaza, was opened in the town on February 25, 2012, and Casio donated cash registers to all 30 shops in the facility. Before the opening day, Casio employees set up the cash registers and showed the shopkeepers how to use them.



Donated cash register in a store

### Message from Zenyu Oikawa, Head of the Management Association for the Minamisanriku Shizugawa Fukkou Meitengai (Minamisanriku Sansan Shopping Village)

About 60% of the homes in Minamisanriku were destroyed or damaged by the tsunami. After many ups and downs, and with the hope that reconstruction of shops will help promote reconstruction of the town, a large temporary shopping area was opened on February 25, 2012. Located in the Shizugawa district, the Minamisanriku Sansan Shopping Village consists of 30 stores.

Although the national government paid for shop construction, the shopkeepers had to cover the cost of everything inside. We also received a lot of support from across the country for the opening. All the shops received from Casio the latest cash registers and calculators.

In addition to providing the equipment, Casio staff also showed each shop how to do menu setting and use the functions. We would like to thank Casio again for this support.

Since the homes around the shopping area were washed away and there are few residents here now, the challenge for us is to attract customers. We would be very grateful if Casio could help us create a mechanism to sell the abundant seafood of Minamisanriku to people nationwide, disseminate information, and provide other support in the future.



## Donations and Funding from the Casio Group

Recipient	Amount	Remarks
Japan Platform	77 million yen	
Ashinaga Great East Japan Earthquake & Tsunami Orphans Fundraising Campaign	5 million yen	2 million yen per year for 10 years, starting in fiscal 2013
CIPA Photo Aid	1 million yen	
American Red Cross	\$30,800	Donated proceeds from the sale of a special G-SHOCK model with a Japanese flag emblem on the watchband (Casio America)

## Casio Group Employee Fundraising

Recipient	Amount	Remarks
Japanese Red Cross Society, JAM	10.58 million yen	

## Other

### **OCEANUS presents Great East Japan Earthquake Charity Jazz Evening**

On March 18, 2011, a special “OCEANUS Presents Jazz Evening” was held as a charity event to support the victims of the Great East Japan Earthquake. The proceeds of the ticket sales for the evening and the donations raised at the event were donated to the Japanese Red Cross Society for disaster area relief.

### **“A Beacon of Rebirth” Poster Exhibition**

March 2012 marked the first anniversary of the Great East Japan Earthquake. By showing the current situation in Tohoku and how residents there are rebuilding their lives, posters can provide an opportunity for people to remember the disaster region. This is the reason behind Casio’s participation in “A Beacon of Rebirth” Poster Project.

“A Beacon of Rebirth” poster exhibits were shown at headquarters and the Hamura R&D Center of Casio Computer Co., Ltd., and at Yamagata Casio.



### **Ongoing Support for the Disaster Region**

As part of efforts to foster the next generation, which is an important theme for the Casio Group's social contribution activities, the group will continue to provide support for disaster orphans and to fund mental health care for children affected by the disaster.

# Stakeholder Dialogue

## Stakeholder Dialogue

Amid rapid globalization, the theme of human rights is attracting closer attention as a key element of corporate social responsibility.

Casio invited outside experts to speak at its stakeholder dialogue event on the topic of "What Should the Casio Group's Action Plan for the Future Be?"



### How to Deal with Human Rights Problems

Makoto Teranaka gave a talk on corporate activities and human rights. He was then joined by Kaori Kuroda, and they responded to questions and comments from the audience. The dialogue event covered the following three themes: (1) how to address human rights issues; (2) criteria for determining such issues; and (3) human rights problems of employees including hiring of foreign workers. The following are summaries of the points they made.



Stakeholder Dialogue

### Two Experts on CSR

#### Handling Conflicts in Good Faith (Makoto Teranaka)

I think the most important thing when dealing with a problem is determining how to deal with the conflict in good faith. You must listen to what the other party is saying, and try to resolve the problem together. Companies that are unable to do this cannot survive.

In regard to the problem of employee overtime work, which is particularly significant in China, like in other countries, you have to look into the local context. You must then create a better management system by taking the local environment into consideration. Japanese companies should put more effort into this field.

Although not well understood in Japan, allowing hiring conditions to differ on the basis of nationality is clearly discrimination under international law. The problem of discrimination against foreign workers must first be recognized, among other issues.



Makoto Teranaka  
Visiting Professor,  
Tokyo Keizai University  
Former Executive Director,  
Amnesty International Japan

#### CSR Policies for Globalization (Kaori Kuroda)

The first and most important thing is to carry out due diligence based on a full understanding that the activities of your company may lead to human rights violation. Taking measures once a problem has occurred usually leads to other mistakes and difficulties. It is important to actually visit the site where the problem occurred and grasp the situation precisely. Overtime work can sometimes happen when the interests of employees wanting to work coincide with those of a company wanting long hours of labor. In such conditions, there have been cases in which long working hours have been improved by taking steps to create more supportive workplaces together with employees, in addition to implementing delivery adjustments and training in human resource management. Today it is necessary to take measures based on consideration of diverse values, not just in product development, but also in human rights and CSR policies.



Kaori Kuroda  
Co-Director, CSO Network Japan

## Casio's Response to the Dialogue

While respect for human rights is an important issue for companies, it is a topic that tends to be overlooked.

It was good to approach this issue directly and to hear these persuasive speakers with extensive expertise in the field of human rights. It gave me an opportunity to reaffirm the importance of this issue.

Based on today's discussion of the degree of preparation required, and how to use the decision-making criteria once confronted with a problem, I will continue to strengthen my due diligence efforts.



Makoto Kobayashi  
Corporate Officer and  
General Manager,  
Secretarial and External  
Affairs Department

---

## Casio's Corporate Creed and Approach to CSR

---



Making life richer and more convenient by creating innovative products—this was the aspiration of Casio's founders, and it is summed up in the corporate creed, "Creativity and Contribution." Casio believes that part of its social responsibility is to pass down this corporate creed carefully to all of its employees. Casio is determined to ensure that its businesses, which make something from nothing, or go from "0" to "1," continue to make a consistent contribution to a more sustainable world.

### 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 uniqueness of all living organisms and recognizing their interdependence)**

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 CO<sub>2</sub> 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.

To ensure thorough application of these principles, the directors and department heads sign the Charter of Creativity for Casio and Casio Common Commitment every year, and together recite a pledge to abide by the Charter and Commitment and familiarize their subordinates with it. All employees also sign a card printed with these promises, to carry with them at all times.

There is also a site on the company intranet entitled CASIO STYLE which includes messages about the corporate creed and the Charter and Commitment from the four brothers who founded the company, along with other simple, compelling stories presented once a month. This helps all group employees to better understand and identify with Casio's essential character.

Every other year, Casio conducts a comprehensive questionnaire survey to learn what group employees in Japan think about the Charter of

Creativity for Casio and Casio Common Commitment, the Casio Group Code of Conduct, and the Whistleblower Hotline. The results are analyzed to determine how thoroughly employees have embraced the company's approach to CSR. The next questionnaire will be conducted in fiscal 2013.

## CSR Implementation Framework

Casio joined the UN Global Compact in 2010. The company upholds the ten principles of the Global Compact, which concern human rights, labour, the environment and anti-corruption, and it has also fully adopted the corporate commitments.

Casio has been working to enhance its CSR programs to meet the requirements of the international community. The company draws on the ISO 26000 guidance standard on social responsibility in implementing CSR, and uses Global Reporting Initiative (GRI) Guidelines to select subjects for disclosure.

### CSR Implementation Framework



## United Nations 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 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.

Casio is also active at the local network level of the UN Global Compact, serving as a member of the Japanese Global Compact Local Network (GC-JN).

### 10 Principles of the UN Global Compact

#### Human Rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.

#### Labor Standards

4. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
5. the elimination of all forms of forced and compulsory labor;
6. the effective abolition of child labor; and
7. the elimination of discrimination in respect of employment and occupation.



Environment

- 7. Businesses should support a precautionary approach to environmental challenges;
- 8. undertake initiatives to promote greater environmental responsibility; and
- 9. encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- 10. Businesses should work against all forms of corruption, including extortion and bribery.

### Main stakeholders of the Casio Group

Through ongoing dialogue with various stakeholder groups, Casio is helping to resolve social issues in various fields relating to its business activities.

Main Stakeholder Group	Main Casio Group Responsibilities	Main Dialogue Opportunities / Information Disclosure
Customers	<ul style="list-style-type: none"> <li>Providing appealing, safe, and reliable products</li> <li>Ensuring stable product supply</li> <li>Providing the proper information regarding products</li> <li>Improving customer satisfaction</li> <li>Providing fast and accurate support to customers</li> <li>Properly managing customer information</li> </ul>	<ul style="list-style-type: none"> <li>Daily sales activities</li> <li>Customer Support Center</li> <li>Customer satisfaction surveys</li> <li>Casio's official website</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Fair and equitable transactions</li> <li>Requesting CSR implementation and providing support</li> </ul>	<ul style="list-style-type: none"> <li>Daily procurement activities</li> <li>Holding vendor conferences</li> <li>CSR questionnaires</li> </ul>
Shareholders and investors	<ul style="list-style-type: none"> <li>Timely and appropriate information disclosure</li> <li>Appropriate profit returns</li> </ul>	<ul style="list-style-type: none"> <li>General Meeting of Shareholders</li> <li>Briefings for investors</li> <li>Investor Relations website</li> <li>Issuing financial reports (shareholder newsletter)</li> <li>Responding to CSR questionnaires from socially responsible investors</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Respecting human rights</li> <li>Promoting diversity and inclusion</li> <li>Promoting balance of work and family life</li> <li>Human resource recruitment and utilization</li> <li>Fair evaluation and treatment</li> <li>Industrial health and safety and employee health promotion</li> </ul>	<ul style="list-style-type: none"> <li>Casio intranet</li> <li>Group Workers' Labor-Management Conference</li> <li>Occupational Safety and Health Committees</li> <li>Career challenge system</li> <li>Internal newsletter</li> </ul>
Local communities	<ul style="list-style-type: none"> <li>Respecting and preserving regional cultures</li> <li>Activities that contribute to local communities</li> <li>Preventing accidents and disasters at sites</li> <li>Providing support to disaster-stricken regions where sites are located</li> </ul>	<ul style="list-style-type: none"> <li>Factory and workplace tours</li> <li>School visit program</li> <li>Internships</li> <li>Employee participation in local community events</li> </ul>
Global environment	<ul style="list-style-type: none"> <li>Environmental consideration in product development</li> <li>Environmentally responsible production activities</li> <li>Complying with environmental laws</li> <li>Protecting biodiversity</li> </ul>	—————




# Casio's CSR Management



Casio is committed to earning the confidence of all of its stakeholders, including the broader society. In order to further enhance the effectiveness of its CSR activities, the company is engaged in various initiatives such as the improvement of corporate governance.


**CSR Implementation System**

Casio communicates with stakeholders to determine the issues that it should address to meet the expectations of society.




**Social Initiatives: Action Plans and Performance**

Each fiscal year issues are identified, and promotion plans are drafted and implemented to ensure that CSR activities are steadily carried out.




**Corporate Governance**

Through various initiatives, Casio is working to strengthen the soundness and transparency of its management.



**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.



# CSR Implementation System

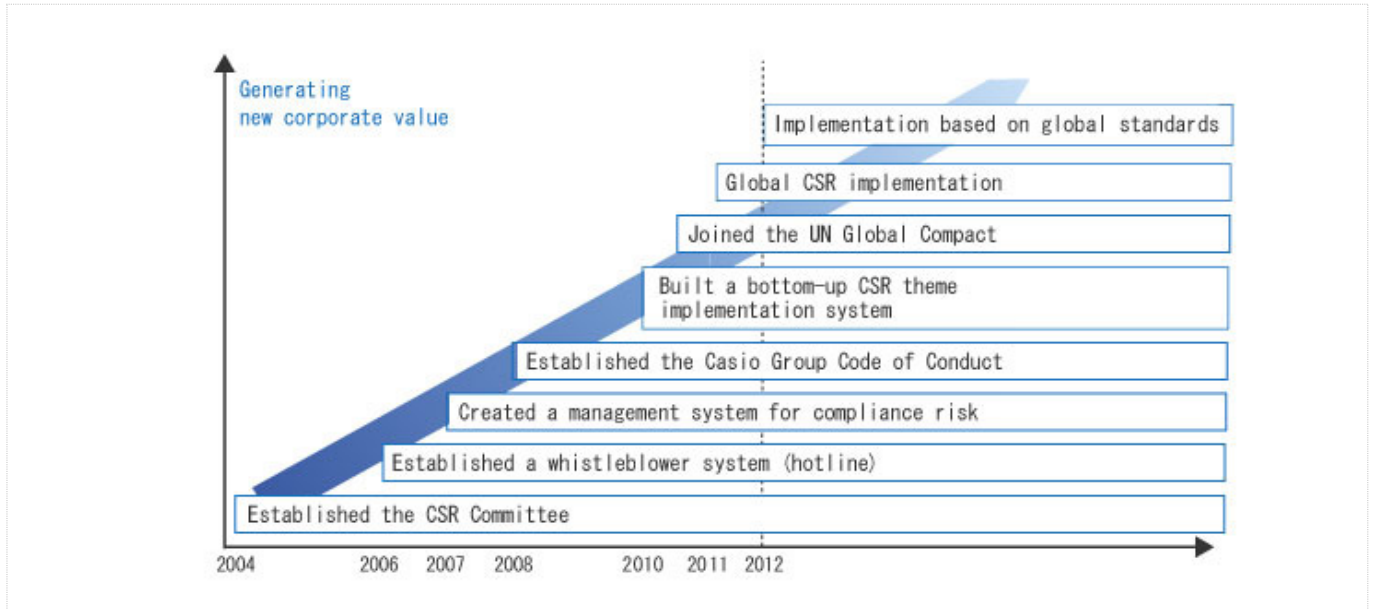
Guided by the ISO 26000 international guidance standard on social responsibility, Casio determines the issues it must address to meet social expectations in close communication with stakeholders. The company is implementing management cycles designed to drive constant progress.

## Steps in CSR Implementation

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 appointed managers and team leaders who have responsibility for implementing CSR in order to advance CSR globally at group companies around the world. At the same time, the company evaluated and analyzed the status of initiatives at each company based on the core subjects under ISO 26000. In fiscal 2013, Casio will begin implementing plan-do-check-act (PDCA) management cycles for the priority issues it has identified through analysis of its current level of adherence with ISO 26000.

## Implementing CSR initiatives

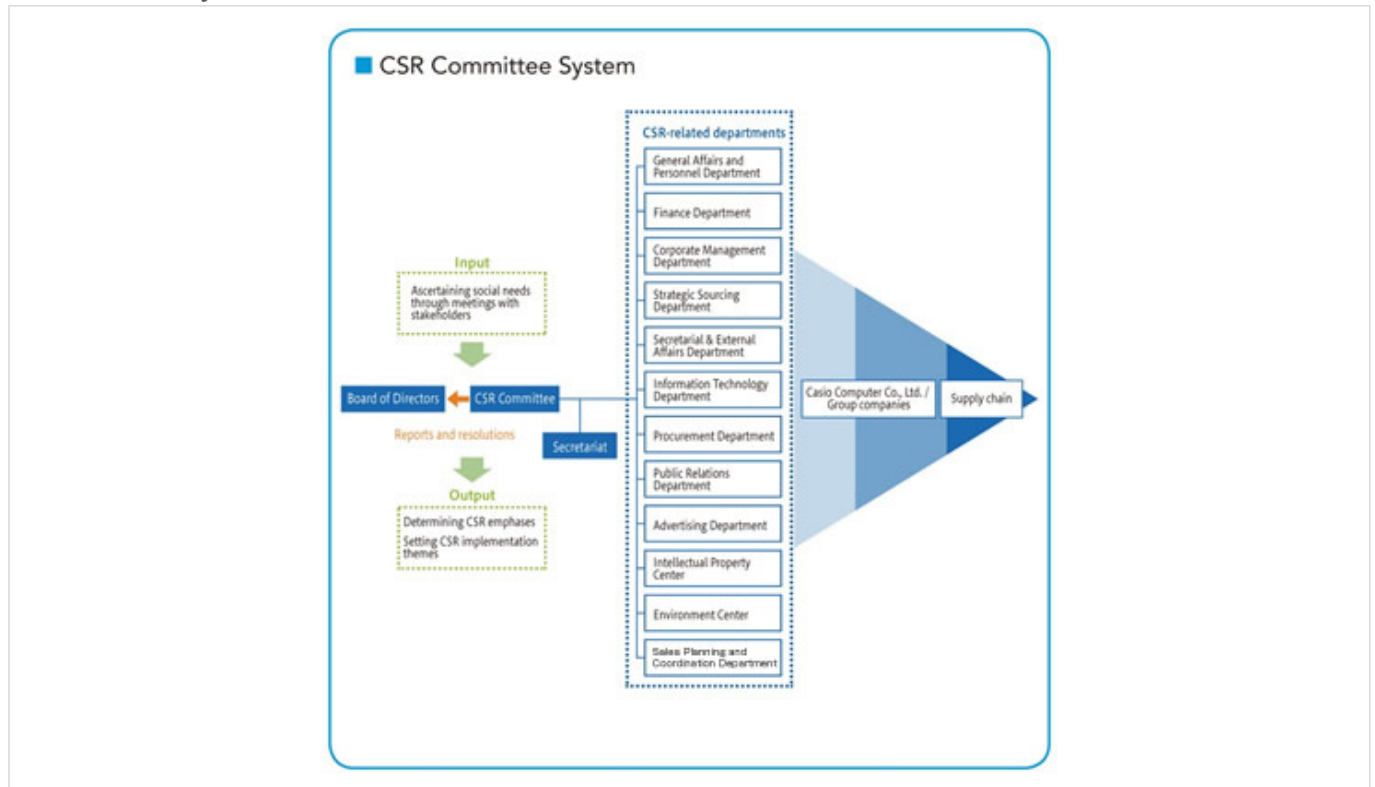


## CSR Committee

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 dialogue 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.

## CSR Committee System



In fiscal 2012, Casio worked on a total of nine themes, including those carried over from the previous year. There were eight themes related to CSR and one theme related to compliance. The individual themes and status of implementation are shown below.

### <Individual themes for fiscal 2012 and implementation status>

No.	Theme	Fiscal 2012 performance	Status	Fiscal 2013 plan
1	Implement group CSR	Established framework and identified CSR issues	Completed	—
2	Great East Japan Earthquake: Aid for affected area	Dispatched volunteers	Completed	—
3	Improve environmental performance	Carried out study into levels of priority and difficulty	Ongoing theme	Determine categories for measurement
4	Promote CSR procurement in supply chain	Implemented onsite inspections at suppliers	Ongoing theme	Hold supplier meetings
5	Strengthen crisis management	Formulated and put in place measures for major earthquake with Tokyo epicenter	Completed	—
6	Advance promotion and activity of female employees	Held seminars for female employees	Ongoing theme	Produce guidebook
7	Increase diversity	Hired foreign employees, etc.	Completed	—
8	Raise brand value	Collaboration with major European and US distributors	Cancelled	—
9	Address compliance risk measures	Revised information security rules	Ongoing theme	Establish log system

In addition to the ongoing themes described above, Casio divided up current issues into areas based on the stakeholder dialogue described below, and established working groups to look into the problems and countermeasures for each area and formulate concrete action plans. These classifications were used to establish the new themes that Casio will work on in fiscal 2013.

## Stakeholder dialogue

Prior to setting the themes for fiscal 2012, Hideto Kawakita of the International Institute for Human, Organization and the Earth (IIHOE) was invited to attend a meeting with members of the CSR Committee. At the meeting, Mr. Kawakita and the committee members discussed how Casio could respond to the new ISO 26000 guidance standard and the aftermath of the Great East Japan Earthquake in the setting of its fiscal 2012 initiative themes.

In addition, coached by Mr. Kawakita, members of each of the departments with responsibility conducted CSR benchmarking, which consisted of reading CSR reports from other companies and comparing them with Casio's report. The meeting participants discussed the future direction that CSR at Casio should take and the best format for disseminating information.

In fiscal 2013, Casio is highlighting respect for human rights, giving it a special focus among the issues that the CSR Committee identified as priority challenges based on the results of its analysis of ISO 26000 at the beginning of the fiscal year. Makoto Teranaka, a visiting professor at Tokyo Keizai University, was invited to give a lecture to the CSR Committee on the subject of human rights. Kaori Kuroda, Co-Director of CSO Network Japan, also took part in the dialogue that followed with CSR Committee members on the topic of human rights.

\* See below for the details of the dialogue.

[Stakeholder Dialogue](#)



Stakeholder dialogue

# 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 has implemented a broad range of initiatives to strengthen its corporate governance.

The board of directors is composed of eleven directors, one of whom is an external director. The term of office for directors is one year so as to clearly delineate the responsibility that the board of directors has for management and to facilitate a quick response to changes in the business environment.

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.

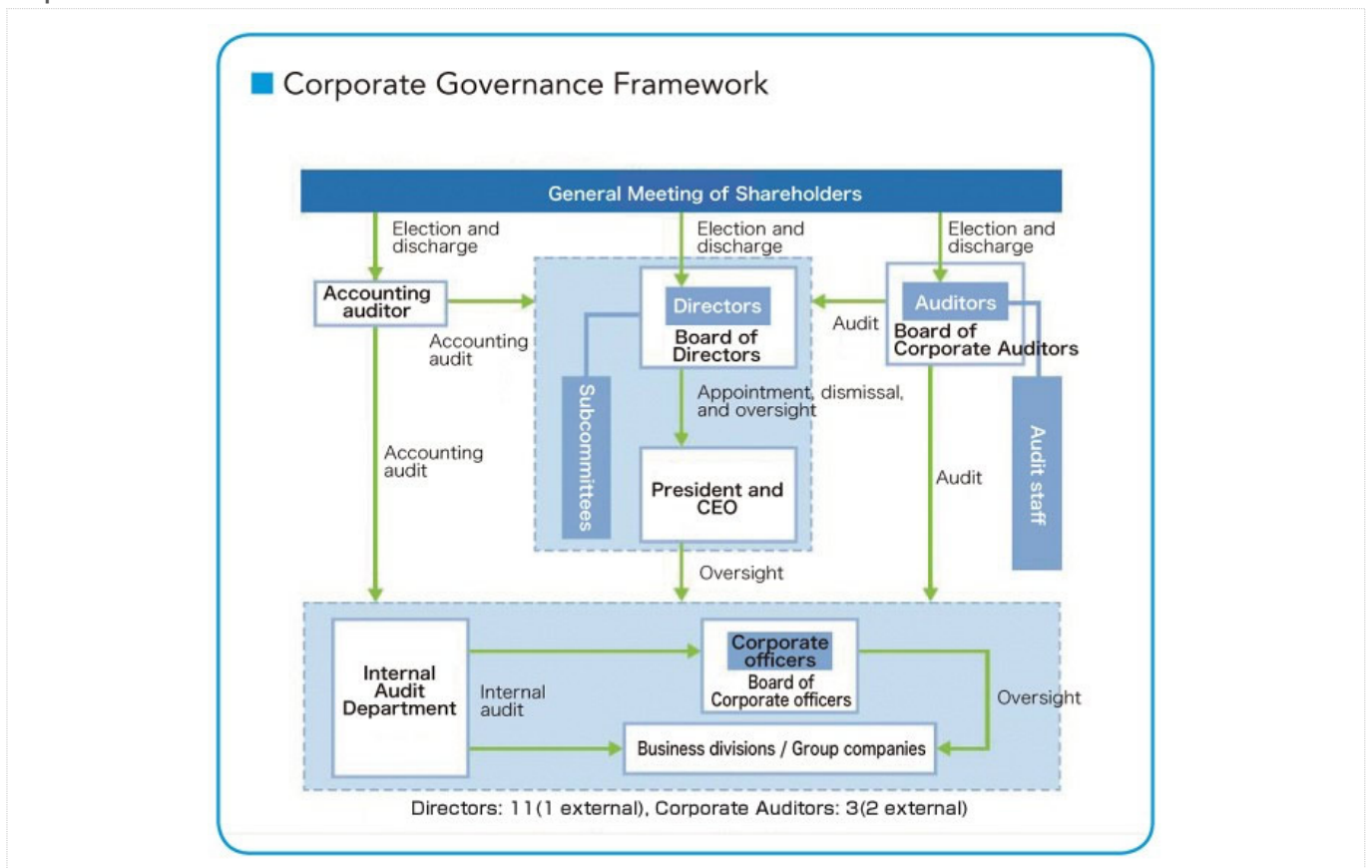
Based on Japan's Companies Act, Casio has also appointed three auditors (two of the three members are external auditors) and established a board of corporate auditors composed of these auditors. In accordance with audit policies set out by the board of corporate auditors, the corporate auditors attend board of directors' meetings, meetings of the corporate officers, and other important meetings and committees. In addition, they perform strict audits by interviewing 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.

## Corporate Governance Framework



---

## 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 2012 marked the fourth year since the introduction of the internal control reporting system based on Japan's Financial Instruments and Exchange Act (J-SOX). As it did in the previous year, Casio sought to improve the financial strength of the entire group and enhance management culture ahead of the introduction of the International Financial Reporting Standards (IFRS) based on a policy of globalization and standardization. As part of these initiatives, the company also worked to strengthen internal controls.

The main initiative in fiscal 2012 was active implementation of the unified group accounting rules (Casio Global Criteria), which were revised in the previous fiscal year based on a review that aimed to upgrade the entire group's business processes, operation improvement rules, and standard operation flows.

In particular, Casio began to establish important operation procedures and approval flows in partnership with local employees at group companies outside Japan in accordance with their level of importance. This included group companies in emerging economies which have become increasingly important over the past few years, where the sales structure has been strengthened and expanded. Casio has been revising the content of criteria and operation flows in accordance with local conditions to reflect various circumstances that need to be taken into consideration, such as restrictions under local tax systems and accounting standards. The company plans to progressively expand this process in the future, while taking account of the conditions in each country when establishing operation procedures.

For fiscal 2013 and later, Casio will continue to pursue activities that enhance the level of internal control while further improving financial strength and management culture for the entire group, based on its policy of globalization and standardization.

# Compliance and Risk Management

Casio's effort to achieve total compliance management of employee conduct uses the Casio Group Code of Conduct and a risk management system and whistleblower hotlines based on the Code.

## 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 based on ethics, laws and regulations.

While the code naturally applies to group companies in Japan, it also applies to group companies outside Japan. In tandem with the rapid globalization of Casio in recent years, the code has been translated from Japanese into English and Chinese as well as the languages of other countries where Casio operates when needed.

With the revision of the code in 2008, Casio implemented compliance training for all group companies, in order to promote even better awareness.

### Provisions of the Casio Group Code of Conduct

#### 1. Purpose

#### 2. Basic Policies

#### 3. Code of Conduct

- |   |  |
|---|--|
| 3-1. Compliance with Laws and Ethics                    | 3-6. Information Protection              |
| 3-2. Respect for Human Rights                           | 3-7. Environmental Conservation          |
| 3-3. Provision of Safety and Peace of Mind to Customers | 3-8. Disclosure of Corporate Information |
| 3-4. Fair Competition and Transactions                  | 3-9. Maintenance of Social Order         |
| 3-5. Separation of Personal Affairs from Business       | 3-10. Social Contributions               |

#### 4. Implementation of the Code of Conduct

#### 5. Handling Violations

Casio Group Code of Conduct

## Risk management

Based on its Basic Risk Management Policies, Casio has built a system to manage risks efficiently. The company established the Risk Management Committee as the steering body to implement management programs with an emphasis on 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.

Casio transferred the risk management function from the Risk Management Committee to the CSR Committee in fiscal 2011.

In the practice of risk management, the department with the role most closely associated with the risk in question is designated as the department with responsibility for the risk. The department with responsibility formulates a risk action program. The CSR Committee Secretariat manages the implementation of the program, and the Internal Audit Department conducts an internal audit, which the CSR Committee Secretariat then follows up with confirmation of the final status of the program.

In fiscal 2008, there were 19 risk factors in which 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 factors.

## Risk management system



## 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:

- Implementation of regular evacuation drills and general lifesaving classes for employees
- Distribution of emergency assistance kits to employees and additional disaster stockpiling
- Construction of a system to ensure absolutely no contact 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, which struck in March 2011, circumstances were encountered that far exceeded previous expectations. Visits were made to the sales sites in the disaster area and interviews conducted. By verifying emergency response activities and assistance programs at the headquarters and local sites from the victims' perspective, Casio was able to identify various points for improvement. These points were reflected in a revised Crisis Management Manual based on the premise of responding to a major earthquake with Tokyo at its epicenter. Casio also produced the Disaster Handbook for the families of its employees to deepen understanding of disaster countermeasures in the home and promote disaster readiness.

## Information system disaster response measures

With the risk of power interruptions following the Great East Japan Earthquake that struck in March 2011, disaster response measures are more important than ever before. In addition to an internal data center, Casio utilizes a secure external data center that features seismic construction and self-contained power generation.

Casio has also lowered its disaster risk by actively utilizing public cloud computing infrastructure for some of its business content and services, as well as having its own internal cloud computing network. In June 2010, the indirect materials purchasing system was moved to an external service. In October 2011, Casio also moved its e-mail system, an important means of communication for employees, to a professional external provider.

## 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,



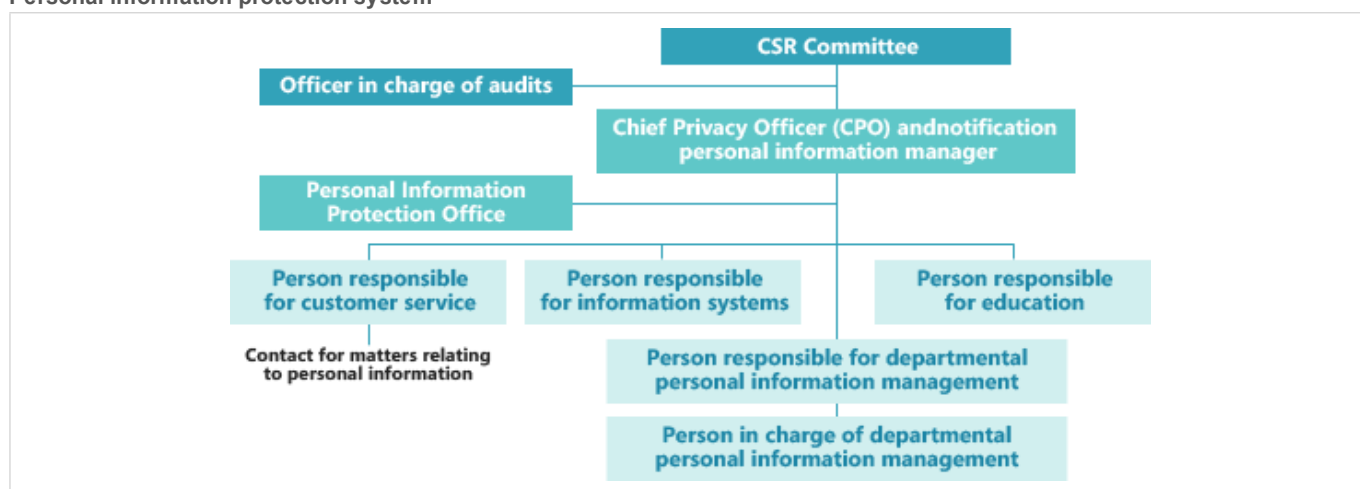
regular checking of personal information, access management on information systems, consignee supervision, and internal audits. Accordingly, Casio has been able to renew and maintain its certification.

In fiscal 2012, Casio designated December as Information Security Month to encourage employees to be more careful about information security. To achieve this, the company created security slogans about preventing common accidents, such as sending an e-mail message to the wrong person, and produced posters to put up at Casio workplaces.

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 regular audit conducted in February 2012, 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.

### Personal information protection system



### 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.

There were seven whistleblower reports in fiscal 2012. 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 problems.

The number of whistleblower reports has been decreasing each fiscal year. It is important to verify whether this is because there are no problems that actually need to be reported, or whether it is because anxiety about reporting is concealing real problems. In fiscal 2013, Casio plans to further improve the content of its whistleblower protection website and make efforts to increase understanding about whistleblower reports among its employees with the aim of fully establishing the system. At the same time, the company will look into the reasons for the decrease in the number of reports.

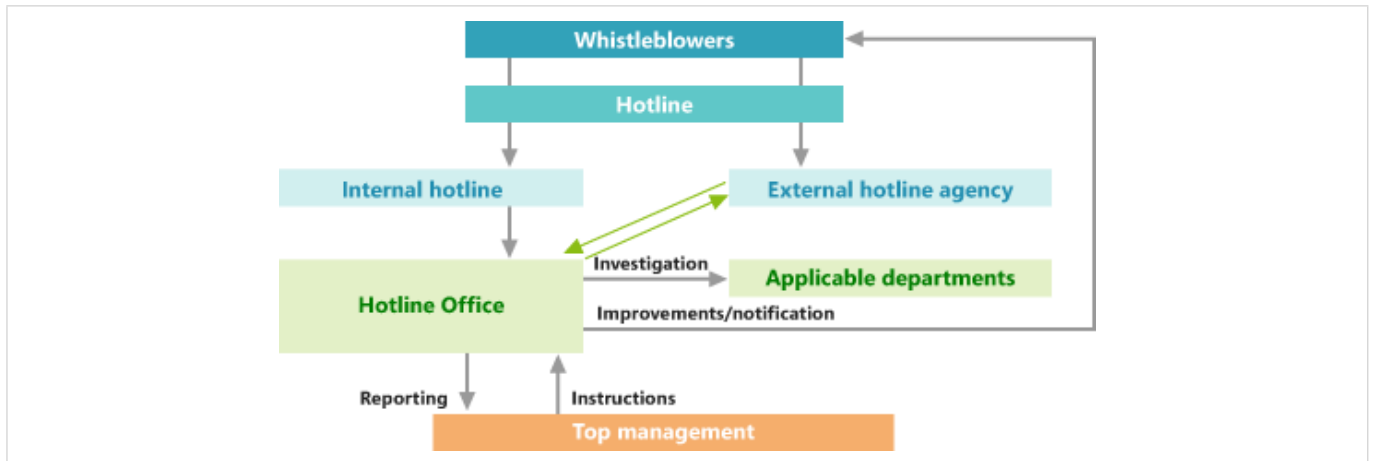
<Fiscal 2012 Report Details>

4 cases concerning interpersonal relations in the workplace

2 cases relating to internal rules

1 other cases

## Whistleblower Hotline



## 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 export 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

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. The sales offices of Casio Computer Co., Ltd., in Japan are strengthening their measures to ensure compliance with these laws.


Casio continues to hold compliance seminars given by employee instructors at the sales offices of Casio Computer Co., Ltd., in Japan. In fiscal 2012, thirteen seminars were given at sales offices, and a total of 819 employees received the training, expanding their understanding of fair transactions. In addition, as a tool for promoting proper and fair transactions, Casio distributed Sales Compliance Cards to its sales employees in Japan that they can always have 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. The cards are part of Casio's initiative to build a legal compliance system that enables consultation on potential problems in advance. All employees at the overseas sales offices of Casio Computer Co., Ltd., receive training on competition law, which has been mandatory since fiscal 2009.

**カシオ創造憲章**
**CASIO**

第1章 私たちは独創性を大切に、普遍性のある必要を創造します。  
 第2章 私たちは社会に役立ち、人々に喜びと感動を提供します。  
 第3章 私たちはプロフェッショナルとして、常に誠実で責任ある言動を貫きます。

**カシオグループ倫理行動規範(項目)**

3-1 倫理・法令の遵守	3-4 公正な競争と取引	3-6 企業情報の開示
3-2 人権の尊重	3-5 公衆の安全	3-9 社会問題への関与
3-3 お客様への安全・安心の提供	3-8 情報の保護	3-10 社会貢献活動
	3-7 環境の保全	



**カシオグループ 倫理行動規範(抜粋) 3-4 公正な競争と取引**

**私たちは、適正な取引、及び公正・透明・自由な競争を行います。**  
**また、公務員、政治家または政治団体に不適正な利益や便宜を供与しません。**

(1) 禁止禁止法を遵守し、競争・カルテル等の行為を行いません。(2) 競争的自立場を利用し、取引条件の一方的な変更や優遇等を行いません。(3) 買収候補の買収、参加や販売、その他取引先の事業活動に対する不当な拘束や制限等の行為を行いません。(4) 公共・官位における不審な表示や過大な賞状等の贈与は行いません。(5) 製品の輸出及び移転の贈与については、贈与法令及び社内ルールに照し、公正な競争の維持を行います。(6) 買収以外の公務員に何れも贈与を行わず、各買収が贈与の法令に違反する商品の贈与や譲渡を行いません。

## 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 2012 issues and activity results for social initiatives, along with the priority issues for fiscal 2013, based on these activity results.

### Social initiatives: Fiscal 2012 action plans and performance/Fiscal 2013 action plans

Evaluation ●: All targets met, ○: Most targets met, △: Remaining issues outweigh results, ✕: No progress made

#### Corporate governance

FY2012 Targets & Plans	FY2012 Performance	Evaluation	FY2013 Targets & Plans
Promote further improvement of internal controls based on Japan's Financial Instruments and Exchange Act	Enhanced financial strength of the entire group ahead of the introduction of 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

FY2012 Targets & Plans	FY2012 Performance	Evaluation	FY2013 Targets & Plans
Continue monitoring relating to major laws by the Risk Management Committee Secretariat and implement simulations	Secretariat of the CSR Committee (to which the functions of the Risk Management Committee have been transferred) implemented monitoring relating to four major laws	○	Formulate and implement a new risk monitoring mechanism, following the end of the previous risk management and implementation cycle
Conduct compliance training that includes group employees outside Japan	Carried out education on compliance at group companies in and outside Japan	○	Shift the focus of CSR education in the Casio Group from compliance education based on Japanese law to CSR itself
Conduct risk review ahead of the Privacy Mark renewal audit and reestablish safety measures	Conducted risk review ahead of Privacy Mark renewal audit; continued to implement training and employee pledges on protecting personal information at group companies	○	Carry out comprehensive security management adapted to the changes in society and the business environment
Promote the effective utilization of information assets in the ISMS, along with better and more thorough management of incidents	Promoted security management that increased effective utilization of information assets	○	Strengthen the linkage between risk management and business themes (measures related to better product quality, improved IT services and security)
Start operation processes using the ITIL, and establish PDCA cycles for improvement	Commenced operation processes using ITIL and promoted operation improvements through QC programs (ITQC)	○	Improve operation processes and tools using ITIL and establish PDCA cycles for improvement of service quality

## Customers

FY2012 Targets & Plans	FY2012 Performance	Evaluation	FY2013 Targets & Plans
Strengthen initiatives to prevent reoccurrence based on re-analysis of past failure examples	Strengthened measures based on comprehensive quality inspection programs	○	Reduce quality problems by focusing on new technology for establishing systems that conform to safety laws and regulations  Prioritize management of product quality as an integral part of overseas business expansion
Implement a voluntary action plan on product safety	Ensured execution of a voluntary action plan on product safety	●	
Minimize risk by accelerating and streamlining collection of accident information	Strengthened and vigorously implemented rules on collection of accident information	●	
Establish a system for responding to safety laws	Established a system for responding to safety laws	△	
Continue to promote measures to improve customer satisfaction through after-sales customer satisfaction surveys	Identified issues based on an after-sales customer satisfaction survey	○	Continue to improve customer satisfaction based on implementation of after-sales customer satisfaction surveys  Update the pages about watches on the customer support website
Promote customer satisfaction improvement by strengthening the Casio online repair direct request system	Increased the number of customers using the Casio online repair system	○	
Update the customer service website	Revised the structure of the website to make it easier for visitors to get to the page they want based on an analysis of website links and the duration of visits	△	
Strengthen feedback for product quality improvement, by ensuring the thoroughness of the market monitoring function	Contributed to improvements in product quality using analysis of customer comments and feedback	○	Strengthen feedback by improving and establishing methods for analyzing trends in the comments of dissatisfied customers
Diversify China concentration risk	Planned to increase allotment of manufacturing to Thailand, but plan delayed slightly due to flooding (This plan is now in progress with the establishment of a new plant in Thailand)	△	Further diversify China concentration risk by adding more products to those for which risk is already diversified  Further clarify status of components through restructuring of production-related systems and reorganization of IPO functions
Improve and streamline production system Restructure and integrate functions in Southern China	Transferred Casio Hong Kong functions to Shenzhen largely in line with plans	○	
Strengthen technological abilities at production sites in Japan	Strengthened positioning of in-house production of core components as a key business strategy, and provided leadership for group companies outside Japan	○	

## Suppliers

FY2012 Targets & Plans	FY2012 Performance	Evaluation	FY2013 Targets & Plans
<p>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)</p>	<p>Continued implementation of CSR questionnaires in and outside Japan (Responses received from 178 companies in China and 44 in Thailand. The switch to the five-point scoring system has enabled better visualization of achievement. In Japan, the online questionnaire response rate was 96%, compared with 95% the previous year. The questionnaire also covers BCP initiatives in Japan.)</p>	<p>●</p>	<p>Continue to implement CSR questionnaires in and outside Japan</p> <p>Review the question categories for Japan to make the content easier for suppliers to understand and respond to</p> <p>Continue to follow up BCP surveys</p>
<p>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)</p>	<p>Implemented inspections of CSR measures at 9 company sites in China, covering 30% of suppliers in terms of volume over a two-year period Implemented inspections of CSR measures at 5 company sites in Thailand during the first half of the fiscal year, but forced to suspend program in the second half of the year due to flooding</p>	<p>○</p>	<p>Continue to implement inspections of CSR measures for suppliers outside Japan</p> <p>In Thailand, recommence education and inspections once operations at new plant stabilize</p>
<p>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)</p>	<p>Implemented model initiative presentations by suppliers that have received onsite inspections of CSR measures (representative suppliers present model cases where improvements have been made on issues identified in onsite inspections to serve as examples of best practice for other companies)</p>	<p>●</p>	<p>Share expertise through model initiative presentations by suppliers that have received onsite inspections of CSR measures</p>

## Employees

FY2012 Targets & Plans	FY2012 Performance	Evaluation	FY2013 Targets & Plans
Continue activities for the advancement of female employees	Held seminars for female employees (3 seminars/180 attendees) Held assemblies on work-life balance (2 assemblies/50 attendees) and held three female employee role-model meetings	○	Employ and train global human resources  Continue activities for the advancement of female employees
Maintain the employment rate of persons with disabilities within the Casio Group in Japan	Employment rate of persons with disabilities fell from 1.86% to 1.64% for the consolidated Casio Group within Japan	×	Take action to achieve the legally mandated employment rate of persons with disabilities at group companies in Japan
Continue to provide job opportunities to employees that have reached the age of mandatory retirement	Continued to provide rehiring opportunities to employees who have reached mandatory retirement age	○	Continue to provide rehiring opportunities to employees who have reached mandatory retirement age
Continue to maintain the percentage of eligible female employees taking childcare leave at above 90%	Maintained percentage of eligible female employees taking childcare leave above 90%  Maintained percentage of female employees returning to work after taking childcare leave above 90%	○	Maintain percentage of eligible female employees taking childcare leave above 90%  Maintain percentage of female employees returning to work after taking childcare leave above 90%
Continue initiatives for reducing overtime work	Ensured attention to safety and health with overtime work management for management level employees as well as regular employees	○	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	Achieved follow up rate of over 70% by ensuring those with high-risk results in health checks received proper medical examinations	○	Ensure referral of those with high-risk results in a regular health check to medical institutions for proper medical examinations
Continue smoking cessation support program	Continued smoking cessation support program	○	Continue smoking-cessation support program

## Local communities

FY2012 Targets & Plans	FY2012 Performance	Evaluation	FY2013 Targets & Plans
Expand activities by further improving content of programs for educating the next generation	Enhanced education programs, providing opportunities for learning to a total of 4,841 students (an increase of 2,909 students compared to last year)	○	Boost nationwide roll-out of activities by continuing to promote the programs for educating the next generation
Continue support for cutting edge science and technology research	Provided a total of 38 research grants totaling 49 million yen, through the Casio Science Promotion Foundation	○	Continue to support cutting-edge science and technology research
Continue support for victims and for the disaster region after the Great East Japan Earthquake	In addition to the school visit program and dispatch of employee volunteers, also continued to provide material assistance	○	Continue to provide assistance for victims of the Great East Japan Earthquake, with a focus on helping children orphaned by the earthquake and ensuring adequate emotional care for children and school students affected by the earthquake.


# Responsibilities to Customers



Casio is recognized by the market for its commitment to treating customers right. The company constantly strives to ensure its business management is worthy of customer confidence.


**Product Development and Design Initiatives**

Casio develops products with new value and helps create new cultural phenomena. Casio's product development concept is simple: going from "0" to "1."




**Intellectual Property Initiatives**

Casio secures competitive advantage, maintains operational freedom, and improves profitability by adopting specific mechanisms to drive the creation of intellectual property.




**Activities to Improve Customer Satisfaction**

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




**Quality Assurance**

In order to maintain the confidence of customers and ensure the reliability of its products, Casio takes an integrity-based approach to constant quality improvement.



**Customer Support Center/Ensuring customer satisfaction**

Deeply valuing long-term relationships with customers, Casio strives to improve the skills of support employees and uses customer feedback in the development of products and services.




**Providing Support Information/Repair Service**

To please customers and ensure their peace of mind when using its products, Casio is working to improve its system for providing customer support information, while enhancing the service skills of its staff.



**Stable Supply of Products**

Casio is working to strengthen its global supply chain to meet rising product demand.





# Product Development and Design Initiatives

Product planning that accurately targets customer needs and the advanced technologies required to realize those plans: these are the two driving forces behind Casio's pursuit of innovative products that generate new demand.

## Product Development for Social Progress and Better Living

Casio's product development concept involves "going from 0 to 1." Since its inception, the company has consistently sought to improve people's lifestyles by providing products that did not exist before, and thereby supporting social progress. Casio's aim is always to develop products that generate their own demand. Casio has been relentlessly pursuing its own advancement by building the outstanding product planning abilities, ideas, and creativity it needs to achieve this aim. Nevertheless, the creation of products with new value based on latent customer needs cannot be achieved by armchair thinkers. Sometimes product development engineers need to experience challenging product usage environments, and actually assess for themselves the true value of their products.



Product developers conduct verification in the field

While maintaining a global perspective, Casio is also developing and providing products that precisely target particular national and regional needs. Casio's calculator with selectable Indian number display was the first to adopt the traditional Indian method of inserting a comma after the thousand position, and then after every subsequent two digits (i.e. hundred thousand, ten million, etc.). The company also launched an oriental electronic keyboard featuring the 54 tones and 83 rhythms characteristic of the major musical regions of the Middle and Near East, namely, the Arab / Maghreb, Khaleeji, Iran, and Oriental regions. Thousands of different products have been launched by Casio the world over, including dynamic product proposals for high-growth newly emerging markets.



MJ-120D



Display with Indian Digit Grouping

In order to translate unique product concepts like these into competitive products, a high level of technical expertise is needed. Only a technology leader can overcome the various hurdles involved. This is why Casio constantly works to develop advanced technologies and is taking on the challenge of pioneering new fields.

## Creating Originality with New Ideas and Technologies

Casio is constantly developing its five core technologies to make it possible to turn groundbreaking ideas into actual products.

### five core technologies



## 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 developing the DT-X8, a handheld scanner terminal that is widely used at logistics and retail sites, Casio focused on a shock-resistant design to achieve ease of use in the tough working conditions in the real world of distribution. In addition to 3-meter drop resistance, the DT-X8 is also IP67 dust-proof and splash-proof and functions at -20°C, making it ready for the most challenging real-world conditions—in dusty sites, in the rain, and in cold storage.

The DT-X8 also features highly ergonomic operation; the shape of the key tops and the pitch of the keys is finely crafted to make it easy to identify the keys by feel even when wearing work gloves, which facilitates reliable input.



DT-X8, a handheld scanner terminal

## Digital design data shared on a network

Casio products are all designed in 3D using computer software, and are stored as digital data. These files are centrally managed along with circuit diagrams, component data, specifications, and production schedules, and are shared via network with production sites and logistics facilities. This system was established to enable Casio to flexibly adapt to changing conditions, such as changes in user needs and the economic environment.

By sharing this data throughout the company, Casio can ensure that circuits and parts that work the same way, even if used in different product areas, are standardized, achieving lower procurement costs and greater efficiency in assembly. If any problems arise in relation to quality or the environment, Casio can efficiently go through its past product lineup to determine if there is a need to replace a certain part, or can work across departmental lines to examine the total environmental impact, for instance, calculating the amount of designated chemical substances contained in products. Design data is also used in the creation of catalogs and instruction manuals. Since design data can be used to create 3D diagrams and cross-section diagrams, there is no need to start drawing new diagrams from scratch. This accelerates the production process and keeps costs down.

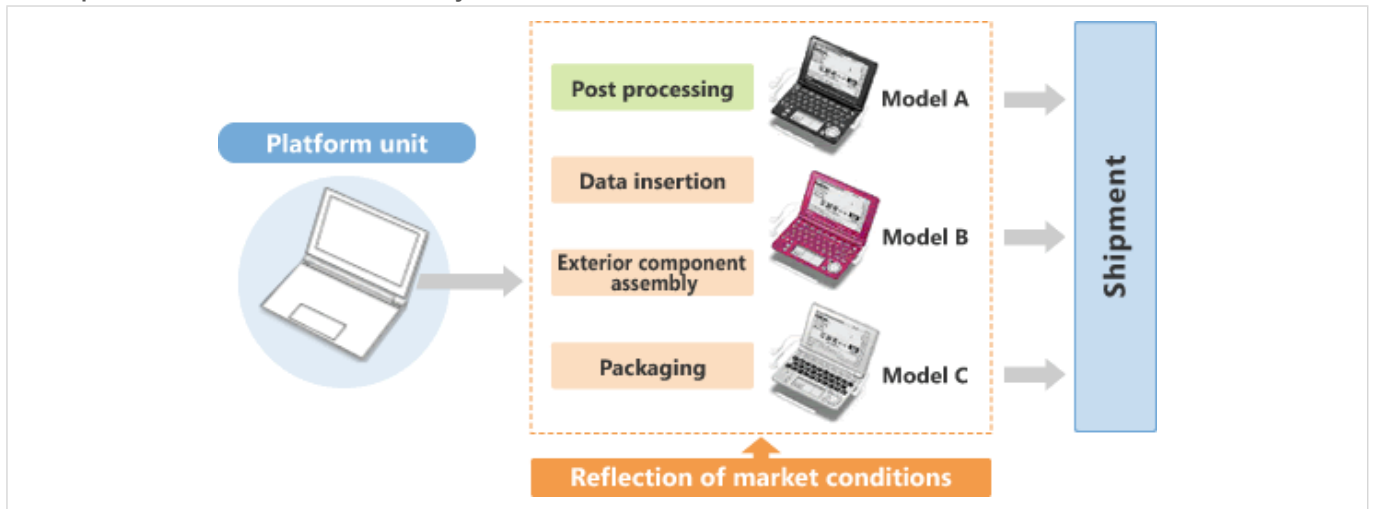


## Platform design for flexible production

Casio's electronic dictionaries come in a variety of models and in a wide array of colors to meet the needs of today's diverse users. To efficiently produce product lineups that span a wide range of configurations, Casio integrates all the common parts of each product to create a single "platform unit." This allows Casio to keep costs down by ordering parts in large quantities, and to improve manufacturing efficiency by standardizing production processes.

Casio determines how many of each product to ship by looking at the market conditions immediately before shipment, inserting different types of content into the platform units, assembling the exterior, and then packaging the products. This allows Casio to supply only the number of models necessary in the shortest period of time.

Use of platform unit in electronic dictionary



# Intellectual Property Initiatives

Casio is actively promoting intellectual property activities in line with its management strategy through cooperation between its R&D and business divisions. Based on these activities, the company aims to protect its businesses, and contribute to corporate profitability.

## Policies for promotion of intellectual property activities

Casio takes a medium- to long-term perspective in order to increase its technology management ability, and is systematically promoting research and development for the creation of future business. While recognizing R&D results as intellectual property, Casio is taking steps to ensure that they are properly managed and utilized in order to secure profits. Casio places importance on intellectual property as an important measure of corporate value. In order to effectively promote intellectual property activities, Casio has set the following goals for promoting intellectual property activity, and implements them group-wide for effective utilization of intellectual property.

### Intellectual property goals

#### “Making Casio a Company with Even Stronger Intellectual Property Capacity”

Casio is working to increase its intellectual property capacity using the following goals.

- Increase the intellectual property capacity of Casio
- Protect technology and products globally with strong intellectual property capacity
- Guarantee creative technology and product development through strong intellectual property capacity

## Role of the Intellectual Property Center

Since its founding, Casio has worked to develop innovative new technologies and products that are completely original and have never existed before. The protection of these development results through the creation of intellectual property rights is vital to ensuring corporate competitiveness. At the same time, protecting Casio brands and designs from counterfeiting by securing intellectual property rights is also an important activity for the company.

The Intellectual Property Center aims to secure intellectual property rights on a global level. Its role is to utilize patent, design, and trademark rights in order to help establish competitive advantage for corporate management.

The center also broadly manages intellectual property (rights) such as copyrights and trade secrets as well as general intangible properties, while signing contracts with third parties and resolving disputes.

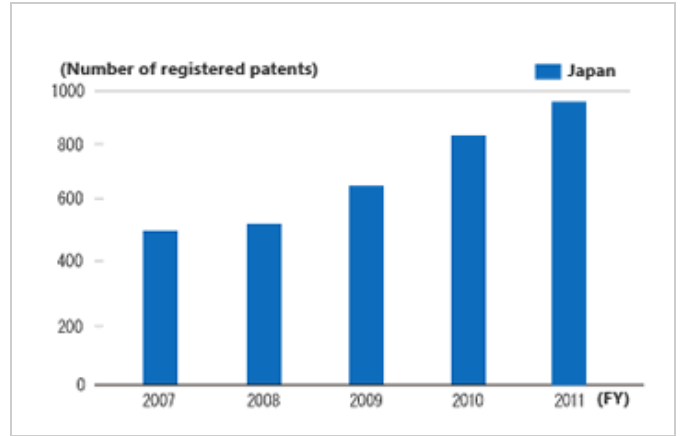
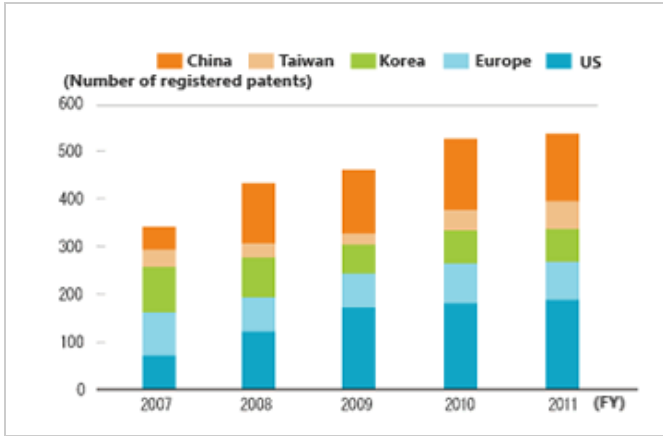
## Intellectual property activities

Casio implements various intellectual property activities. Casio actively utilizes the intellectual property that it has accumulated over the years, and carries out activities to protect its businesses. The company conducts ongoing R&D necessary for sustained growth, and has put in place various systems for producing new intellectual property.

### 1. Patent application and rights acquisition activities

Casio constructs patent nets based on patent application and registration in priority fields (selection and concentration), and actively promotes activities for the acquisition of effective patents based on quality improvement. The company carries out patent application and rights acquisition activities worldwide, including in the USA, China, South Korea, Taiwan, and other Asian countries.

**Global patent portfolio**



**2. Intellectual property rights utilization**

In addition to securing intellectual property rights for its inventions and other proprietary developments, Casio works to ensure freedom of operations by preventing legal claims from other companies and earns profits by licensing its technologies to other companies (including cross licensing). The company also uses intellectual property as a barrier to deter other companies from entering the same business, and carries out activities to establish competitive advantage for corporate management. In particular, Casio takes stringent measures to combat counterfeit products, and cooperates with government agencies to remove fakes from the marketplace.

**3. Patent expert system**

Casio initiated a patent expert system in 1994 in order to promote the ongoing creation of outstanding intellectual property. With the aim of business strengthening through stronger intellectual property, engineers with high-level understanding of technologies and leadership skills have been assigned to each division as patent experts. While cooperating with the Intellectual Property Center from positions within their respective divisions, these patent experts work to strengthen the intellectual property abilities of their respective organizations.



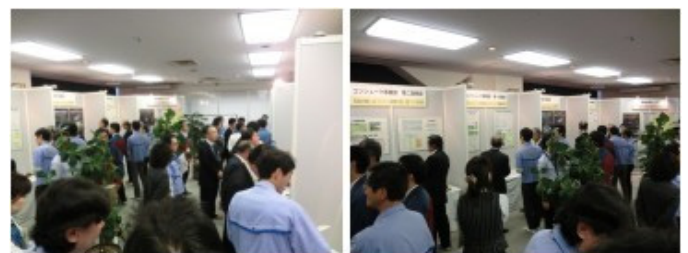
Meeting for patent experts

Here are details of specific activities.

1. Patent activity planning based on ascertainment of technology and development trends at Casio and other companies, as well as target management
2. Discovering and updating inventions
3. Evaluation of patent applications, determination of direction for patent creation according to business strategy, as well as evaluation of patent maintenance
4. Surveys of patents at other companies, patent infringement avoidance, and patent risk management
5. Creation of new businesses centered on intellectual property

**4. Techno Power**

Casio's in-house Techno Power technology exhibition began in 1992 and is held annually to stimulate engineers, and foster sharing and cross-fertilization of technology. By creating a place for engineers to present their results to top management, and an opportunity for outstanding engineers and designers to receive recognition (i.e., awards based on the suitability of intellectual property results), the exhibition is a source of pride and motivation for engineers and encourages them to take on the challenge of developing new technologies.



Techno Power exhibition

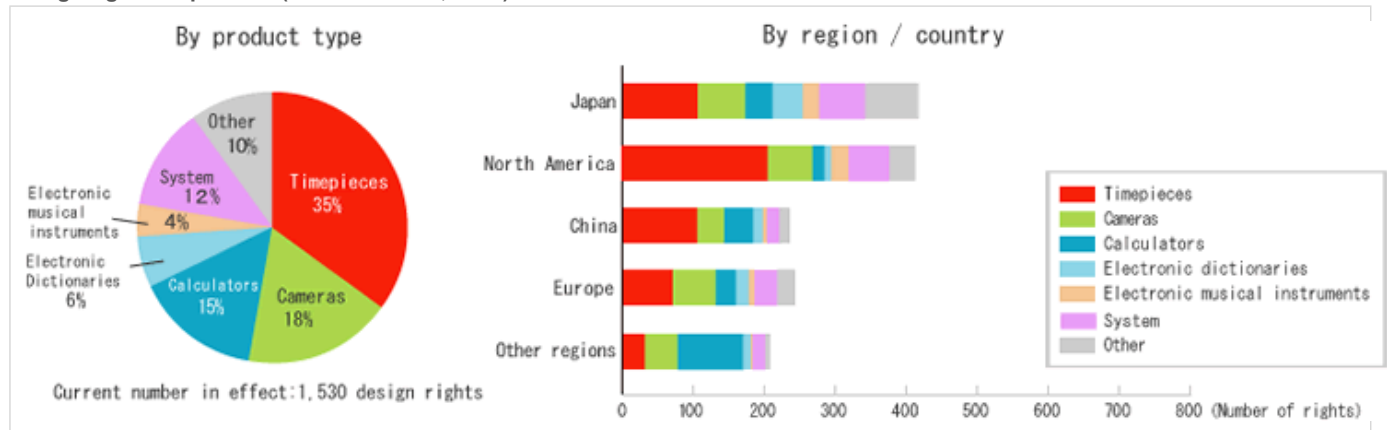




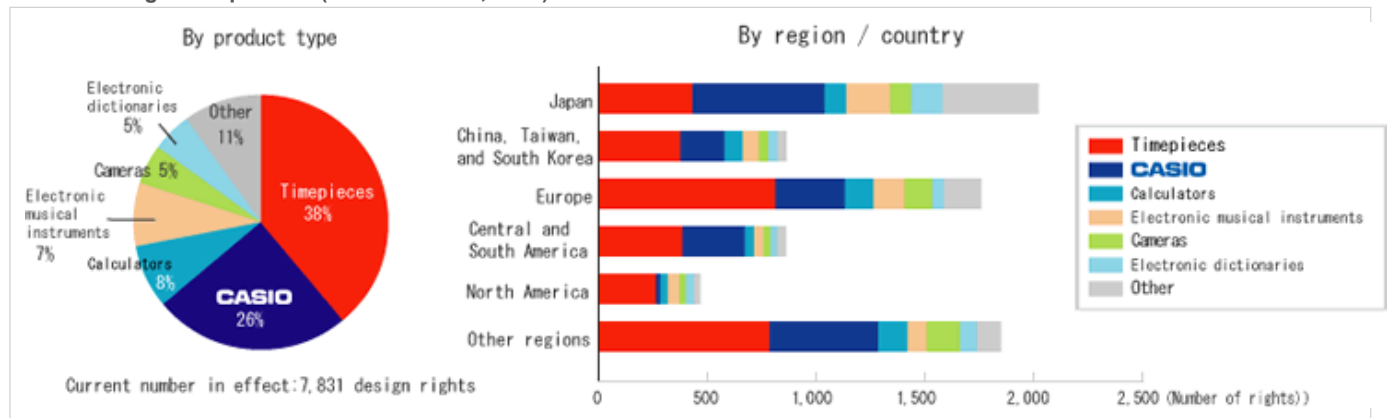
### Activities for minimizing risk entailed by new product naming and design, as well as rights acquisition

While avoiding the risk of infringing upon the design or trademark rights of other companies, Casio is actively promoting business support activities based on the strengthening of Casio's own design and trademark rights.

#### Design rights acquisition (as of March 31, 2012)



#### Trademark rights acquisition (as of March 31, 2012)



### Counterfeit product removal and consumer protection activities

Counterfeit versions of Casio watches and calculators can be found around the world, and they can have a large negative impact on sales. In 2005, Casio began holding regular group-wide conferences combat fake products. At these meetings, employees discuss the damage situation, priority of countermeasures, and the degree of importance. Business divisions and sales departments at headquarters are committed, and Casio is working to strengthen its counterfeiting countermeasures in China, Hong Kong, and other consumer countries. At the same time, Casio has appointed an employee in charge of counterfeiting countermeasures at Casio Shanghai, and is strengthening efforts to stop these products at Chinese factories and in customs inspections.

---

## Activities to Improve Customer Satisfaction

---

Casio is striving to improve customer satisfaction through three major activities.

### Activities to Improve Customer Satisfaction

Aiming to further improve customer satisfaction (CS), Casio has focused on strengthening the three major CS initiatives listed below since fiscal 2009. Casio is working to incorporate the voice of the customer more than ever before in the creation of even better products.

1. **After-sales CS:** Responding to customer requests and inquiries with service that is “rapidly,” “exactly” and “politely”
2. **Functional CS:** Striving to create value and product functionality that leads to customer satisfaction
3. **Quality CS:** Working to strengthen product quality to assure customer satisfaction

Under these three major CS activities, Casio is investing in programs to improve product knowledge, repair technical skills, and customer service skills.

In fiscal 2012, Casio once again carried out Internet surveys using its own method, which it established in fiscal 2010 to ensure continual assessment of customer satisfaction levels, particularly with regard to after-sales CS activities.

Casio is also working hard to ensure that customer feedback from in and outside Japan is always delivered directly to the right place within the company, and to take unified improvement measures. Casio is also constantly working to improve product functions (functional CS).

Casio compiles and analyzes information on customer inquiries and product defects in and outside Japan. It focuses on early detection, rapid response and prevention of recurrence of problems (quality CS).



# 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.

## "Casio Quality"-World-class Quality Assurance

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.

## Quality assurance at Casio

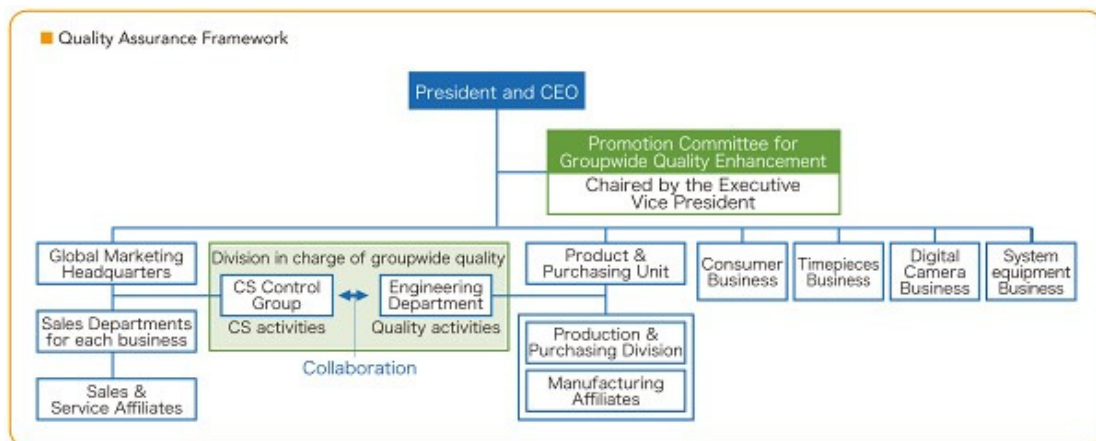
Casio believes it is important not only to provide products and services that delight customers, but also to win acceptance from the whole of society and achieve mutual prosperity. Toward this end, Casio Quality includes everything from the quality of individual products, to environmental protection 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 Group-wide 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 Department, 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 Techno Co., Ltd.	May 21, 2004
Production Sites outside Japan	Casio (Thailand) Co., Ltd.	July 13, 2012
	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

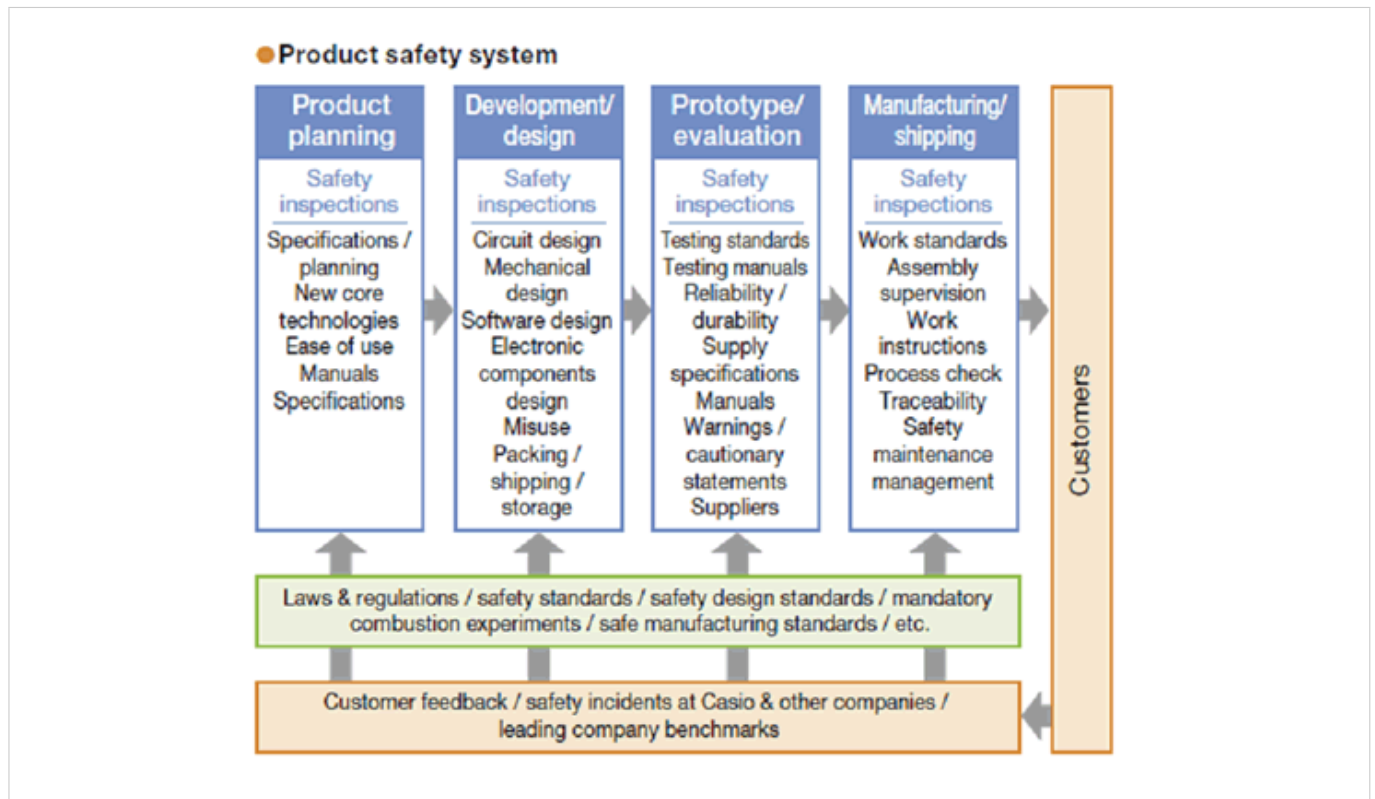
Casio maintains a strong quality assurance system, based on its belief in "Quality First." This system requires all employees to make quality their first concern in every task they perform, enabling the company to offer products and services that please and impress customers. The company's commitment 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.

## Offering Users Peace of Mind

Casio makes every effort to ensure product safety so that customers can always use Casio products with peace of mind. As shown in the diagram below, Casio works to ensure product safety in each process from product planning, development, and design, to trial manufacture, evaluation, production, and delivery. In order to maintain and enhance these efforts, the company performs safety audits and works to prevent potential problems from occurring, or issues from reoccurring.



To comply with the legislative intent of Japan's recently revised Consumer Product Safety Act, which went into force on May 14, 2007, the Casio board of directors has adopted the Fundamental Policies on Product Safety. Based on these policies, Casio has put in place the Product Safety Voluntary Action Plan which specifies the details of the steps to be taken. The company has also reengineered its response systems for handling those unusual situations when a product-related accident occurs, and has established procedures for managing such situations. These include the steady, timely collection and dissemination of accident information, the issuance of notifications and reports to customers and relevant administrative agencies, prompt, appropriate response measures, efforts to identify causes, and measures to prevent any future recurrence.

# Customer Support Center/Ensuring customer satisfaction

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

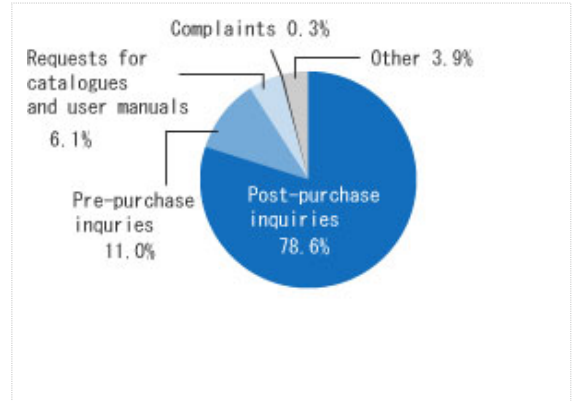
In order to promote long-lasting relationships of trust with customers, the Customer Support Center strives to respond to customer inquiries rapidly, exactly, politely and sincerely. The Customer Support Center strives to resolve any issues customers may have.

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 Customer Support Center work together to implement improvement measures, and these efforts help to improve customer satisfaction for Casio products and services.

Casio is also working hard to develop a structure for building positive relationships with its customers around the world in partnership with customer support centers at local sales subsidiaries outside Japan.

**Breakdown of Customer Inquiries in Japan (Fiscal 2012, Consumer Products)**



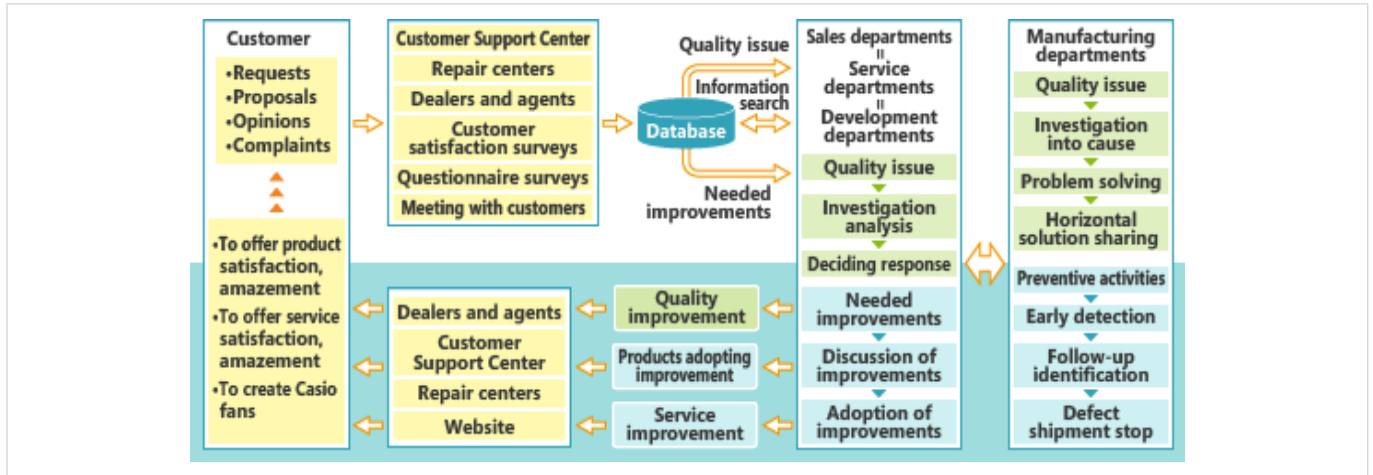
**Breakdown of Product Inquiries (Fiscal 2012, Overseas/Japan)**

Item	Fiscal 2012	
	Overseas	Japan
Timepieces	39.4%	27.7%
Digital Cameras	25.7%	17.9%
Calculators	7.9%	3.4%
Other Consumer Products	9.5%	28.2%
System Equipment	17.6%	22.8%
Total	100.0%	100.0%

## Customer Support Center



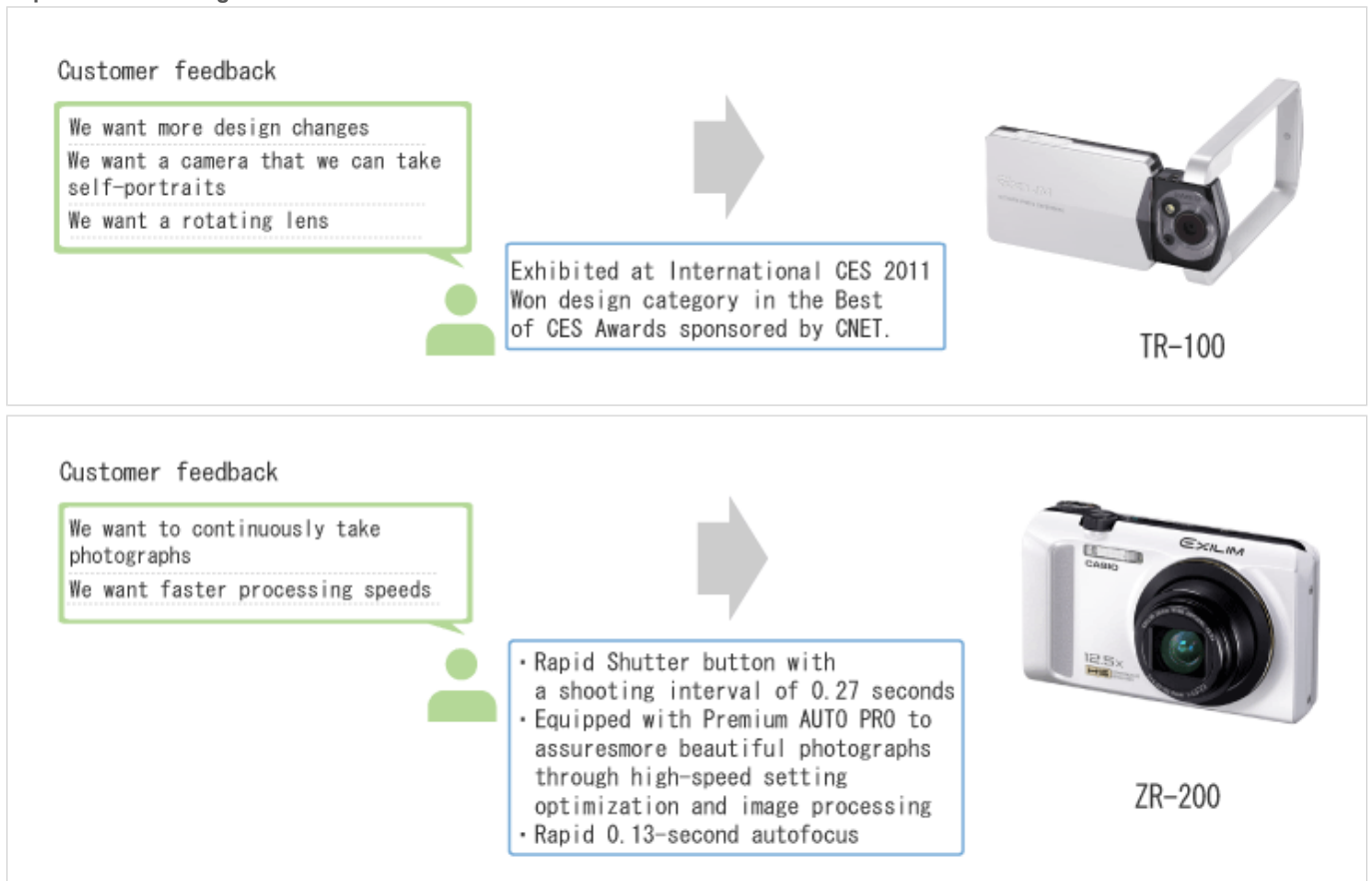
How customer comments are utilized for products and services



Ensuring customer satisfaction

The voice of the customer 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.

Improvements to digital cameras after customer feedback



## Global Teachers Meeting Spurs Product Development

Nearly every year since 2007 Casio has held a Global Teachers Meeting, inviting teachers from around the world who are passionate about mathematics education and research to the Hamura R&D Center and Casio headquarters in Hatsudai. The aim of the meeting is to contribute to the development of mathematics education in actual classrooms by using feedback from teachers to develop products that meet real-world educational needs.

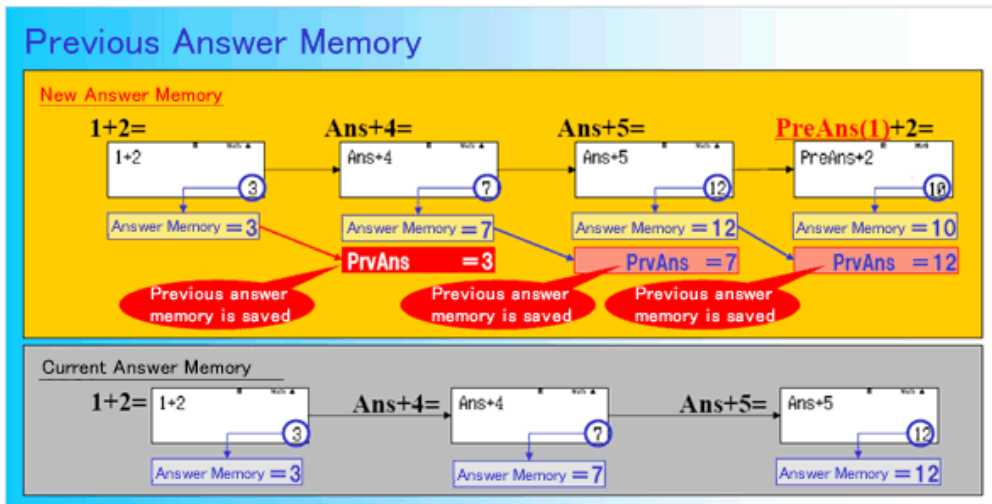


The Global Teachers Meeting did not take place in fiscal 2012 due to the Great East Japan Earthquake. However, based on demand from the real world of education expressed at previous meetings, Casio developed a calculator model exclusively for South Africa, a country which is experiencing astonishing economic development. In the development of the calculator, Casio held repeated consultations on the detailed specifications with classroom teachers via local agencies to produce an easier-to-use calculator that is tailored to the local mathematics curriculum. Thanks to these efforts, the new calculator is the world's first general scientific calculator to include dual table and PreAns functions. These functions have received high acclaim from South African educators.

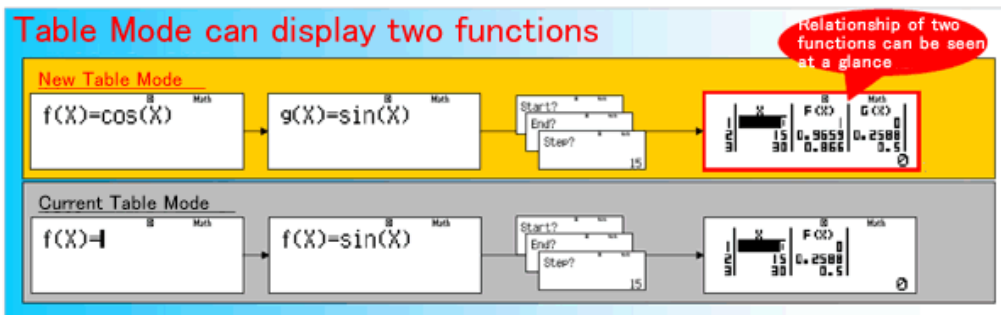


Scientific Calculators fx-82ZA PLUS

### Previous Answer Memory



### Advanced Table Mode



Advanced Table Mode



## OCEANUS User Manual Wins Excellence Award (in Its Category) at Japan Manual Contest

On October 7, 2011, Casio's OCEANUS user manual won an Excellence Award in the Paper Manuals – Operations Manuals Category 1 of the Japan Manual Contest 2011 held by the Japan Technical Communicators Association.

Consumers often say that they can't be bothered to read the manuals for small, multi-function products or that they don't know where to find the information they need in the manual. Addressing these concerns, the company focused on making improvements in the three areas below to allow customers to make the most of their new Casio multi-function watches.

- (1) Listing what the customer should do first at the beginning of the manual to facilitate immediate use straight after purchase;
- (2) Condensing information, reducing text, and using easy-to-read Universal Design fonts;
- (3) Designing the shading of lines in the illustrations of watches to highlight areas for customer attention.

The comments received from the contest judges included, "Easy to read despite the small size," "Clearly organized, which conveys a sense of quality," and "Easy to navigate."

Looking ahead, Casio will extend the format from this manual to its other watch brands. The goal is to make it possible for customers to use a Casio watch without any stress and make them feel happy that they chose Casio.



Illustrations are simple with the watch parts related to the operation being discussed accentuated. Text is kept to a minimum to ensure that the manual is easy to read despite the small size.

# Providing Support Information/Repair Service

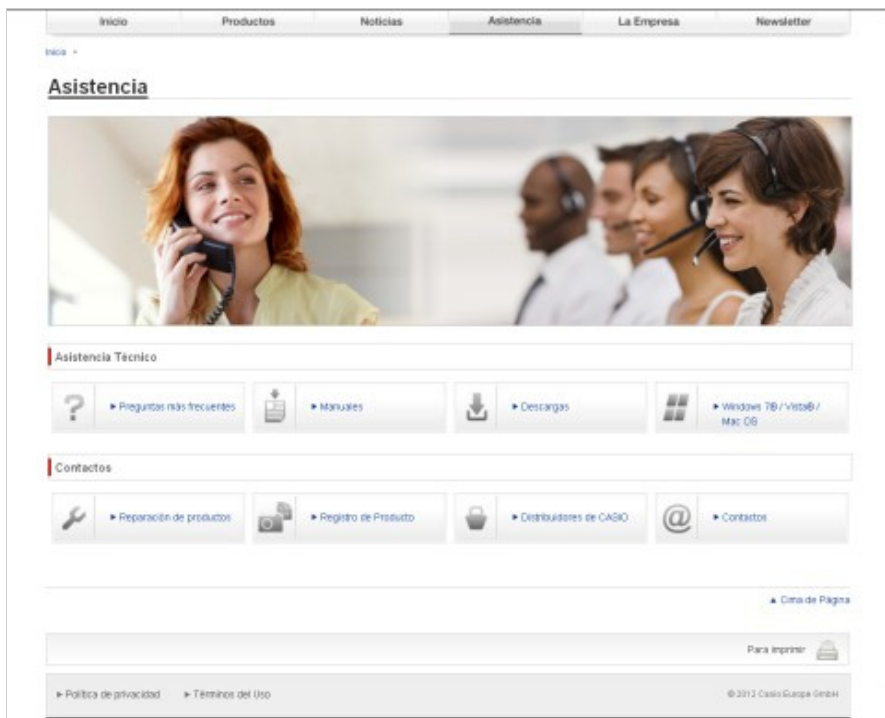
Casio is improving its system for providing product support information, as well as the service skills of its staff, to ensure customer satisfaction and peace of mind.

## 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 17 languages.

In fiscal 2012, Casio analyzed the number of visits and duration of visits for each of the pages on its Japanese website and made improvements to make it easier for customers to reach the page they want with fewer clicks.

Casio continues to monitor and analyze the traffic at each of its websites. Casio is continually working to improve and expand its online support sites so that customers can get the information they need before having to call the Customer Support Center.



Online support sites

## Repair service in Japan

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 service fees.

### Reliable technical skill

Casio is working to improve repair technical skills, 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.

At Casio Techno Co., Ltd., which handles repair of Casio products, employees have been working constantly to obtain external qualifications for a number of years. In the past few years, Casio Techno has been encouraging its employees to obtain the recommended qualification for each department with reference to the skill standards for IT professional (ITSS) career framework. All of its employees have an obligation to obtain qualifications which involve systematic study of basic internet knowledge, such as ".com Master," and this is mandatory in all departments



## Prompt response

Casio is taking steps to improve operations by focusing on parts procurement, the repair system, and repair technical skill, so as to shorten repair time and return repaired products to customers as quickly as possible. As part of these efforts, in June 2012, a repair center for consumer products was established in Osaka in western Japan, which has convenient logistics and can easily reach a large number of customers. This repair center is equal in size to the East Japan Repair Center, which is currently responsible for eastern Japan. Starting in fiscal 2011, Casio also reduced the service fees for its online pick-up repair service. This service is very convenient for customers who do not have the time to take a digital camera, electronic dictionary, or watch to a service center or retailer. They just go online and schedule a pick-up and repair. This is an example of Casio's commitment to improving repair services and reaching more customers, and Casio is actively promoting this new pick-up service.

## Reasonable service fees

Casio is striving to ensure reasonable repair fees by controlling costs through the improvement of methods for repair and parts procurement. In fiscal 2012, as a support measure for people in areas stricken by the Great East Japan Earthquake, Casio repaired consumer products at half the usual price for a six month period through September 30, 2011.

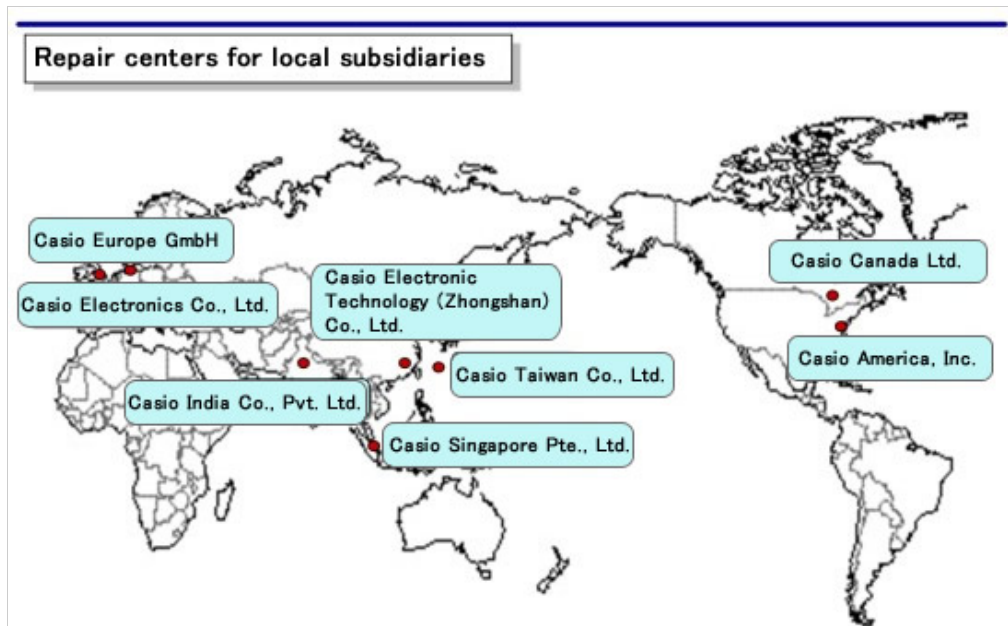
Going forward, Casio will continue to look for ways to keep reasonable repair fees for customers.

## Repair service of overseas

Outside Japan, a total of 736 companies, which include 8 local subsidiaries and 728 repair partner companies, carry out repairs of Casio products worldwide.

Casio holds regular technical skill courses in each region in order to improve the acquisition of repair technical skill and to raise skill levels to ensure that Casio customers around the world receive high-quality repair services. At the same time, Casio is working hard to continually assess and improve repair time, quality, and costs at each repair center.

Casio also holds regular regional conferences for service managers in each country in order to disseminate improvement activities under its three major CS activities aimed at improving customer satisfaction worldwide. Casio held such conferences in China, India, and Russia in fiscal 2012.



Service technical course (Europe)



Service managers' conference (India)

# Stable Supply of Products

Casio's primary mission is to deliver the products desired by customers at the right time. The company is working to strengthen its global supply chain, and to continue providing cutting-edge products without interruption.

## Approach to stable product supply

Delivering a stable supply of products to consumers is one of the most important responsibilities of a manufacturer, and is required to ensure customer satisfaction and loyalty.

As part of Casio's mission to provide delight, happiness, and pleasure to customers through its innovative products, the company is promoting the following policies.

### Policies on Stable Product Supply

1. We strive to shorten production lead-time and improve planning and execution accuracy by using IT to streamline the supply chain (procurement-production-logistics-sales-service).
2. We build good relationships with component suppliers to ensure stable procurement.
3. We maintain the flexibility needed to address various risks involved in manufacturing by:
  - building a production system with at least two production sites for each product;
  - producing multiple products at each Casio Group production site
  - maintaining in-house production and inlining of key devices and components.

## Supply network is highly responsive to changes in demand

Since sales for products such as electronic dictionaries for education (for schools, teachers and students) are concentrated in the early spring when the Japanese school year starts, this makes accurate sales planning more difficult. On the other hand, the components at the core of these products, such as semiconductors and display devices, have a procurement lead time that is determined by the market. This means long-term planning is required.

Accordingly, Casio has taken various measures to minimize the loss of sales opportunities, and has worked to expand its market share.

One such measure is the operation of parallel supply chain management systems (SCM) at the headquarters procurement division and a production site, in order to enhance capacity simulation speed.

Production sites carry out simulations based on sales plans provided by the sales department, and calculate the personnel and equipment levels needed for production, before making the necessary arrangements. The materials procurement department adjusts the procurement quantities every week by looking at information on materials to be received and the models prioritized by the sales department. These efforts help ensure timely production delivery.

In the case of electronic dictionaries, by using common platforms as base models, and performing primary assembly production, it is possible to add individual model specifications, such as dictionary content, display panels, and keyboards, during secondary assembly just prior to delivery. This enables Casio to rapidly meet changes in customer demand.

In the past, all parts procurement was carried out three months in advance. However, through the use of model platforms, the lead time for final product specifications determination has been shortened to just two weeks in advance, which also helps minimize surplus production.

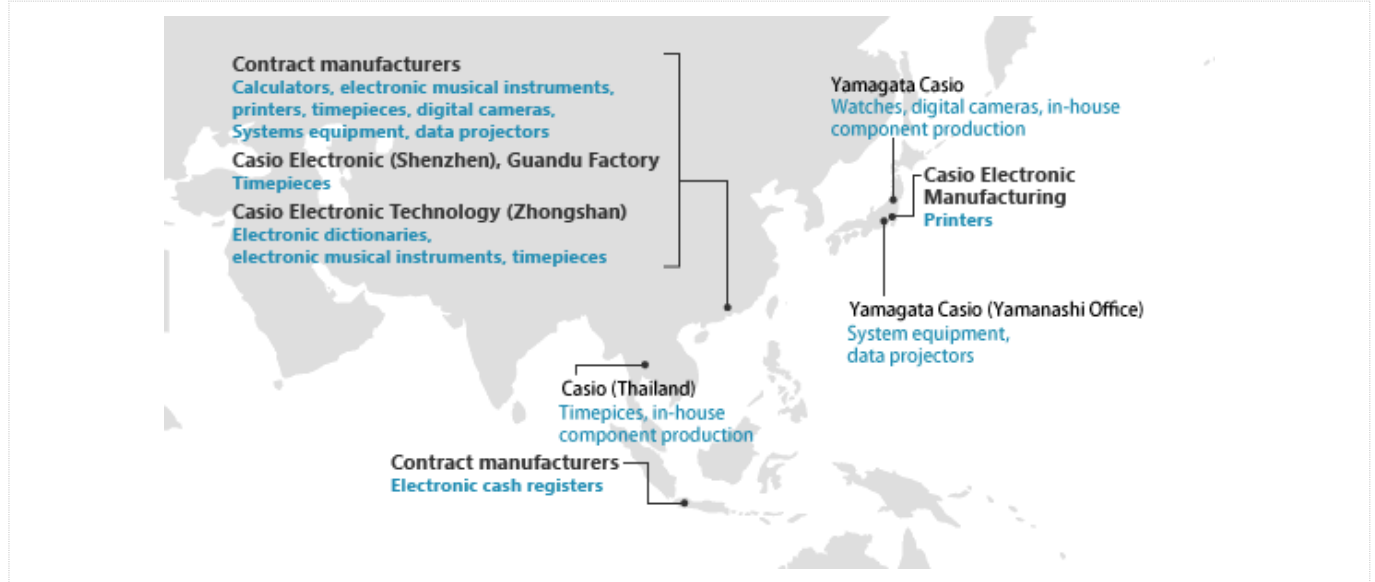
Casio responds to the competitive and rapidly changing market for digital cameras by using weekly supply chain management in all divisions for sales, procurement and production.

## Diversifying production risk and producing core components in-house

Casio maintains a stable supply of products by having each production site manufacture multiple product items, and by ensuring that two different sites can produce any given Casio product.

The company is also increasing the internal production of components in order to protect newly created technologies and to reduce parts procurement risk.

### Production sites for individual products



Casio's plant in Nava Nakorn Industrial Park of Pathum Thani Province in Thailand was damaged by the October 2011 flooding. Moving quickly, the Casio Group was able to meet its supply obligations by switching production to manufacturing sites in Japan and China. At the same time, Casio brought forward the opening date of its new plant in Nakhonratchasima Province, a different part of Thailand, where preparations for operation had been underway. This new Thai plant is located on high ground not vulnerable to flooding. Looking ahead, Casio plans to increase the manufacturing functions at the plant, making it one of the main production sites in the Casio Group, by expanding the number of products manufactured as well as producing components on site.

Although Casio was able to adapt in 2011, the recent flooding in Thailand has brought a range of issues into sharp focus. The Casio Group is currently addressing these issues in a review of its business continuity plans at the company's production sites outside Japan.

# Responsibilities to 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 (available at link below). 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

Casio carries out the majority of its production outside Japan at Casio plants and manufacturing subcontractors (electronic manufacturing services). 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.

Since fiscal 2011, Casio has been asking 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.

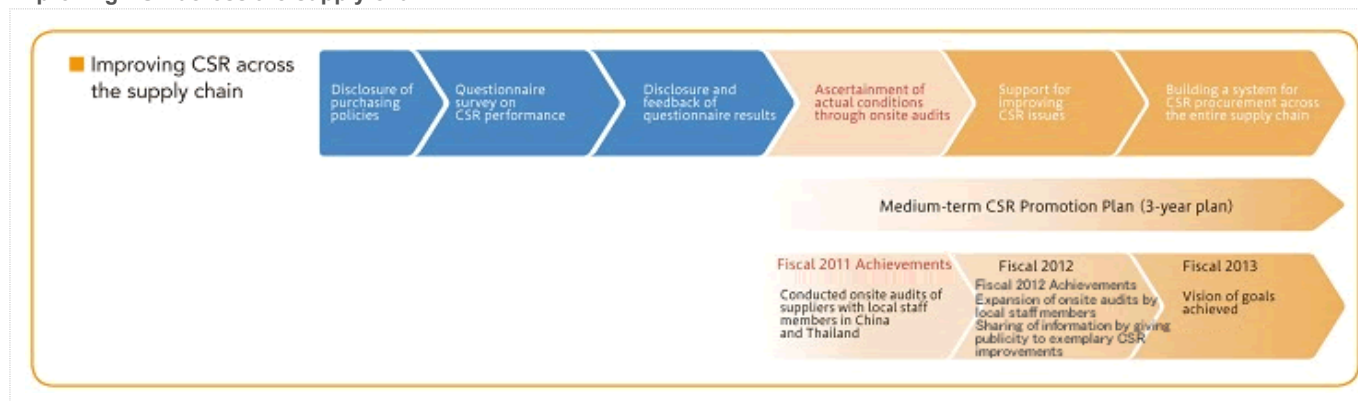
In fiscal 2012, Casio again conducted a questionnaire survey of suppliers in and outside Japan. The results were sent back to all suppliers, along with information on Casio's approach and goals for CSR procurement, to help support suppliers' improvement efforts.

Since fiscal 2011, Casio has been conducting on-site audits of major suppliers in China and Thailand with local staff members of the CSR promotion project launched at sites in those countries. Starting in fiscal 2012, Casio also increased the number of sites visited from three to nine companies in China and from two to six companies in Thailand. Activities in Thailand were suspended from the second half of 2011 due to flooding, but were scheduled to recommence in the second half of 2012.

In Japan, the response rate to the questionnaire was a high 96%, similar to last year's rate of 95%, providing assurance that understanding of CSR is becoming entrenched. Moreover, following the Great East Japan Earthquake, attention has focused on business continuity planning (BCP) initiatives, and a survey of BCP efforts at suppliers was conducted in tandem with the CSR questionnaire. Casio is working in partnership with its suppliers to secure the functioning of BCP across its entire supply chain to ensure that the company can meet its responsibilities in the procurement and supply of goods.

\* 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.

## Improving CSR across the supply chain



### Supplier Message

TAIYO YUDEN CO., LTD. takes an active approach to CSR implementation based on the TAIYO YUDEN Group Business Conduct Guidelines.

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



YOSHITERU SATO  
MANAGER, SALES DEPARTMENT  
METROPOLITAN SALES OFFICE  
TAIYO YUDEN CO., LTD.

### Subcontract Act compliance initiatives

Casio has established a Compliance Committee on Japan's Act against Delay in Payment of Subcontract Proceeds, Etc., to Subcontractors (Subcontract Act) which includes group companies, and is striving to ensure all transactions comply with the law.

In particular, employees that deal directly with suppliers and outsourcers are provided with the necessary knowledge through in-house seminars and classes sponsored by the relevant government authorities.

In fiscal 2012, 3,361 Casio employees attended in-house seminars, and 60 people also participated in classes sponsored by the Japan Fair Trade Commission and by the Small and Medium Enterprise Agency. This training helped to raise compliance awareness and provided employees with the knowledge they need.

Various efforts were made to encourage understanding, such as conducting training sessions with original teaching materials prepared to suit the unique transaction conditions of various group companies.

The Compliance Committee also obtains the latest information from government websites and email notification services, and sends the information directly to committee members. The news is also posted on the committee's website, and shared with the entire group.

In offices where subcontract transactions are handled, independent audits are carried out on an ongoing basis. Casio confirms that proper, compliant transactions are executed, by inspecting the document record of the entire series of transactions from ordering to payment. The goal is to ensure that no problems occur.

In fiscal 2011, group companies drew up their own action plans under the basic plan of the Subcontract Act Compliance Committee, establishing courses of action for maintaining proper subcontracting transactions using the PDCA cycle. In fiscal 2012, Casio encouraged the continuation of this process.

Casio will continue to promote understanding of the Subcontract Act among its employees, and work to strengthen its system for even better compliance.



# Responsibilities to Shareholders and Investors



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 2013, Casio paid dividends of ¥ 17 per share in fiscal 2012.

## Inclusion in an SRI Index

### Included in DJSI Asia Pacific

Casio Computer Co., Ltd., has been selected for inclusion in the DJSI Asia Pacific, the Asia Pacific version of the Dow Jones Sustainability Indexes (DJSI) which were launched by the US company Dow Jones Indexes and the Swiss company Sustainability Asset Management (SAM). These global indexes are valuable references for socially responsible investment (SRI).



### Morningstar Socially Responsible Investment Index (MS-SRI)

Casio Computer Co., Ltd., is included in the Morningstar Socially Responsible Investment Index (MS-SRI). Morningstar Japan selects 150 companies from among all listed companies in Japan based on their social responsibility track records, and indexes their stock prices.



## 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.



Financial results briefing

## 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 website also features these publications and other IR information. Casio also updates its Investor Relations site in a timely fashion 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.

### Breakdown of Shareholders





# Responsibilities to Employees



At Casio, the human resources mission is organized around two themes: contributing to the development of the company through the growth of all employees based on their desire to always take on challenges and make improvements; and achieving both corporate development and employee growth under optimal conditions.

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

Casio's strong commitment to human rights is spelled out in the Casio Group Code of Conduct, which is being thoroughly implemented throughout the group.



## ▶ 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.



## ▶ Creating Supportive Workplaces

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



## ▶ Effectively appointing and deploying employees

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



## ▶ Initiatives for Health and Safety

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



---

## 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.

Casio has participated in the UN Global Compact since December 2010, and upholds its universal principles in areas such as human rights and labor.

Casio also recognizes the importance of ensuring that its entire supply chain, including suppliers, adheres to these principles. All suppliers have been made aware of Casio's Supplier Guidelines, which clearly requests respect for human rights and prohibits discrimination. In addition to requesting compliance, Casio strives to verify execution using questionnaires and other means.

### Preventing sexual harassment and power harassment

Casio has stipulated in the Casio Group Code of Conduct that it will not engage in any acts that ignore individuality, and will not countenance sexual harassment and power harassment. The company has issued Guidelines to Prevent Sexual Harassment and established a hotline. A full-time hotline officer is available to respond to issues raised by telephone, fax, e-mail and postal mail, demonstrating Casio's determination to prevent harassment and quickly address any issues which arise. Moreover, in its employment regulations, Casio has specified that persons who commit sexual harassment or power harassment will be subject to discipline.

### Establishment of employee hotline

Casio has established a special hotline on the company's intranet for employee concerns and inquiries on corporate culture, human relations, pay and working conditions.

# 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.

In fiscal 2012, Casio held educational seminars for all of the group's female employees. These seminars provided a forum for female employees to acquire more of the skills they need to realize their career ambitions and to practice more effective communication by better understanding their own and others' mindsets.



Educational seminars

Additionally, Casio has been introducing female employees who are active within the company on a section of its intranet entitled "Interviews with Inspired Casio Women" to help female employees to gain insight into their own careers.

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.

## 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.

### Percent of workforce with disabilities

	As of April 1, 2010	As of April 1, 2011	As of April 1, 2012
Casio Computer Co., Ltd.	1.93%	1.93%	1.91%
Group companies in Japan	1.60%	1.80%	1.32%
Average for consolidated group companies in Japan	1.76%	1.86%	1.64%

## 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.

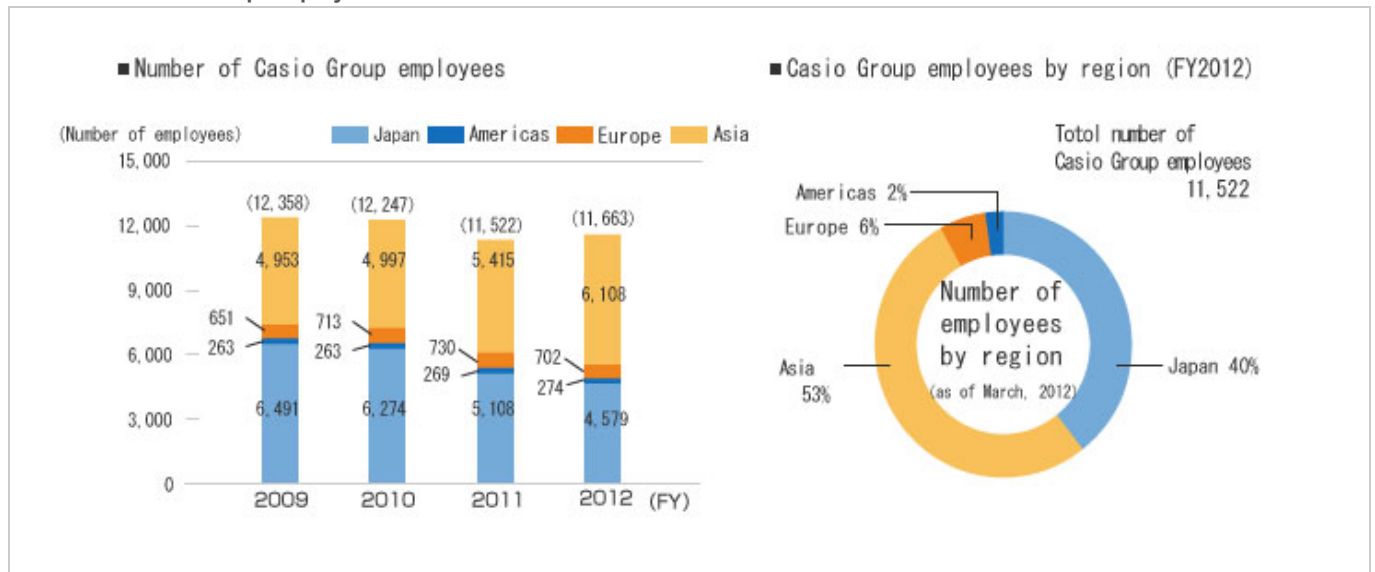


Life Planning Seminars

## 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



\* This includes only regular employees

## Initiatives in hiring

The Casio Group Code of Conduct states that "we will respect all fundamental human rights, and will not engage in any form of discrimination." Casio provides equal employment opportunities to anyone with the desire to work.

Casio also endorses the Japan Business Federation's charter of hiring ethics. The company strives to avoid early hiring of undergraduate university students to minimize any impact on their studies, and conducts hiring events at different times during the day and week. In this way, Casio is striving to provide hiring opportunities to as many students as possible.

## Human resources data

### Number of employees in Japan

(As of end of March 2012)

	Casio Computer Co., Ltd.	Group companies in Japan	Total
Male	2,272	1,646	3,918 (86%)
Female	336	311	647 (14%)
Total	2,608	1,957	4,565

### Average employee age in Japan

(As of end of March 2012)

	Casio Computer Co., Ltd.	Group companies in Japan	Total
Male	45.7	45.7	45.7
Female	38.7	40.0	40.0
Total	44.8	44.9	44.9

### Average years of service in Japan

(As of end of March 2012)

	Casio Computer Co., Ltd.	Group companies in Japan	Total
Male	20.0	18.8	18.9
Female	14.1	16.2	16.1
Total	19.2	18.5	18.5

\* Not including Hitachi employees at Casio Hitachi Mobile Communications

### Number of employees hired in FY 2012 in Japan

(April 1, 2011)

	Casio Computer Co., Ltd.	Group companies in Japan	Total
Male	19	7	26(63%)
Female	11	3	14(37%)
Total	30	10	40

# 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. 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.

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

	FY2010	FY2011	FY2012
Number of employees taking childcare leave	32	30	34
Number of employees returning from childcare leave	31	30	34
Return rate	96.9%	100.0%	100.0%



Kurumin mark for helping to foster the next generation



Discussion meeting on work-life balance

## Initiatives to improve productivity

Casio Computer Co., Ltd., is working to reduce annual work hours, and is carrying out the "Daily Improvement: Zero Overtime Movement" with an eye to changing work styles and improving productivity. This is part of a larger work-style reform initiative that aims to achieve zero overtime with no decline in the quality of work. The aim is to comprehensively raise the quality of work, which in turn will drive improvement in Casio's business performance. Managers and supervisors use a Web-based system that enables them to track and manage the working hours of their subordinates.

## Communication between labor and management

Through regular communication between management and the labor union, Casio hopes to raise the awareness of employees about their participation in the management of the company. Casio values close communication between labor and management.

At the core of this labor-management communication is the Group Workers' Labor-Management Conference, which is held four times a year (February, May, September, and November). At these conferences, management and labor, together representing the entire group, exchange opinions about current conditions at the company. In addition, close communication is maintained at various other levels, including the Central Labor-Management Meeting, the Division Labor-Management Meeting, and the Sales Chapter Labor-Management Meeting. Casio operates on a union-shop basis; as a rule, all employees except for managers are members of the union.

In fiscal 2012, Casio revised its retirement allowance and pension system. The company formed a special committee of management and labor representatives from companies in the group, and held repeated discussions. Casio introduced a point-based retirement allowance system, abolished the life pension system, and raised the ratio of defined contribution pensions, shifting to a more balanced system.

## 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.

### Casio Thailand Receives Outstanding Establishment on Labor Relations and Welfare Award for Sixth Consecutive Year

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 six 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.

# Effectively appointing and deploying employees

Casio works to maintain a healthy corporate culture where fairness and impartiality are 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.

Additionally, the company puts a premium on the following points of view:

- 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

In addition to the above policy, Casio will place a premium on these points of view 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. Casio's fair personnel system ensures that there are no differentials between male and female employees in areas such as salary, evaluations and conditions. The company evaluates each employee at an interview twice a year. Casio uses evaluation sheets to notify employees about the results of evaluations, a mechanism designed to improve transparency and ensure that evaluation of employees is highly credible.

## 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

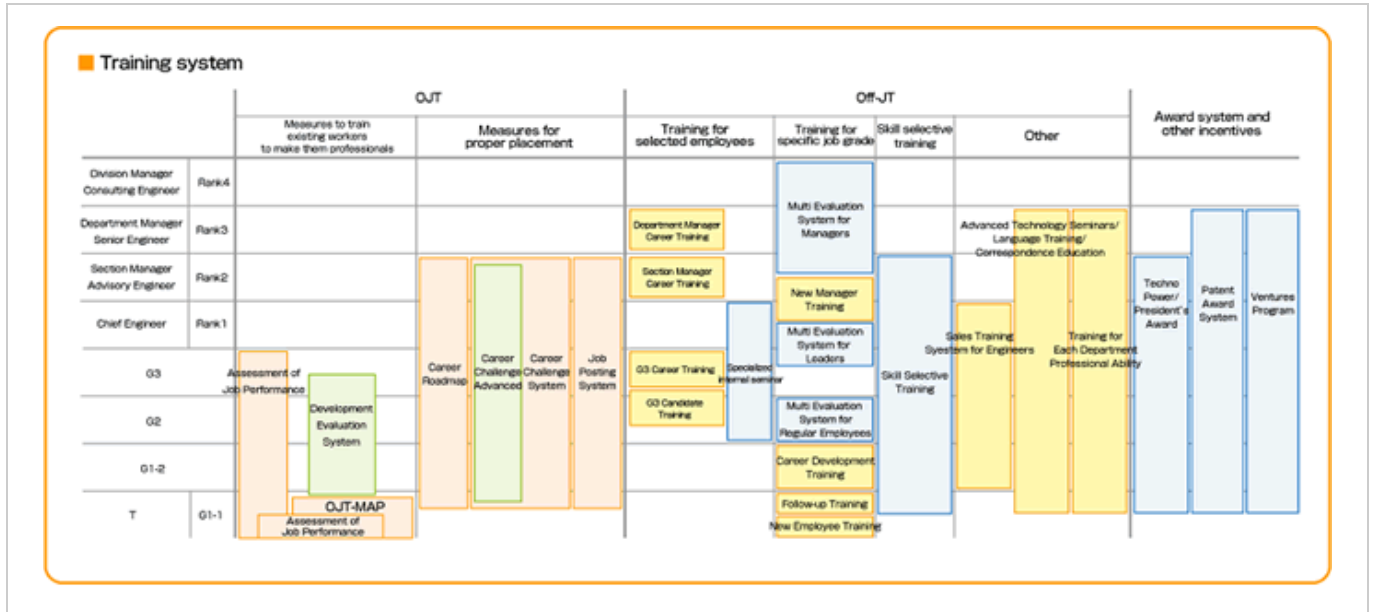
Casio has various human resource development programs designed to develop creative employees who are eager to take on challenges and to train professionals with early tracking into specialized fields.

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.

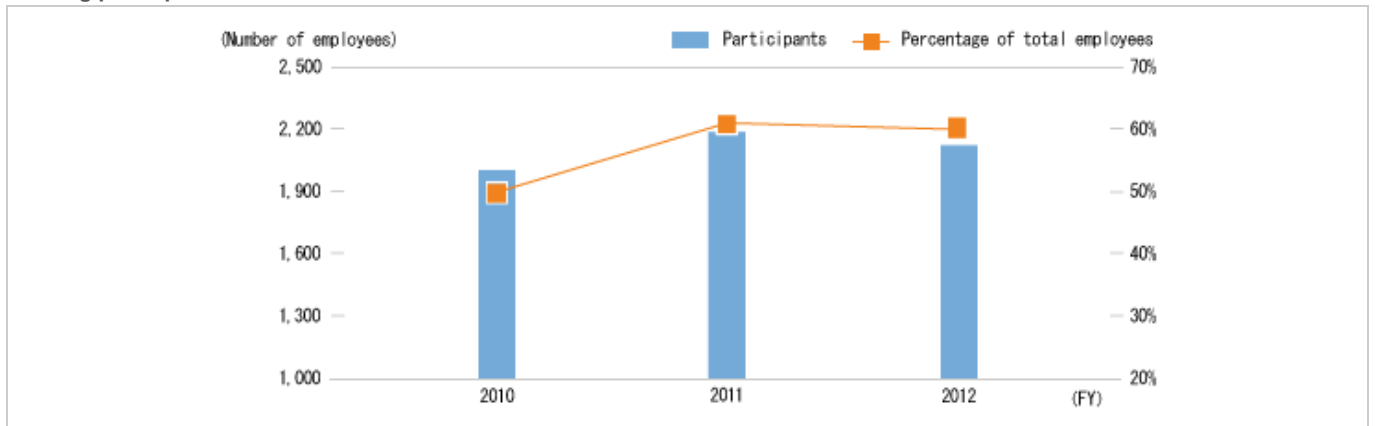


## Training System

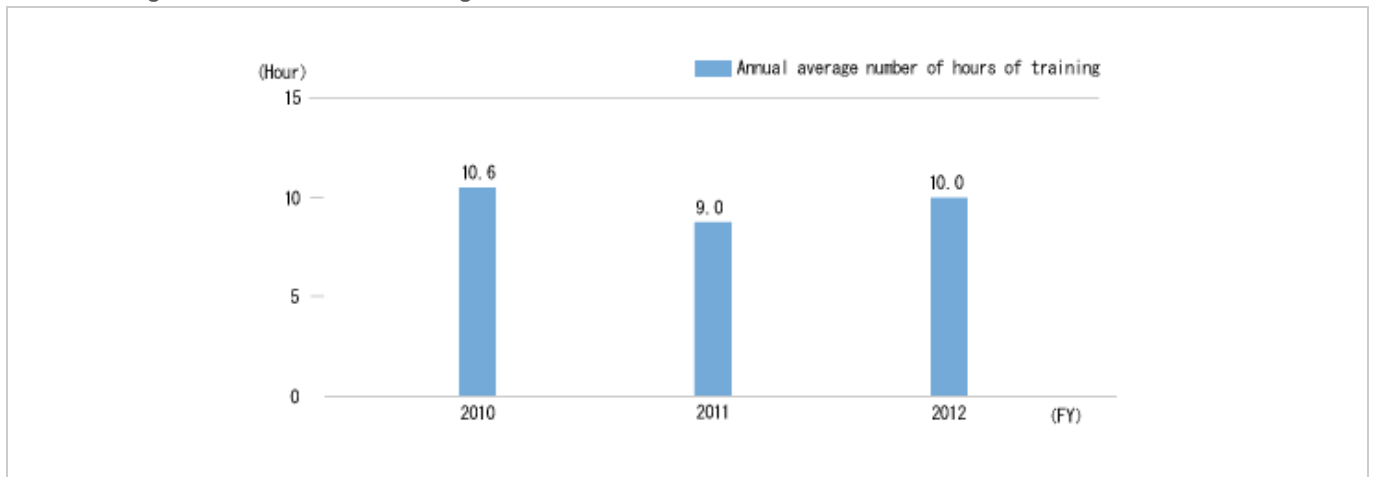


Casio conducts the necessary training for all the job grades in its in-house ranking system, and the company is working constantly to upgrade and enhance its human resource development system. As part of this system, Casio offers measures to train existing workers to make them professionals and training for specific job grades to all eligible employees. The human resource training page on the company's intranet explains each system of training as well as showing comments from employees who have used the system. Casio endeavors to encourage utilization of the system and support employee education by presenting success stories and good news.

## Training participants



## Annual average number of hours of training



---

## Surveys and verification relating to utilization and development of human resources

In off-the-job training, questionnaires are given to employees every time they attend a training session, and their requests and opinions are used to help make improvements in the following fiscal year and beyond. In on-the-job training, when employees register for the Career Challenge System (described below), they can register their opinions about the system itself. Furthermore, when the company establishes new systems, it verifies the system through prior interviews and trial runs with the aim of achieving more effective operation.

## 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.

### 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.

### In-house specialist seminars

Casio holds in-house specialist seminars for young employees in engineering and marketing-related positions. At the seminars, departmental managers pass on expertise and the aspirations of the company directly by introducing case studies from Casio itself. This raises the levels of specialist skills in the respective areas of engineering or marketing while passing on Casio's company culture.

### 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. It also functions as an opportunity for network building within the company, as employees from different occupational categories attend the same training.

### 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 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 promising 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. Casio also makes its intranet and database available to the managers of each department to allow them to conduct comprehensive assessment of the human resource development information on their subordinates, which they then utilize for training within the department.

# 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: 2,321 people participated in fiscal 2012. 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.

In a new initiative for fiscal 2012, Casio held a total of 16 "Seminars to Improve Your Eating Patterns" at its Japanese sites, and 450 employees took part.



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.

Casio has been steadily establishing the same kind of support system for group companies in Japan, in order to ensure that employees are able to work with vigor and satisfaction.

## Quit smoking campaign

Under the Japanese Health Promotion Act that came into effect in 2003, smoking is prohibited in all company buildings. Since fiscal 2011, Casio and its Health Insurance Association have been cooperating in the implementation of a practical Quit Smoking Encouragement Program that provides smoking-cessation aids. A number of employees have been able to quit through the program.

## 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.

In fiscal 2012, two incidents requiring the use of an AED occurred. However, thanks to the immediate action taken, both persons recovered to full health.

### 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
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
FY2012 (Jan.–Dec. 2011)	0.00	1.05	0.000	0.080

\*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.

# Responsibilities to Society



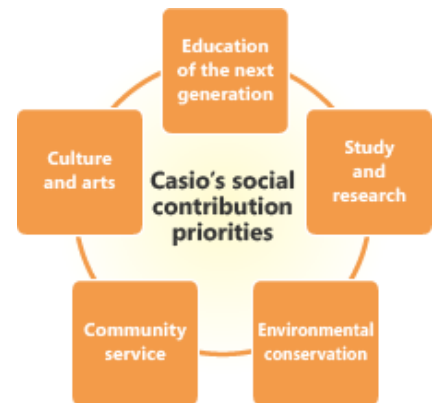
**Striving to be a model corporate citizen, Casio makes the most of its unique know-how and management resources to fulfill its various social responsibilities.**

## Philosophy on Social Contribution

Casio's social contribution initiatives aim to help build a healthy, spiritually rich society. The five priority areas are education of the next generation, study and research, environmental conservation, community service, and culture and arts.

Casio takes a proactive approach to these initiatives, seeking to communicate with various stakeholders in order to determine how it can be most helpful as a good corporate citizen. In this process, Casio seeks to make innovative social contributions, leveraging its unique expertise and management resources as well as the broad range of knowledge and experience possessed by its employees.

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.



## Raising up the next generation

### Factory tours, classes in the company, and school visits

Casio's business itself provides a diverse array of products used in educational settings, such as calculators and electronic dictionaries. In 2007, hoping to make a broader and more profound contribution to education, Casio started an original educational program, primarily for elementary school students, which includes school visits and classes offered at the Hachioji R&D Center.

The school visit program is roughly divided into a three sections, on "connectedness, creativity and emotional growth," "connection with life," and "today's world." The first section seeks to make children aware of the value of life by facilitating dialogue among them. The second section of the program, on connection with life, seeks to give children opportunities to feel a connection with life and experience living through the senses, by using equipment to listen to the beating of the heart. The final segment, on today's world, provides a forum for children to share and discuss their ideas about the global environment that supports human life and on the various problems children face around the world. This helps to encourage awareness and action on such issues as the life, peace, poverty, and the environment. The program has been spreading around the country. In fiscal 2012, Casio provided learning opportunities to a total of 4,841 students at 57 schools.

The classes offered at the Hachioji R&D Center, one of the Casio Group's most advanced eco-friendly business sites, focus mostly on environmental initiatives. The facilities tour at the Hachioji R&D Center is designed to raise children's awareness about protecting the global environment by allowing them to experience familiar environmental efforts such as energy conservation and sorting of garbage, but in a corporate setting, and also to learn about environmentally friendly product technology by taking apart and then reassembling a calculator.

After these classes, a number of schools have rolled out in-school research programs for children that include issues such as life, peace, human rights, poverty, and the environment. For example, Nagatadai Elementary School in Yokohama, Kanagawa Prefecture, where Casio implemented school visits, decided to exhibit at Eco-Products, Japan's largest environmental expo, becoming the only Japanese elementary school to exhibit in fiscal 2012. The school has also declared its intention to become a UNESCO Associated School under a project sponsored by Japan's Ministry of Education, Culture, Sports, Science and Technology, and it is now implementing initiatives as one of the core schools involved in the project.

Taking seriously the “education for sustainable development” (ESD) initiatives recommended by Japan’s Ministry of Education, Culture, Sports, Science and Technology, Casio will continue expanding these initiatives in collaboration with educational institutions in the future.



30 people including members of the Board of Education, educators and representatives from government organizations in Korea observe the school visit at Nagatadai Elementary School



A Casio employee gives a presentation about the impact of the Casio school visit program at the 3rd National Meeting of UNESCO Associated Schools

### Message from a partner

My NPO, the Japan ESD Promotion Forum, has been holding the National Meeting of UNESCO Associated Schools/Education for Sustainable Development (ESD) Forum in conjunction with Japan’s Ministry of Education, Culture, Sports, Science and Technology since fiscal 2010. This event provides a forum for UNESCO Associated Schools and educators from all over Japan to come together to achieve a proper understanding of how to develop and practice ESD in schools.

Casio Computer Co., Ltd., has provided assistance since the beginning as a company that is training the next generation of employees to be the leaders of a sustainable society. Every year, the company gives the participants a presentation on its Class on Life initiative. Mr. Hisashi Wakao from Casio Computer Co., Ltd., is in charge of the Class on Life initiative, and his uniquely earnest and authentic approach to speaking about the program has made an emotional impact on a large number of teachers. Class on Life programs at some schools have emerged out of the national meeting. I am also extremely pleased to have been able to assist in the expansion of the program.

Teachers often tell us that, although the expression “education for sustainable development” is becoming better known, they still do not know how best to incorporate ESD perspectives and approaches into classes. The creation of school education programs in which companies utilize their own principles and cutting-edge technology surely assists with the development of more concrete and practical ESD in the classroom.

Looking to the future, my NPO will continue to serve as a go-between, linking industry, government and schools as we continue working in partnership on initiatives that help children to be educated by society as a whole.



Hideyuki Saito  
Secretary-General,  
Japan ESD Promotion Forum

### Message from a partner

An elementary school in Ichikawa City, Chiba Prefecture, which was teaching children about the value of life, invited Hisashi Wakao from Casio Computer Co., Ltd., to conduct the Class on Life program. The Ichikawa UNESCO Association took part in these classes, and we were impressed. As we wanted to provide an opportunity for even more young people to benefit from the Class on Life, Mr. Wakao was invited to give the class at the association’s UNESCO Let’s Ring the Bells of Peace event, which we held in August 2011. This event has been held every year on August 15, the anniversary of the end of World War II in the Pacific, since the United Nations’ International Year for the Culture of Peace in 2000, and it has become a chance for nearly 100 young people to take part in thinking about peace. As a supporting event in the regional UNESCO activities in 2011, it provided a wonderful opportunity for young people to reaffirm the value of life and the importance of peace in preserving life while considering what they can do themselves for peace. Listening to the Class on Life gave the young people another chance to think about the importance and value of life.



Motoko Toyoda  
Youth Section Leader,  
Ichikawa UNESCO Association



## Educational Initiatives at Casio (Shanghai) Co., Ltd.

### CASIO Education Scholarship Foundation

Casio (Shanghai) Co., Ltd., set up the CASIO Scholarship Foundation at Peking University, Shanghai International Studies University, Fudan University, East China University of Politics and Law, Beijing Foreign Studies University, Tianjin Foreign Studies University, and East China Normal University. The foundation provides scholarships for outstanding students and teachers who have produced high quality research.

Through the establishment of the scholarship foundation, Casio aims to support the long-term development of these universities, which have a key role as institutions for the development of human resources.

Looking to the future, Casio will provide support for scholarship across a diverse array of subject areas including languages, international finance and trade, international business administration, the mass media, law, and international education as it contributes to the development and revitalization of academic research.

### Participation in Japanese Studies Master's Thesis Contest in China

Since fiscal 2009, Casio (Shanghai) Co., Ltd., has been participating in China's only Japanese Studies master's thesis contest, held jointly by the Japanese Language Subcommittee of the Foreign-Language Guidance Committee of China's Education College, the China Japanese Education Association, and the Beijing Center for Japanese Studies.

The contest is held to promote interchange between Chinese universities, stimulate research in the field of Japanese Studies in China, and help nurture outstanding scholars in the field of Japanese Studies. As a manufacturer of electronic dictionaries, Casio gives active support to these efforts, and the contest is held under the name of the "Casio Cup."

In 2011, in recognition of Casio's many years of consistent contribution to the teaching of Japanese in China, Casio's electronic dictionaries were awarded certification as "designated electronic dictionaries" by the China Japanese Education Association. This is the first such certification for a Japanese-language electronic dictionary by the Association, and the company's electronic dictionaries have thus become the sole certified brand.



Fiscal 2012 Awards Ceremony  
(Shanghai International Studies  
University)



Contest Awards Ceremony



Ceremony for Certification as  
Designated Electronic Dictionaries



## 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.

The Foundation provides grants in a wide range of scientific fields—from electronic and mechanical engineering, to natural sciences related to health, to energy saving—as well as in the cultural sciences including human resources development and human behavior.

Over the last 29 years, the Foundation has provided a total of about ¥1,381 billion in 1,091 grants.



The 29th grant presentation ceremony (fiscal 2012)

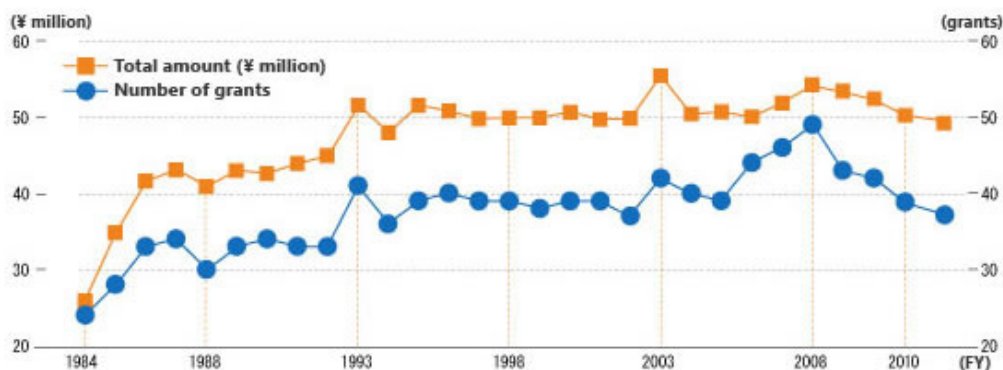
### Grants in fiscal 2012

In addition to its 21 basic categories in 5 fields, in fiscal 2012 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 asking 163 universities to submit research topic proposals, the Foundation received the highest number of applications to date: 256 proposals from 88 universities. The large number of proposals on health and environment-related topics was an indicator of the current scientific and technological needs.

After a rigorous selection process, ¥41 million (32 grants) was awarded in the natural sciences, and ¥8 million (6 grants) was awarded in the cultural sciences. Most of the grant recipients are in their thirties or forties, and many young researchers representing the promise of the next generation attended the grant presentation ceremony held in December 2011.

### Grants from the Casio Science Promotion Foundation



## Message from a grant recipient

I am extremely grateful to have received this prestigious research grant. Casio understood my challenging research proposal for an inorganic semiconductor chip that reduces CO2 using sunlight, at a time when I had only just set up my research laboratory and was still in the process of collecting parts and assembling equipment with my students. Based on this technology, we have created innovative energy devices and blazed a trail to new applications of electronics in the fields of environment and energy. During this process, I have been determined to teach my students about the impact that Casio's FX-7000G calculator made on me when I was a student and the overwhelming importance of technology. I hope that Casio will continue to provide me with help and support in the future.



Mutsuko Hatano, Professor  
Department of  
Physical Electronics,  
Graduate School of  
Science and Engineering,  
Tokyo Institute of Technology

## Supporting the Dolphin & Whale Eco-Research Network

Since the Fourth International Dolphin and Whale Conference held in Japan in 1994, Casio has been offering special G-SHOCK and Baby-G models to support the protection of these wondrous animals. Part of the proceeds from the sales of these watches is donated to the International Cetacean Education Research Center (ICERC) of Japan\*1. In this way, Casio has been supporting worldwide education and research activities relating to dolphins and whales.

In fiscal 2012, during which the 17th International Dolphin and Whale Conference was held, Casio released two new watch models, and donated part of the proceeds from the sales of these models to ICERC of Japan.

\*1 International Cetacean Education Research Center (ICERC) of Japan

Founded in 1991, this non-profit organization undertakes activities to convey the wonder of dolphins, whales, and nature. Participants follow the three steps of learning, encountering, and caring, in order to help protect dolphins, whales and the natural environment.



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

## Tree planting events

Casio Electronics (Shenzhen) Co., Ltd., has been participating in tree planting events for eight years with the aim of mutual harmony and benefit between the global environment and the local community. In April 2012, 26 employees participated in the tree planting event, which was co-sponsored by the Shenzhen Urban Management Bureau and the Shenzhen Green Foundation. The event helped the company build even better relationships with community residents and heightened solidarity among employees.



Tree planting events

## Local community initiatives

### Establishment of Casio Technology Course and Acceptance of Trainees

Casio Electronic Technology (Zhongshan) Co., Ltd., which manufactures Casio electronic dictionaries, musical instruments and watches, established a Casio Technology Course in a manufacturing technical school in Hunan province through an agreement with the school in 2009. The purpose of the course is to train 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. In 2011, Casio concluded an agreement with a municipal technical school in Guangxi province based on its policy of expanding the same type of structure for cooperation between industry and education in China's interior.

In addition to technical education in manufacturing, the Casio Technology Course gives students skills training in the assembly of Casio products using practice assembly equipment provided by the company as well as code of conduct education using Casio's employment regulations. The course also provides interested students with three-month factory traineeships. Casio accepts a total of about 800 trainees each year.

In June 2011, more than 20 graduates of the Casio Technology Course joined the company as employees. They are responsible for a variety of operations, including quality control and product assembly, and Casio has already identified some outstanding employees who are candidates for promotion to production line leader. Looking ahead, Casio hopes to further expand training of human resources utilizing the Casio Technology Course.



Skill level of trainees is rising every year



Casio Technology Course opening ceremony held at technical school in Hezhou, Guangxi province

### Message from a teacher at an affiliated school

The practical training at Casio (Zhongshan) allows students to turn the theoretical knowledge they have studied into more concrete skills by actually experiencing operations at a plant. This in turn helps them acquire some perspective on the work world.

In this respect, both the school and the students are satisfied, and we are extremely grateful to Casio (Zhongshan) as it has also helped to reduce their economic burden, including tuition fees.

We are further deepening our relationship of cooperation, and we hope that Casio will continue to employ many of our graduates and train highly skilled workers.

### 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 tenth annual marathon held in 2011, Yamagata Casio provided prizes as a corporate sponsor and set up a sales booth. About 80 Yamagata Casio employees also participated in the event as runners, cheering squad members, and route volunteers.

In order to forge even deeper relationships of cooperation and trust with local residents, the company will continue to actively promote this kind of community contribution activity.



Yamagata Casio cheering squad

### 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

**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. At the welfare workspace, which enrolls persons with intellectual challenges and physical disabilities, most of the work is light work such as making bags and presentation boxes and folding leaflets. The workers have rated the work contracted by Casio, which handles a great variety of products, as giving them a high sense of fulfillment. As part of its CSR initiatives, Casio Business Service will continue contracting out this work to help support the independence of workers.



Separated parts

**Volunteering**

**Participating in the Ecocap Movement**

Since fiscal 2009, Casio Techno Co., Ltd., and Casio Information Systems Co., Ltd., have led the Casio Group in its participation in the Ecocap Movement, which helps provide polio vaccinations to children in developing countries through the collection and donation of PET bottle caps.

This movement is operated by the Ecocap Movement NPO. Every 800 caps collected is turned into 20 yen, which covers the cost of one polio vaccination.

Collection boxes are placed at principal locations and all employees are encouraged to participate.

Casio is determined to continue producing solid results through the full efforts of its employees.

**Conducting volunteer community cleanups**

The Casio Group conducts regular community cleanups around company facilities through the volunteer efforts of employees at business sites and plants worldwide. The group will continue these cleanups in order to contribute to the local community.



Casio Computer Co., Ltd.  
Hamura R&D Center



Casio Electronic  
Manufacturing Co., Ltd.



Casio Electronics (Shenzhen) Co., Ltd.,

**Assistance 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 following flooding in Thailand**

Casio provided the following assistance for victims of the flooding which took place in Thailand as a result of the heavy rain which started in late July 2011.

	Recipient	Amount
1	The Thai Red Cross Society	3.31 million yen * Includes 1.61 million yen raised by Casio Group employees in and outside Japan
2	The Prime Minister's Office's Disaster Victims' Assistance Fund	5.3 million yen
3	Japan Platform	3.0 million yen

\* See [here](#) for Great East Japan Earthquake assistance.



# Environmental Vision



In April 2012, Casio established the Casio Environmental Vision 2050, a long-term environmental management policy with a target year of 2050. At the same time, the company also issued the Casio Environmental Declaration 2020, which is its medium-term action guideline. Casio's determination to become a leading environmental company is demonstrated by its commitment to visionary global initiatives to help build a more sustainable world.

## Environmental Management at Casio: The Road to 2050

### Top Commitment

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.

The Fukushima Daiichi nuclear power plant operated by Tokyo Electric Power Company (TEPCO) received major damage from the Great East Japan Earthquake and subsequent tsunami that originated off the coast of Miyagi Prefecture on March 11, 2011. Several reactors at the plant suffered fire, core meltdown, and radiation leakage. More than a year later, the crisis there is still not under control.

In May 2012, all nuclear power plants across Japan were shut down for safety checks. At this point, only reactors 3 and 4 at Kansai Electric Power's Ohi nuclear power plant have been restarted so there are still concerns about a power supply shortage across the country.

At a press conference, Yukio Edano, Minister of Economy Trade and Industry, stated his intention not to implement power usage restrictions at the present time, like those that were implemented in the summer of 2011 in the regions served by TEPCO and Tohoku Electric Power, based on the Electricity Business Act. Thus, we do not believe that it is currently necessary to take measures such as staggering work days and operation hours. However, we will continue to carry out energy-saving measures without impairing business operations.

Meanwhile, in the region served by TEPCO, a hike in electricity rates has been implemented. Along with existing power-rate increases arising from the introduction of feed-in tariffs for renewable energy, further rate hikes are needed to cover fuel costs for increased thermal power generation caused by the shutdown of nuclear power plants. Since a 17% corporate rate increase began in April, taking effect from the time of power contract renewal, we will look into additional ways to conserve power, and introduce renewable energy equipment when it can yield a fair return on investment.



Yukio Kashio  
Executive Vice President

### Worldwide Trends

Two main thrusts were decided at COP17, the UN climate change conference held in Durban, South Africa, in December 2012. Regarding the Kyoto Protocol, which established targets to be achieved by 2012, and as post-Kyoto Protocol measures to begin in 2013, COP17 adopted the "Durban Platform." This agreement involves the extension of the Kyoto Protocol past 2012, and the implementation of a new framework in 2020 that includes China and the US. Japan, however, has expressed opposition to the extension of the Kyoto Protocol. Refraining from joining the extended framework, Japan has decided to work on its own emissions reduction measures starting in 2013.

Following COP10, the Conference of the Parties to the Convention on Biological Diversity held in Nagoya two years ago, COP11 will be

---

held this year in Hyderabad, India. At the meeting, the delegates plan to discuss evaluation methods based on strategic target indicators to be achieved by 2012, and sustainable use of resources.

In addition, the Rio+20 United Nations Conference on Sustainable Development was held in Rio de Janeiro, Brazil, in June 2012. The meeting was held to mark the 20th anniversary of the 1992 Earth Summit held in the same city, when countries signed the United Nations Framework Convention on Climate Change and the Convention on Biological Diversity. This time, the delegates discussed institutional frameworks for sustainable development and future green economies.

These trends will lead to major global developments. Casio understands how important it is to predict how these developments will affect its future, and how it can contribute to the preservation of the global environment.

### ● Industry Association Trends

As part of the fight against climate change, Japan's electrical and electronics industry is now ascertaining greenhouse gases emitted indirectly due to corporate activities (e.g., greenhouse gas emissions by manufacturers/suppliers of parts, as well as emissions in the product disposal and recycling stages). The industry has started looking into measures that emphasize reducing these emissions, known as Scope 3 category emissions.

As part of an effort to reduce greenhouse gas emissions starting in 2013, the Japan Business Foundation has a new Commitment to a Low Carbon Society that goes a step beyond its Voluntary Action Plan currently effective through 2012. Keidanren has decided to launch its new plan, which includes penalties for failure to achieve targets (the target for the electronics industry is an annual emission reduction of 1% per unit of production). Casio will participate in the Federation's plan.

In the area of biodiversity protection, electronics companies have been sharing information on their best practices. This fiscal year, the industry association has decided to establish activity guidelines in this area.

Meanwhile, the Small Appliance Recycling Program administered by Japan's Ministry of the Environment is gradually taking shape. Manufacturers will be responsible for making products easier to disassemble and be expected to use more recycled materials. Casio products will be subject to the program as small appliances. We will therefore closely watch this trend and take the necessary measures, as many of our products will be affected.

These industry association trends are closely related to Casio's environmental management, so we will actively pursue our efforts in accordance with association policies.

### ● Corporate Rating Trends

Every year Casio participates in three corporate rating surveys: the Dow Jones Sustainability Index (DJSI), the Carbon Disclosure Project (CDP), and the Nikkei Environmental Management Survey. Casio makes the most of its participation to identify specific issues it can better address in its environmental initiatives.

In fiscal 2012, Casio was selected again after two years for inclusion in the DJSI's Asia Pacific Index. Also, Casio was moved up one notch from the CDP's middle level for information disclosure assigned in the previous fiscal year, to the high level. On the other hand, under a CDP performance score system introduced this fiscal year, Casio received a "D" ranking on a five-point scale from "A" to "E". Improvements are necessary.

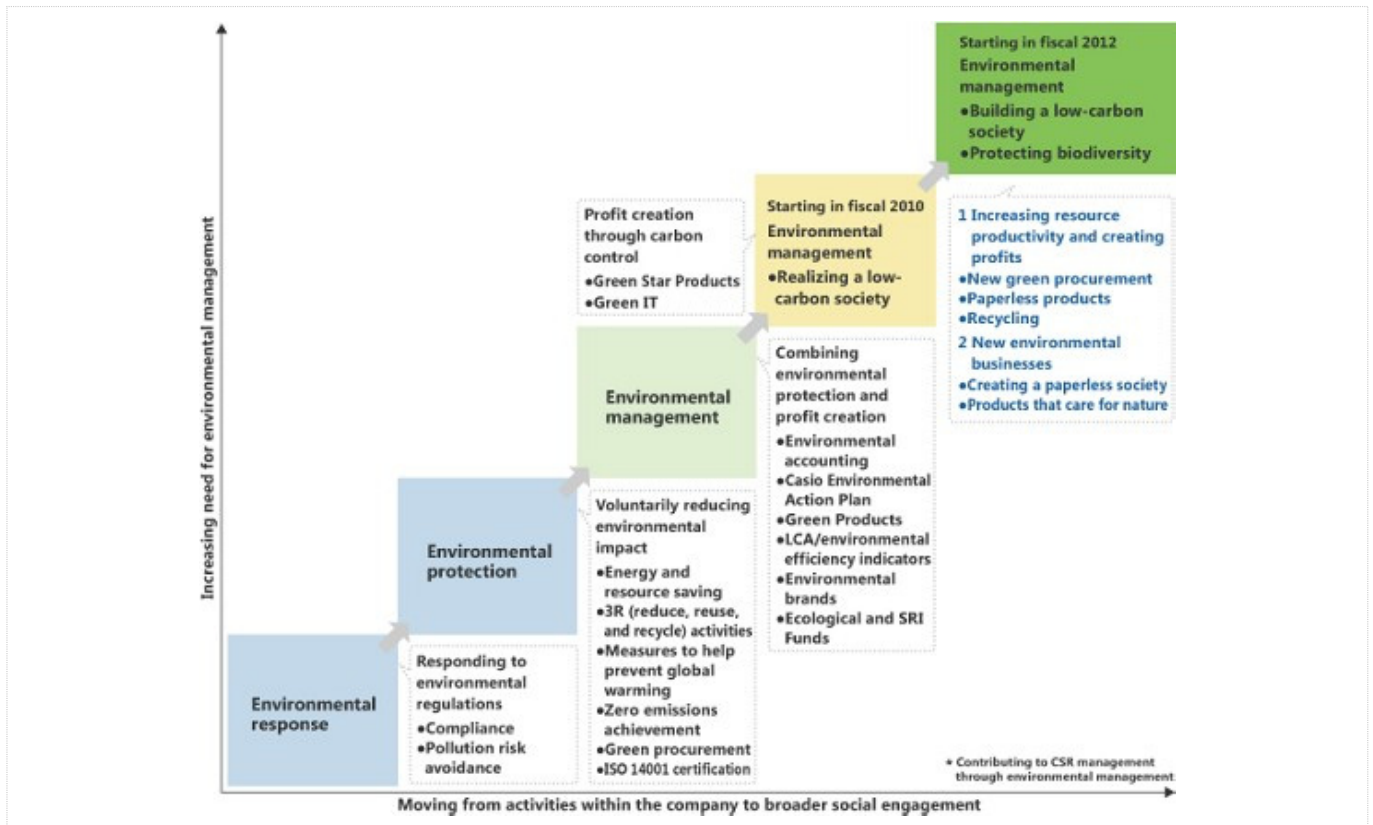
According to the Nikkei Environmental Management Survey, Casio rose from the 33rd position two years ago, to the 27th position last year, in a ranking of 475 companies.

In order to maintain and improve the company's positive ratings, Casio needs to take further action starting with the highest priority issues, including: (1) independent efforts against climate change including capital investment; (2) expansion of the scope of its environmental management system; and (3) ensuring completeness, comparability, and timeliness in environmental reporting.

### ● Future Policy

Our aim is to improve the strength of the Casio brand and ensure people see Casio as a leading environmental company. We will continue to contribute to environmental preservation and improve the Casio brand by creating products that are compact, lightweight, slim, and energy efficient, while also providing products that facilitate the paperless lifestyle.

## New Environmental Management Initiatives



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.)

As part of initiatives to fight climate change, in fiscal 2013 Casio will establish a concrete action plan for achieving a 30% greenhouse gas emissions reduction by fiscal 2021, compared to the base year of fiscal 2006. This is one of the company's key environmental targets. Along with the formulation of measures for the realization of the plan, Casio is taking initiatives to protect biodiversity. This means implementing successive assessments of business activity impact on biodiversity, based on its Biodiversity Guidelines established on March 31, 2012. In this way, the company will confirm whether its business activities raise any biodiversity issues.

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 2013 environmental management policy for the realization of a sustainable society

Business endeavors and product contributions aimed at establishing Casio as an environmentally advanced company

1. Consider measures to reduce greenhouse gases
  - Continue with thorough energy saving measures in response to environmental changes after the Great East Japan Earthquake
  - Consider action plan for achieving medium- to long-term targets (keep government's energy policy in mind)
  - Adopt renewable energy pilot (solar panels)
2. Develop Green Star products and promote switch to green offices
  - Develop Green Star products: strengthen compact, light, slim, and energy-saving technologies
  - Promote switch to paperless environment to create green offices
3. Plan and promote strategy for improving environmental management and respond to society's requests
  - Identify issues and plan and implement measures based on careful examination of DJSI/CDP/Nikkei Environmental Management Ranking
  - Compliance with Scope 3 (ascertain indirect CO<sub>2</sub> emissions)
  - Plan and implement measures to improve environmental reports
  - Expand scope of environmental management and environmental promotion
  - Integrate three offices that have adopted ISO 14001 (headquarters, Hachioji, Hamura)
4. Consider and implement policy for biodiversity protection
  - Consider and implement actions to protect biodiversity, including assessment of impact, based on Casio Group guidelines

### Casio Environmental Vision 2050

With a target year of 2050, the Casio Group will create and implement its own visionary initiatives to promote the sustainable use of energy and resources and facilitate the healthy coexistence of all living things, the planet's greatest assets.

Casio's aim is to become a leading environmental company that contributes not only to a sound and sustainable global environment but also to the spiritual richness of people's lives. Casio's unique way of achieving this is by creating new value and lifestyle possibilities that give rise to markets and cultural phenomena never seen before.

To become a leading environmental company, Casio will apply its spirit of going from "0" to "1," or creating "something" from "nothing," to develop unique environmental initiatives and create products and services that make the most of its innovative ideas and leading technologies, focusing in particular on the following areas:

- Realizing a low-carbon society
- Building a recycling society
- Living in harmony with nature

### Casio Environmental Declaration 2020

#### \*Action guidelines for 2020\*

##### 1. Realizing a low-carbon society

The Casio Group will provide products and services that make an even greater contribution to the reduction and absorption of CO<sub>2</sub> emissions. In addition to expanding products and services that use energy sources that are friendly to people and the planet, including solar, wind, and hydro power, Casio will incorporate these renewable energy sources into its own business operations.

##### 2. Building a recycling society

The Casio Group intends to further enhance resource productivity through the efficient use of water and other precious resources of the planet, including the reuse of resources and the utilization of alternate materials.

##### 3. Living in harmony with nature

The Casio Group is promoting awareness of the need to take care of the planet through biodiversity preservation activities, while working to achieve harmony between business activities and the cycles of nature.

# Climate Change Action

In order to ensure that the next generation inherits this irreplaceable planet, Casio has established and is implementing Climate Change Action with medium- and long-term targets to be achieved by fiscal 2051.

## 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,<sup>\*1</sup> 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.**

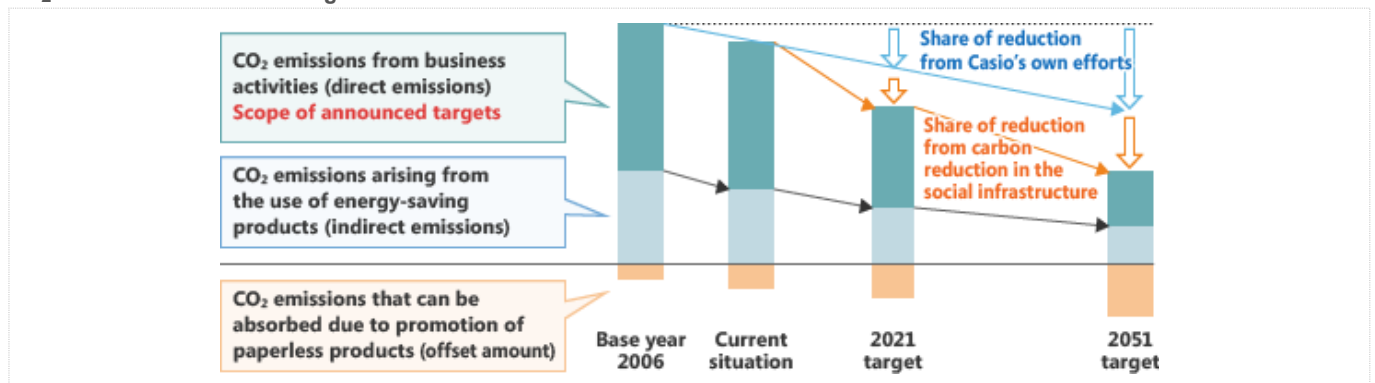
<sup>\*1</sup>. Casio defines "carbon neutral" as offsetting its direct CO<sub>2</sub> emissions with CO<sub>2</sub> emissions reduction and absorption through other methods.

## 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 CO<sub>2</sub> 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 CO<sub>2</sub> emissions reduction achieved by the efforts of the Casio group, the target CO<sub>2</sub> 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).

### CO<sub>2</sub> Emissions Reduction Targets



## 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. However, with the establishment of its recent medium- and long-term targets, Casio has now set worldwide targets for reductions in the total volume of CO<sub>2</sub> 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 CO<sub>2</sub> emitted during the manufacture and use of these products, as well as the amount of CO<sub>2</sub> 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.

### When using a data projector

If meetings of ten people each given 10-page information packets are held twice a week, or 100 times a year, and this continues for five years, a total of 50,000 sheets of paper will have been used. Using a data projector for the same meetings would prevent the logging of trees to make the 50,000 sheets of paper, enabling the trees to continue absorbing CO<sub>2</sub>. It would also avoid CO<sub>2</sub> emissions from the manufacture of the 50,000 sheets of paper, and the emissions from operating the printer to make the 50,000 copies. However, assuming that each meeting using the data projector is about 3.5 hours, the emissions from the resulting electrical usage also need to be taken into account.

Calculating using the above approach, use of the Casio data projectors sold in fiscal 2012 would result in an annual reduction of about 38,000 tons of CO<sub>2</sub>.

### When using an electronic dictionary

Most Casio electronic dictionaries today contain as many as 100 dictionaries in one unit. Without one of these electronic dictionaries, it would be almost impossible for the average person to assemble the same number of dictionaries in paper form. Accordingly, it can be assumed that the typical Japanese consumer would actually only use the following paper dictionaries: a Japanese dictionary, an English-Japanese dictionary, and a Japanese-English dictionary. Any other paper dictionaries would probably be used at a library. Therefore, the CO<sub>2</sub> reduction benefit of an electronic dictionary would be the CO<sub>2</sub> emissions from paper manufacturing, and the CO<sub>2</sub> no longer being absorbed by the trees logged to make the paper dictionaries. On the other hand, assuming that the electronic dictionary is used for an hour a day, 100 days a year, for five years, the corresponding amount of emissions from electrical use also has to be taken into account.

Calculating using the above approach, use of the Casio electronic dictionaries sold in fiscal 2012 would result in an annual reduction of about 7,900 tons of CO<sub>2</sub>.

## 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 CO<sub>2</sub> emissions from logistics, product usage, or employee travel.

## Managing risks and opportunities

As a result of the Great East Japan Earthquake in March 2011 and the ensuing Fukushima nuclear accident, nuclear power plants across Japan were shut down in May 2012. This has led to a rise in electricity rates in Japan, and the risk of power shortages starting this summer. Moreover, due to the drop in the nuclear power generation rate, the greenhouse gas emission factor for electricity is very likely to increase, which could lead to a jump in the amount of actual CO<sub>2</sub> emissions. As a result, there is a greater risk of emissions trading costs under the Tokyo Metropolitan Ordinance on Environmental Preservation. Also in 2011, there was major flooding in Thailand, which may be partially attributable to global warming and upstream deforestation. Consequently, global risks have become apparent including threats to the value chain for production and parts.

In order to avoid these risks, Casio plans to expand the introduction of renewable energy, and secure alternatives in the value chain.

In addition, Casio sees the greenhouse gas emissions reduction effect of using data projectors and electronic dictionaries as a great opportunity to help combat climate change and become carbon neutral. The company will focus on expanding this business area.

In order to minimize the various risks mentioned above, and expand opportunities, Casio must contribute to the sustainability of the planet and its human societies. Casio recognizes that this is an extremely important issue for further strengthening its business foundation, and will make even more strenuous efforts in the fight against climate change.

## Measures for achieving medium- and long-term targets

Casio has set medium and long-term targets for achievement by 2020 and 2050. Among the three areas that the Casio Environmental Declaration 2020 focuses on, Casio will put the highest priority on realizing a low-carbon society.

### Realizing a low-carbon society

The Casio Group will provide products and services that make an even greater contribution to the reduction and absorption of CO<sub>2</sub> emissions. In addition to expanding products and services that use energy sources that are friendly to people and the planet, including solar, wind, and hydro power, Casio will incorporate these renewable energy sources into its own business operations.

Casio Europe has been operating geothermal cooling and heating in its office building since January 2009. In fiscal 2013, Casio will also begin investigating initiatives for the use of renewable energy including solar.

Regarding other indirect CO<sub>2</sub> emissions (GHG Protocol Scope 3 emissions), Casio will work to expand the scope of disclosure of other indirect CO<sub>2</sub> emissions generated during distribution and product usage, which it already discloses, based on the calculation guidelines being considered currently by the electrical and electronics industry associations.

## 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
3. **Utilizing carbon offsets**
  - CO<sub>2</sub> absorption effect based on the expansion of paperless products (reducing demand for logging, etc.)
  - Purchasing carbon offsets for products
  - Promoting tree planting and greening
  - Emissions trading, Clean Development Mechanism (CDM), and Joint Implementation (JI)
4. **Reduction of CO<sub>2</sub> emissions in various business activity processes**
  - Materials procurement, product manufacturing, transport and distribution, product usage, recycling, and disposal
  - Expansion of the scope of CO<sub>2</sub> emission data gathering on logistics, transport efficiency improvement, and modal shift
  - Making production facilities more energy efficient, and improving production processes
5. **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

## Fiscal 2012 Performance

During fiscal 2012, Casio Micronics was transferred, Kofu Casio was closed down, and energy-saving activities were carried out by the entire Casio Group. As a result, CO<sub>2</sub> emissions fell by 18.2% compared to fiscal 2011, which represented a 66.5% reduction compared to fiscal 2006.

For more information, see “Reducing CO<sub>2</sub> emissions”, “Fiscal 2012 Casio Environmental Action Plan Performance”.

# **Biodiversity**



**This page 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, taking the first step on this issue in its Environmental Action Plan. Casio is now carrying out activities based on this.

In FY2012, Casio began investigating a checklist for environmental impact evaluation, with the goal of assessing biodiversity impact. The company also carried out e-learning for about 700 employees in relevant departments concerning basic biodiversity preservation knowledge and Casio measures, in order to create a foundation for future impact assessment.

In FY2013, Casio will continue its activities with the aim of achieving the following new targets as part of the Environmental Action Plan.

### **Biodiversity preservation targets**

Based on the Casio Group Biodiversity Guidelines, Casio will carry out biodiversity preservation activities relating to its business sites and products.

#### **For Sites**

In cooperation with NPOs and NGOs, Casio will prepare a biodiversity impact assessment checklist regarding the location and operation of plants and offices, and begin a pilot study by FY2013.

#### **For Products**

In cooperation with NPOs and NGOs, Casio will prepare a biodiversity impact assessment checklist regarding product design, procurement, production, packaging, distribution, and recycling, and begin a pilot study by FY2013.

**Table: Worldwide trends in biodiversity preservation**

Year	Global Trends	Trends in Japan	Trends in Japanese Industry	Casio Response
Up to FY2009	<p>Convention on Biodiversity (1992) Comprehensive treaty for biodiversity preservation adopted</p> <p>COP9 (Bonn) Major progress on ocean conservation. Issued an interim report on the economic value of biodiversity.</p>	<p>Basic Act on Biodiversity Requiring local governments to establish plans for biodiversity preservation, and for companies to take responsibility for promoting self help and cooperating with local governments</p>		
FY2010		<p>August Ministry of the Environment's Guidelines for Private Sector Engagement in Biodiversity</p> <p>March National Strategy for the Conservation and Sustainable Use of Biological Diversity 2010</p>	<p>April (Nippon Keidanren) Declaration of Biodiversity by Nippon Keidanren, Action Policies, and Guide to Action Policies</p>	<p>Environmental Action Plan relating to biodiversity preservation established</p>
FY2011	<p>COP10 (Nagoya): October Aichi Biodiversity Targets: Medium and long-term targets relating to ecosystem services Nagoya Protocol: Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization to the Convention on Biological Diversity</p>		<p>October Japan Business and Biodiversity Partnership started</p>	<p>Casio Group Biodiversity Guidelines established</p>
FY2012			<p>Biodiversity working group activities began in the electrical and electronics industry</p>	<p>Casio started the education of relevant divisions and checklist surveys for biodiversity preservation impact assessment</p>
FY2013	<p>COP11 (Hyderabad, India): October</p>			<p>Prepare a checklist for biodiversity preservation for both business sites and products, and begin a pilot study</p>



## 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 more about the environment. This will be done by learning from nature and developing technologies that utilize this wisdom.

- 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.

- 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

For more information on Casio's activities to preserve biodiversity, see the [\[Environmental Communication\]](#).

# 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 FY2008, Casio worked towards an initial Green Product sales target of 80% of total sales, and in that year the company achieved 84%. Now the company promotes to continue target of 80%.

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 Green Star certified products, the environmental features are listed in catalogues and on the product packages.

## Casio Green Star Products

See the product lineups that were certified as Casio Green Star Products by FY2012 (photos show product examples).

### Calculator



DS-20T



**Environmental Features**

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

### Electronic dictionary



XD-D8500 (D Series)



**Environmental Features**

- Transport efficiency increased by 47% by reduced packaging (compared to Casio's XD-SP6600)

### Digital camera



EX-ZR300



**Environmental Features**

- Transport efficiency increased by 83% by reduced packaging (compared to Casio's EX-Z1200)

### Data projector



XJ-M255 (M Series)



**Environmental Features**

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

### Electronic musical instrument



AP-420BK



#### Environmental Features

- Energy consumption during use reduced by 78% (compared to Casio's AP-420)

### Watch



OCW-S2000



SHW-1500



#### Environmental Features

- Solar battery powered

### Page printer



GE5000



#### Environmental Features

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

### Handheld terminal



DT-X8



#### Environmental Features

- Energy consumption during use reduced by 47%
- Transport efficiency increased by 52% by reduced packaging (compared to Casio's DT-X5)
- Cord contains no PVCs, which are specified harmful substances

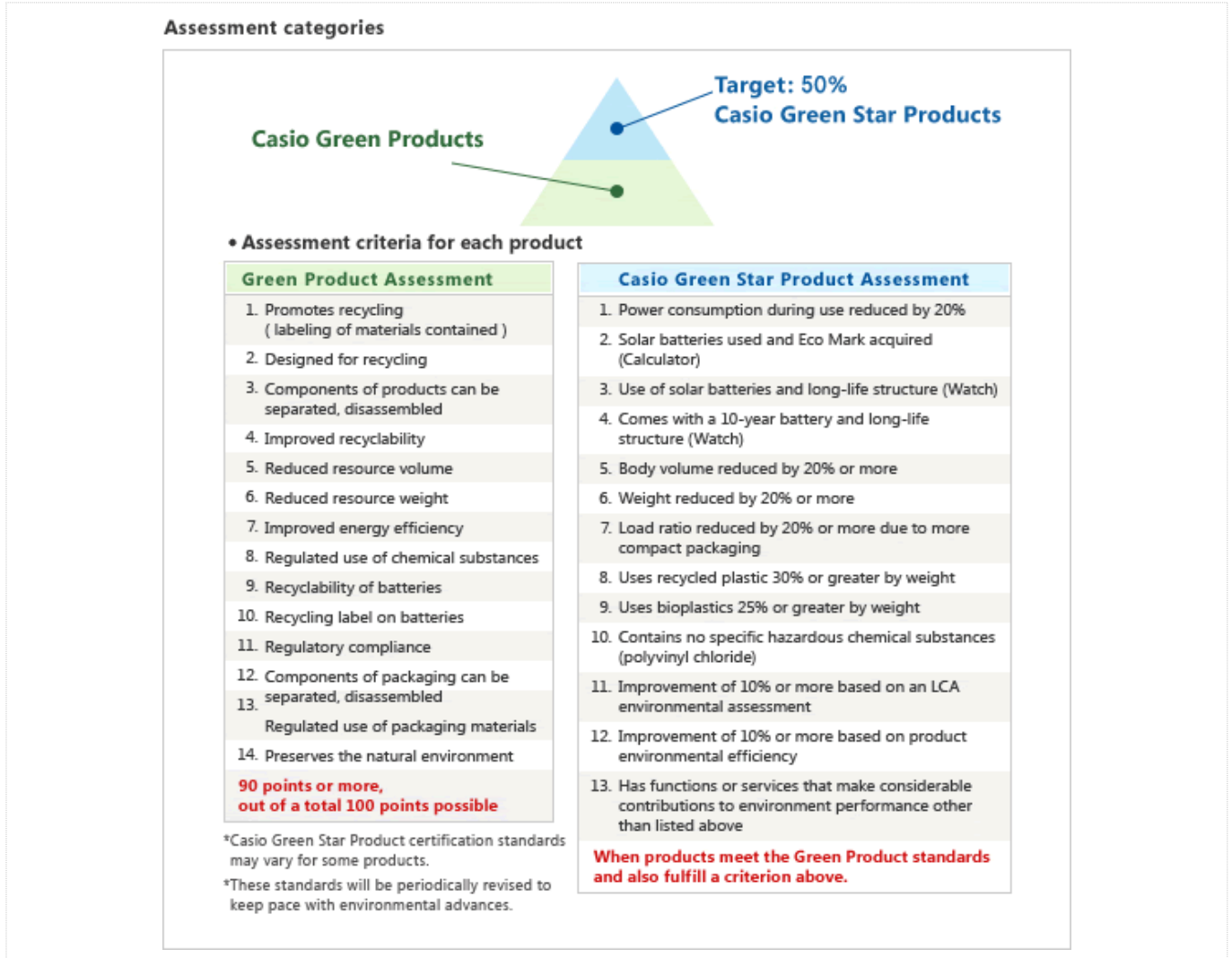
## Sales Ratio Achievement, Targets, and Setting Standards for Casio Green Star Products

In FY2010, Casio set a target of a 30% sales ratio of Casio Green Star Products to be achieved by FY2013. The result in FY2011 was 42%, hitting the target two years ahead of schedule.

In FY2012, Casio set a new Green Star Product sales ratio target of 50% to be achieved by FY2015. A ratio of 43% was secured in FY2012.

The company is applying its Green Star Product Development Guidelines to reduce the environmental impact of these products.

### Assessment categories



# Environmental Action Plan (Targets and Performance)



Under its Environmental Vision 2050, Casio has established Environmental Action Plan targets from a global perspective, and is carrying out environmental activities accordingly. Here are the targets and performance for FY2012, along with the targets for FY2013 based on the current results.

## Environmental Management Policy for Building a Low-Carbon Society

Casio approaches Environmental Management based on its Environmental Vision and Environmental Management Policy for Building a sustainable Society. Please click the following link to see how Casio's efforts fit within the larger global context and to see the full text of the Environmental Vision and Environmental Management Policy.

[Environmental Vision 2050](#)

## Fiscal 2013 Casio Environmental Action Plan

### Product Targets

#### 1. Development target for eco-products

Increase Casio Green Star product sales to **50** % of total sales by FY2015.

### 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 FY2006, by FY2021

##### Long-term target

To reduce the total volume of global greenhouse gas emissions from business activities by **80** % compared to FY2006, by FY2051.

\* Business activities: This indicates activities of production sites and offices in Japan and overseas, and does not include CO<sub>2</sub> emissions from logistics, product usage, or employee travel.

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

### Japan production sites

Reduce CO<sub>2</sub> 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 CO<sub>2</sub> emissions per unit by **9** %, averaged over 5 years from FY2009 to 2013 (compared to FY 1991).

### Production sites outside Japan

Reduce CO<sub>2</sub> emissions per unit of production by **30** % by FY2013 (compared to FY 2005).

### Office sites outside Japan

Reduce CO<sub>2</sub> emissions per unit by **3** % by FY2013 (compared to FY 2005).

## 3. Reduction target for greenhouse gases other than CO<sub>2</sub>

Reduce total emissions of greenhouse gases other than CO<sub>2</sub> (CO<sub>2</sub> equivalent) by **90** % by FY2013 compared to FY2001.

• 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 FY2013 compared to FY2001.

### Production sites outside Japan

Reduce water usage per unit of production by **15** % by FY2013 compared to FY2005.

### Japan sites

Reduce paper usage in offices per unit of sales by **10** % by FY2013 compared to FY2008.



## 5. Waste reduction targets

### Japan sites

Reduce generation of waste per unit of actual production by **50** % by FY2013 compared with FY2001.

### Production sites outside Japan

Reduce generation of waste per unit of production by **30** % by FY2013 compared to FY2005.

## 6. Volatile organic compound (VOC) reduction target

### Japan production sites

Reduce emissions of VOCs by **45** % by FY2016 compared to FY2001.

\* 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 in storage at the Casio Group company in Chuo City, Yamanashi Prefecture.  
(Registered consignment of detoxification with the Japan Environmental Safety Corporation – June 2006)

• Jurisdiction: Casio Computer Co., Ltd.

\* 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 FY2013 compared to FY2004.

## 9. Green procurement target

Maintain **100** % green parts procurement rate (all supplied parts are green parts) of FY2013.

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

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

## 10. Green purchasing target

Raise the green purchasing ratio at Japan sites to **75** % of total purchases (based on the number of purchases) by FY2013.

\* 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 CO<sub>2</sub>emissions\* from logistics in Japan per unit of sales, compared to FY2006

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



---

## Overall business activity targets

### 1. Biodiversity preservation target

Based on the Casio Group Biodiversity Guidelines, Casio will carry out biodiversity preservation activities relating to its business sites and products.

#### **For Sites**

In cooperation with NPOs and NGOs, Casio will prepare a biodiversity impact assessment checklist regarding the location and operation of plants and offices, and begin a pilot study by FY2013.

#### **For Products**

In cooperation with NPOs and NGOs, Casio will prepare a biodiversity impact assessment checklist regarding product design, procurement, production, packaging, distribution, and recycling, and begin a pilot study by FY2013.

# Fiscal 2012 Casio Environmental Action Plan Performance

## Fiscal 2012 Casio Environmental Action Plan Performance

Progress assessment key	
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.	per-unit value of target year, etc.	Actual performance of per-unit value for FY2011, etc.	Performance by the end of FY2011	Progress assessment
<b>Product targets</b>							
1: Eco-products	Raise share of Green Star Product sales in total sales.	Increase Casio Green Star product sales to 50% of total sales by FY2015. Maintain Green Product sales at 80% of total sales or more.	-	50% [80% or more]	43% [83%]	14.2 percentage points remaining to reach target. Exceeded target by 3 percentage points.	☆
<b>Plant and business-site targets</b>							
Upper level: FY2012 Lower level: FY2011							
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 FY2021 compared to FY2006.	132,213	92,549	44,343	Reduced by 66.5%	☆
			(Tons-CO2)	(Tons-CO2)	(Tons-CO2)	(Reduced by 18.2%)	
	Reduce greenhouse gas emissions over the long term.	Reduce the total volume of global greenhouse gas emissions from business activities by 80% by FY2051 compared to FY2006.	132,213	26,443	44,343	Reduced by 66.5%	☆
			(Tons-CO2)	(Tons-CO2)	(Tons-CO2)	(Reduced by 18.2%)	
2: Energy conservation (electrical power, fuel, etc.)	Reduce CO2 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	0.166 *1	Reduced by 46.9%	☆
			(Tons-CO2/¥ million)	(Tons-CO2/¥ million)	(Tons-CO2/¥ million)	(Reduced by 10.4%)	
	Reduce CO2 emissions (Japan office sites).	Reduce total emissions by 9%, averaged over 5 years from FY2009 to 2013, compared with FY1991.	11,492	10,458	7,900 *1	Reduced by 31.3%	☆
			(Tons-CO2)	(Tons-CO2)	(Tons-CO2)	(Reduced by 7.4%)	
Reduce CO2 emissions (production sites outside Japan).	Reduce emissions per unit of production by 30% by FY2013 compared to FY2005.	0.235	0.165	0.213	Reduced by 9.5%	▲	
		(Tons-CO2/¥ million)	(Tons-CO2/¥ million)	(Tons-CO2/¥ million)	(Increased by 3.2%)		
Reduce CO2 emissions (office sites outside Japan).	Reduce total emissions by 3% by FY2013 compared to FY2005.	5,099	4,946	7,249	Increased by 42.2%	▲	
		(Tons-CO2)	(Tons-CO2)	(Tons-CO2)	(Reduced by 3.3%)		
3: Reduction of greenhouse gas	Reduce total emissions of greenhouse gases other than CO2 (CO2 equivalent) to below 2000 level.	Reduce total emissions to below 2000 level by 2010.	7,278	728	34	Reduced by 99.5%	☆☆☆
			(Tons-CO2)	(トン-CO2)以下	(Tons-CO2)	(Reduced by 98.9%)	
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	0.0030	Reduced by 61.2%	☆☆☆
			(Thousand m3/¥ million)	(Thousand m3/¥ million)	(Thousand m3/¥ million)	(Reduced by 33.7%)	
	Reduce water usage (production sites outside Japan).	Reduce usage per unit of production by 15% by FY2013 compared to FY2005.	0.0039	0.0033	0.0041	Increased by 4.5%	▲
			(Thousand m3/¥ million)	(Thousand m3/¥ million)	(Thousand m3/¥ million)	(Reduced by 9.1%)	
Reduce office paper usage (Japan sites).	Reduce usage per unit of sales by 10% by FY2013 compared to FY2006.	0.00035	0.00032	0.00048	Increased by 37.1%	▲	
		(Tons-CO2/¥ million)	(Tons-CO2/¥ million)	(Tons-CO2/¥ million)	(Increased by 3.1%)		
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	0.0145	Reduced by 39.6%	☆
			(Tons-CO2/¥ million)	(Tons-CO2/¥ million)	(Tons-CO2/¥ million)	(Increased by 6.3%)	
	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	0.0031	Reduced by 73.9%	☆☆☆
			(Tons-CO2/¥ million)	(Tons-CO2/¥ million)	(Tons-CO2/¥ million)	(Reduced by 62.2%)	
6: Reduction of volatile organic compounds (VOCs)	Reduce emissions of VOCs to atmosphere (Japan production site).	Reduce emissions by 45% by FY2016 compared to FY2001.	47	26	3	Reduced by 94.6%	☆☆☆
			(tons)	(tons)	(tons)	(Reduced by 88.0%)	
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.	-	-	-	-	☆
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	0.00001	Reduced by 88.8%	☆☆☆
			(Tons-CO2/¥ million)	(Tons-CO2/¥ million)	(Tons-CO2/¥ million)	(Reduced by 61.4%)	
9: Green procurement	Improve the green procurement ratio.	Maintain 100%*5 green parts procurement rate (all supplied parts are green parts*4) of FY2013. *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%	63.7%	-	☆
11: Logistics-related global warming countermeasures	Reduce CO2 emissions*3 (distribution in Japan).	Reduce emissions per unit of sales in Japan by 22% by FY2013 compared to FY2006.	-	22.0% compared to FY2013	75.6% compared to FY2006	24.4% compared to FY2006	☆
<b>Overall business activity targets</b>							
1: Biodiversity preservation target	Preserve biodiversity and ecosystem services.	Conduct biodiversity impact surveys in all business areas by FY2012, and establish a policy theme.	-	-	-	Build a foundation for surveying biodiversity impact (implement e-learning program, and investigate a checklist)	☆☆

\*1 Average value for FY2009 to FY2012.  
 \*2 Average value for FY2009 to FY2011.  
 \*3 The scope of target for logistics-related global warming countermeasures is distribution for product sales.

# Material Balance

This page provides an overall picture of the environmental impact of the Casio Group's business activities.

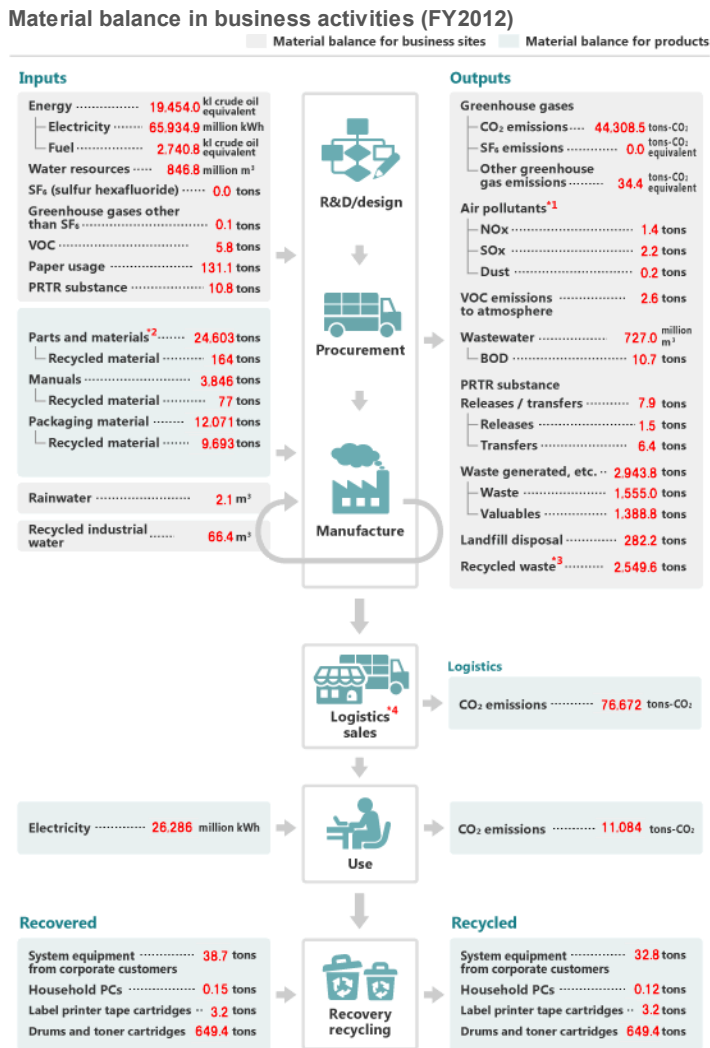
## What is a material balance?

A material balance shows the amount of resources used and the amount of materials with environmental impact that are produced (outputs) in business activities from R&D to after-sales collection and recycling (inputs).

## Fiscal 2012 performance

In FY2012, Casio Micronics was transferred out of the Casio Group, and Kofu Casio was closed down (now in the process of liquidation). As a result, both inputs and outputs for business activities at production sites in Japan were reduced. Furthermore, due to the loss of records at Casio Thailand during the major flooding there, data from this company could not be included. The inputs and outputs for production sites outside Japan decreased as a result.

In order to cope with the need for summertime power saving in Japan after the Great East Japan Earthquake that struck in March 2011, large Casio Group offices and production sites in Japan carried out measures such as reporting hourly power consumption data to employees on the company intranet. Casio will continue working to reduce its environmental impact by improving production equipment and business processes as well as making Casio products even more energy efficient and resource conserving.



\*1 Ozone depleting substances have been fully phased out.

\*2 Parts and materials include consumables, such as toner cartridges.

\*3 Recycled waste includes thermally recycled material.

\*4 Product distribution is consigned to transportation companies.

# Environmental Performance

In order to comply with environmental laws and regulations, Casio is carrying out frontline environmental protection activities based on the establishment of internal standards mainly for sites with ISO 14001 certification. With the aim of helping to realize a low-carbon society, the company is also complying with the voluntary action plan for reducing greenhouse gas emissions established by the industry association. Casio is pursuing environmental management in earnest by setting Casio Environmental Action Plan targets for the entire Casio Group.

## ■ CO<sub>2</sub>

### Reducing CO<sub>2</sub> emissions

[Sites in Japan]

FY2012 marked the fourth year of the target period (five years from FY2009 to FY2013) for CO<sub>2</sub> emissions from sites in Japan. The performance figures using comparisons with the base year are average values for the initial year (FY2009) through the fourth year (FY2012).

#### ● Production sites in Japan

The target for production sites in Japan was a 35% reduction in CO<sub>2</sub> emissions per unit of actual production compared to FY1991. In FY2012, emissions were about 46.9% lower than in FY1991. This also represented a reduction of about 10.4% compared to the previous fiscal year. The reason for this significant reduction was the transfer of a company out of the Casio Group and its removal from the scope of computation, along with a decrease in production activities following a business closure.

#### ● Office sites in Japan

The target for office sites in Japan was a 9% reduction in the total amount of CO<sub>2</sub> emissions compared to FY1991. In FY2012, emissions were about 31.3% lower than in FY1991, resulting in target achievement for the second consecutive year. This was a reduction of about 7.4% compared to the previous fiscal year. The reason for the significant emissions decrease was the implementation of power-saving measures following the Great East Japan Earthquake.

[Sites outside Japan]

FY2013 is the target year for all sites outside Japan.

#### ● Production sites outside Japan

The target for production sites outside Japan was a 30% reduction in CO<sub>2</sub> emissions per unit of production compared to FY2005. In FY2012, emissions were about 9.5% lower than in FY2005, despite an increase of approximately 3.2% from the previous fiscal year. Due to the loss of records at Casio Thailand during the major flooding there, data from this company could not be included in this overall result.

#### ● Office sites outside Japan

The target for office sites outside Japan was a 3% reduction in the total amount of CO<sub>2</sub> emissions compared to FY2005. In FY2012, emissions were about 42.2% higher than in FY2005, but there was a reduction of about 3.3% from the previous fiscal year. Although emissions had increased each year from FY2005 to FY2011, the company finally achieved a year-on-year reduction in FY2012. The main drivers of the increased emissions over time were a major increase in floor space of Casio Europe offices in FY2010 and inclusion of a broader scope of data in the computation. Building on the turn-around in FY2012, Casio will aggressively pursue further energy-saving activities for lighting, heating and cooling.

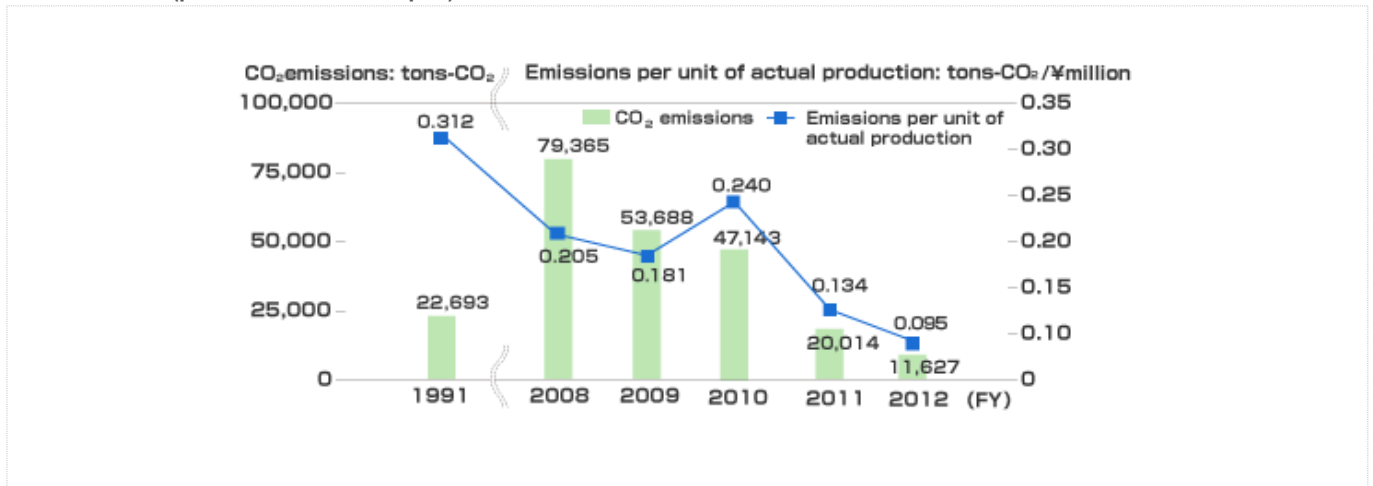
[Logistics in Japan]

The target for CO<sub>2</sub> emissions from logistics activities in Japan was a 22% reduction per unit of domestic sales compared to FY2006, by FY2013. In FY2012, emissions were 24.4% lower than in FY2006. In August 2011, the logistics center was relocated from Suzuka City, Mie Prefecture, to Toda City, Saitama Prefecture. In January 2012, the Eastern Distribution Center in Koto-ku, Tokyo was consolidated with the logistics center. Through this staged effort, Casio reduced the number of consumer distribution centers in Japan from five to four. This transition not only shortened transportation distances, but also promoted a modal shift from truck to rail, helping to further reduce CO<sub>2</sub> emissions.

[Logistics outside Japan]

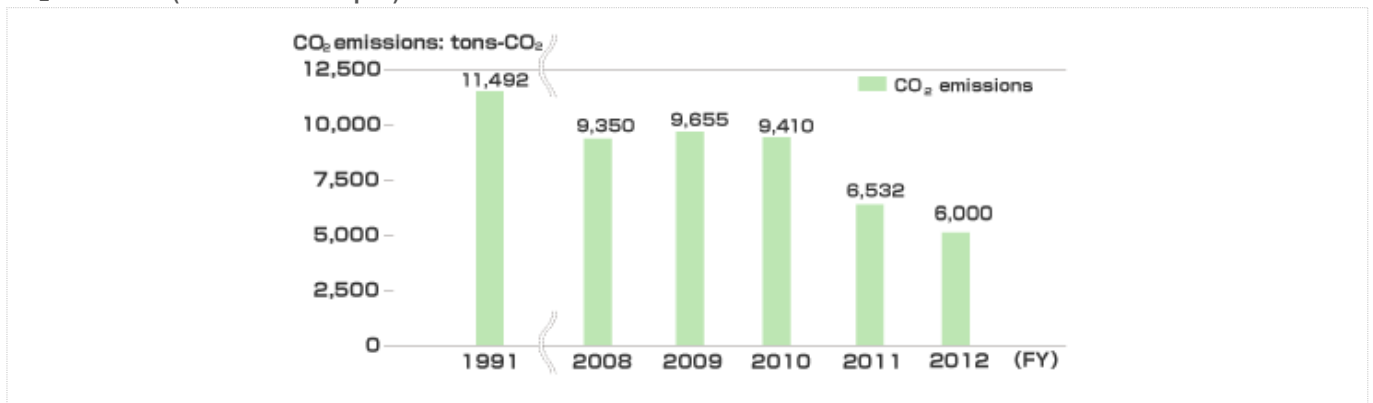
No specific CO<sub>2</sub> emissions reduction target has been set for logistics activities outside Japan. Cargo shipped from China to North America used to be sent to a sales company warehouse in Chicago, before being forwarded to client logistics centers. Since 2009 however, the cargo has been shipped from China direct to the various central logistics centers of clients, which is helping to reduce CO<sub>2</sub> emissions.

### CO<sub>2</sub> emissions (production sites in Japan)



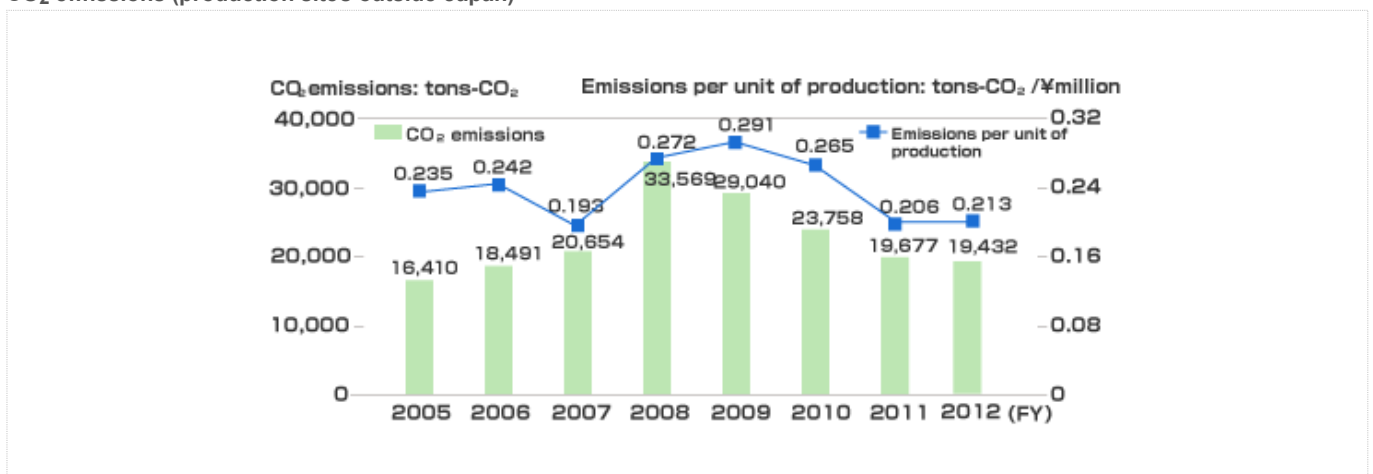
\*Trends in CO<sub>2</sub> emissions from energy sources (electrical power, fuel, etc.) used at production sites in Japan.

### CO<sub>2</sub> emissions (office sites in Japan)



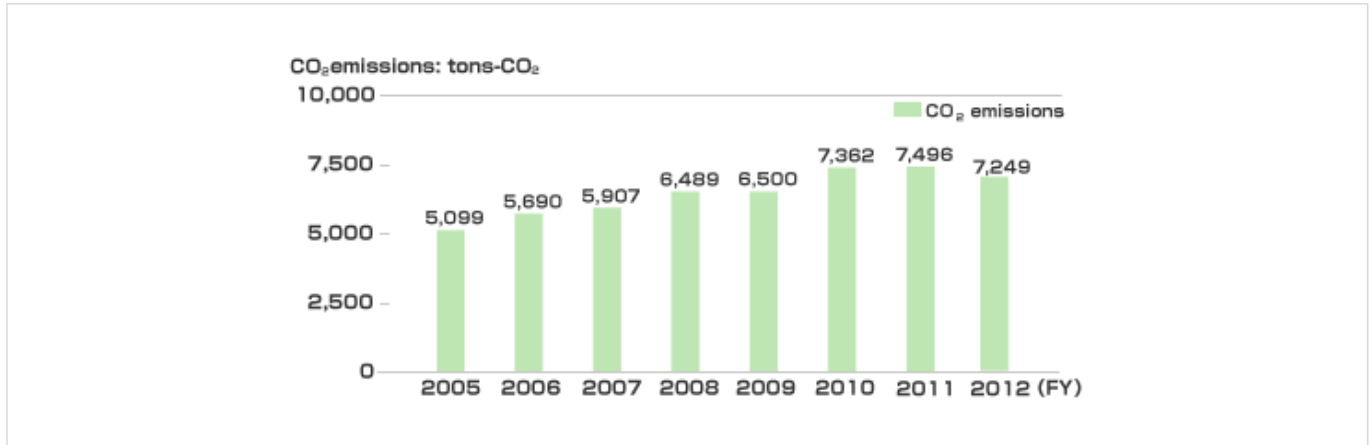
\*Trends in CO<sub>2</sub> emissions from energy sources (electrical power, fuel, etc.) used at office sites in Japan.

### CO<sub>2</sub> emissions (production sites outside Japan)



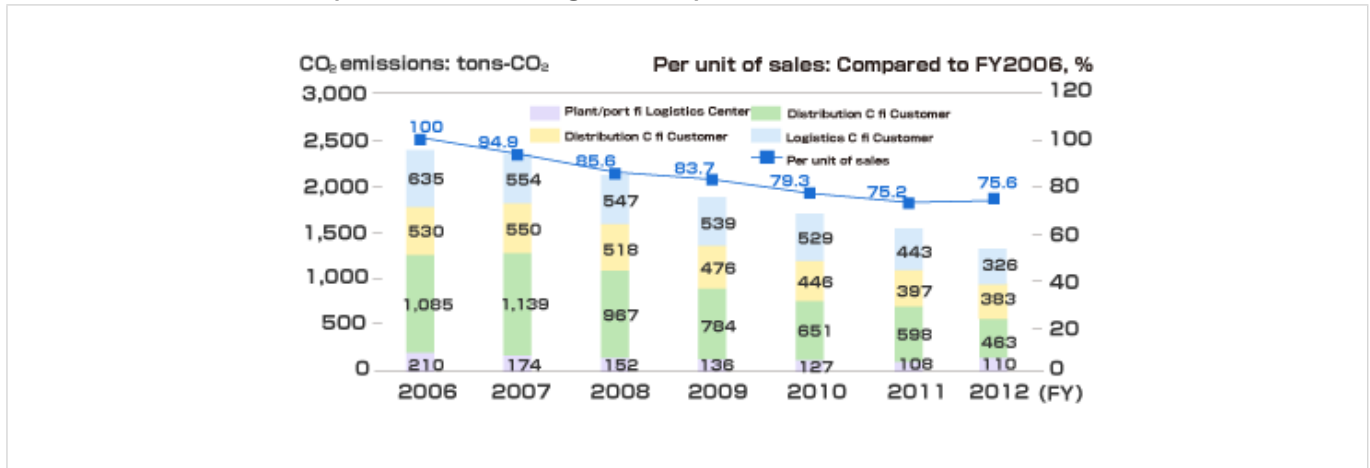
\*Trends in CO<sub>2</sub> emissions from energy sources (electrical power, fuel, etc.) used at production sites outside Japan.

CO<sub>2</sub> emissions (office sites outside Japan)

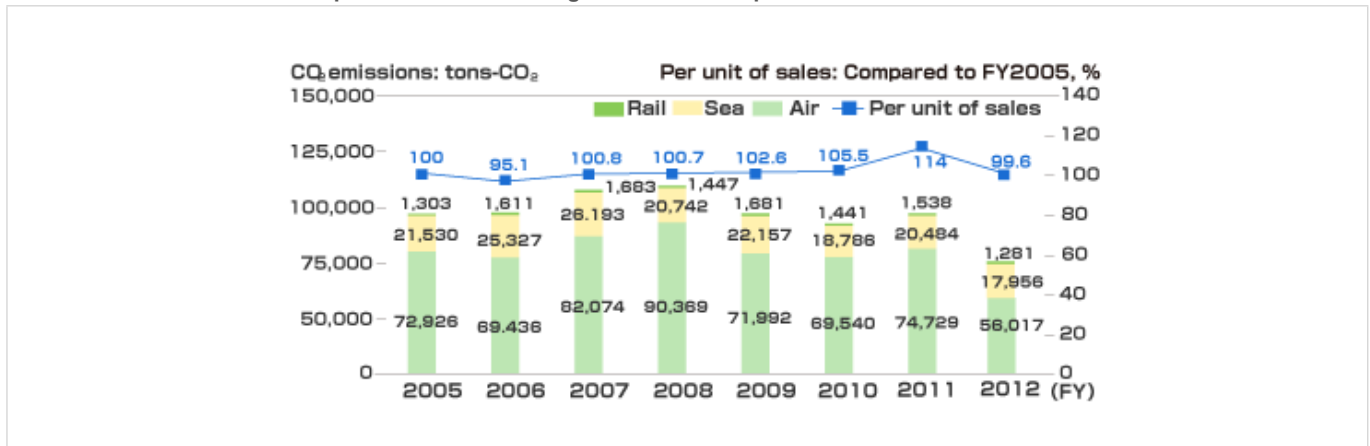


\*Trends in CO<sub>2</sub> emissions from energy sources (electrical power, fuel, etc.) used at office sites outside Japan.

CO<sub>2</sub> emissions and emissions per unit of sales for logistics in Japan



CO<sub>2</sub> emissions and emissions per unit of sales for logistics outside Japan



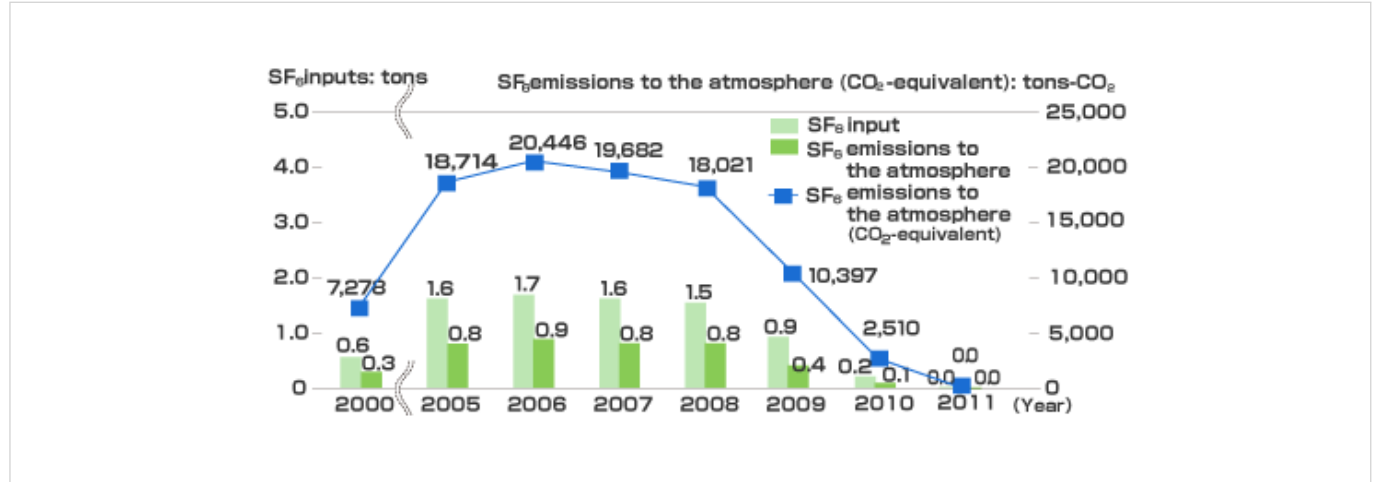
■ Greenhouse gases other than CO<sub>2</sub>

**Reduction of greenhouse gases other than CO<sub>2</sub>**

The target for reduction of greenhouse gas emissions other than CO<sub>2</sub> is at least a 90% reduction compared to FY2001, by FY2013. (SF<sub>6</sub>/HFCs)

Although the input and emissions of SF<sub>6</sub> were zero, certain spray cans used in production contain HFCs. These emissions were approximately 99.5% lower than in FY2001, and 98.9% down from the previous year. Due to the external transfer of the TFT-LCD business in FY2011, there was zero usage or emissions of SF<sub>6</sub> in FY2012. That leaves only emissions of HFCs contained in sprays used for in production. Casio will continue to reduce these emissions by switching to alternative HFC-free sprays in the future.

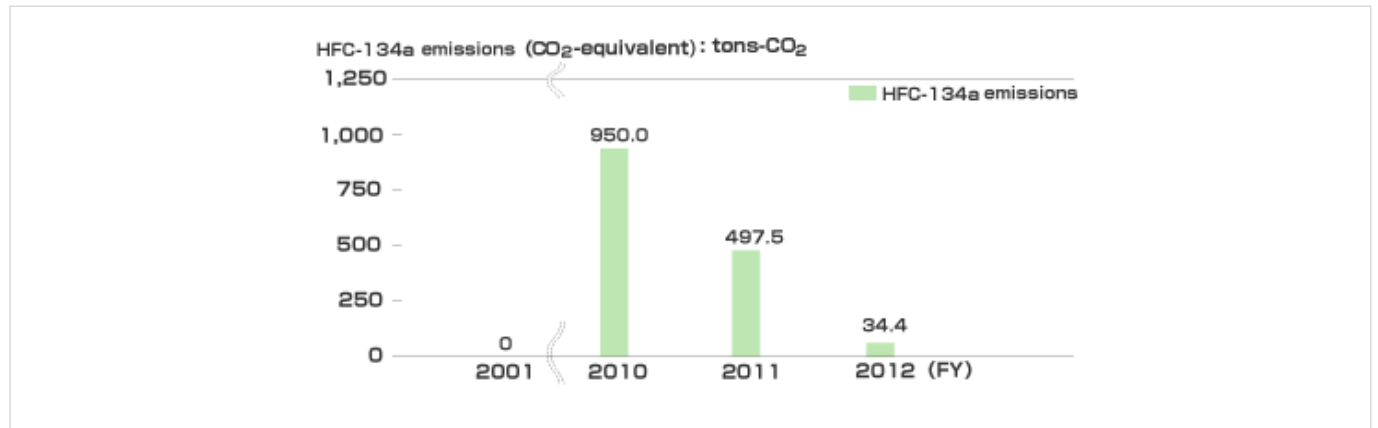
**SF<sub>6</sub> gas usage and emissions to atmosphere (Japan production sites)**



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

\*The input and emissions of SF<sub>6</sub> were zero in 2011.

**HFC emissions**





■ Waste

Reducing waste

Casio evaluates its waste reduction efforts (including waste and valuable reusable resources) against the target year of FY2013.

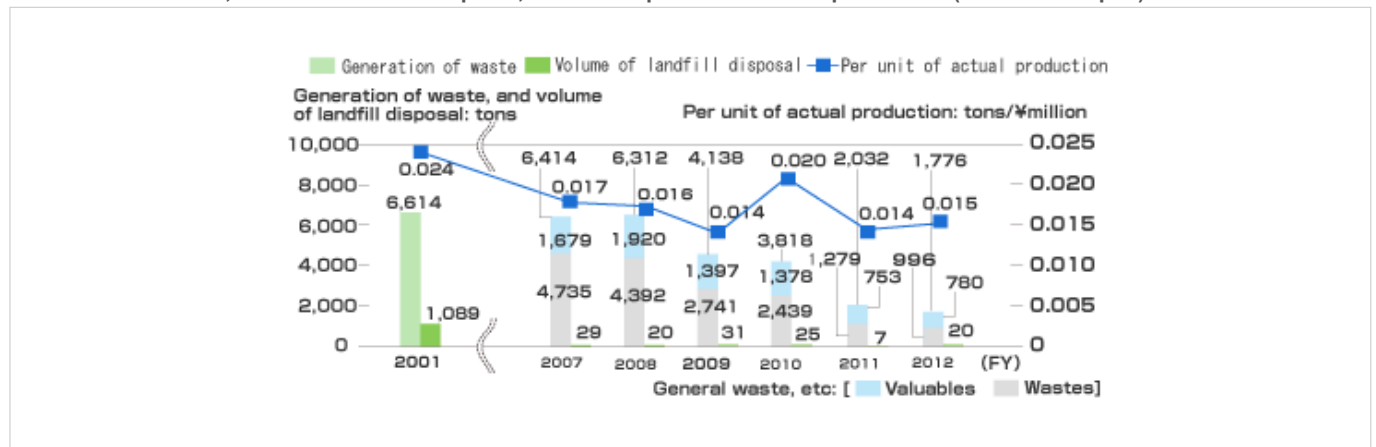
[Sites in Japan]

The target for reducing waste produced from sites in Japan was a 50% reduction in waste per unit of actual production compared to FY2001. In FY2012, waste was about 39.6% lower than in FY2001, but there was an increase of approximately 6.3% from the previous year. Although the total waste amount was down to 1,775 tons from 2,017 tons in FY2011, the figure per unit of sales worsened due to a drop in sales.

[Production sites in Japan]

The target for reducing waste from production sites outside Japan was a 30% reduction per unit of production compared to FY2005. In FY2012, emissions were about 73.9% lower than in FY2005, representing a decrease of about 62.2% from the previous fiscal year. Due to the loss of records at Casio Thailand during the major flooding there, data from this company could not be included. Production increases at other sites to compensate for the shutdowns at Casio Thailand also contributed to this overall result. Casio will continue to work to reduce waste by revising production processes.

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

Reducing input of water resources

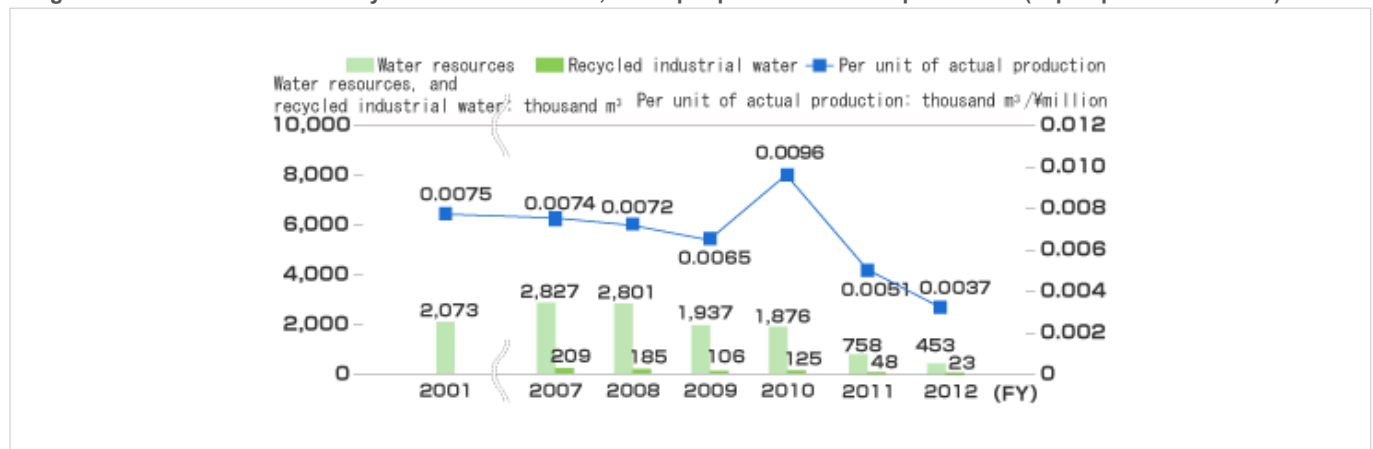
[Production sites in Japan]

Water resource input is evaluated using FY2013 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 FY2001. In FY2012, water input per unit of actual production was about 61.2% lower than in FY2001, which also represented a reduction of about 33.7% from the previous fiscal year. The reason for this significant reduction was the transfer of a company out of the Casio Group, and its removal from the scope of computation, along with a decrease in production activities following a business closure.

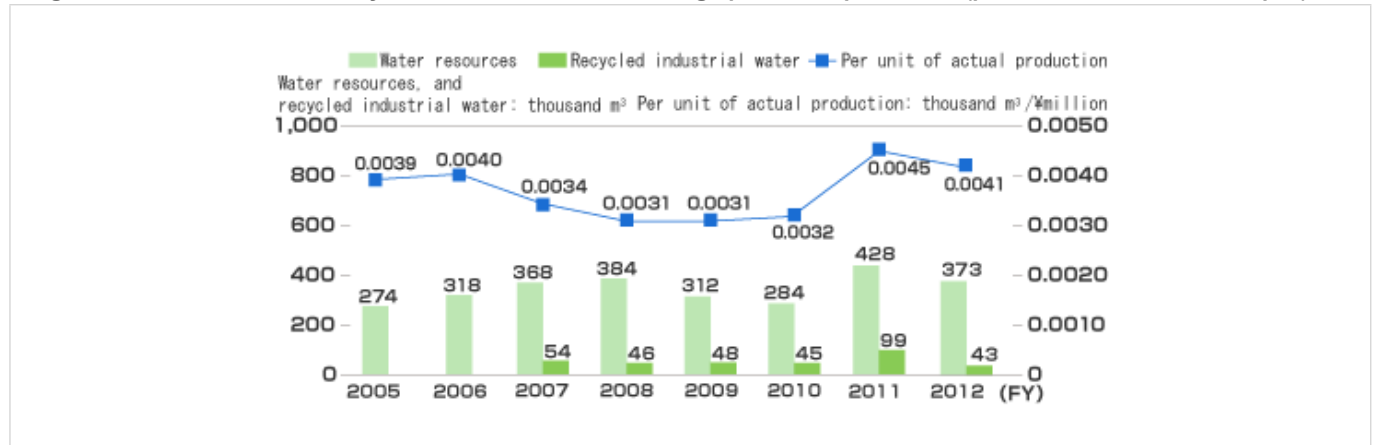
[Production sites outside Japan]

The target for production sites outside Japan was a 15% reduction in water resource input per unit of production compared to FY2005. In FY2012, the figure was about 4.5% higher than in FY2005, but approximately 9.1% lower than the previous year. Due to the loss of records at Casio Thailand during the major flooding there, data from this company could not be included. Production increases at other sites to compensate for the shutdowns at Casio Thailand also contributed to this overall result. The company will work to reduce waste in the future by revising production processes.

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)

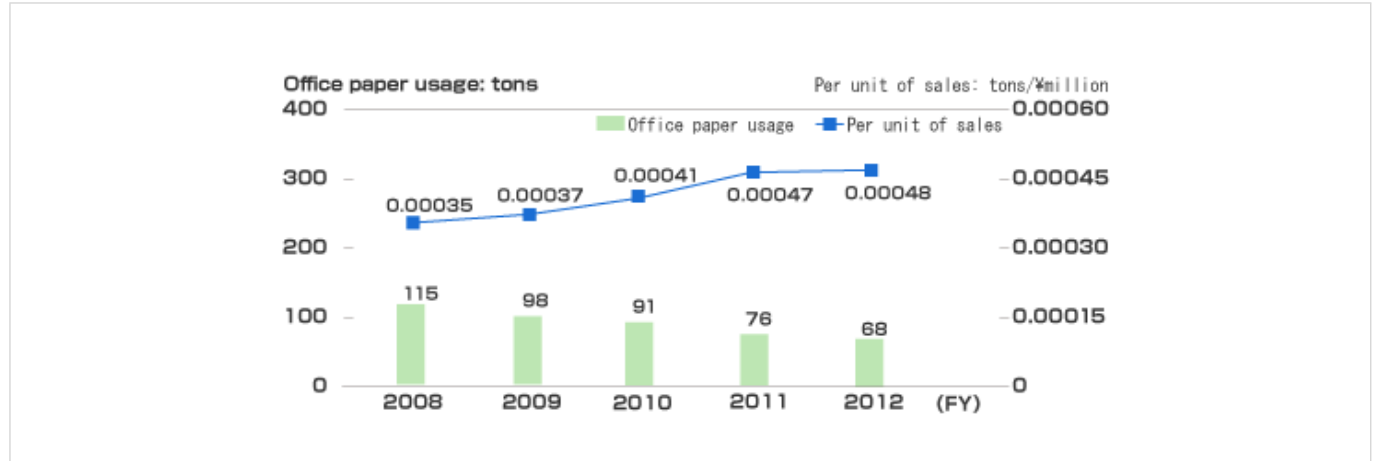


## ■ Paper resources

### Reducing usage of paper resources

The reduction target for the usage of office paper at sites in Japan was a 10% reduction compared to FY2008 by FY2013, per unit of sales. The result for FY2012 was about 37.1% higher than in FY2008. This increase was due to a drop in sales, as the total volume of office paper used fell from 115 tons in FY2008 to 68.3 tons in FY2011. Along with the increased promotion of green IT, Casio will reinforce its efforts to reduce paper usage.

#### Office paper usage (all sites in Japan)

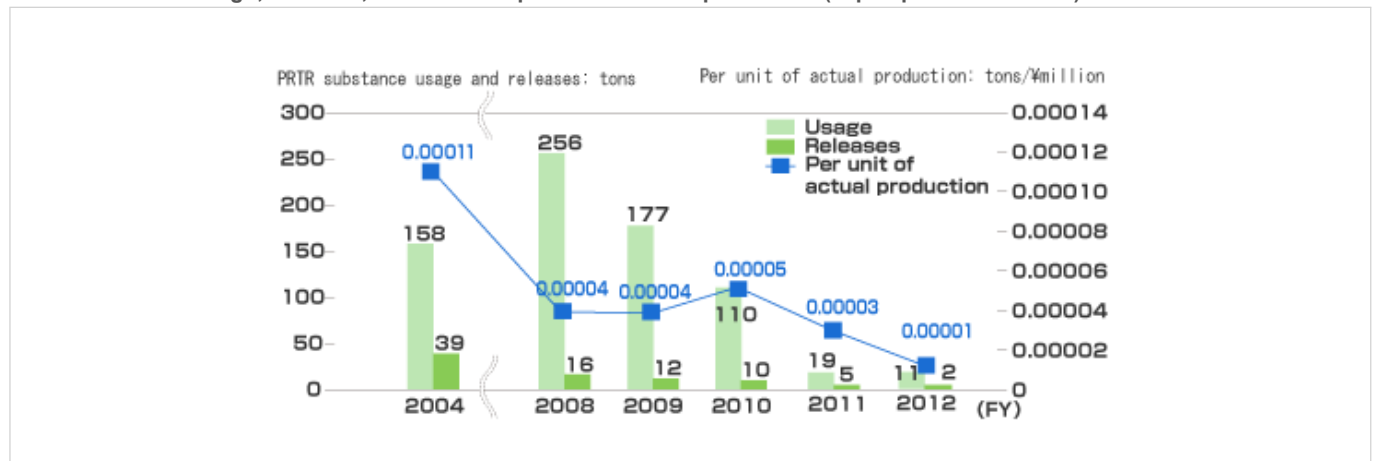


## ■ PRTR

### Reducing PRTR substances

The target for reduction of usage and releases of substances specified by Japan's PRTR Act was a 40% reduction per unit of actual production compared to FY2004, by FY2013. In FY2012, the figure was approximately 88.8% lower than in FY2004, also down 61.4% from the previous year. The reason for this significant reduction was the transfer of a company out of the Casio Group, and its removal from the scope of computation, along with a decrease in production activities following a business closure. Casio will continue striving to reduce the use of these chemicals.

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

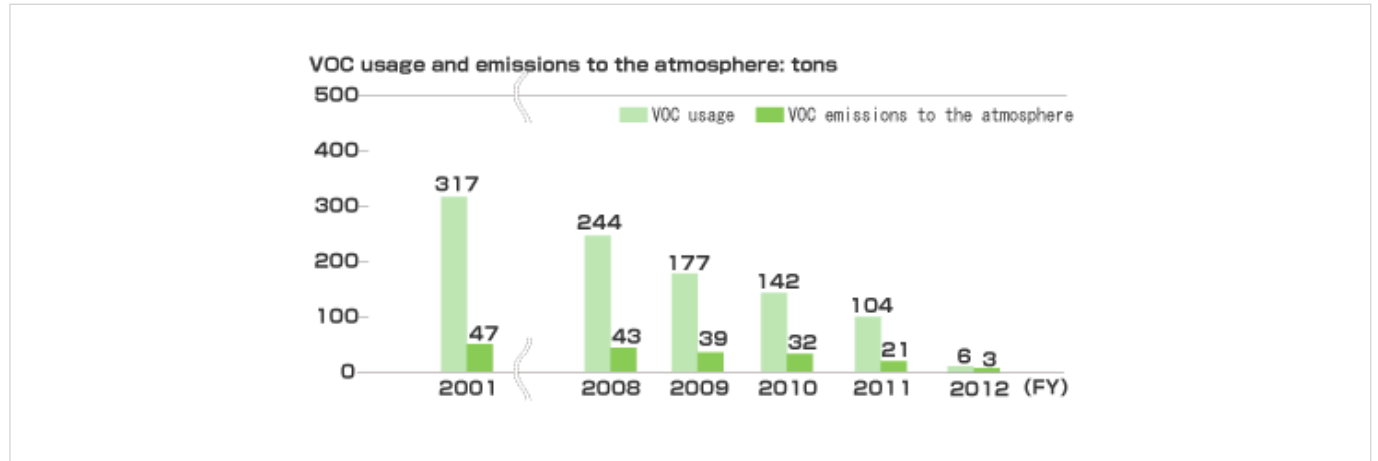


■ VOC, NOx, SOx, dust

**Reducing VOCs**

The target for reducing atmospheric emissions of volatile organic compounds (VOCs) from production sites in Japan was a reduction of 45% compared to FY2001, by FY2016. In FY2012, Casio's emissions of VOCs were about 94.6% lower than in FY2001, which also represented a reduction of approximately 88.0% from the previous fiscal year. The reason for this significant reduction was the transfer of a company out of the Casio Group, and its removal from the scope of computation, along with a decrease in production activities following a business closure. By adjusting settings and practicing indoor temperature management, Casio also intends to further reduce emissions of atmospheric pollution generated by air conditioning equipment such as hot and chilled water generators.

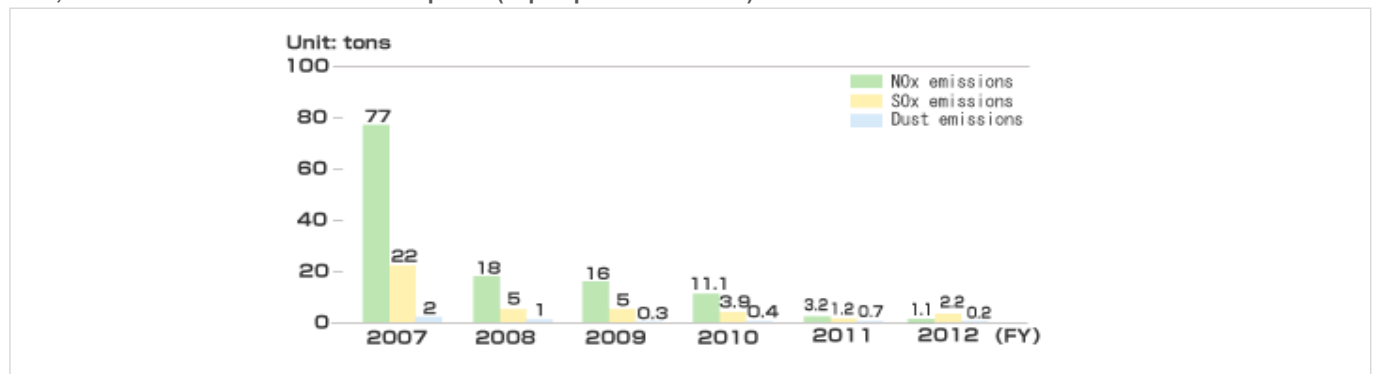
**VOC usage and emissions to atmosphere (Japan production sites)**



**Reducing Nox ,SOx, Dust**

Casio's atmospheric emissions of nitrogen oxides (NOx), sulfur oxides (SOx) and dust in the peak year of FY2006 were 138 tons, 37 tons, and 2 tons, respectively. Emissions in FY2012 were dramatically lower, at 1.1 tons, 2.2 tons, and 0.2 tons, respectively. The reason for these significant reductions was the transfer of a company out of the Casio Group, and its removal from the scope of computation, along with a decrease in production activities following a business closure. By adjusting settings and practicing indoor temperature management, Casio also intends to continue reducing emissions of atmospheric pollution generated by air conditioning equipment such as hot and chilled water generators.

**NOx, SOx and dust emissions to atmosphere (Japan production sites)**



## ■ Scope of Data

Environmental performance data was compiled using results from the following Casio sites for FY2012 (April 1, 2011 to March 31, 2012).

Production sites in Japan	Yamagata Casio Co., Ltd.	Casio Electronic Manufacturing Co., Ltd.
	Kofu Casio Co., Ltd. (Headquarters)*1	Kofu Casio Co., Ltd. (Ichinomiya)*2
	Casio Micronics Co., Ltd. (Headquarters and Ome Factory No.1)*3	Casio Micronics Co., Ltd. (Ome Factory No. 2)*4
Office sites in Japan	Casio Computer Co., Ltd. (Headquarters)	Casio Computer Co., Ltd. (Hamura R&D Center)
	Casio Computer Co., Ltd. (Hachioji R&D Center)	Casio Computer Co., Ltd. (Kudan sales office)
	Casio Computer Co., Ltd. (Osaka sales office)	Casio Computer Co., Ltd. (Sendai sales office)
	Casio Computer Co., Ltd. (Saitama sales office)	Casio Computer Co., Ltd. (Nagoya sales office)
	Casio Computer Co., Ltd. (Hiroshima sales office)	Casio Computer Co., Ltd. (Fukuoka sales office)
	Casio Business Service Co., Ltd. (Headquarters)	Casio Business Service Co., Ltd. (Fuji)
	Casio Business Service Co., Ltd. (Fujinomiya)	Casio Techno Co., Ltd. (Headquarters)
	Casio Information Systems Co., Ltd. (Headquarters)	Casio Human Systems Co., Ltd. (Headquarters)*5
	Casio Communication Brains, Inc.	Casio Marketing Advance Co., Ltd.
	CXD Next Co., Ltd.	Casio Information Service Co., Ltd.
Production sites outside Japan	Casio (Hong Kong) Ltd. (Panyu Factory)	Casio (Hong Kong) Ltd.
	Casio Electronic Technology (Zhongshan) Co., Ltd.	Casio (Thailand) Co., Ltd.*6
Office sites outside Japan	Casio Taiwan Co., Ltd.	Casio Electronics (Shenzhen) Co., Ltd.
	Casio (Guangzhou) Co., Ltd.	Casio Soft (Shanghai) Co., Ltd.
	Casio America, Inc.	Casio Canada Ltd.
	Casio Europe GmbH	Casio Electronics Co., Ltd.
	Casio France S.A.	Casio India Co., Pvt. Ltd.
	Casio Singapore Pte., Ltd.	Casio Espana S.L.
	Casio (Shanghai) Co., Ltd.	Casio Mexico Marketing, S. de R. L. de C.V.
	Guangzhou Casio Techno Co., Ltd.	Casio Benelux B.V.
	Casio Scandinavia AS	Casio Brasil Comercio De Produtos Eletronicos Ltda.
	Casio Italia S.r.l.	

\*1 \*2 The results for Kofu Casio's headquarters and Ichinomiya office were from the period of April 1, 2011 to October 31, 2011.

\*3 \*4The results for Casio Micronics' headquarters and Factory Nos. 1 and 2 were from the period of April 1, 2011 to September 30, 2011

\*5 The results for Casio Human Systems' headquarters were from the period of April 1, 2011 to September 30, 2011.

\*6 The relevant records at Casio Thailand were lost in flooding in July 2011. Since there is no data, and as operations were not restarted during FY2012, Casio Thailand was not included in data calculation for this fiscal year.

## ■ Calculation Standards

---

### 1. Input

1. Energy input amount
  - Includes fuel (gasoline and diesel) for company vehicles
2. Crude oil equivalent
  - Calculated in accordance with the Law Concerning the Rational Use of Energy
3. Input of greenhouse gases other than SF<sub>6</sub>
  - Applicable gases are HFCs in sprays such as dust blowers and quenching agents, and the total spray quantities were used as the gas input amounts.
4. VOC input amount
  - Applicable VOCs are amounts from sites that use over 50 kg annually.
5. Paper usage amount
  - Applies to paper used for page printers, fax machines, and copiers.
6. Plastic material usage amount
  - Applies to re-input of material on plastic molding lines at group companies.

### 2. Outputs

1. CO<sub>2</sub>emissions
  - The CO<sub>2</sub> conversion factors for electricity used to calculate output amounts are as follows.  
For emissions in Japan, Casio used an emission coefficient of 0.00035 (t-CO<sub>2</sub>/kwh), as announced by the Federation of Electric Power Companies to reflect an adjustment for depreciation credit. This coefficient was also adopted by the Japan Business Federation in its voluntary action plan.  
For emissions outside Japan, the “emissions factor adjusted for the CO<sub>2</sub> emissions from CHP (combined heat and power) generated electricity” was used. It is taken from the latest year value (2003 estimate) in the Japan Electrical Manufacturers' Association (JEMA) estimate survey (June 2006).
2. Other greenhouse gas emissions
  - These were calculated in accordance with Japan's Act on Promotion of Global Warming Countermeasures
3. Recycling amount
  - This was calculated as the amount of material recycled by consignees for intermediate processing, plus the amount of thermal recycling.

# Environmental Accounting

## Overview of fiscal 2012 performance

In FY2012, the Casio Group's environmental accounting was largely influenced by extraordinary factors such as the unprecedented natural disasters of the Great East Japan Earthquake and the flooding in Thailand. Other major factors included the transfer of the WLP-related business out of the Casio Group, and a substantial drop in the CO<sub>2</sub> unit price that is the basis for economic effect calculation. As a result, investment and expenses in environmental conservation and economic benefits of environmental conservation were both down compared to the previous fiscal year.

Casio's investments in environmental conservation, including energy-saving equipment, were valued at ¥51 million in FY2012. The expenses of Casio's environmental conservation activities, including recycling of products, parts and supplies such as toner cartridges, were ¥1,486 million. Meanwhile, there was a real economic benefit of ¥1,085 million from recycling activities and an estimated economic benefit of ¥311 million from the reduction of distribution costs through environmental protection initiatives and environmental impact reduction achieved by paperless products. The fiscal year's total economic benefits were ¥1,396 million.

Casio will continue to properly identify and report on its environmental management activities in economic terms, and will promote initiatives for even more efficient and effective environmental conservation.

## Environmental conservation costs (April 2011 - March 2012)

Category by business activity		Environmental investment (¥ million)	Environmental expenses (¥ million)*1
		Main initiatives	
Business area costs (costs arising in the main areas of business activity (manufacturing, processing, sales, distribution etc.))		51	231
(1) Pollution prevention cost	Preventing noise and water pollution	17	19
(2) Global environmental conservation cost	Maintenance of energy-saving systems	34	135
(3) Resource circulation cost	Processing, reducing in volume, and recycling of general and industrial waste	-	77
Upstream/downstream cost*2	Collection and recycling of products, parts, supplies	-	914
Administration cost	Secretariat operation costs, environmental information disclosure	-	281
R&D cost	R&D for reduction of environmental impact	-	41
Social activity cost	Participation in, donations to, and support for environmental conservation organizations	-	19
Total		51	1,486

\*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 2011 - March 2012)

Economic benefit		Amount (¥ million)
Type of benefit		
Actual benefit (benefit that contributes to profits as a result of the promotion of environmental conservation measures)		1,085
Profits	Business revenue from recycling of used products, etc.	1,033
Cost reduction	Cost reduction through energy saving activities	40
	Reduction of waste processing costs arising from resource saving or recycling	12
Estimated benefit *	Reduction of distribution costs through environmental conservation initiatives	311
	Reduction of power consumption during product use by customers, etc.	
Total		1,396

\*The estimated benefit is calculated as the CO<sub>2</sub> 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 distribution cost reductions achieved by a modal shift from air to sea transport, and the resource saving benefit from water recycling.

Regarding the reduction of power consumption during product use by customers, the monetary value of the environmental impact reduction effect is calculated as follows:

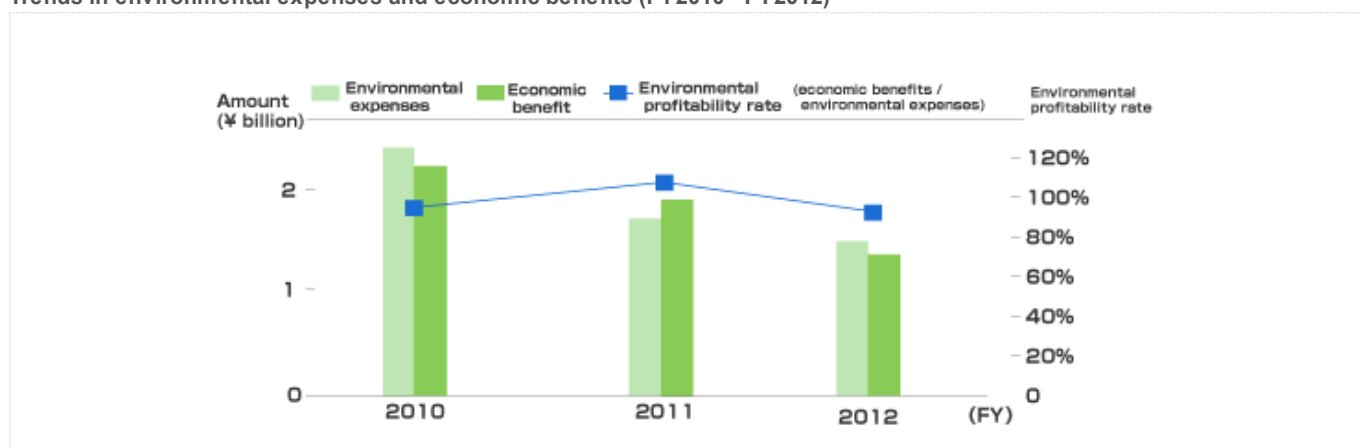
Reduction of power consumption during product use by customers = (Annual power consumption of the previous model – Annual power consumption of the new model) x Number units sold in the year x Electrical power unit price

The following statistical sources are used to perform these calculations:

CO<sub>2</sub> unit prices are the average values for FY2011 (¥895.0/ton) based on the Nikkei-JBIC Carbon Quotation Index.

Electrical power unit prices are based on the FY2009 results published by the Agency for Natural Resources and Energy of the Ministry of Economy, Trade and Industry (¥16.02/kWh).

### Trends in environmental expenses and economic benefits (FY2010 - FY2012)



\*Past year values for economic benefits have been revised based on the current fiscal year standards.

## Environmental conservation effect

Types of environmental conservation effects	Environmental performance indicator	Unit	FY2011	FY2012	Environmental conservation effect *1
Environmental conservation effect relating to resources used in business activities	Water resources	Thousand m <sup>3</sup>	1,209	847	362
Environmental conservation effect relating to environment impact and waste generated by business activities	CO <sub>2</sub> emissions	Tons-CO <sub>2</sub>	53,720	44,309	9,411
	Specially designated chemical (PRTR) emissions	Tons	4.7	1.5	3.2
	Waste emissions	Tons	3,677	2,944	733
	BOD	Tons	23	11	12
	NO <sub>x</sub> emissions	Tons	3.2	1.4	1.8
	SO <sub>x</sub> emissions	Tons	1.2	2.2	-1.0 *2

\*1 Figures that have risen are shown as positive, while those that have fallen are shown as negative.

The environmental impact has decreased significantly due to the transfer of the WLP-related business.

\*2 As part of efforts to cover production lost to flooding at Casio Thailand, boiler operation time increased at Yamagata Casio for heating and for humidification to reduce static electricity.

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

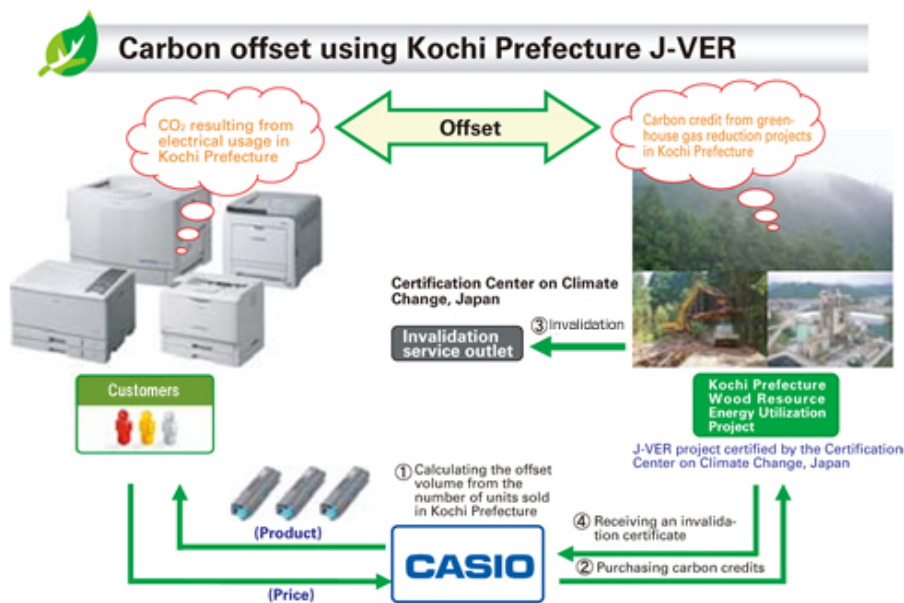
# Printer Initiatives

## Carbon offset initiative

As an initiative to help combat climate change, Casio began selling toner cartridges featuring a carbon offset in July 2008. In general, carbon offset works like this: an organization purchases a credit equivalent to a reduction of emissions of certain gases thought to contribute to climate change in order to “cancel out” its own emissions. Even though Casio’s products are compact and energy-efficient, which in itself reduces emissions, Casio’s toner initiative seeks to offset CO<sub>2</sub> emissions equivalent to the amount generated to produce the electric power the printer uses during the life of the toner cartridge. This unique initiative is an industry-first.

In the initial fiscal year, Casio performed offsetting using carbon credits from Clean Development Mechanism (CDM) projects outside Japan registered with the UN CDM Executive Board. In FY2010, Casio also began using Japan Verified Emission Reduction (J-VER), a newly created carbon credit system in Japan. Casio signed a contract with Kochi Prefecture, which received the initial certification of J-VER, and the offsetting was performed. The applicable proceeds from toner cartridges sold in Kochi Prefecture went towards the purchase of carbon credits from greenhouse gas reduction projects within the prefecture. This is known as “local production for local consumption” carbon offsetting.

Casio will continue to introduce unique initiatives to address the challenge of climate change.



## Carbon offset report (fiscal 2012)

The following is a report on the carbon offsetting from the sale of Casio toner cartridges offering a carbon offset.

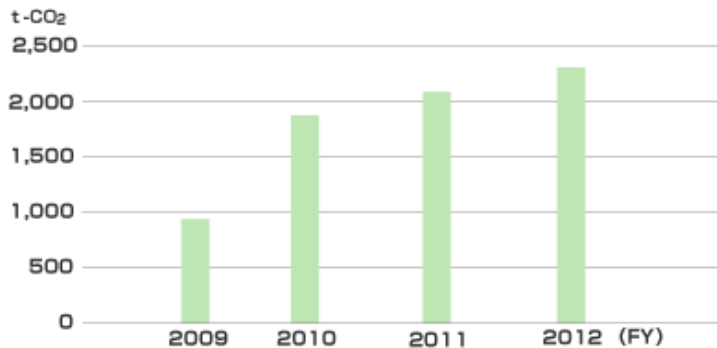
Period: April 1, 2011 to March 31, 2012  
 Product: GE5000 Series Return Toner Cartridges  
 N3000 Series Return Toner Cartridges  
 N6000 Series Return Toner Cartridges  
 V2000 Series Return Toner Cartridges  
 B9000 Series Return Toner Cartridges

### Allowance credit

Project		Credit		Invalidation provider
Type	Name	Type	ID number	
CDM	6.75 MW wind power project in Tamil Nadu, India (UN CDM Executive Board Registration No. 1053)	CER	IN-000-000-077-014-437~014-638 IN-000-000-077-014-819~014-896	Carbontrade Inc.
CDM	34.4 MW wind power project in Karnataka, India (UN CDM Executive Board Registration No. 1824)	CER	IN-000-000-079-177-164~178-163 IN-000-000-079-199-149~200-148	Carbontrade Inc.
In Japan	Kochi Prefecture Wood Resource Energy Utilization Project B (Certification Center on Climate Change, Japan, Registration No. 0001004)	J-VER	JP-200-000-000-094-910~094-913	Kochi Prefecture

Offset amount in FY2012: 2,284 tons-CO<sub>2</sub>

### Trends in Carbon offset amount



Total offset: 7,141 tons-CO<sub>2</sub>

Information on carbon offsetting (in Japanese only) <http://casio.jp/ppr/green/>

# Packaging

This section describes Casio's environmental protection initiatives in the area of general packaging.

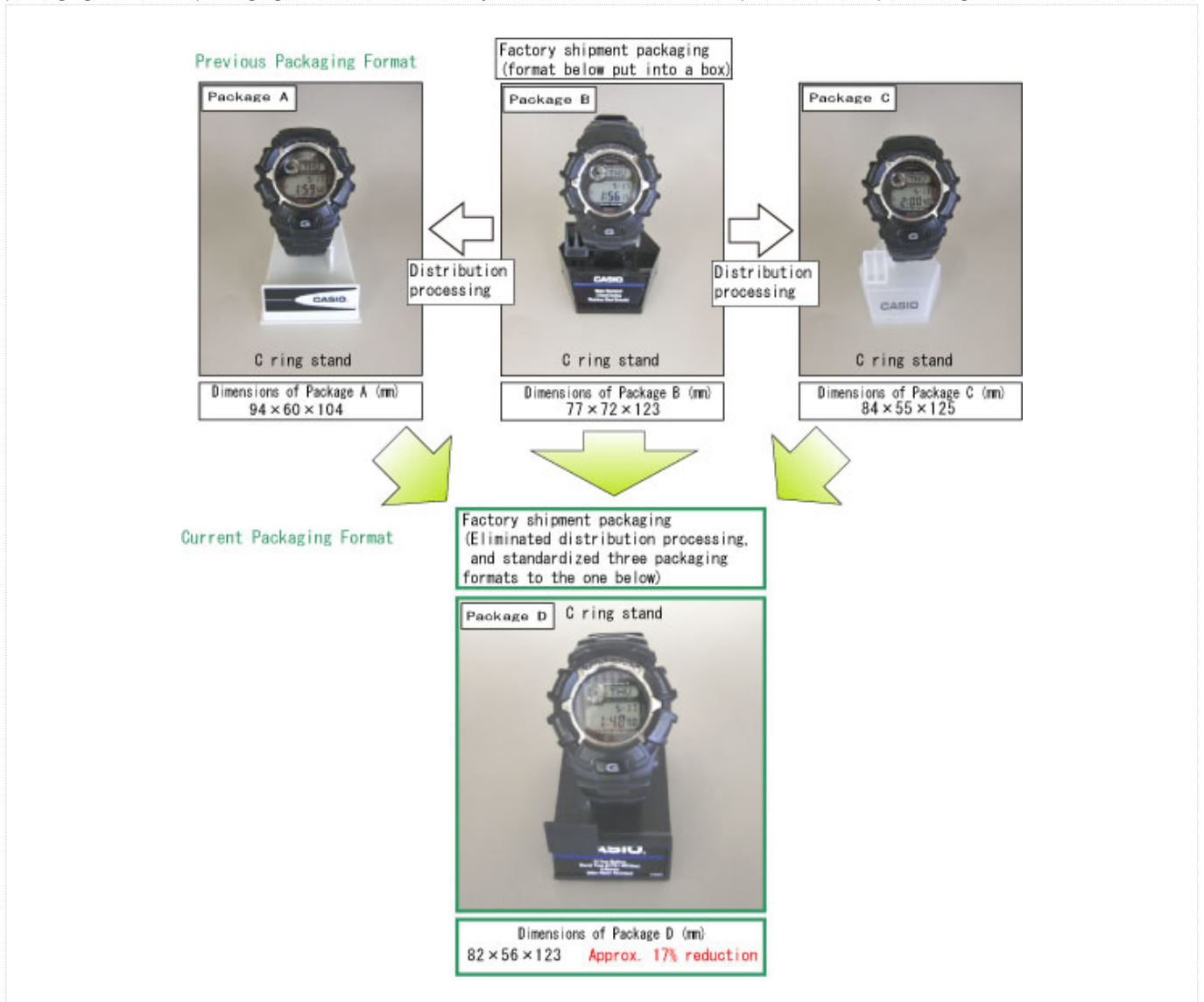
Casio's Special Committee on Packaging spearheads the company's effort to revise and improve general packaging. Specifically, the committee promotes efforts to improve transport efficiency, reduce CO<sub>2</sub> emissions during transportation, and reduce the amount of material used in packaging by making packages more compact and lightweight for all products.

Here are three examples of the progress made in fiscal 2012.

1. Watch packaging: Eliminated an extra step of distribution processing by standardizing packaging that had been different for each customer, and further reduced the packaging size.
2. Electronic dictionary packaging: Realized more compact packaging with fewer package components by improving the shock resistance of the products themselves.
3. Digital camera packaging: In consideration of actual customer usage, eliminated some included items (accessories) and revised specifications of others, thereby reducing packaging weight.

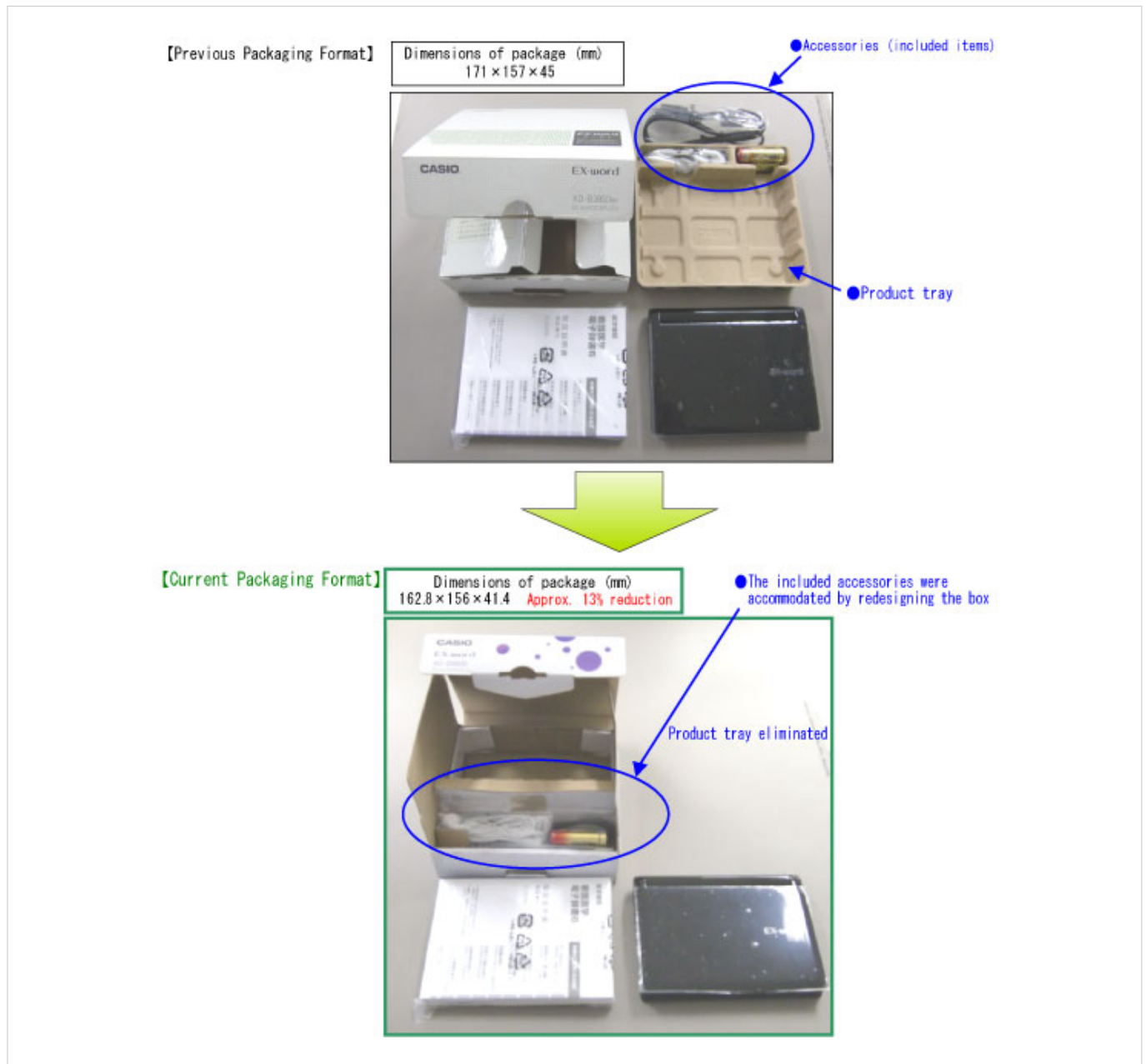
## Watch Packaging

Casio redesigned three different packaging formats (C ring stands) that had been used for North American customers. By standardizing the packaging format, the packaging volume was reduced by about 17%. In addition, a step of distribution processing was eliminated.



## Electronic Dictionary Packaging

One of the packaging components, the product tray, was eliminated by improving the shock resistance of the products themselves. Also, by redesigning the box construction, a place for putting the included product accessories was created. In total, the box volume was reduced by about **13%**.



## Digital Camera Packaging

In consideration of actual customer usage, some included items (accessories) were eliminated and the specifications of others were revised to reduce packaging weight. For instance:

- Simplified user manual content, with further details provided online
- Changed the manual from CD size to A7 size
- Eliminated the CD-ROM

Changes to Included Accessories					
User manual	CD-size booklet		A7-size booklet		A7-size insert
CD-ROM	●		Eliminated		Eliminated
AV cable	●		Eliminated		Eliminated
AC cord	●	⇒	●	⇒	Eliminated
AC adapter (charger)	●		●		Eliminated
Strap	●		●		●
Rechargeable battery	●		●		●
USB cable	●		●		●



### 【 Comparison of Box Dimensions 】



【Previous packaging】

【Current packaging】

【Current packaging】

--Models for worldwide sale--

--Special model--  
for sale in Japan

Dimensions  
of package (mm)  
135 × 134 × 74

Dimensions  
of package (mm)  
164 × 120 × 60  
Approx. 12% reduction

Dimensions  
of package (mm)  
127 × 90 × 63  
Approx. 46% reduction



# Logistics

Casio is working to ensure its logistical operations have as low an environmental impact as possible by improving its inter-site parts-shipment routes and switching to more efficient modes of product transportation.

## Logistics process initiatives

Casio is actively reducing its environmental impact by striving to reduce CO<sub>2</sub> and waste emissions arising from logistics. In order to reduce CO<sub>2</sub> emissions in the logistics process, Casio is promoting the following three action plans.

- **Shortening transport distances** : Promoting direct shipping to customers from logistics centers in and outside Japan
- **Promoting a modal shift** : Actively using modes of transport with low environmental impact such as rail for transport between sites
- **Improving loading efficiency and reducing transport volume** : Improving the packaging design of digital cameras, electronic dictionaries, musical instruments electronic cash registers, and other products, and reducing the volume of packaging

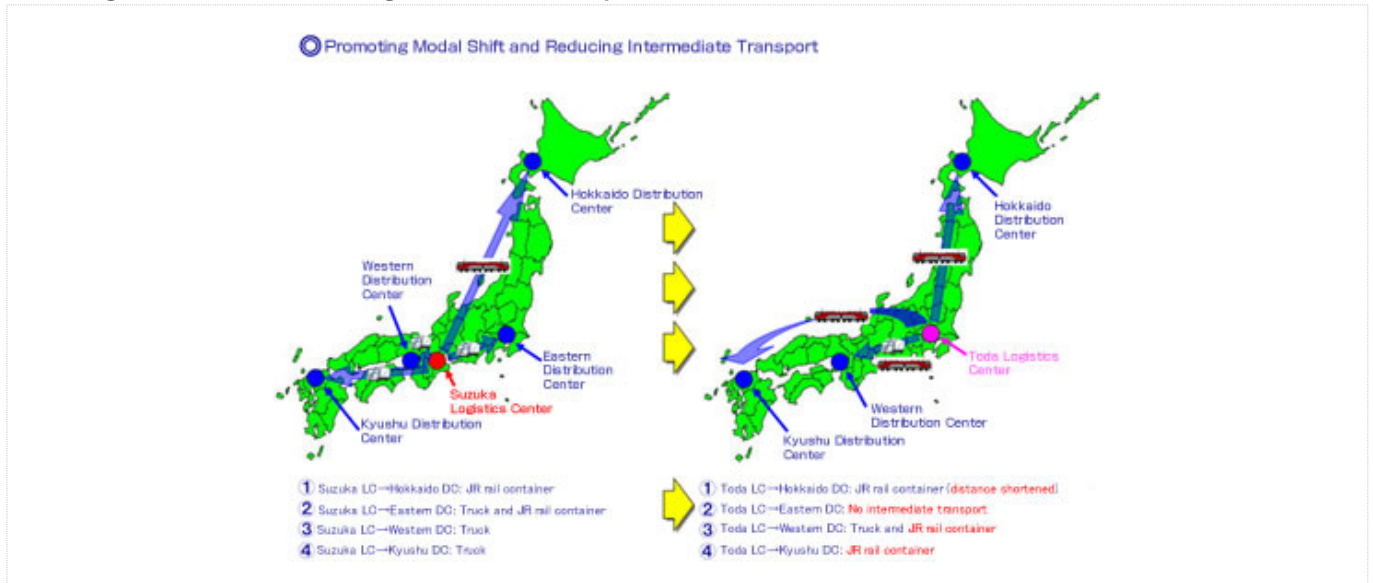
## Relocation and Consolidation of Logistics Centers in Japan

Casio's logistics center in Mie Prefecture was moved to Saitama Prefecture, and then its distribution center in Tokyo was ultimately consolidated with the logistics center, a transition that was achieved in stages.

In August 2011, the logistics center was moved from Suzuka City, Mie Prefecture, to Toda City, Saitama Prefecture. Then in January 2012, the company's Eastern Distribution Center in Koto-ku, Tokyo, was consolidated with the logistics center.

With this change, Casio reduced the number of consumer product distribution sites in Japan from five to four. This transition not only shortened transport distances, but also promoted a significant shift from truck to rail shipment, and has contributed greatly to CO<sub>2</sub> emissions reduction.

### Promoting Modal Shift and Reducing Intermediate Transport



#### Results of the Transfer and Consolidation

1. Elimination of intermediate transport  
Shortened the distance from the logistics center to the Hokkaido Distribution Center in Sapporo  
Intermediate transport no longer required from the logistics center to the Eastern Distribution Center in Tokyo
2. Promotion of modal shift  
Partial shift to rail between the logistics center and the Western Distribution Center in Osaka  
Switch to rail between the logistics center and the Kyushu Distribution Center in Fukuoka
3. Transport distance shortened  
Shortened the transport distance in the Kanto (Tokyo) region which accounts for about 46% of direct shipments from the logistics center (delivery direct to customers without going through a distribution center)

\* Based on the results above, CO<sub>2</sub> emissions have been reduced by approximately 330 tons annually (20% reduction)

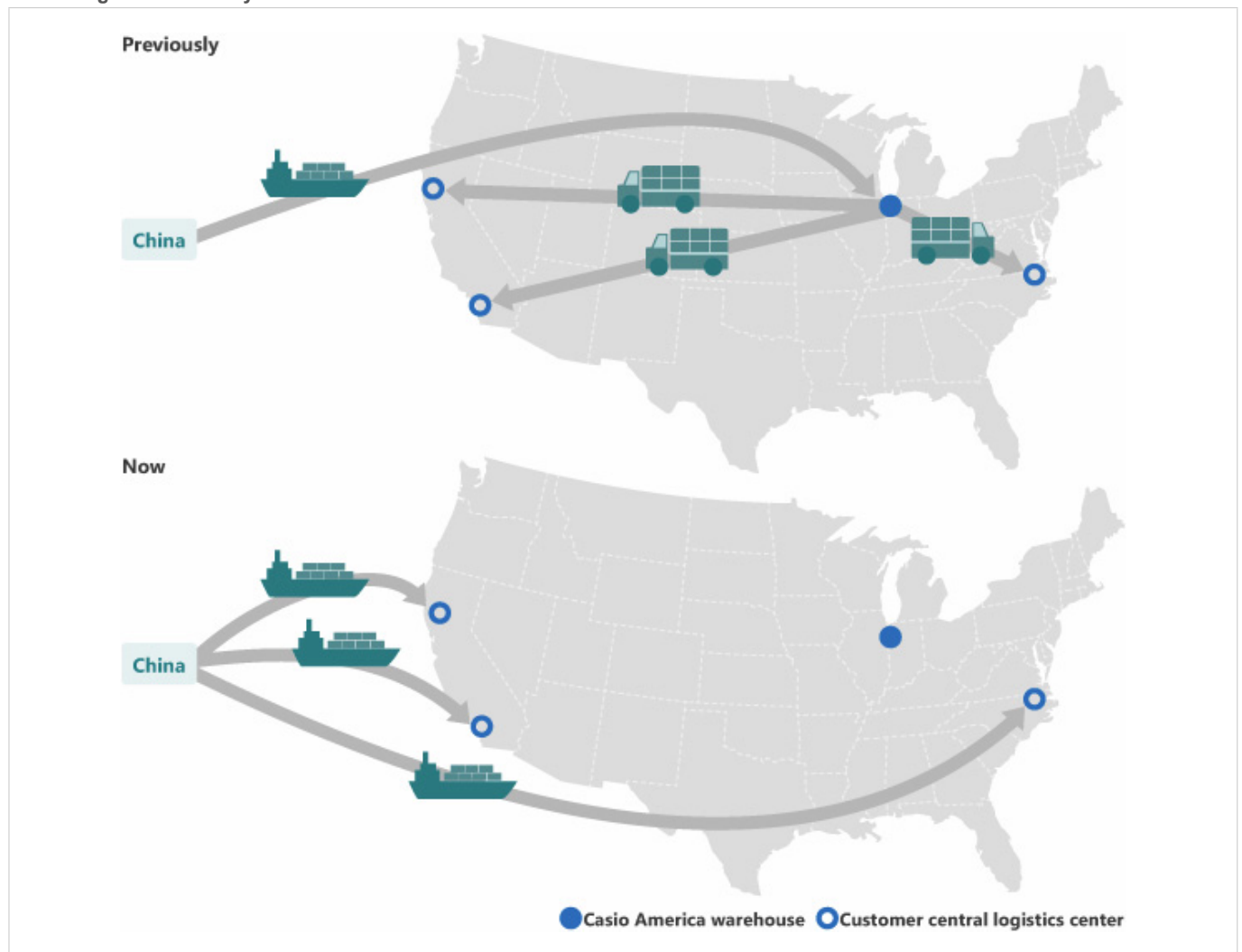
## Promoting direct delivery to North America

Casio is promoting direct delivery from logistics centers to corporate customers.

In the past, products shipped from China to North America were sent to a warehouse of Casio America, Inc. in Chicago, before being delivered to the logistics centers of corporate customers. In 2009, however, Casio began shipping directly to the central logistics centers of customers, thereby helping to reduce CO<sub>2</sub> emissions. In fiscal 2011, about 1,800 tons of CO<sub>2</sub> emitted by the Casio Group and its customers were eliminated in this way.

In fiscal 2012, Casio will promote further direct delivery efforts, investigating direct shipment not just to the central logistics centers of customers, but also to their regional centers.

### Promoting direct delivery to North America



## Introduction of reusable shipping cartons in Asian distribution

To reduce packaging material, Casio is working to introduce the use of reusable shipping cartons in its Asian distribution operations.

In an effort to switch to plastic reusable shipping cartons in its air freight shipments between Japan, Hong Kong, and Thailand, Casio launched the use of new cartons in September 2009.

These cartons can be used to ship parts made in Japan to Hong Kong for use at Chinese production sites, and to ship timepiece parts from vendors in China, from Hong Kong to Thailand. By then transporting finished timepieces or timepiece parts from Thailand to Japan, the cartons never have to travel empty between the three countries.

Unlike traditional cardboard boxes, these cartons do not have to be discarded, and instead can be used many times over, thereby reducing environmental impact.

Casio has now begun to introduce even larger shipping cartons. The large shipping cartons are mainly used for ocean transport. Packaging damage can be avoided through the use of LCL shipping (freight from different companies in one ocean shipping container), which also eliminates the need to use air transport when the shipping volume is small.

Starting in fiscal 2012, the reusable large shipping cartons are also being used to transport products.



A reusable shipping carton employed for distribution in Asia



## Eco Rail Mark certification

On October 29, 2009, Casio was certified by the Japanese Railway Freight Association as a company carrying out Eco Rail Mark initiatives.

The Eco Rail Mark indicates that a product or company is actively engaged in efforts to alleviate environmental problems through the use of rail freight transport. Rail transport has a smaller environmental impact, producing about 1/7th the CO<sub>2</sub> emissions of commercial trucking.

Casio actively uses rail for shipping from its logistics center in Mie Prefecture to its distribution centers in Hokkaido and Tokyo.

Casio will continue working to reduce its environmental impact by pursuing environmentally friendly transport.



Eco Rail Mark



Promoting a modal shift to rail transport



Environmentally friendly rail containers

CO<sub>2</sub> emissions for logistics (Environmental Data)

# Design and Procurement

In compliance with global laws and standards, Casio is striving to achieve environmentally compliant product design and green procurement.

## Green design and green procurement

As a company with operations around the world, Casio must comply with the laws and standards of many different countries.

This is why Casio starts with the design and procurement stages to ensure that its products comply with restrictions on specified chemical substances in parts and materials, while complying with obligations for labeling, information provision and energy-saving standards for finished products.

In the procurement stage, Casio regularly updates its Green Procurement Standards to ensure compatibility with all the current laws and standards in countries around the world. Thus, by procuring parts and materials that meet its own strict standards, Casio can be confident that its product development meets legal requirements worldwide. Casio also ensures the compliance of its products by scientifically verifying and analyzing the content of chemical substances in parts and materials used.

In the design stage, the company confirms that all parts and materials that will go into a completed Casio product meet the Casio Green Procurement Standards. Products are approved for production only after confirmation using a database of the chemical substances contained in procured materials.

Casio selects recyclable materials and provides symbol marks and the necessary information to ensure separate collection, complying with the relevant laws and standards worldwide on product recovery and recycling as well as on chemical substances contained in products.

The company has also established internal standards to comply with laws for energy-saving design, such as Europe's Energy-related Products (ErP) requirements.

The table below shows the principal environmental laws relating to the distribution of Casio products in countries around the world.

### Major environmental laws and regulations related to Casio products

(as of May 2012)

	Product			Packaging		Battery	
	Collection and Recycling	Hazardous Substances	Energy conservation	Collection and Recycling	Hazardous Substances	Collection and Recycling	Hazardous Substances
EU	WEEE	RoHS REACH	EuP	EU Directive on Packaging and Packaging Waste		Batteries directive	
Norway		Chemical substance regulations					
Turkey	Turkey WEEE & RoHS			Turkey packaging regulations		Turkey batteries regulations	
Serbia	Serbia WEEE & RoHS					Serbia batteries directive	
Ukraine		Ukraine RoHS					
US	Each state's TV/PC recycling laws	Each state's mercury regulations, California Proposition 65, California SB50, California regulations on formaldehyde	US federal law, and external power supply efficiency regulations in each state		Each state's packaging and heavy metal regulations	Each state's rechargeable battery recycling regulations	
Canada	Each state's electric appliance recycling regulations		External power energy efficiency regulations	Each state's packaging material collection programs			

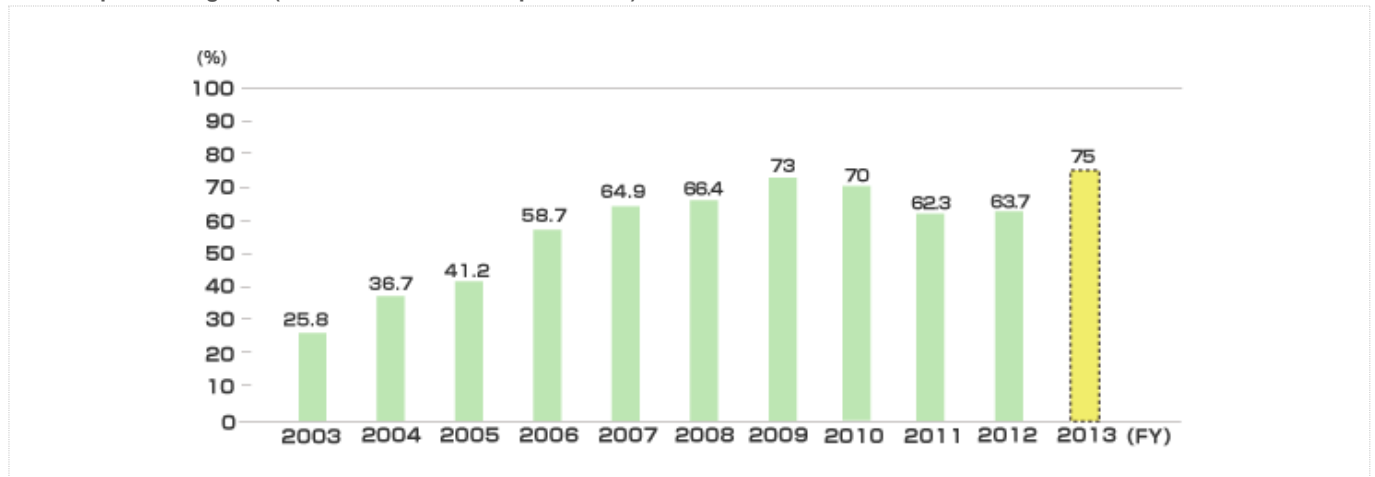
	Product			Packaging		Battery	
	Collection and Recycling	Hazardous Substances	Energy conservation	Collection and Recycling	Hazardous Substances	Collection and Recycling	Hazardous Substances
Mexico			Energy consumption labeling regulations				
Brazil	Brazil Recycling Law			Brazil Recycling Law		Brazil Recycling Law	Brazil batteries regulation
Argentina							Argentina batteries regulation
Paraguay							Paraguay batteries regulations
Israel				Israel packaging regulations			
China	China WEEE	China RoHS		China RoHS			Dry-Cell Battery Mercury Regulations
South Korea	South Korea RoHS/WEEE/ELV		South Korea Energy Conservation Law	South Korea Recycling Law		South Korea Recycling Law	South Korea batteries regulations
Taiwan						Battery recycling regulations	Dry-Cell Battery Mercury Regulations
Australia			External power energy efficiency regulations				
India	India's e-waste law						
Viet Nam		Viet Nam RoHS					
Japan	Recycling Law	Recycling Law (J-Moss)	Energy Conservation Law	Container and Packaging Recycling Law		Recycling Law	
Global conventions		Convention on Persistent Organic Pollutants (POPs)					

As an initiative to help prevent climate change in the procurement stage, Casio requests suppliers not to use greenhouse gases in the manufacturing process, and also to ascertain and reduce their emissions of CO<sub>2</sub>. In the development and design stages, Casio promotes product development by setting targets that surpass its competitors' products with the best energy consumption efficiency in the same category.

# Green purchasing

Casio is committed to green purchasing, or the proactive effort to purchase environmentally friendly indirect materials, which includes office supplies and office equipment (excluding software). Casio has been promoting its goal of a 70% green purchasing rate\*1 in fiscal 2010 at sites that have adopted the CATS e-P System,\*2 a goal established in fiscal 2009. In fiscal 2010 the target was achieved with a rate of 70%. In fiscal 2011, Casio worked toward a green purchasing target rate of 75% by fiscal 2013. However, due to the major changes in economic conditions since 2009, performance has been slipping in fiscal 2010 and 2011. Casio will analyze results and take further steps to improve the green purchasing rate, aiming to achieve its goal in fiscal 2013.

## ■ Green purchasing rate (in terms of number of purchases)



\*1 Sites that have adopted the CATS e-P System:

(As of March 31, 2007: 1 company)

Casio Computer Co., Ltd.: Headquarters, Hamura R&D Center, Hachioji R&D Center, Eastern Japan hub centers (Chiyoda, Sendai, Saitama, Yokohama, Chiba, and Special Sales Office), and Western Japan hub centers (Nagoya, Osaka, Hiroshima, and Kyoto)

(As of March 31, 2008: added 8 companies, reaching a total of 9)

Casio Information Service Co., Ltd.  
 Casio Communication Brains, Inc.  
 Casio Business Service Co., Ltd.  
 Casio Information Systems Co., Ltd.  
 Casio Electronic Manufacturing Co., Ltd.  
 Casio Human Systems Co., Ltd.  
 Casio Techno Co., Ltd.  
 Yamagata Casio Co., Ltd.

(As of October 1, 2011: added 1 company, reaching a total of 10)

Casio Marketing Advance Co., Ltd.

\*2 Green purchasing rate(%):

$$\frac{\text{Number of purchases of stationery, office supplies, and office equipment (excluding software) with an environmental mark}}{\text{Number of purchases of office supplies and office equipment (excluding software)}} \times 100$$

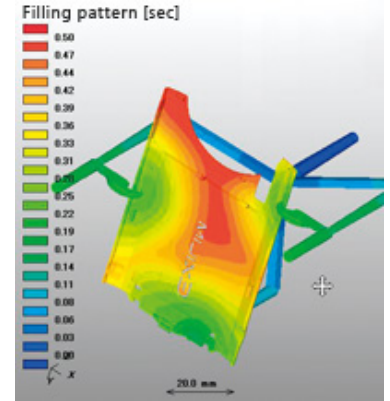
# Production

This section describes Casio's environmental protection initiatives in the area of general production.

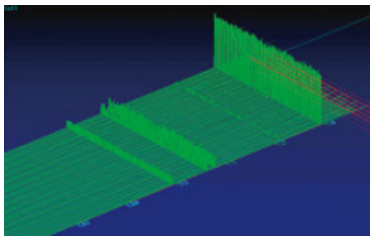
## Saving resources by eliminating defects

At Yamagata Casio, which boasts the most advanced manufacturing technologies of any Casio facility, a computer-simulated system is adopted for the design process in an effort to eliminate the creation of defective products even before the trial production stage.

They calculate the flow of resin inside a mold, and try to predict and resolve any problems that might occur in the manufacturing process. This enables production to begin without a test production phase, thereby minimizing the waste of resources.



Simulation display



Mold diagnostic system using AE

In the mass production stage, the condition of the molds used to form components is analyzed digitally using acoustic emission (AE) technologies that Yamagata Casio developed itself. This technology detects even slight deformations or cracks that appear in the mold over the course of manufacturing many tens of thousands of parts, sounding an alarm before such problems can have an impact on product quality. This prevents the generation of defective products

As an indication of the success of these initiatives, the factory is now using parts per million (PPM) rather than a percentage (%) as the index to manage its defective product production rate.

[Environmental performance data at production sites \(Environmental Data\)](#)



# Offices

All Casio office sites are engaged in efforts to reduce CO<sub>2</sub> emissions and cut resource use by upgrading office equipment and improving work processes.

## Reducing power consumption through server integration

Casio has vastly reduced its energy consumption by integrating the servers that had once been disparately located across the group.

### Server integration results

815 servers had been integrated by March 2012.

### Effects of reducing power consumption through server integration

This server integration effort is resulted in a total reduction in power consumption of 1,220,000 kWh, yielding a reduction in CO<sub>2</sub> emissions of 444 tons.

### Contributing to Green IT Through Server Integration

	Through Mar. 2011	Apr. 2011 - Mar. 2012	Cumulative total
Number of servers integrated (machines)	681	134	815
Annual power consumption reduction (kWh)*1	1,021,500	201,000	1,222,500
Annual CO <sub>2</sub> reduction (tons-CO <sub>2</sub> )*2	370.8	73.0	443.8
Number of Japanese cedars needed to absorb this amount (trees)*3	26,486	5,214	31,700

\*1: Calculated based on a 1,500 kWh reduction per server per year.

\*2: Calculated based on CO<sub>2</sub> emissions of 0.363 kg/kWh. From Japan's Ministry of Internal Affairs and Communications, "Report by the Study Group on ICT Policy for Addressing Global Warming," April 2008.

\*3: Based on a document published by the Forest Agency of Japan's Ministry of the Environment, "Absorption Source Countermeasures for Greenery to Prevent Global Warming," indicating that a single Japanese cedar tree absorbs about 14 kg of CO<sub>2</sub> annually.

## Casio Europe's energy-efficient building

Casio's office sites have shifted from focusing on reducing CO<sub>2</sub> per unit of production to cutting the total volume of CO<sub>2</sub> emitted across the entire Casio Group. In January 2009, Casio Europe integrated its offices, distribution center, and service center, which had previously been separately located around Germany, into a new energy-efficient building.



CASIO Europe

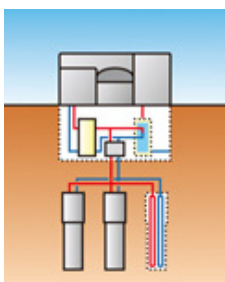


Diagram showing the use of geothermal heat

This building has an innovative air conditioning system that uses geothermal exchange equipment 130m below ground to pump water through pipes embedded in the concrete ceiling and floor of the building. The system pumps cool water in the summer and hot water in the winter to either cool or heat the building.

Energy consumption in the building is further reduced by controlling room temperatures using blinds that open and close automatically according to the weather as well as proper ventilation. In fiscal 2012, CO<sub>2</sub> emissions were reduced by about 45% compared to fiscal 2009 before relocation to the new building, based on a total floor space comparison.

## Hachioji R&D Center takes on the challenge of climate change and environmental preservation

The Hachioji R&D Center was designed and constructed to reduce CO<sub>2</sub> emissions in order to contribute to the fight against climate change. The center continues to take on the challenge of environment protection. Some of its innovations are highlighted below.

### Ongoing power-saving activities

Designed as an environmentally friendly building, the Hachioji R&D Center was completed in November 2003. The center is equipped with energy-saving features such as high-efficiency vertical thermal storage tanks, a natural ventilation system, automatic blinds, lighting control, and equipment control based on weather forecasting. With the participation of the construction and building management companies, the center holds ongoing meetings to consider power-saving measures. Thus, instead of just relying on its hardware, the center has been enthusiastically pursuing other improvements such as finely tuned temperature control, and the revision of operation methods based on actual daily data.

As a result of these efforts, in fiscal 2010, five years after the base year of fiscal 2005, the center was able to reduce CO<sub>2</sub> emissions by 27.5%. In fiscal 2011, the organization and number of employees at the center were streamlined, but then in fiscal 2012, the number of employees increased. This brought about a corresponding significant decrease and then increase in CO<sub>2</sub> emissions. However, CO<sub>2</sub> emissions for both years were still about one third of that in the base year.

	Base year emissions (FY2005)	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
Emissions (tons)	2,952	2,802	2,618	2,452	2,303	2,140	705	961
Reduction rate compared to the base year		5%	11%	17%	22%	28%	76%	67%

Figures reported up to fiscal 2010 differ due to a change in the CO<sub>2</sub> emissions calculation method

[Click here to see CO<sub>2</sub> emissions from office sites \(environmental data\)](#)

### The Hachioji R&D Center – environmentally friendly since the design stage



#### Thermal storage tanks

The water in the tanks is chilled using cheaper power at night, and the tanks are then used to cool the offices in the daytime. These distinctive thermal storage tanks are noticeable even from a distance, and have become an energy-saving symbol for the entire Hachioji R&D Center.

The air-conditioning system at the Hachioji R&D Center features large vertical thermal storage tanks that go up through the floors of the building. They contain water that is cooled during the night, and then used to enable indoor climate control during the day. Although the system can operate entirely on its own, it is actually run with human guidance, for “semi-automatic” operation. In other words, by having human technicians fine tune the system's automatic operation, greater savings in energy consumption and CO<sub>2</sub> emissions are being achieved. Technology plus human creativity combine to protect the environment.

### Natural ventilation system maximizes use of outside weather conditions

No heating equipment is needed at the Hachioji R&D Center. This is because the building has comprehensive protection against cold weather, which prevents interior heat from escaping and improves thermal efficiency. Since room temperatures increase even in winter, due to body heat and heat from equipment such as computers, the interior is cooled by letting in the right amount of outside air, thereby maintaining optimal temperature control. Mechanical ventilation is employed to bring in outside air only when air circulation from natural ventilation becomes insufficient. This helps to minimize power costs.

## Making the most of sunlight with automatic blinds

The opening and closing of the blinds is controlled automatically by calculating the position of the sun and using sensors to detect its intensity at the same time. Thanks to this technology, a comfortable interior environment is maintained. There are also sensors to detect room brightness and human movement for automatic control of interior lighting. This helps eliminate unnecessary electrical usage. Through these measures, the Hachioji R&D Center is contributing greatly to the reduction of CO<sub>2</sub> emissions, thereby helping in the fight against climate change and protecting the environment. While fully utilizing the environmentally friendly functions of this energy-saving building, the center is implementing cycles of improvement, operation, results, verification, and evaluation in order to achieve even more power savings in the future.



### **Automatic blinds**

The automatic blinds help to maintain optimal interior temperatures and lighting through automatic control of natural light. They block the intense summer sun. In addition, employees came up with the idea of saving more electricity by opening the blinds at lunchtime to let light in and turning off the lights.

# Environmental Management



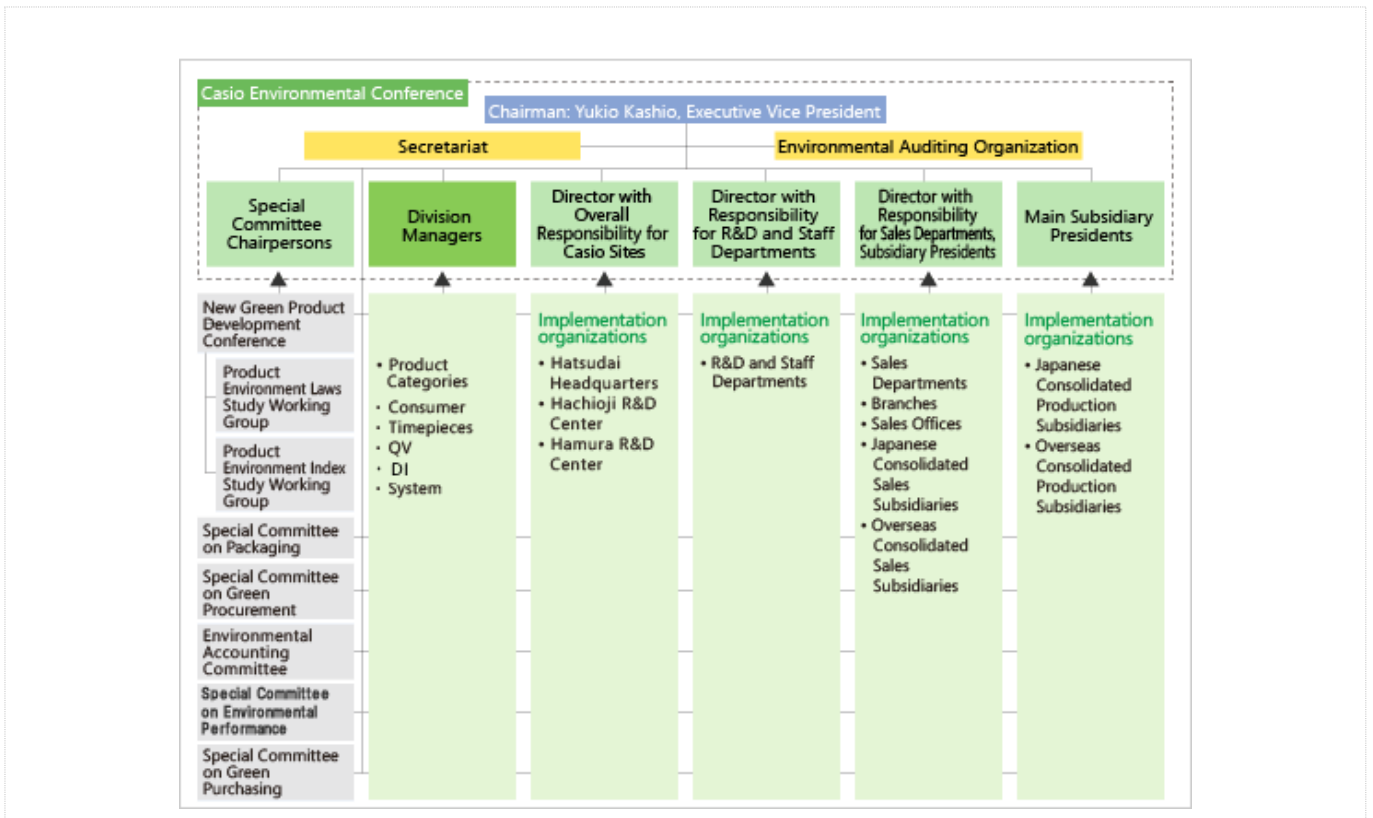
Casio's environmental management system is driven by the biannual Casio Environmental Conferences. The company makes the most of this system to implement its environmental management strategy.

## Implementation framework

The biannual Casio Environmental Conferences decide on the company's specific environmental plans, including its environmental policies and action plan targets. Positioned within the conference are special committees that deal with environmental issues shared by all group companies. Each business site and group company then implements the policies and plans.

The international environmental management standard such as ISO 14001 has been adopted at each Casio site and group company, and 99.3% of all group employees now work at sites with ISO 14000 certification. The smaller business sites where it is difficult to implement this standard continue to use Casio's independent environmental management system.

## Structure of the Casio Environmental Conservation Committee



(April 2012)

## List of ISO 14001 Certified Sites

Certified and registered site	Date acquired
Yamagata Casio Co., Ltd.	November 1997
Casio Electronic Manufacturing Co., Ltd.	September 1999
Casio Business Service Co., Ltd.	January 2000
Hamura R&D Center, Casio Computer Co., Ltd.	October 2000
Hachioji R&D Center, Casio Computer Co., Ltd.	October 2000
Headquarters, Casio Computer Co., Ltd. (including seven sales sites)	December 2000
Casio Human Systems Co., Ltd.	December 2001
Casio Techno Co., Ltd.	May 2002
Casio Computer (Hong Kong) Ltd., Panyu Factory	September 1999
Casio Computer (Hong Kong) Ltd.	December 1999
Casio (Thailand) Co., Ltd.	July 2012
Casio Taiwan Co., Ltd.	December 2001
Casio Electronics (Shenzhen) Co., Ltd.	February 2002
Casio Electronics (Zhongshan) Co., Ltd.	April 2002

## Compliance with Environmental Laws

In fiscal 2012, Casio was not subject to any legal violations, penalties, fines, or lawsuits relating to the environment.

# Environmental Compliance

Worldwide, environmental regulations are being strengthened to preserve the beauty of the Earth. Whether global or local, compliance with environmental regulations has become an integral part of the corporate mission. Companies today recognize the need to address issues such as risk management and environmental information disclosure, while complying with greenhouse gas emissions regulations, the prohibition of products containing harmful chemical substances and ISO 14001 legal requirements. Here is an overview of Casio's environmental compliance initiatives.

## Standards management and audits: Regular internal audits and third-party audits

There are 14 Casio sites which have obtained ISO 14001 certification.

Each of these sites regularly implements conditions management and improvement activities by measuring concentrations of dust, SOx, and NOx in exhaust emissions, based on voluntary standards and standards established by national and local governments. They also measure wastewater quality (water containing harmful substances). Moreover, the sites measure and report usage conditions for harmful atmospheric pollutants, as well as handling quantities and atmospheric emissions of volatile organic compounds (VOCs).

Each site trains internal environmental auditors and environmental provisional auditors. In addition to carrying out internal audits, third-party audits by external organizations are also regularly performed, and improvement activities are carried out.

Going forward, Casio will work to improve the environmental risk detection skills of its internal environmental auditors, as a way to improve its overall environmental audit capability. Casio will also seek to improve auditors' understanding of various environmental laws, and provide training in worldwide laws relating to chemical substance control and information management. Casio intends these auditors to lead the way in environment compliance, starting at the local site, by discovering issues and proposing ways to improve.

## Compliance relating to product development, design, and manufacturing

In recent years, laws and regulations on the environmental performance of products have become stricter. In addition to stricter regulations in EU nations and US states, stronger laws are also being discussed and enacted in the newly emerging economies of Asia and Latin America, referencing those already established by developed countries. In some cases, the newer laws are based on the established ones, but they often have small differences in the specific requirements. It is vital for Casio to interpret these regulations properly, and make whatever product adjustments are needed.

Accordingly, Casio always obtains the latest news from each region and specialized information services, while also exchanging information with other companies in the same industry. The information is used to check that Casio products meet legal requirements. The company analyzes the text of laws including those under deliberation, and establishes specific product response policies immediately after new laws are officially announced, ensuring that all Casio products are legally compliant.

Casio has established a Product Environment Law Study Working Group within its New Green Product Development Council. The working group includes representatives from the environmental management, technology, development/design, and sales departments, and investigates measures for product compliance. The group members share information, establish reasonable response policies, and confirm response progress, for efforts relating to both current and future laws. They also offer support to the development, design, manufacturing and sales departments.

The working group performs the following.

1. Gathering and sharing legal information from and with sources such as industrial associations, sales companies in each region, information services, and other companies in the same industry
2. Analyzing and interpreting legal information
3. Ensuring obligations are met by manufacturing, import, export, and sales entities
4. Creating development and design standards, and conducting inspections
5. Improving the usage efficiency for design support tools (database of chemical substances contained in products, etc.)

With the enactment of some regulations carrying severe penalties, Casio also recognizes the need to keep strengthening risk management.

## Compliance Relating to Chemical Substances Contained in Products

Countries around the world have implemented new laws pertaining to chemical substances contained in electrical and electronics products, while existing laws continue to be strengthened each year. Individual laws and regulations vary in terms of the applicable chemical substances, regulated applications, exempt applications, threshold values, scope, and requirements (content restrictions, labeling, and information provision, etc.).

Casio has consolidated the requirements of various laws on chemical substances contained in products and has incorporated them into the Casio Green Procurement Standards. The development and design departments are then able to comply with regulations worldwide by checking a database to see whether a part or material to be included in a product meets the Casio Green Procurement Standards.

## Compliance Relating to the Proper Collection, Recycling, and Disposal of Used Products

Countries around the world also have regulations for the collection and recycling of used electrical and electronics products, packaging materials, and batteries. Companies must comply with the requirements of each law including product design to save resources and facilitate recycling, labeling and information provision to promote user participation in the sorted collection of products for recycling, as well as information provision for proper product disposal.

Through audits at the end of the product design process, Casio evaluates each product design in terms of resource savings, ease of dismantling, recycling potential, and recycled material content. Confirmation is also made to see whether the recycling symbols and displayed information meet legal requirements worldwide.

## Compliance Relating to Power Consumption

There are also regulations on power consumption and efficiency for electrical and electronics products including external power supplies and chargers, based on product categories and power source types. Companies must also meet various requirements relating to power consumption and efficiency, including regulations that require the meeting of minimum standards and those that mandate the display of power consumption information. Casio confirms the applicable regulations for each of its products, and carries out product development and design to meet the requirements. Approval applications and reports are made to the relevant agencies as necessary.

## Compliance Relating to Energy Saving and the Prevention of Global Warming

The following measures to comply with regulations on energy saving and the prevention of global warming are important efforts to achieve Casio's medium and long-term Environmental Vision and Environmental Declaration for the realization of a low-carbon society.

### 1. Act on the Rational Use of Energy

Casio Computer Co., Ltd., and certain group companies in Japan are working on the rationalization of energy use, as applicable business entities under the Act on the Rational Use of Energy. In addition to the regular submission of reports and medium and long-term plans since fiscal 2010, these Casio entities have set up management systems according to the determination standards relating to the rational use of energy.

### 2. Act on the Promotion of Global Warming Countermeasures

Casio Computer Co., Ltd., and applicable group companies do not exceed the standards for emissions of greenhouse gases other than CO<sub>2</sub> arising from energy use set by Japan's Act on the Promotion of Global Warming Countermeasures. They are complying with requirements for the reporting of greenhouse gas emissions, by regularly submitting reports under the Act on the Rational Use of Energy.

### 3. Environmental Regulations in Tokyo

Since fiscal 2009, the Tokyo Cap-and-Trade Program for greenhouse gas emissions has been in effect for large business facilities (with energy usage of more than 1,500 kl per year, crude oil equivalent) located in Tokyo. The system requires companies to reduce total greenhouse gas emissions against standard emission amounts in each upcoming five-year reduction period.

A system for Reporting on Measures against Global Warming was also introduced in fiscal 2010, for all small and medium-size business facilities (with energy usage of less than 1,500 kl per year, crude oil equivalent) in Tokyo.

The applicable Casio Group sites understand the purpose of the program and are ascertaining current conditions, implementing measures and preparing/submitted mandatory and voluntary reports based on the ISO 14001 management system.



## Compliance relating to environmental information disclosure

There is a growing international movement calling for the creation of information disclosure standards for companies.

Along with the need for Japanese standards to coincide with the International Financial Reporting Standards (IFRS), there is a movement calling for the provision of Management Commentaries (MC) as a form of disclosure of non-financial and corporate forecast information. In other words, companies will need to disclose non-financial data which describes the connections between the company's current situation, business strategy, risks, and financial performance, and other relevant information.

In order to provide its stakeholders with the proper environmental information in a way that it is easy to understand, Casio has the following aims.

1. To adopt more accurate indices relating to environmental impact, and to provide comparable information
2. To provide non-financial information including environmental information that indicates the connections with corporate strategy
3. To explain the capability of environmental information to improve corporate performance

Along with working to disclose environmental information, Casio will promote international disclosure standards for non-financial information, and work towards standardization.

### Highlight: Participating in the Wal-Mart Sustainability Index Project

Sustainability is becoming a key word for manufacturers, retailers and suppliers. Recently, retailers are aggressive about achieving their sustainability goals. Manufacturers and suppliers need to respond and be actively involved in retailers' initiatives. For example, Wal-Mart is actively engaged in sustainability initiatives. One of its initiatives is a Sustainability Index.

Wal-Mart conducted a Supplier Sustainability Assessment which is a brief survey to evaluate supplier's sustainability in 2009, and Casio responded to the survey.



Global Milestone Meeting hosted by Wal-Mart in July 2009, in Arkansas (Photo courtesy of Wal-Mart)

# External Evaluation

## Casio data projector wins 2011 Product of the Year Eco Mark Award



Product of the Year award winner  
Data projector standard model  
(3,000 lumens)



Eco Mark award logo (2011)

Casio's data projector has been awarded "Product of the Year" as part of the Eco Mark Award 2011, organized by the Japan Environment Association.

The Eco Mark Award, which was established in 2010, recognizes companies and organizations that work proactively to "create a sustainable society through consumer product selection based on environmental awareness and corporate efforts to improve the environment," which is the objective of the Eco Mark Program.

The Product of the Year prize was launched in fiscal 2012. A selection committee chooses a product from among all Eco Mark certified products which particularly excels in areas such as environmental performance, innovative qualities and eco-friendly design. Casio's data projector and one other product from another company were selected to be the first ever Eco Mark Products of the Year.

- Casio's award-winning product

- Data projector standard model (3,000 lumens)
  - Eco Mark Certification No.: 10 145 015

- Rationale for Selection

- Most of the projectors on the market today use high-pressure mercury lamps, which have issues in terms of short product life and disposal. Thanks to its 3,000-lumens Laser & LED Hybrid Light Source, Casio's data projector is an innovative product unmatched by other companies. The lamp also has a long life of 20,000 hours (compared to the Eco Mark standard of 3,000 hours), and with a maximum of 190 watts, it boasts the lowest power consumption during usage (Eco Mark standard is 311 watts). The projector offers outstanding environmental design over the entire product lifecycle, and should become the standard for next-generation products in the projector market. In addition, Eco Mark is actively promoted on the product website and catalogue, as well as in product advertising in newspapers, magazines and on trains. This projector also received high marks for helping to convey new environmental considerations to consumers.

# Environmental Communication

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

## Elementary school students visit the Hachioji R&D Center

The Hachioji R&D Center at Casio Computer Co., Ltd., has developed an educational program for elementary school students in Japan. In August 2007, it began to offer learning opportunities that include site tours and school visit programs. In addition to three schools in Hokkaido, the program has so far provided learning opportunities to students at 17 schools in Tokyo.

The Hachioji R&D Center, the home of the program, is one of the most advanced environmentally friendly buildings in the Casio Group. Visitors can see the actual facilities the company is using and understand methods used to reduce environmental impact.

The students not only learn about Casio, but also the fun of product creation, including the history of the calculator. They even get a chance to take apart and reassemble calculators.



Touring the facilities at the Hachioji R&D Center



Calculator disassembly and reassembly activity

## Adopting tulips and Ohga lotus plants

Hamura City, located in Tokyo, is promoting tulip cultivation as an effort to preserve fallow rice fields and to make effective use of rice fields after their crops have been harvested. Casio has been a foster-sponsor of these tulips since 2004. Every year, many tourists visit these tulip fields, the largest in the Kanto region. Since 2006, Casio has also been a foster-sponsor involved in the preservation and cultivation of Ohga lotus plants, an ancient form of lotus flower excavated from ruins dating back to ancient times (c. 400 BC~300 AD).



Casio is a foster-sponsor of this tulip field



A full view of the tulip fields

## Exhibiting at Eco-Products 2011

Every year Casio exhibits at Eco-Products, the largest environmental trade show in Japan. Held at Tokyo Big Sight from December 15 to 17, 2011, Eco-Products 2011 marked its 13th year with more than 180,000 visitors in attendance and over 700 companies and organizations setting up exhibits to display their environmentally friendly products and services.

Casio has exhibited each year since Eco-Products began. In 2011, Casio showcased its initiatives to help build a low-carbon society and protect biodiversity under the theme of “Harmony with Nature.” The concept behind this year’s show was the creation of a sustainable society through projects that emphasize the natural environment and the precious blessings it provides: energy and natural resources. Based on this concept, Casio showcased Casio Green Star products and a wide range of environmental initiatives undertaken by the Casio Group.

Casio’s stage featured an interactive quiz for visitors and a witty performance by a stand-up comedian describing everyday examples of saving energy and caring for the natural environment. The exhibition space provided accessible explanations of the environmentally friendly aspects of Casio’s products through catchy slogans and a quiz in the form of a “stamp rally,” by which visitors collect stamps to win prizes. In addition, Casio’s popular calculator assembly classes, held every year at the event, attracted a large number of children, teens, and students.

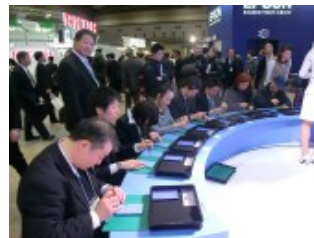
By continuing to exhibit at Eco-Products in the future, Casio will keep informing people about its wide range of environmental efforts and work to promote new concepts and policies for approaching the environment.



Promoting harmony with nature



An interactive stage for visitors



Calculator assembly classes were offered to adults, too, this year



A sphere made of ice shows an image of the natural world

## Participation in CES

Casio exhibits every year at the Consumer Electronics Show (CES), one of the world’s largest events of its kind. In fiscal 2012, the show was held in Las Vegas from January 10 to 13, 2012. With a vast turnout of over 150,000 visitors, CES 2012 provided an excellent opportunity for Casio to promote its innovative new products.

Casio’s environmental exhibition area showcased initiatives to create a low-carbon society and protect biodiversity under the theme of “Harmony with Nature.” On display were Casio Green Star products, including watches and projectors, with clearly presented explanations using attractive panels.

In its projector exhibition area, Casio displayed its mercury-free, energy-saving data projectors equipped with a hybrid light source that combines LED and laser technologies, along with digital signage and other items that make use of the special benefits offered by these products.



Emphasizing nature and its blessings



Watches that use natural energy



Mercury-free data projector that save energy



Protecting biodiversity and caring for nature

## Supporting activities of the ICERC

Ever since the International Dolphin and Whale Conference was held in Japan in 1994, Casio's G-Shock and Baby-G brands have been working with the International Cetacean Education Research Center (ICERC) Japan\*1 in supporting education and research activities involving dolphins and whales in Japan and around the world.

To convey the natural wonder and beauty of dolphins and whales to as many people as possible, Casio has produced watches imprinted with the "All as One" slogan and logo, and supports the activities of ICERC Japan.

\*1: ICERC Japan (International Cetacean Education Research Center)  
<http://www.icerc.org/>



## Supporting the ICERC Ocean Environmental Classroom Project

Casio supports the ICERC Ocean Environmental Classroom Project. Support is provided for environmental lessons on dolphins, whales, and the sea, where people of all ages, children to adults, can have fun learning by seeing, touching, and creating things. Casio will continue to work to realize the sustainable coexistence of people, the ocean, and its dolphin and whale population.



Photo provided by ICERC Japan

## 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.

### The Beautiful Tama River Forum

In fiscal 2012, Casio began providing support for the Beautiful Tama River 100-Year Plan, which aims to make the Tama River beautiful through three main types of projects promoting the economy, environment, and cultural education.



## Initiative to Save Otoguro Cherry Trees

Otoguro cherry trees (scientific name: *Cerasus serrulata*, or "Komatsunagi") are a type of wild cherry that comes into full bloom in mid April. They have white blossoms measuring 5 to 6 cm, and the leaves emerge at the same time as the blooms.

In the late 19th century and early 20th century, this cherry tree variety was growing along the banks of the Fuefuki River, which flows through present-day Chuo City in Yamanashi Prefecture. The Otoguro cherry gets its name from the Otoguro Embankment in the Otoguro District, where the trees used to bloom. This variety of cherry tree has long been a favorite of the people in that region.

However, with the improvement of the Fuefuki River in 1932, the Otoguro cherry trees were cut down. Mr. Matsuhiko Tanaka of Otoguro District grew grafted seedlings from a few remaining descendent trees, in order to bring back the historic Otoguro cherry. His activities eventually came to fruition, and a volunteer group for saving the Otoguro cherry was established in 2002. The Tamaho-cho (now Chuo City) Board of Education lifelong learning center led the whole community in efforts to save and cultivate Otoguro cherry trees. This was achieved through cutting and grafting methods using a few remaining descendents of the original trees.

As part of Kofu Casio's environmental activities, the company offered to participate in the cultivating of this endangered type of cherry tree, for the purpose of preserving the variety and beautifying the landscape around the plant. Kofu Casio received a donation of trees from Tamaho-cho (now Chuo City) in 2004, and over the three subsequent years, the company planted more than 30 Otoguro cherry trees. All the transplanted trees took root, and every spring they provide a beautiful display of blossoms for people to enjoy on the grounds of the Kofu plant.

The Otoguro cherry serves as a symbol of the connection between Casio and the people of Chuo City. The company is proud of its early participation in helping to preserve the tree variety, as part of its biodiversity protection efforts on the local level. This is just one example of Casio's vision of harmony among people, businesses, and living things.

In fiscal 2013, the Kofu Office of Casio Business Service Co., Ltd., took over Kofu Casio's effort.



Otoguro cherry trees on the grounds



## Independent Verification Report

22 August 2012

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 2011 (1 April 2011 – 31 March 2012) for inclusion in the Casio Sustainability Report 2012(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, SF<sub>6</sub>, GHGs other than SF<sub>6</sub>, VOC, PRTR substance, rainwater use and waste water use. 2)Outputs: GHGs (CO<sub>2</sub>, SF<sub>6</sub>, Other GHGs) , Air Pollutants (NO<sub>x</sub>, SO<sub>x</sub>, Dust), VOC emissions, Waste water, BOD, PRTR substance, waste generated, Landfill Disposal, Recycle waste, 3) CO<sub>2</sub> emissions from Logistics and Sales, 4) CO<sub>2</sub> emissions from products use.

The total of 39 business sites are covered, which comprises of 6 production sites and 12 offices in Japan and 3 production sites and 18 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, based on KCSI's own standards(Verification standard of Greenhouse Gas emissions is an equivalent level to ISO14064-3).

- 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 on the Sustainability Report 2012

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. Casio is now at a stage where the plan-do-check-act (PDCA) management cycle, with a focus on reducing the company's environmental impact, should be used to expand CSR initiatives group-wide.

## Commendable efforts by Casio

- Regarding its medium- to long-term [environmental management policy](#) Casio has set greenhouse gas targets for fiscal 2021 and 2051, with the aim of helping to realize a low-carbon society. The fact that the company received "Product of the Year," a new award established by Eco Mark in fiscal 2012, shows that the company is putting its policies into practice. In addition to efforts within the group and supply chain, I have strong expectations that Casio will develop initiatives that cover the entire product lifecycle including the customer stage, such as providing instructions on optimal product usage and improving the recycling rate at the time of disposal, as well as disclose information on the progress of those initiatives.
- As [an initiative to improve supplier CSR](#) Casio conducted a questionnaire using a five-point scale on issues such as reducing environmental impact and protecting the human rights of employees, and responses were received from 178 suppliers. By providing feedback on the results, and making audit visits to some suppliers, Casio sought to ascertain and quantify the situation of CSR at its suppliers. In the future, I recommend that Casio ask suppliers to provide objective proof for the grounds for their self-assessment of initiatives, and work towards making the specific measures and issues even more readily visible. I also hope that Casio will further advance its system for sharing effective measures, giving awards to outstanding suppliers and fostering communication to solve problems.

## Points for improvement while commending progress to date

- As [part of the CSR promotion system](#), it is admirable that Casio's CSR Committee has established nine initiative themes. However, the theme targets will not bring Casio up to a strategic level to realize the company's desired position several years from now. Therefore, it is strongly advisable that Casio set targets based on the global economy and the trends at competitors (particularly for globalization in the human resources division and the utilization of human resources diversity), while verifying issues and putting measures into practice based on clear indicator setting.
- Regarding the fostering of a CSR culture throughout the group, it is commendable that Casio maintains a CSR series in its in-house magazine, Casio. In the future, I hope that CSR messages from senior management will be issued frequently, and that they will be translated into multiple languages and distributed to Casio sites around the world. I urge Casio to make active use of the in-house magazine and social network services in order to increase opportunities for ensuring that employees on the frontlines, at headquarters, and at sites around the world get a rapid and detailed understanding of the company's initiatives.
- Thanks to [efforts to create more supportive workplaces for employees](#), 4.72% of employees made use of Casio's leave and reduced working hours programs for childcare and nursing care. With an expected increase in employees that continue to work while caring for a family member at home, the company needs to provide more opportunities for users of these programs to share their awareness of issues and how they overcame them.

## Points for improvement

- Concerning [the utilization and improvement of human resources diversity throughout the group](#), it is essential that Casio promote further globalization in future business development. Looking at the entire group ten years from now, there should be a portfolio of global human resources that can move across divisional and company boundaries. A global human resources officer needs to be appointed who can oversee and promote employee hiring, training, and exchange. Human resources databases should also be constructed for a comprehensive picture of staff in each country. Using efforts such as these, Casio is strongly recommended to create systems and strategies for the active utilization of human resources diversity, as a truly global company.
- In the area of [employing persons with disabilities](#), Casio's performance for the consolidated group in Japan fell below the legally mandated rate of employment, although the reason as the transfer of a group company. As I have pointed out before, Casio must promote community creation efforts based on disability and job types. Again, I strongly urge the company to continue making workplaces more supportive.
- 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)



川北 秀人 氏

# G3.1 GRI Content Index

By self-declaration, Casio's CSR information disclosure corresponds to GRI Application Level B.

G3.1 Disclosure	Description	Related Page
<b>1 Strategy and Analysis</b>		
1.1	Statement from the most senior decisionmaker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.	<a href="#">Message from the President Top Commitment(Enviroment)</a>
1.2	Description of key impacts, risks, and opportunities.	<a href="#">Message from the President</a> <a href="#">Risk management</a> <a href="#">Social Initiatives: Action Plans and Performance</a> <a href="#">Top Commitment(Enviroment)</a> <a href="#">New environmental management initiatives</a> <a href="#">Casio's fiscal 2013 environmental management policy for the realization of a sustainable society</a> <a href="#">Casio Environmental Vision 2050 and Casio Environmental Declaration 2020</a> <a href="#">Climate Change Action</a> <a href="#">Green Star Products</a> <a href="#">Environmental Action Plan (Targets and Performance)</a>
<b>2 Organizational Profile</b>		
2.1	Name of the organization.	<a href="#">Business Overview</a>
2.2	Primary brands, products, and/or services.	<a href="#">Business Overview</a> <a href="#">Corporate Report</a>
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	<a href="#">Business Overview</a>
2.4	Location of organization's headquarters.	<a href="#">Business Overview</a>
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	<a href="#">Business Overview</a>
2.6	Nature of ownership and legal form.	<a href="#">Business Overview</a>
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	<a href="#">Business Overview</a>
2.8	Scale of the reporting organization, including: <ul style="list-style-type: none"> <li>• Number of employees;</li> <li>• Number of operations;</li> <li>• Net sales (for private sector organizations) or net revenues (for public sector organizations);</li> <li>• Total capitalization broken down in terms of debt and equity (for private sector organizations); and</li> <li>• Quantity of products or services provided.</li> </ul>	<a href="#">Business Overview</a> <a href="#">Prioritizing local hiring and promotion at subsidiaries outside Japan</a>

2.9		Significant changes during the reporting period regarding size, structure, or ownership including: <ul style="list-style-type: none"> <li>• The location of, or changes in operations, including facility openings, closings, and expansions; and</li> <li>• Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations).</li> </ul>	<a href="#">Scope of the report</a>
2.10		Awards received in the reporting period.	<a href="#">Ensuring customer satisfaction</a> <a href="#">Building Workplaces for a Diverse Workforce</a>
<b>3 Report Parameters</b>			
<b>Report Profile</b>			
3.1		Reporting period (e.g., fiscal/calendar year) for information provided.	<a href="#">Scope of the report</a>
3.2		Date of most recent previous report (if any).	<a href="#">Scope of the report</a>
3.3		Reporting cycle (annual, biennial, etc.)	<a href="#">Scope of the report</a>
3.4		Contact point for questions regarding the report or its contents.	<a href="#">Inquiries</a>
<b>Report Scope and Boundary</b>			
3.5		Process for defining report content, including: <ul style="list-style-type: none"> <li>• Determining materiality;</li> <li>• Prioritizing topics within the report; and</li> <li>• Identifying stakeholders the organization expects to use the report.</li> </ul>	<a href="#">Editorial Policy</a>
3.6		Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	<a href="#">Scope of the report</a>
3.7		State any specific limitations on the scope or boundary of the report.	<a href="#">Scope of the report</a> <a href="#">Material Balance</a>
3.8		Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	<a href="#">Environmental Performance</a>
3.9		Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	<a href="#">Initiatives for Health and Safety</a> <a href="#">Climate Change Action</a> <a href="#">Environmental Data</a> <a href="#">Environmental Accounting</a>
3.10		Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	<a href="#">Environmental Performance</a>
3.11		Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	<a href="#">Scope of the report</a> <a href="#">Material Balance</a> <a href="#">Environmental Accounting</a>
<b>GRI content index</b>			
3.12		Table identifying the location of the Standard Disclosures in the report.	G3.1 GRI Content Index
<b>Assurance</b>			
3.13		Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).	<a href="#">Third-party verification</a>

## 4 Governance, Commitments, and Engagement

### Governance

4.1		Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	<a href="#">Corporate Governance</a>
4.2		Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement).	<a href="#">Corporate Governance</a>
4.3		For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	<a href="#">Corporate Governance</a>
4.4		Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	<a href="#">Corporate Governance</a>
4.5		Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	<a href="#">Annual Securities Report</a> <a href="#">Corporate Governance Report</a> ※
4.6		Processes in place for the highest governance body to ensure conflicts of interest are avoided.	In the event that a Casio director engages in a conflict-of-interest transaction, measures are to be taken based on the law, including measures requiring a resolution of the board of directors.
4.7		Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	As part of its efforts to appoint the best people to corporate officer positions, Casio ascertains whether an individual has the qualities required, selecting from a list of candidates who have demonstrated outstanding performance and character. Furthermore, human resources with officer candidate potential are developed through the right work experience, including management of affiliated companies and management in different fields.
4.8		Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	<a href="#">Casio's Corporate Creed and Approach to CSR</a> <a href="#">Environmental Vision</a> <a href="#">Green Star Products</a> <a href="#">Biodiversity</a> <a href="#">Casio Group Code of Conduct</a>
4.9		Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	<a href="#">CSR Implementation System</a> <a href="#">Corporate Governance</a> <a href="#">Environmental Management</a>
4.10		Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	<a href="#">CSR Implementation System</a>

Commitments to External Initiatives			
4.11		Explanation of whether and how the precautionary approach or principle is addressed by the organization.	<a href="#">Compliance and Risk Management</a> <a href="#">Environmental Compliance</a>
4.12		Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	<a href="#">United Nations Global Compact</a>
4.13		Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: <ul style="list-style-type: none"> <li>• Has positions in governance bodies;</li> <li>• Participates in projects or committees;</li> <li>• Provides substantive funding beyond routine membership dues; or</li> <li>• Views membership as strategic.</li> </ul>	<a href="#">United Nations Global Compact</a>
Stakeholder Engagement			
4.14		List of stakeholder groups engaged by the organization.	<a href="#">Main stakeholders of the Casio Group</a>
4.15		Basis for identification and selection of stakeholders with whom to engage.	<a href="#">Working to build a more sustainable world</a> <a href="#">Main stakeholders of the Casio Group</a>
4.16		Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	<a href="#">Stakeholder dialogue</a> <a href="#">Ensuring customer satisfaction</a> <a href="#">Responsibilities to Suppliers</a> <a href="#">Responsibilities to Society</a> <a href="#">Environmental Communication</a>
4.17		Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	<a href="#">Stakeholder dialogue</a> <a href="#">Ensuring customer satisfaction</a>
5 Management Approach and Performance Indicators			
Economic			
		Disclosure on Management Approach	<a href="#">Investor Relations</a>
aspect: Economic Performance			
EC1	CORE	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	
EC2	CORE	Financial implications and other risks and opportunities for the organization's activities due to climate change.	<a href="#">Climate Change Action</a>
EC3	CORE	Coverage of the organization's defined benefit plan obligations.	
EC4	CORE	Significant financial assistance received from government.	
aspect: Market Presence			
EC5	ADD	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	
EC6	CORE	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	
EC7	CORE	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	

aspect: Indirect Economic Impacts			
EC8	CORE	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	
EC9	ADD	Understanding and describing significant indirect economic impacts, including the extent of impacts.	
Environmental			
		Disclosure on Management Approach	<a href="#">Environmental Vision</a> <a href="#">Climate Change Action</a> <a href="#">Environmental Action Plan (Targets and Performance)</a>
aspect: Materials			
EN1	CORE	Materials used by weight or volume.	<a href="#">Material Balance</a>
EN2	CORE	Percentage of materials used that are recycled input materials.	<a href="#">Material Balance</a>
aspect: Energy			
EN3	CORE	Direct energy consumption by primary energy source.	<a href="#">Material Balance</a>
EN4	CORE	Indirect energy consumption by primary source.	<a href="#">Business Processes</a> <a href="#">Material Balance</a>
EN5	ADD	Energy saved due to conservation and efficiency improvements.	<a href="#">Business Processes</a>
EN6	ADD	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	<a href="#">Climate Change Action</a>
EN7	ADD	Initiatives to reduce indirect energy consumption and reductions achieved.	<a href="#">Business Processes</a>
aspect: Water			
EN8	CORE	Total water withdrawal by source.	<a href="#">Material Balance</a> <a href="#">Environmental Performance</a>
EN9	ADD	Water sources significantly affected by withdrawal of water.	
EN10	ADD	Percentage and total volume of water recycled and reused.	<a href="#">Environmental Performance</a>
aspect: Biodiversity			
EN11	CORE	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	
EN12	CORE	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	
EN13	ADD	Habitats protected or restored.	<a href="#">Environmental Communication</a>
EN14	ADD	Strategies, current actions, and future plans for managing impacts on biodiversity.	<a href="#">Biodiversity</a>
EN15	ADD	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	



aspect: Emissions, Effluents, and Waste			
EN16	CORE	Total direct and indirect greenhouse gas emissions by weight.	<a href="#">Climate Change Action</a> <a href="#">Material Balance</a> <a href="#">Environmental Performance</a>
EN17	CORE	Other relevant indirect greenhouse gas emissions by weight.	<a href="#">Climate Change Action</a> <a href="#">Material Balance</a> <a href="#">Environmental Performance</a>
EN18	ADD	Initiatives to reduce greenhouse gas emissions and reductions achieved.	<a href="#">Environmental Vision</a> <a href="#">Climate Change Action</a> <a href="#">Business Processes</a>
EN19	CORE	Emissions of ozone-depleting substances by weight.	
EN20	CORE	NO, SO, and other significant air emissions by type and weight.	<a href="#">Material Balance</a> <a href="#">Environmental Performance</a>
EN21	CORE	Total water discharge by quality and destination.	<a href="#">Material Balance</a>
EN22	CORE	Total weight of waste by type and disposal method.	<a href="#">Material Balance</a> <a href="#">Environmental Performance</a>
EN23	CORE	Total number and volume of significant spills.	
EN24	ADD	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	
EN25	ADD	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	
aspect: Products and Services			
EN26	CORE	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	<a href="#">Climate Change Action</a> <a href="#">Material Balance</a> <a href="#">Products</a>
EN27	CORE	Percentage of products sold and their packaging materials that are reclaimed by category.	<a href="#">Material Balance</a>
aspect: Compliance			
EN28	ADD	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	<a href="#">Environmental Management</a>
aspect: Transport			
EN29	ADD	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	<a href="#">Material Balance</a>
aspect: Overall			
EN30	ADD	Total environmental protection expenditures and investments by type.	<a href="#">Environmental Accounting</a>

Labor Practices and Decent Work			
		Disclosure on Management Approach	<a href="#">Charter of Creativity for Casio and Casio Common Commitment</a> <a href="#">Effectively appointing and deploying employees</a> <a href="#">Occupational health and safety activities</a> <a href="#">Casio Group Code of Conduct</a> <a href="#">Social Initiatives: Action Plans and Performance</a>
aspect: Employment			
LA1	CORE	Total workforce by employment type, employment contract, and region, broken down by gender.	<a href="#">Prioritizing local hiring and promotion at subsidiaries outside Japan</a>
LA2	CORE	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	
LA3	ADD	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	
LA15	CORE	Return to work and retention rates after parental leave, by gender.	<a href="#">Building Workplaces for a Diverse Workforce</a>
aspect: Labor/Management Relations			
LA4	CORE	Percentage of employees covered by collective bargaining agreements.	
LA5	CORE	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	
aspect: Occupational Health and Safety			
LA6	ADD	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	
LA7	CORE	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities, by region and by gender.	<a href="#">Initiatives for Health and Safety</a>
LA8	CORE	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	<a href="#">Initiatives for Health and Safety</a>
LA9	ADD	Health and safety topics covered in formal agreements with trade unions.	<a href="#">Initiatives for Health and Safety</a>
aspect: Training and Education			
LA10	CORE	Average hours of training per year per employee by gender, and by employee category.	<a href="#">Effectively appointing and deploying employees</a>
LA11	ADD	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	<a href="#">Effectively appointing and deploying employees</a>
LA12	ADD	Percentage of employees receiving regular performance and career development reviews, by gender.	
aspect: Diversity and Equal Opportunity			
LA13	CORE	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	
aspect: Equal Remuneration for Women and Men			
LA14	CORE	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	<a href="#">Effectively appointing and deploying employees</a>

Human Rights			
		Disclosure on Management Approach	<a href="#">Socially responsible procurement at Casio</a> <a href="#">Human Rights (Respect for Human Rights, Prohibition of Discrimination)</a> <a href="#">Casio Group Code of Conduct</a>
aspect: Investment and Procurement Practices			
HR1	CORE	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	
HR2	CORE	Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken.	<a href="#">Responsibilities to Suppliers</a>
HR3	CORE	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	
aspect: Non-Discrimination			
HR4	CORE	Total number of incidents of discrimination and corrective actions taken.	
aspect: Freedom of Association and Collective Bargaining			
HR5	CORE	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	
aspect: Child Labor			
HR6	CORE	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	<a href="#">Responsibilities to Suppliers</a> <a href="#">Human Rights (Respect for Human Rights, Prohibition of Discrimination)</a>
aspect: Forced and Compulsory Labor			
HR7	CORE	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	<a href="#">Responsibilities to Suppliers</a> <a href="#">Human Rights (Respect for Human Rights, Prohibition of Discrimination)</a>
aspect: Security Practices			
HR8	ADD	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	
aspect: Indigenous Rights			
HR9	ADD	Total number of incidents of violations involving rights of indigenous people and actions taken.	
aspect: Assessment			
HR10	CORE	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	
aspect: Remediation			
HR11	CORE	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	

Society			
		Disclosure on Management Approach	<a href="#">Philosophy on Social Contribution</a> <a href="#">Casio Group Code of Conduct</a> <a href="#">Social Initiatives: Action Plans and Performance</a>
aspect: Local Communities			
SO1	CORE	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	
SO9	CORE	Operations with significant potential or actual negative impacts on local communities.	
SO10	CORE	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	
aspect: Corruption			
SO2	CORE	Percentage and total number of business units analyzed for risks related to corruption.	<a href="#">Compliance and Risk Management</a>
SO3	CORE	Percentage of employees trained in organization's anti-corruption policies and procedures.	<a href="#">Casio Group Code of Conduct</a>
SO4	CORE	Actions taken in response to incidents of corruption.	
aspect: Public Policy			
SO5	CORE	Public policy positions and participation in public policy development and lobbying.	
SO6	ADD	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	
aspect: Anti-Competitive Behavior			
SO7	ADD	Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.	
aspect: Compliance			
SO8	CORE	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	

Product Responsibility			
		Disclosure on Management Approach	<a href="#">Quality Assurance</a> <a href="#">Casio Group Code of Conduct</a> <a href="#">Social Initiatives: Action Plans and Performance</a>
aspect: Customer Health and Safety			
PR1	CORE	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	<a href="#">Offering Users Peace of Mind</a>
PR2	ADD	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	<a href="#">Offering Users Peace of Mind</a>
aspect: Customer Health and Safety			
PR3	CORE	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	<a href="#">Green Star Products</a>
PR4	ADD	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	
PR5	ADD	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	<a href="#">Activities to Improve Customer Satisfaction</a> <a href="#">Customer Support Center/ Ensuring customer satisfaction</a>
aspect: Marketing Communications			
PR6	CORE	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	<a href="#">Initiatives for compliance with fair trade and advertising laws</a>
PR7	ADD	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	
aspect: Customer Privacy			
PR8	ADD	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	
aspect: Compliance			
PR9	CORE	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.	

※For Casio's Corporate Governance Report, visit [the Tokyo Stock Exchange website](#) (in Japanese only)