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CASIO SUSTAINABILITY REPORT 2016

CASIO

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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.

- Casio provides three channels of CSR reporting to meet the needs of different readers: the Sustainability website, the Sustainability Report, and the CSR Communication Book.

Sustainability Website

An easily searchable site that offers comprehensive information on Casio's CSR initiatives.

Sustainability Report 2016

A report containing information from the Sustainability website that can be downloaded in PDF format. It may be printed in part or in its entirety, for your reader convenience.

[Click here](#) to download the report.

CSR Communication Book 2016: "Welcoming the Challenge of Helping to Build a More Sustainable Global Society"

Highlights of Casio's CSR initiatives are presented based on the Charter of Creativity for Casio. The content is presented in a way that is easy to understand.



CSR Communication Book 2016: "Welcoming the Challenge of Helping to Build a More Sustainable Global Society"

[Click here](#) to download the report.

- The issues with the greatest materiality to Casio were specified based on the G4 Sustainability Reporting Guidelines from GRI. The process used to identify these material issues has also been reported.
- 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.

[Independent Opinion on the Sustainability Report](#)

[Third-party Verification Certificate](#) (PDF / 117KB)

- For details on Casio's management and financial information, visit the [Investor Relations site](#).

Scope of the report

- Period

This report covers fiscal 2016 (April 1, 2015 to March 31, 2016), and also includes some information pertaining to years before and after fiscal 2016.

- Issued

December 2016 (Previous publication: November 2015, next publication planned: November 2017)

- 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 11 sites of Casio Computer Co., Ltd., in Japan, 7 group companies in Japan, and 25 group companies outside Japan.

Guidelines used as a reference

- *G4 Sustainability Reporting Guidelines* from the Global Reporting Initiative (GRI)
- *Environmental Reporting Guidelines* (2007 Edition) issued by Japan's Ministry of the Environment
- *Environmental Accounting Guidelines 2005* issued by Japan's Ministry of the Environment
- ISO 26000 Guidance on Social Responsibility
(GRI Guidelines and ISO 26000 content indices are posted on the website.)

Inquiries

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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.

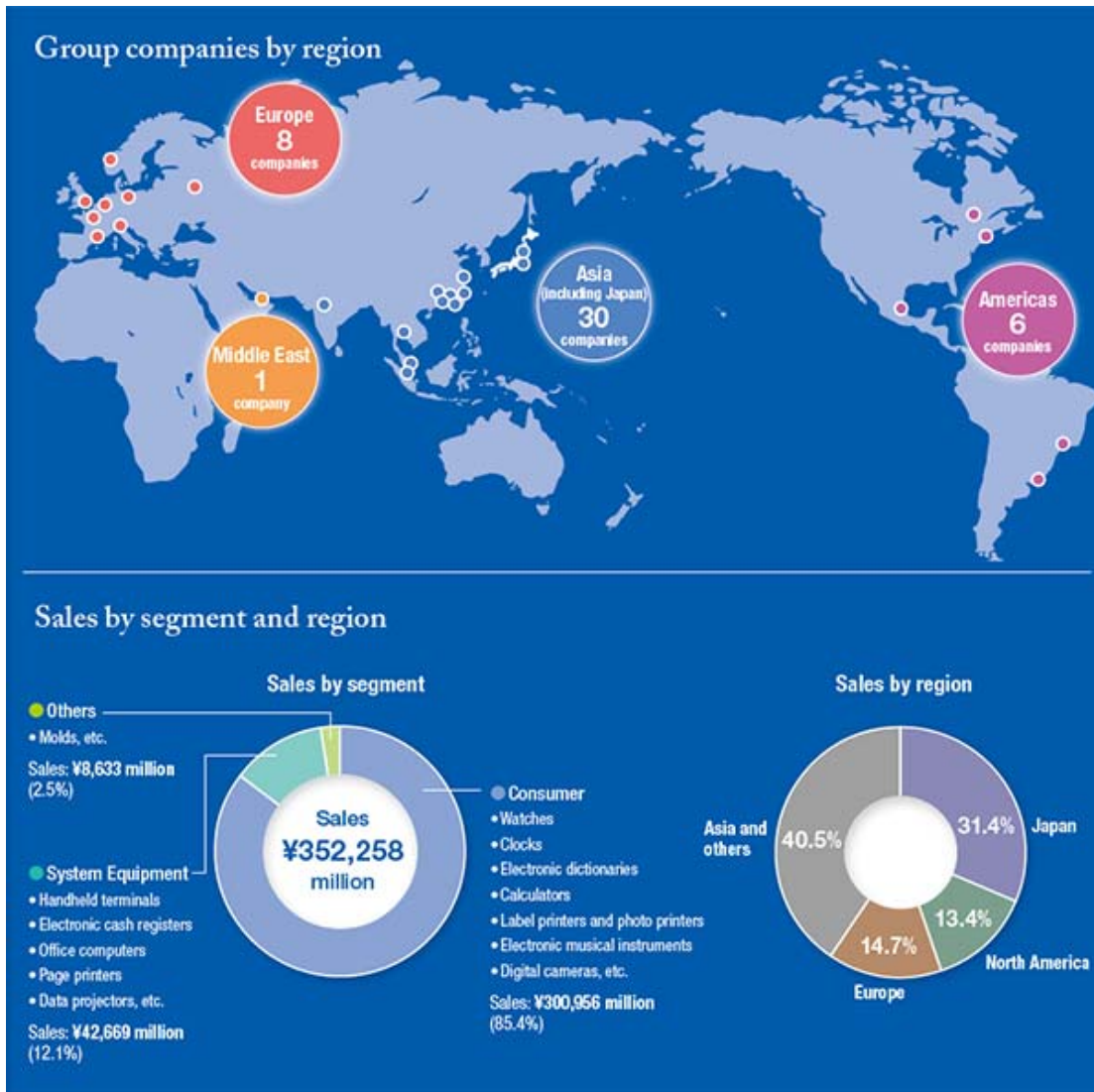
Corporate Overview

Company data

Name	Casio Computer Co., Ltd.
Headquarters	1-6-2, Hon-machi, Shibuya-ku, Tokyo, Japan, 151-8543
Established	June 1, 1957
President and COO	Kazuhiro Kashio
Chairman and CEO	Kazuo Kashio
Employees *	2,656 (consolidated: 11,322)
Paid-in capital *	¥48,592 million
Net Sales *	¥352,258 million (consolidated)
Operating income *	¥42,169million (consolidated)
Ordinary income *	¥41,069 million (consolidated)
Net income *	¥31,194 million (consolidated)
Major Products	Timepieces, Electronic Dictionaries, Calculators, Label Printers, Electronic Musical Instruments, Digital Cameras, Handheld Terminals, Cash Registers, Office Computers, Page Printers, Data Projectors, Molds

* as of March 31, 2016

Group companies by region



Message from the President

Meeting Society's Expectations by Applying "Creativity and Contribution" to Create Businesses Like Only Casio Can

Leveraging our core businesses to help build a more sustainable global society

At Casio, our approach to social responsibility is based on our corporate creed, "Creativity and Contribution." By living up to the creed, we ensure that our business promotes a prosperous society, and we do that in a product development process focused on "creating something from nothing." For years now, Casio has been contributing to society by creating new markets and fostering cultural trends that never existed before. This very contribution, meanwhile, secures the growth of our own business. We have plenty of very good reasons to emphasize CSR.



In fiscal 2016, Japan's Corporate Governance Code came into effect, and there has been growing public interest in companies that intentionally pursue medium- to long-term value creation. In May 2016, Casio formulated a list of CSR issues with the greatest significance (materiality), which must be addressed with a long-term perspective. We also upgraded the CSR Promotion Office by integrating the Environmental Planning Section into it to form the new CSR Promotion Department. With these and other steps, we are reinforcing the infrastructure for ensuring that our CSR initiatives are directly integrated with business management.

Fiscal 2016 was also a significant year in terms of international developments, such as the adoption of the United Nations sustainable development goals (SDGs) and the conclusion of the Paris Agreement on climate change. As a global company, we realize the importance of staying abreast of the latest developments.

While it is certainly critical that companies observe Japan's new Corporate Governance Code and take action in response to the SDGs and the Paris Agreement, it is completely insufficient to take a merely passive approach, just bending to strong external pressures for action. Rather than offering a superficial response, at Casio we believe that, as a company of "Creativity and Contribution," we must make serious proactive efforts to contribute to worldwide sustainability. Therefore, while taking a global perspective, we are looking for ways that our core business activities can fulfill our unique role. We are determined to do our part in building a truly sustainable global society.

Building a strong business foundation that makes the most of our strengths

Despite negative conditions such as sudden exchange rate volatility in fiscal 2016, Casio achieved sales and income growth for the third consecutive year, even posting record-high net income. The timepiece business has posted strong results, and other Casio businesses are looking for ways to further improve their performance.

In recent years, the consumer market has undergone a transformation. While manufacturers have come out with a range of new products, this has merely resulted in ever more intense price competition. This has posed the question of how to build a strong business foundation that is resilient against any and all changes in the external environment. Rather than trying to compete in the mass market where it is so difficult to differentiate products, it is essential that Casio expand in fields where we can showcase highly original product features, like those delivered by G-SHOCK.

Annually, Casio sells over 100 million products, and enjoys the support of countless Casio fans. This creates an obligation for us to deepen our appreciation of this fact, and continue to create products that exceed expectations.

In June 2015, my appointment as Casio's first new president in 27 years — and the first “next-generation” president to follow in our founders' footsteps — marked a turning point at Casio, the start of a new era. While firmly upholding the unique Casio qualities that have been developed over the decades, we are now also determined to create a new Casio.

We recently adopted a new term to sum up the uniqueness of Casio: “OHIO.” This is made up of the first letters from four Japanese words: Omoshiroi (unique), Hajimete (novel), Imiga-aruru (meaningful), and Odorokiga-aruru (surprising). All of these elements are critical to what makes Casio one-of-a-kind. But the one I believe needs the most emphasis right now is imiga-aruru (meaningful). We pursue meaning in our business by considering who our products are for, and how they can be useful to them.

Creating a new market with smart outdoor watches

Launched in March 2016, the Smart Outdoor Watch WSD-F10 is a great example of a uniquely Casio product. It was developed utilizing Casio's strengths, and provides unprecedented value.

Though generic smart watches have been attracting interest from consumers, so far no manufacturer has seen conspicuous success with them. Market success is not the same as a product that sells well, and no matter how many sale points a smart watch may have, unless it provides a usefulness that compels customers to actually use it, it cannot be described as a successful product. In that sense, smart watches that offer high performance but use up their batteries too quickly are not suitable for everyday use, and therefore have not found many meaningful applications.

At Casio, we thought about the particular scenes where a smart watch could be truly useful. This led us to create the WSD-F10, which is specially designed for use by people who are active outdoors. This smart outdoor watch provides great utilitarian value for activities like mountain climbing, fishing, and cycling, where using a smartphone is usually too impractical. It is a truly helpful product in those cases.

With features that have captured the spotlight in the market, the WSD-F10 has already acquired a large number of users since its launch. Although we are still verifying the opportunities, we are now considering other business applications for products like this one, such as creating wristwatch versions of our handheld terminals. If we can make smart watches that understand voice commands and allow users to keep their hands free, we will be able to greatly enhance customer convenience and efficiency during operations such as warehouse inventory control.

Casio has experience making both portable information devices and watches. So smart watch development is a challenge which we are especially suited for. Functional watches that can be utilized during physical activities represent a product genre that can meet latent needs.

Our mission in the educational field to support learning

Educational products are another product area of focus where Casio continues to leverage its strengths. Scientific calculators are one of our main products in this field, and one where we have been able to help people improve their mathematical abilities worldwide. In the countries where we operate, Casio scientific calculators have become indispensable in math classes and exams. Although regulations concerning the use of scientific calculators in the classroom vary by the country or state, we have cultivated markets by also participating in the process of shaping local regulations. This approach has worked to our advantage. Although our presence is currently strongest in developed countries, as a company that was founded with the invention of a calculator, Casio's mission is also to help improve the math skills of students in emerging and developing countries, as well.

Similarly, learning efficiency has also been greatly improved with our electronic dictionaries. Among the approximately 5,000 high schools across Japan, Casio electronic dictionaries have been recommended by teachers at about 3,000 of them. We have built a solid market where most university-bound students study with Casio products. Although 90% of our electronic dictionaries are currently sold in Japan, we are creating mechanisms to better integrate our products into the learning process in other countries as well, and will expand sales region by region, going forward.

Our technology provides value to more than just students. We have undertaken a new challenge in the area of dedicated devices for language learning, based on our electronic dictionaries. With the main target being working people who want to learn a foreign language, we are striving to develop the digital tools they really need for efficient language acquisition. For instance, we could perhaps in future develop special devices to help boost cognitive function in seniors.

We will continue to strengthen our presence in the educational product market, where we can make the most of Casio strengths. To promote further global expansion, networks of local education officials and classroom teachers are being built. We are creating businesses that interact directly with end users based on relationships of trust.

As part of efforts to break down vertical barriers between our internal organizations, in April 2016, we established "Gakuhan" teams with members from both business and sales departments. These teams have been set up for each region where we do business. They will formulate strategy for their respective areas, without relying on existing product categories.

Now turning to new product development in the music education category, in fiscal 2016, Casio announced the new Grand Hybrid series of electronic pianos. Until now, the instruments made by Casio have featured a strong entertainment element. With this series however, we are targeting professional musicians, and we have fully recreated the grand piano experience using digital technology. By providing high quality instruments that combine tradition and innovation, Casio is also supporting people with a serious ambition to study music.

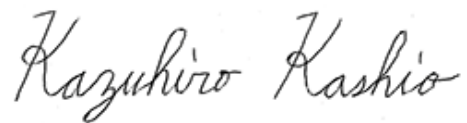
Continuing to embrace the challenge of “Creativity and Contribution”

A business must never forget the importance of being useful to its customers. While consumer product manufacturers mainly sell to dealers and distributors, when the focus is only on these customers, the sales discussion tends to shift away from essential matters and to focus instead on competition based on the number of pixels in a camera or the number of entries in an electronic dictionary. Rather than focusing on product and function details, we aim to look first at who our target customers are and how we can help them.

A business is based on the process of determining how it can be of service to people and society, and then providing the necessary value. Only then can we say that we are practicing “Creativity and Contribution.” I am encouraging all Casio employees to remind themselves of this principle on the job every day.

In order to promote creativity, it is vital that we foster the aspiration among employees to take on challenges, and that we create an open, dynamic corporate culture. This will likely require us to update our human resource evaluation system, as well. Having an unbalanced and narrow focus on sales results causes employees to wither and creates a culture that does not tolerate failure. In fact, past mistakes serve a useful role in future endeavors. It is extremely important to create an environment where employees can take on challenges, grow, and demonstrate their individual abilities.

Casio will keep striving to amaze customers by creating unprecedented new markets, while aiming to create businesses that change people's lives. By uncovering hidden needs and creating products that seem so essential that people wonder why no one had ever thought of them before, we will bring joy to people and help shape new cultural trends. I'm determined to see that Casio continues to surpass everyone's expectations, even those of the many Casio fans.



Kazuhiro Kashio
President & COO

Specification of Materiality

As a company with a global reach, it is extremely important for Casio to pursue initiatives that meet the expectations of the international community. The worldwide movement to build more sustainable societies continues to evolve, year by year. Companies today are expected to carry out strategic initiatives as part of their core business activities. Casio is no exception. Even more so, as a company known for “creating something from nothing,” Casio must strategically implement social contribution measures that are integrated with its business activities.

Responding to these trends, Casio has specified the issues with the greatest significance (materiality) to its practice of social responsibility, in accordance with the G4 Sustainability Reporting Guidelines issued by GRI in May 2013. Going forward, the company will take action on each of the specified issues, and will apply the plan-do-check-act (PDCA) cycle to these efforts to ensure the highest level of socially responsible management.

Materiality specification process

Step 1: Specification of issues with significance to the company

In fiscal 2015, Casio made a detailed list of CSR issues with reference to its business areas, and prioritized them based on relevance to its own activities.

Step 2: Specification of issues with significance to stakeholders

In fiscal 2016, Casio sent a questionnaire to its stakeholders and conducted interviews in order to organize the issues by their significance to stakeholders.

Step 3: Summarization and finalization

Based on the results of the processes in steps 1 and 2, in fiscal 2016 Casio formally specified its material issues with the approval of the director in charge of CSR.

Step 4: KPI formulation and implementation

Casio formulated key performance indicators (KPI) with reference to the specified material issues, thereby enabling each responsible department to evaluate its CSR initiatives quantitatively. In fiscal 2017, Casio is implementing related activities using the plan-do-check-act (PDCA) cycle.

Step 1: Specification of issues with significance to the company

Regarding the 46 “aspects” indicated in the G4 Sustainability Reporting Guidelines from GRI, Casio analyzed the risks to the company for each aspect and the degree of impact that they would have on Casio. The aspects were used to evaluate matters at various levels, including business segments, value chains for each segment, and regions of operation. This shaped the identification of the most significant aspects. The departments charged with CSR responsibilities also examined the identified aspects, and finalized them for use in their own processes.

Step 2: Specification of issues with significance to stakeholders

Based on the G4 Sustainability Reporting Guidelines, the 46 aspects were divided into six areas: economic, environment, labor practices, human rights, society, and product responsibility. The importance of each area was then identified through dialogue with stakeholders closely related to Casio.

Questionnaires were also given to customers and employees, and aspects with high significance to stakeholders were identified. In addition, questionnaires and interviews with experts were carried out on the respective topics. These processes enabled Casio to identify society’s expectations, resulting in a list of issues with significance to Casio stakeholders.

Stakeholder Opinions

Economic



Takeshi Mizuguchi, Professor
Takasaki City University of Economics

Over the past few years, the Casio Group has experienced rapid sales growth in many parts of Asia outside Japan. As more and more of its sales are driven by markets outside Japan, the company’s influence in these regions and its responsibilities to them are becoming subject to increasing scrutiny.

One economic issue for Casio that emerges from this trend will be how to raise the percentage of locally hired senior managers at its sites outside Japan. Giving responsibility to local human resources not only helps to meet the obligation to contribute to the local economies where Casio operates, but can also help with risk management, because these local professionals can apply their familiarity with the local economy to prevent various challenges at their respective sites. Going forward, Casio will be expected to carefully study local situations and disclose as much information as possible, while deploying a global human resources strategy. Moreover, because it is difficult with only the currently disclosed information to determine precisely whether Casio’s local procurement is having a positive impact on the overseas economies concerned, Casio ought to disclose its procurement ratios. This should be done while properly explaining its impact on overseas economies, and it should include local procurement ratios for overseas production sites, and ratios of production for Japan and abroad.

It is also vital that Casio undertake initiatives to address financial risks to its business caused by climate change. The Thai floods of 2011 damaged Casio Group plants there, and the company needs to put even greater focus on management of such risks.

Environment



Sadayoshi Tobai
Conservation Director, WWF Japan

Electronic device manufacturers face many environmental challenges throughout the entire supply chain. In raw materials procurement in particular, it is essential to ensure that natural capital is not compromised. This perspective is essential not only when procuring materials to make the products themselves, but also when purchasing paper materials for product packaging. Aware of this situation, the Casio Group has established Paper Procurement Policy and Biodiversity Guidelines, which I see as a solid step toward building a foundation for sustainable procurement. Going forward, the company also needs to set more specific targets and action plans, and it will also be critical to keep making progress while maintaining transparency. One of the characteristic efforts of the Casio Group has been its industry leadership in the area of lower energy consumption by products, for instance, the Group's early adoption of solar technology for watches. Casio also uses appropriate labeling of its environmental products, and provides environmental performance information to customers for its Green Star Products. In the future, it will also be important to take the next step and start making information on environmental impact more visible, such as indicating the CO2 emissions reduction that can be expected by using a particular Casio product.

With respect to greenhouse gas emission reductions, a long-term perspective is important, and it is commendable that Casio has set an ambitious 80% reduction target to be achieved by 2050. The Casio Environmental Declaration calls for the incorporation of renewable energy use into the company's business activities. In addition to the promotion of energy conservation, proactive use of renewable energy and relevant information disclosure is desirable. Going forward, I hope that Casio will also participate in the Science Based Targets initiative, which is becoming the new global standard for emissions reduction target-setting by companies. I expect that Casio can further enhance its standing by showing concrete evidence for its target values, thereby having a positive impact on the entire industry.

Labor Practices



Hiroki Sato, Professor
Chuo Graduate School of Strategic Management

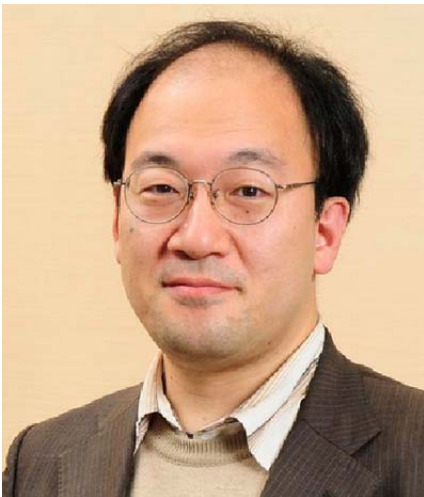
On the important issue of labor practices, the first step is to develop a supportive working environment. Especially for employees who have limited time for responsibilities such as childcare and family nursing care, it is imperative to create mechanisms that allow them to return to full-time work as soon as possible. To do this, chronic overtime needs to be reduced, and well-balanced work styles need to be promoted. The company should strive to make better use of data for employee health management, such as by collecting health check-up data in each department, and comparing it with indicators such as paid leave utilization rates and overtime hours. Even when considering how to raise the percentage of female managers, it is first necessary to confirm the hours actually worked by managers and disclose the information. If managers are working exceptionally long hours,

this may be an additional reason that women do not want to become managers. Considering how to raise the percentage of women at the senior staff level and taking appropriate measures will increase the number of women who can be promoted to manager positions. This means building a female human resources pipeline. As part this, it may also be important to deliberately provide work experience and skills development opportunities that female employees have traditionally lacked, designed especially for women. At the same time, it is best not to have different standards for promoting men and women to manager positions. Previously, many companies have appointed people who are highly skilled in their field as managers, but sometimes these people do not also have good staff management skills. One of the criteria for manager appointment should be management capabilities such as subordinate mentoring. It is also critical to confirm that there are no hidden issues in the workplace such as power harassment, by utilizing employee consultation desk services.

Along with the creation of good workplace environments, training and education must also be advanced. It is necessary not only to foster employees' ability to respond to future changes, but also to create time for employee self-development.

On the other hand, to achieve the focus needed to solve these issues and practice diversity management, it is essential that all employees fully embrace the management philosophy, so that human resources with diverse perspectives can be properly integrated into the corporate organization. I hope that the Casio Group will continue promoting its valued corporate creed of "Creativity and Contribution" among employees.

Human Rights



Makoto Teranaka, Visiting Professor
Tokyo Keizai University

As a global organization, the Casio Group constantly faces the risk of a human rights incident arising in its operations outside Japan, especially in a developing country. Standing against this risk is the Casio Group Policy on Human Rights, which aims to support relevant international agreements. Casio has also prepared a human rights checklist, and has already created a foundation for protecting human rights. Based on these efforts, it is has identified further enhancement of human rights protection as material to the company.

When tracing materials up the supply chain, especially in developing countries where extraction of raw materials is often carried out, there is a risk of human rights issues arising relating to the rights of indigenous peoples, as it is difficult to assess their actual situation. In addition, the rights of employees concerning the freedom of association and collective bargaining applies not just to headquarters labor unions, but also to supply chain employees, including those at overseas sites, and temporary staff. Accordingly, ample information gathering and risk management is required. Forced labor and discrimination are examples of risks relating to human rights that people find harder to recognize in Japan. Especially for operations such as parts assembly conducted as prison work, there are cases where labor costs are not incurred. Therefore, companies should be aware of the fact that this may considered forced labor under international treaties.

Meanwhile, discrimination is a problem that occurs in organizations. Since it often involves unconscious discrimination, which makes it hard to gather statements from victims, it is an issue that requires special mechanisms that cross organizational boundaries.

It is vital to have a human rights assessment system to ascertain risks. In addition to the existing Whistleblower Hotline, it would be a good idea to create a highly independent complaint handling system, focused on each business site. In particular, there are limits to the conventional style of evaluation of supplier human rights, which only involves the collection of documents. Casio needs a human rights management system with a stronger audit function.

Going forward, I believe the time has come for Casio to specifically address each of its material issues throughout the entire supply chain. The human rights checklist used by Casio will be very good as a start. I strongly encourage Casio to continue enhancing the list, and then take initiatives to increase its effectiveness.

Society



Kaori Kuroda, Executive Director
CSO Network Japan

The Casio Group has achieved high market shares for a number of its products, which puts it at risk for anti-competitive behavior. However, the company has included relevant points in its code of conduct, including the prohibition of bribery, and restrictions on the provision of entertainment and gifts, etc. Casio has undertaken anti-corruption measures, and has achieved thorough compliance both in name and reality. Nevertheless, in its operations in developing countries where legal frameworks are not as well-developed, mere legal compliance is insufficient; it is important to respect international laws and norms of behavior. As there have been an increasing number of international corporate corruption cases causing serious business risk, this issue needs to be addressed with a higher priority.

The Casio Group has also established Procurement Policies. The world faces many issues including child labor. Accordingly, to ensure thorough application of the policy throughout its global supply chain, Casio must place equal emphasis on its supply chain management initiatives.

I hope that Casio will maintain a high level of attention to the two aspects I've mentioned and take initiatives to address them.

Finally, since over 60% of total Casio Group sales are currently outside Japan, I hope that the company will become even more engaged with local communities, especially those overseas, on topics that can be easily connected to its business, such as education and women in particular.

Product Responsibility



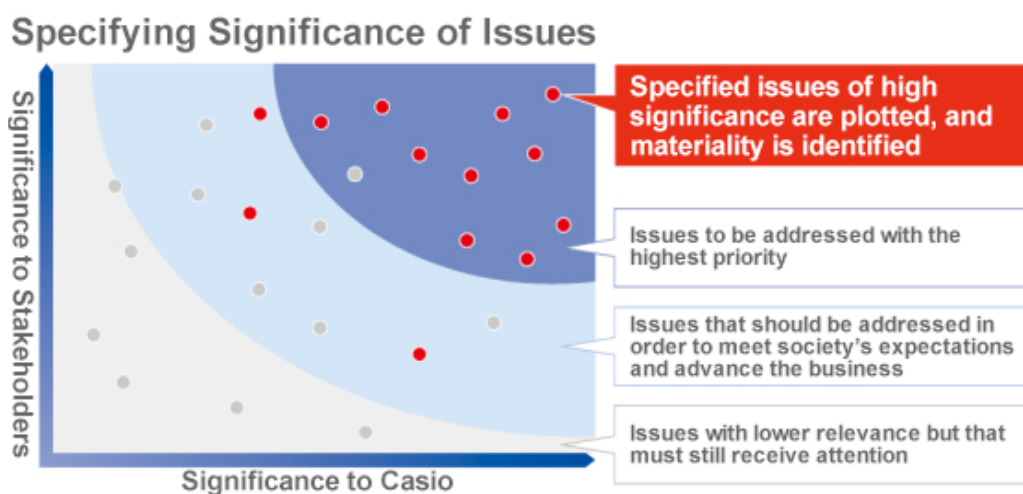
Kikuko Tatsumi, Executive Advisor
Nippon Association of Consumer Specialists

A manufacturer's responsibility for the products it provides is a serious matter of the highest priority. For consumers especially, not only the products themselves, but also the information provided about the products, is an important indicator of the company's stance. Casio has already tackled information provision as an important initiative, and it is essential that it maintain and enhance these efforts. On the other hand, issues still seem to remain when it comes to communication about Green Star Products. I think further promotion is necessary to get more customers to select Green Star Products, and to foster better understanding of Casio's CSR efforts. Similarly, product health and safety is a universally recognized responsibility of manufacturers. While Casio has already thoroughly addressed product safety issues such as accidental button battery ingestion and product fire risk, even one new incident can have a major impact on society. Therefore, the company should always aim for a perfect product safety record. Protection of personal information has become a growing concern for consumers in recent years, and it is an extremely important issue considering the huge risks involved. The basis for product responsibility initiatives is communication with consumers, and that is the role of CSR activities. In recent years, consumers have become increasingly aware of corporate ethics issues, and I hope Casio will promote consumer education through its communication activities.

Step 3: Summarization and finalization

By mapping the aspects identified in steps 1 and 2, Casio specified eight material issues, with a focus on aspects given a high priority. Finally, with the approval of the director in charge of CSR, the issues with medium-term materiality to the Casio Group were defined.

Material Issues for Casio



Material Issues for Casio	Material Aspects	Boundary	
		Internal	External
Building a recycling society	Products and services	•	•
Realizing a low-carbon society	Energy	•	•
	Emissions	•	•
Living in harmony with nature	Biodiversity	•	•
Promoting CSR procurement	Supplier environmental assessment	•	•
	Supplier assessment for labor practices	•	•
	Supplier human rights assessment	•	•
	Supplier assessment for impacts on society	•	•
Providing supportive workplace environments and promoting diversity	Employment	•	
	Diversity and equal opportunity	•	
Respecting human rights	Investment	•	•
	Non-discrimination	•	•
	Freedom of association and collective bargaining	•	•
	Child labor	•	•
	Forced or compulsory labor	•	•

	Human rights assessment	•	•
	Human rights grievance mechanism	•	•
Preventing corruption	Anti-corruption	•	•
Maximizing economic performance	Economic performance	•	•

Step 4: KPI formulation and implementation

KPI Formulation

Casio investigated key performance indicators (KPI) with reference to the specified material issues, in order to enable the responsible departments to evaluate their initiatives quantitatively. With the approval of the CSR Officer, the KPI were finalized, and efforts are underway in fiscal 2017 to ensure high performance.

KPI and Responsible Departments

Material Issues for Casio	FY2017 Targets and KPI	Responsible Department	Activity Profile Page
Realizing a low-carbon society	(1) Reduce energy consumption per unit of floor area by 13% (equivalent kL of crude oil) for the entire Casio Group, compared to FY2011 (2) Maintain same level of CO2 emissions (Scopes 1 and 2) as the previous fiscal year for the entire Casio Group	CSR Promotion Department	Climate Change Action
Building a recycling society	(1) Maintain the Casio Green Star product sales ratio at 50% or more (2) Promote the development of new Casio Super Green Star Products	CSR Promotion Department	Super Green Star Products

<p>Living in harmony with nature</p>	<p>(1) Ensure that 30% of product catalog paper used in Japan is FSC® certified paper (2) Begin biodiversity studies at the locations of major sites in Japan.</p>	<p>CSR Promotion Department</p>	<p>Biodiversity</p>
<p>Promoting CSR procurement</p>	<p>(1) Implement CSR education at Casio sites and at suppliers, and hold awareness raising campaign during one vendor meeting in China (2) Implement annual audit follow-up and confirmation prior to the annual audit (including documentation) for the six sites subject to audit</p>	<p>Production & Purchasing Department</p>	<p>Responsibilities to Suppliers</p>
<p>Providing supportive workplace environments and promoting diversity</p>	<p>(1) Achieve rate of employee return after childcare leave of 90% or more (2) Keep employee turnover at less than 5% - Plan measures to reduce turnover due to childcare reasons (3) Achieve implementation rate of follow-up measures of 80% or more. - Implement employee follow-up measures based on the results of annual health check-ups (4) Promote stress management - Ascertain the actual mental illness rate - Implement stress management seminars for managers - Implement work skill improvement training for young employees (5) Implement stress checks - Ascertain the rate of employees with high stress - Ascertain the health risk rate (by department) (6) Achieve female science graduate employment rate of 20% or more - Survey awareness related to active roles played by women. - Implement measures to promote career awareness among potential</p>	<p>Personal Department</p>	<p>Creating Supportive Workplaces Building Workplaces for a Diverse Workforce</p>

	<p>female candidates for professional positions</p> <ul style="list-style-type: none"> - Implement measures to help strengthen the employment of women for technical positions <p>(7) Maintain equally mandated employment rate of people with disabilities at 2% or more</p> <ul style="list-style-type: none"> - Actively employ people with disabilities, including those with mental disabilities, and achieve the legally mandated employment rate - Implement measures for retaining employees with disabilities <p>(8) Rate of senior employees seeking continued employment after retirement age (80% or more)</p> <ul style="list-style-type: none"> - Verify the Senior Employee System 		
Respecting human rights	<p>(1) Check human rights issue and implement feedback: All production group companies (100%)</p> <p>(2) Implement human rights education for CSR leaders: Casio Computer Co., Ltd. (100%)</p> <p>(3) Develop a grievance mechanism</p> <ul style="list-style-type: none"> a) In Japan: Raise awareness b) Outside Japan: Ascertain current situation and create grievance handling route 	CSR Promotion Department	Respecting Human Rights
Preventing corruption	<p>(1) Develop bribery prevention manuals for group companies and confirm the content</p> <p>(2) Check corruption risk: All sales group companies (100%)</p>	CSR Promotion Department	Corruption Prevention Initiatives

Next Steps

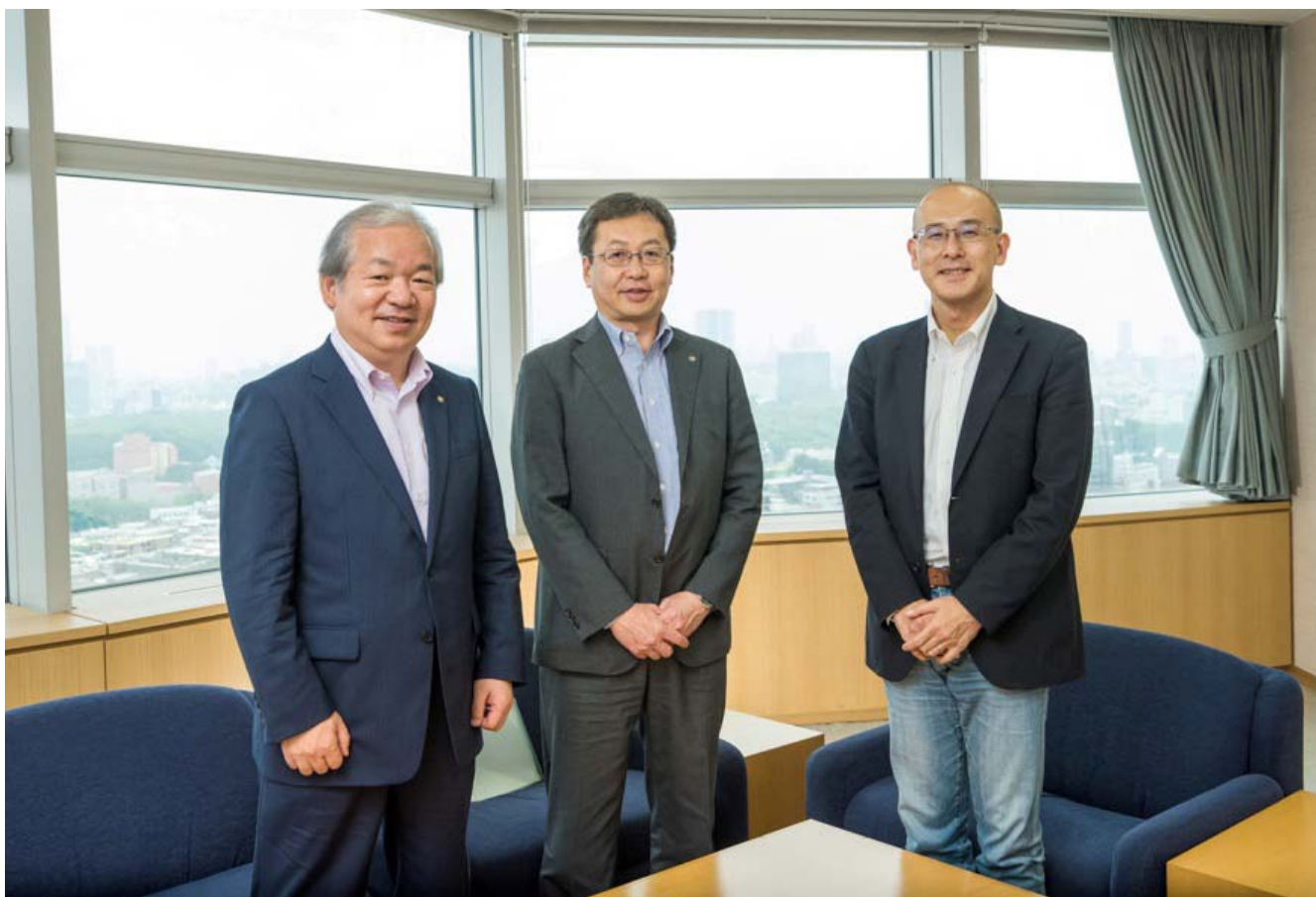
Management of KPIs is carried out by each responsible department, and performance will be reviewed over time while analyzing the gap between targets and results* using the plan-do-check-act (PDCA) cycle. Materiality will be reviewed once every three years in conjunction with the Medium-Term Management Plan. At such time, the GRI material aspects not currently specified as material issues for Casio will also have their significance re-evaluated. Casio will continue to gather information and continuously manage this materiality system.

[Social Initiatives: Action Plans and Performance](#)

[Environmental Action Plan \(Targets and Performance\)](#)

Conversation : Pursuing Strategic CSR Initiatives Driven by Materiality

In May 2016, Casio specified CSR issues with the greatest significance (materiality) to its business, setting the future course for the Casio Group's practice of social responsibility. As part of its efforts to raise awareness of the Casio's materiality approach broadly in and outside the company and to pursue strategic CSR management, Casio invited Hideto Kawakita, CEO of the International Institute for Human, Organization and the Earth (IIHOE), to provide his opinions and recommendations.



(From right) Hideto Kawakita, CEO, International Institute for Human, Organization and the Earth (IIHOE), Makoto Kobayashi, Corporate Officer and General Manager, CSR Promotion Department, and Noriaki Kimura, Manager, CSR Promotion Office, CSR Promotion Department

Working steadily to build internal focus on CSR materiality



Kobayashi: It has been about two years since Casio set out to specify the CSR issues with the greatest materiality to its business. To begin this process, a broad range of Casio professionals from areas including legal affairs, human resources, general affairs, sales, procurement, and environmental affairs engaged in discussions over a period of one year. In the second year, the study was continued by gathering input from external stakeholders. There were several challenges to overcome, such as incorporating materiality into our key performance indicators (KPI). Looking back, it has been a long road to getting everything accomplished. However, I feel the process itself was quite valuable. It was a good opportunity to build lasting relationships with outside experts.

Kawakita: Your emphasis on issues related to the supply chain, among the material issues you identified, is admirable and differentiates Casio from many other firms. Even though many companies focus on their supply chains, few of them single out human rights protection by suppliers as a top priority. While Casio has already made progress in this area, by once again explicitly specifying it as a material issue, you are sending a strong message to suppliers. You are saying that human rights is not only an important issue within Casio, but also important in the way you work with suppliers.

Kimura: We have made considerable efforts on human rights initiatives so far, including employee education, and I feel there is quite a high level of awareness within Casio on this issue. We have also been focusing on the elimination of conflict minerals from our supply chain, and currently about 70% of our primary suppliers have been audited. We intend to continue these efforts in the future.

Kawakita: I think a key point, going forward, will be how to generate even deeper understanding within the company about the material issues you have specified. Rather than just having the issues imposed at a superficial level from above, I hope you encourage real understanding through ongoing internal dialogue. If employees find it hard to understand the importance of environmental and human rights issues, then providing them with customer feedback is another effective method. Instead of just stating that the president or general manager says this is important, it is better to point out that failure to address these issues will mean a potential loss of customers. By clearly pointing out the market needs, frontline employees in production and procurement will certainly take action.

Kobayashi: You make a really good point. The demands of the market are much more compelling than just instructions from the boss. I think that will be an important point for us as we move forward.

Kimura: Every year we get a huge number of requests to complete questionnaires about our CSR initiatives, and the CSR Promotion Department responds to them. Considering the types of questions asked, it is clear what the market expects from us. Although it is time consuming, we will probably need to analyze the question trends, and share the results within the company.

Kawakita: While Europe is of course an important market for Casio, China and emerging countries are also very significant. Standards for corporate social responsibility have already been established in Europe, and that is reflected in the questionnaires and surveys from customers. On the other hand, it will probably be much more challenging to identify customer expectations in emerging countries.

Kimura: As you say, our priority in terms of this for the future will be regions like ASEAN. Sales strength at Casio is driven by our extensive local networks. For educational products in particular, we have built relationships of trust with

education ministries and community education officials in various countries. Through these efforts we have been able to get a sense of expectations for Casio in those markets, and we must emphasize the issues we have learned about in our CSR initiatives.

Creating new value for society by making the most of Casio's unique products and technologies

Kimura: In recent years, it seems that an international consensus has been reached on the need to balance profitability with sustainability. The stage of asking why this is necessary is long since gone, and companies that do not have a balanced strategy for these two objectives are running into trouble. When I participate in sustainability seminars, I always sense that pursuing business growth while contributing to society has become common sense, and I find this very stimulating.

Kawakita: Taking an environmental example, although water scarcity issues are difficult to appreciate in Japan due to our geography, you can really sense the reality of climate change, including water shortages and drought problems, in Europe and North America. It is clear that climate change has become a major factor in market destabilization, and this is making it harder to forecast revenues. The need to enhance the stability of entire societies in order to enable revenue forecasting has become the mainstream approach among big-brand companies.



Kobayashi: Climate change and many other social issues have a big impact on the market. Like many companies, Casio will continue searching for ways to make a social contribution linked to our products, even for issues that are not directly related to our business.

Kawakita: Casio develops and sells many watches and personal devices. By pairing thermometers and humidity sensors with information technology, climate observation systems can be created. If weather measurement and transmission functions were incorporated into Casio products, there would be countless weather sensors all over the world. It would be very meaningful if Casio could provide social value by enabling users to submit such kinds of valuable information, especially in the era of the Internet of Things.

Kimura: During one of our internal brainstorming sessions, there was a similar proposal for Casio watches equipped with various sensors. The idea was to add a sensor that can pick up the electromagnetic waves generated just before an earthquake. With several million or more Casio watch users transmitting this kind of information, the technology could be used to predict earthquakes with fairly high accuracy.

Kawakita: That is just the kind of idea we need. Digital signage is another Casio product, and you also have devices that show information on a terminal. In other words, you have functions for both determining certain conditions before a change occurs, and rapidly transmitting the information at the time of occurrence. By capitalizing on these technical functions, you could provide high-precision measurement data even in emerging countries that do not have the means to adequately gather weather information. You could also collaborate with other companies in the areas of IT infrastructure as well as analysis of the vast amounts of data collected. With everyone waiting to see what kind of business model Casio will create, it would be fantastic if you could undertake an initiative with a high degree of materiality, one that would allow employees to get excited about all the possibilities.

Kobayashi: We are always encouraging employees to come up with various ideas. That is why we have high expectations for our CSR Leaders, who are the key human resources for CSR promotion. Three CSR Leader meetings have already been held, bringing together a lot of people with a high level of CSR awareness. There was a lively exchange of opinions, lots of flexible thinking, and it generated a good stream of concepts. On the other hand, dialogue

with the product development department is also very important. It is essential to listen to the opinions of those on the manufacturing frontlines regarding how we can contribute to society through our products. By steadily pursuing these efforts, I think we can generate success stories, and then apply them laterally across the organization.

Advancing initiatives with an emphasis on dialogue and collaboration

Kawakita: It is also necessary for Casio to collaborate with NGOs and other organizations that have strengths in your focus areas, such as human rights, the environment and education. Then you can obtain appropriate evaluations of your initiatives and engage in scalable communication. In order to preserve the current value of products and businesses, and pave the way for new value in the future, it is time to start thinking about the best organizations to partner with.

Kobayashi: I think that is important. It is essential to have mechanisms for obtaining feedback both internally and externally, in order to determine what the market wants, what kind of value we should provide, and what to do about it.



Kimura: In the environmental product area, we have OCEANUS watches that are associated with marine activities, and PRO TREK watches for mountain climbing and other outdoor pursuits. Now we are investigating biodiversity protection initiatives relating to marine conservation and forest management. For example, since Casio cannot do environmental surveys on its own, we are thinking about collaborating with external organizations.

Kawakita: I also recommend that you recognize people who are active in and make contributions in those areas: for example, creating an ocean-related award program under the OCEANUS brand and recognizing outstanding people in the areas of marine sports or ocean research. You could also have the recipients actually wear OCEANUS watches. Through this kind of award program, you would develop connections with leaders in the areas concerned, create opportunities for dialogue, and also generate positive interest among employees and in the market. It would be like appointing CSR ambassadors. While companies often find it hard to get governments and local communities to listen, there would be lots of opportunities for your CSR ambassadors to effectively convey the message on your behalf.

Kimura: At Casio, we have developed PRO TREK models together with renowned climbers, and so we could deploy campaigns using their stories. Also with G-SHOCK, we hold “Shock the World” events in various countries to convey the appeal of the brand, and it would be good to deploy initiatives for each brand using this kind of noteworthy event.

Kawakita: That’s right. The important thing is to shift the focus to areas with social value, even for activities that have been used just for sales promotion until now. In that sense, an award system would serve the purpose of both sales promotion and social contribution. The resulting ambassadors would also be able to talk about Casio’s values to the media. It would be very significant both in and outside the company to have these ambassadors talking about why Casio focuses on human rights or why the company is working to protect biodiversity in mountain and ocean environments.

Kobayashi: I feel there is a growing momentum towards increasing brand value by tying it in with social value, even within the company. Although everyone is aiming to increase brand value at the moment, it is undeniable that until now people have been working on advertising, sales, development, and CSR, etc., through separate initiatives. However, under the president’s leadership, we are gradually becoming a company that tries to integrate those activities.

Kawakita: In order to involve the whole organization, it is also vital to convey the thoughts of top management to the entire corporate group whenever possible. At other companies, the president and department heads have been

thinking about how they want to pursue business development from a CSR perspective. They are now starting to make direct and timely announcements of their ideas, by maximizing the use of communication tools such as blogs and internal newsletters.

Moving to the next level by making CSR a personal concern

Kawakita: Casio is already caught up on meeting its CSR obligations, and you have now reached the stage where you are asking yourselves what to do next for the future. With Japan's aging population and the growth of emerging countries, the market will change significantly, and your current material CSR issues will change as well. Through ongoing review and evolution in response to the changing environment, it is critical that you reflect material CSR issues in management priorities and functions.

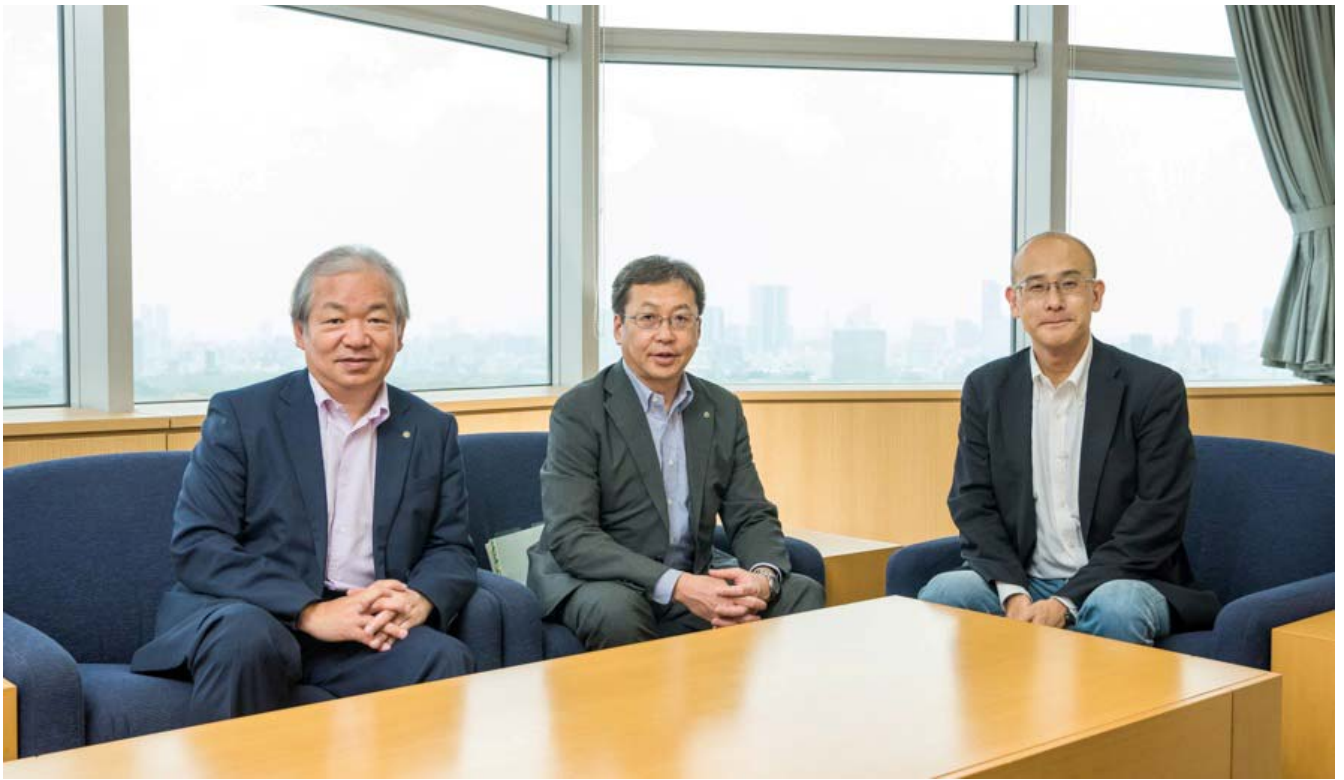
Kimura: One participant commented that, although the material issues we identified are indeed essential, they seem to be, on the whole, taking a rather defensive CSR stance, and we do need to address this, going forward. It is reassuring to know that we have such informed opinions about CSR within the company. In light of global trends such as COP21 and the UN sustainable development goals (SDGs), we will not be able to continue meeting the expectations of society in 2020 and beyond unless we craft a CSR strategy that creates new value in a way that only Casio can.

Kobayashi: As a company with the corporate creed of "Creativity and Contribution," Casio has always taken the approach of contributing to society through business activities. In the recent process we used to specify our material issues, we asked ourselves how we could combine what we found with Casio's original philosophy. In the future, we must consider how to leverage materiality concerns in our specific strategies, in the face of dramatic changes in the business environment. Given this situation, it is all the more important that employees make materiality at Casio part of their own personal concern.

Kawakita: It is also important to promote CSR awareness among employees by asking them which material issues are important to them personally. By combining employee social responsibility with corporate social responsibility, employees are empowered to participate more fully.

Kimura: We just recently spoke about these kinds of issues at the CSR Leader Conference. It is important for CSR Leaders to start first with their own situations and consider questions such as what social responsibility means to their own departments, and what it means to them personally. Currently, 100 CSR Leaders are registered with headquarters, but we plan to expand our recruitment efforts across Japan during the coming year, and then to overseas sites, as well.

Kobayashi: I would like to thank you for your valuable opinions and advice today. Your input will be extremely useful as we plan future initiatives. Thank you very much indeed.



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 to all of its employees without fail. 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 global society.

Welcoming the challenge of helping to build a more sustainable global society

In recent years, there has been widespread concern over the sustainability of human civilization in its current form. While economic activity has enriched the lives of many people, it has also put great strain on the global environment and social systems. Cooperation is needed to overcome this global crisis and leave a sustainable global society to future generations. In order to achieve this, proactive initiatives need to be taken by individuals, companies, governments, and international organizations. A company has a much larger impact on society than an individual, and corporate activities are responsible for some of the current impact on the planet. This is why society now has much greater expectations for companies to actively implement their own initiatives to help resolve sustainability issues, or in other words, to fulfill their corporate social responsibility (CSR). Today, a company's performance on social responsibility impacts its corporate value. Firms that fail to fulfill their corporate social responsibilities are no longer valued or allowed to survive by society.

Casio's corporate creed of "Creativity and Contribution" contains the company's founding idea of social contribution through the provision of innovative products that have never existed before. Everyone working at Casio fully appreciates this corporate creed, and the company is always striving to help build a more sustainable global society by pursuing business activities designed to make something from nothing, or go from "0" to "1." This is Casio's CSR approach.

To ensure that it continues to deliver on the commitments of its corporate creed, Casio has established three key documents. *The Charter of Creativity for Casio* outlines the basic principles behind the mindset and conduct expected from everyone at Casio, while *the Casio Common Commitment* provides specific conduct guidelines for implementing the Charter. *The Casio Group Code of Conduct* establishes norms for ethical conduct and requires all Casio group executives and employees to comply with relevant laws and internal rules. With recent changes in the external environment, in June 2013 Casio revised the Code of Conduct to reflect the higher expectations of the international community with a focus on the areas of human rights, supply chain management, and anti-corruption measures.

Casio has established four specific keywords, shown below, to guide its efforts to address social and environmental issues that relate directly and indirectly to its business operations. By addressing these issues the company aims to help build a more sustainable global society.

The world today is faced with many complex economic, environmental and social problems of a very serious nature. Humanity as a whole needs to consider its own best future, and then find ways to move in that direction. If economic activities are to be maintained on this planet with limited resources, every member of society must try to help achieve sustainability.

Casio is determined to do its part to find solutions for social and environmental issues 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 seeking to conceive of ideal solutions for 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 CO₂ reduction targets, and promoting next-generation development and education, etc.
- *Fairness across regions (fairly distributing wealth and assets across regions)*
Being a member of the UN Global Compact, and conducting CSR activities globally, etc.

Casio’s CSR Platform



Charter of Creativity for Casio and Casio Common Commitment

In 2003, Casio adopted the Charter of Creativity for Casio and Casio Common Commitment, a promise from everyone working at Casio. They are designed to ensure that Casio employees will be aware of the corporate creed at all times, and act upon it. These promises cover the three key aspects of CSR—economy, environment, and society—as well as the company’s approach to compliance.

Charter of Creativity for Casio

First Chapter

We will value creativity, and ensure that our products meet universal needs*.

Second Chapter

We will strive to be of service to society, providing customers with delight, happiness, and pleasure.

Third Chapter

We will back up our words and actions with trustworthiness and integrity, and work as professionals.

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

[Charter of Creativity for Casio and Casio Common Commitment](#)

Engaging employees in Casio’s unique CSR approach

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.

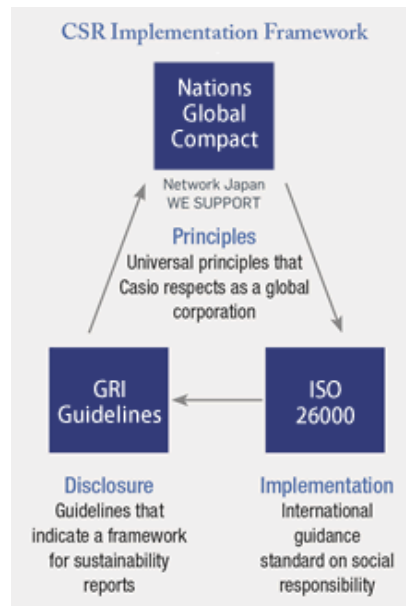
Every other year, Casio conducts a comprehensive questionnaire survey to learn what group employees in Japan think about the Charter of Creativity for Casio and Casio Common Commitment, the Casio Group Code of Conduct, and the Whistleblower Hotline. The results are analyzed to determine how thoroughly employees have embraced the company’s approach to CSR. The next questionnaire will be conducted in fiscal 2013.

The CSR Communication Book has been issued mainly for employees every year since 2012. By presenting specific cases to illustrate each chapter of the Charter of Creativity, it helps employees better understand the charter.

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. The company is currently working to comply with the latest G4 version of the guidelines.



United Nations Global Compact

Updated on April 4, 2016



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, the company president signed a letter of commitment to support the principles of the United Nations Global Compact. With that step, Casio joined the compact, and it has been making employees thoroughly aware of it ever since, group-wide. 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 Network Japan (GCNJ).

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

- 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4. the elimination of all forms of forced and compulsory labor;
- 5. the effective abolition of child labor; and
- 6. 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.

[United Nations Global Compact](#)

Main stakeholders of the Casio Group

Casio strives to ascertain and understand how its operations impact the environment and society and what kind of contributions it can make. It then identifies stakeholder groups and strives to implement appropriate measures for each.

Companies must not become complacent in their efforts to pursue social responsibility and maintain social trust. The first step in earning stakeholders’ understanding and trust for the initiatives of the company is listening to what they have to say. Good communication is a necessity, and it is not a one-way street. Companies must find solutions that benefit both their stakeholders and their business, as well as the global society as a whole. By actively disclosing information to stakeholders, and creating opportunities for dialogue with them, Casio finds out what stakeholders expect, evaluates its existing activities, and plans future initiatives.

Main Stakeholder Group	Main Casio Group Responsibilities	Main Dialogue Opportunities / Information Disclosure
Customers	<ul style="list-style-type: none"> Providing appealing, safe, and reliable products Ensuring stable product supply Providing the proper information regarding products Improving customer satisfaction Providing fast and accurate support to customers Properly managing customer information 	<ul style="list-style-type: none"> Daily sales activities Customer Support Center Customer satisfaction surveys Casio’s official website
Suppliers	<ul style="list-style-type: none"> Fair and equitable transactions Requesting CSR implementation and providing support 	<ul style="list-style-type: none"> Daily procurement activities Holding vendor conferences CSR questionnaires

Shareholders and investors	Timely and appropriate information disclosure Appropriate profit returns	General Meeting of Shareholders Briefings for investors Investor Relations website Issuing financial reports (shareholder newsletter) Responding to CSR questionnaires from socially responsible investors
Employees	Respecting human rights Promoting diversity and inclusion Promoting balance of work and family life Human resource recruitment and utilization Fair evaluation and treatment Industrial health and safety and employee health promotion	Casio intranet Group Workers' Labor-Management Conference Occupational Safety and Health Committees Career challenge system Internal newsletter
Local communities	Respecting and preserving regional cultures Activities that contribute to local communities Preventing accidents and disasters at sites Providing support to disaster-stricken regions where sites are located	Factory and workplace tours School visit program Internships Employee participation in local community events
Global environment	Environmental consideration in product development Environmentally responsible production activities Complying with environmental laws Protecting biodiversity	-
NPO/NGO	Protecting the environment, human rights, and biodiversity Support for local communities and cultural activities	Responding to questionnaires Holding dialogues Implementing social contribution programs together with NGOs and NPOs

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



Guided by ISO 26000, Casio is responding to today's rapidly changing world by identifying the specific issues that it must address to meet the expectations of society.

[More](#)

Corporate Governance



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

[More](#)

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.

[More](#)

Respect for Human Rights



Casio has established a basic policy on respect for human rights. Casio works to raise awareness of human rights while thoroughly implementing the policy group-wide. Casio is also creating a framework for human rights due diligence.

[More](#)

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.

[More](#)

CSR Implementation System

Guided by the ISO 26000 international guidance standard on social responsibility, Casio is responding to today's rapidly changing world by identifying the issues that it must address to meet the expectations of society and implementing management cycles designed to resolve these issues.

Steps in CSR Implementation

1. Evolution from preventative CSR to proactive CSR (2004 to 2010)

Since the establishment of its CSR Promotion Office 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 through compliance and risk management (preventative CSR). Starting in fiscal 2011, Casio began focusing on using CSR to improve corporate value (proactive CSR).

2. Evaluation of initiative progress on core ISO 26000 subjects (2011)

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, Casio evaluated and analyzed the status of initiatives at each company based on the core subjects under ISO 26000.

3. Prioritization of initiatives to promote respect for human rights (2012 to present)

In fiscal 2013, Casio once again surveyed its group companies concerning CSR activities with a focus on respect for human rights, among the priority issues identified in the previous year. Based on an evaluation and analysis of the survey results, Casio has been making group-wide efforts to improve sensitivity to human rights issues, making this a priority since fiscal 2014.

As part of those efforts, in June 2013 Casio implemented revisions to the Casio Group Code of Conduct reflecting the latest global standards relating to respect for human rights and fair business practices. In July 2014, it established and announced the Casio Group Basic Policy on Respect for Human Rights (Casio Human Rights Policy), in order to show its commitment to human rights problems in and outside the company.

[Casio Group Policy on Human Rights](#) (PDF / 42.1KB)

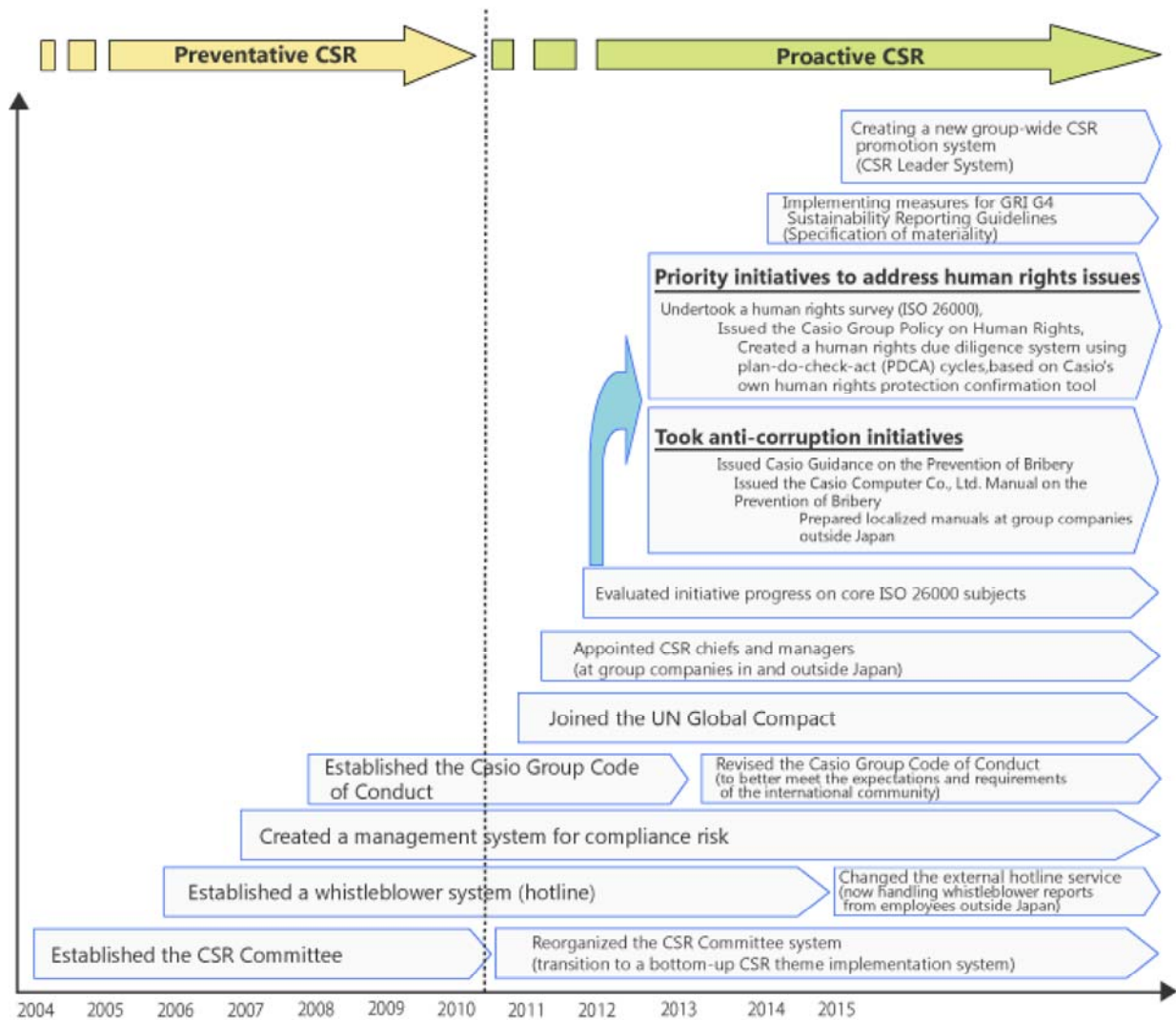
4. Implementation of measures for the GRI G4 Sustainability Reporting Guidelines (2014 to present)

Additionally, Casio made efforts to identify materiality for the group. First it held an employee workshop and a CSR Committee workshop to explore materiality in the eyes of employees in April and May of 2014. Then it held a meeting with experts in different areas to hear stakeholder perspectives on materiality in June 2014. From here on Casio will continue these kinds of initiatives in an effort to increase the precision of its output (Casio's materiality). In May 2015, Casio started sending out questionnaires to various experts, employees, and customers, in order to gather opinions on Casio materiality from various stakeholder perspectives. The aim is to increase the precision of the output (materiality) of the efforts Casio makes. The specification of materiality will be completed by the end of 2015. This is reflected in the Sustainability Report 2016, which was produced with reference to the GRI G4 Sustainability Reporting Guidelines.

5. Establishment of new group-wide CSR promotion system

Casio is now creating a CSR Leader system, a new initiative in 2015. About 100 employees will be selected from each department to receive priority CSR training to help them become CSR Leaders. By fostering these leaders as core CSR human resources and promoting discussion among them concerning the future direction of Casio's CSR activities, Casio expects that they will become key agents for promoting CSR awareness within their departments. The new system will be deployed first at the head office by fiscal 2017. Then, in fiscal 2018 and beyond, it will be expanded to Casio group companies in and outside Japan. The aim is to improve group-wide CSR literacy, worldwide.

Implementing CSR initiatives



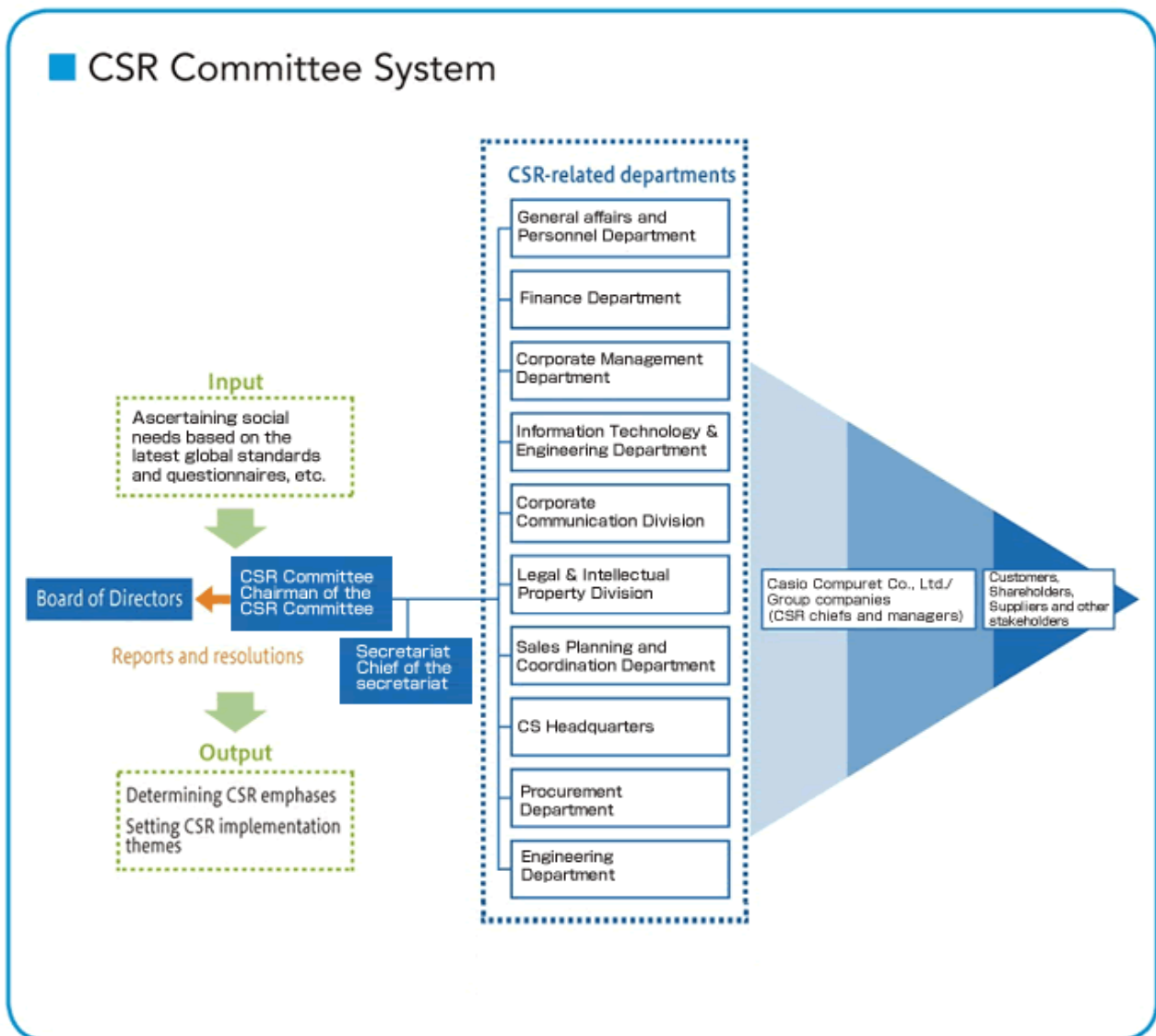
CSR Committee

Casio has established a CSR Committee under the board of directors, headed by the director responsible for CSR. As the central body for implementation of CSR, the committee is tasked with identifying social issues to address and implementing solutions, in order to meet the expectations and demands of society. The CSR Committee is composed of CSR chiefs and managers from staff-related departments at Casio Computer Co., Ltd., and all Casio group

companies worldwide, and is administrated by a Secretariat. At the start of the fiscal year, the Secretariat checks progress made on various CSR themes in the previous year. It then creates an overview of conditions for future progress, the expectations of society, and environmental changes. Priority themes for action are determined for each fiscal year, and a specific action plan is formulated. Under the action plan, ongoing themes are continued and new themes are introduced. New themes are established upon ascertaining the current situation and challenges, and also according to requests from CSR-related departments.

The CSR-related departments then implement programs based on the established goals for the themes they are responsible for and the annual plans to achieve the goals. At the end of the fiscal year, progress made on the themes is evaluated. Based on the results, issues are identified, and then used to improve the plan for the next year.

CSR Committee



As of April 1, 2016

In fiscal 2016, Casio continued to address a total of seven themes that it had been working on since the previous fiscal year. Five themes focused on CSR issues: "respect for human rights" and "fair business practices," which are core objectives of ISO 26000, as well as "ensure compliance with the GRI G4 Sustainability Reporting Guidelines' disclosure requirements in fiscal 2017," "increase and utilize employee diversity," and "ensure no conflict minerals are used." Two themes were related to compliance: "take action to reduce open source software (OSS) risk" and "ensure

compliance with Japan's revised Act against Unjustifiable Premiums and Misleading Representations." The following table outlines the progress made on these themes in fiscal 2016, along with the fiscal 2017 plan.

Individual themes for fiscal 2016 and implementation status and fiscal 2017 plan

No	Theme	Fiscal 2016 performance	Status	Fiscal 2017 plan
1	Fair business practices: take action to prevent corruption	Promote the creation of localized rules outside Japan	Ongoing	Conduct corruption risk assessment
2	Create system for checking respect for human rights	Promote understanding and awareness of respect for human rights	Ongoing	Check and promote awareness of human rights issues
3	Increase and utilize employee diversity	Enhance diversity globally	Ongoing	Enhance diversity globally
4	Implement measures to ensure no conflict minerals are used	Conduct and evaluate the third supplier survey	Ongoing	Consider conducting a fourth supplier survey
5	Ensure compliance with the GRI G4 Sustainability Reporting Guidelines	Specify materiality	Ongoing	Release results (August) and conduct assessment
6	Take action to reduce OSS risk	Revise guidelines and utilize tools effectively	Ongoing	Summarize CSR activities and apply to future activities (August)
7	Ensure compliance with Japan's revised Act against Unjustifiable Premiums and Misleading Representations	Create mechanisms and comply with penalties system	Ongoing	Carry out item-based working group activities and provide training

Corporate Governance

Casio recognizes that quick decision-making and appropriate execution of business operations are vital. Not only these capacities are needed, however, strengthening of oversight to improve management soundness and transparency is equally important in ensuring that business goals are reliably achieved and corporate value continues to grow.

Corporate governance framework

Casio is a company with an Audit & Supervisory Board. In addition to the management oversight function of the Board of Directors and Audit & Supervisory Board, Casio is working to further strengthen its corporate governance by expanding the role of outside directors and enhancing the executive officer system.

The Board of Directors has delegated most of its authority relating to important business execution to the executive officers to enable fast and efficient business execution. However, the supervisory function of the Board of Directors has been substantially secured through its retained authority to pass resolutions on matters set forth in law and in the articles of incorporation, and on particularly important business execution matters. Also, as part of efforts to strengthen the management oversight function of the Board of Directors, a nomination committee and compensation committee have been established with the requirement that outside directors serve among their members.

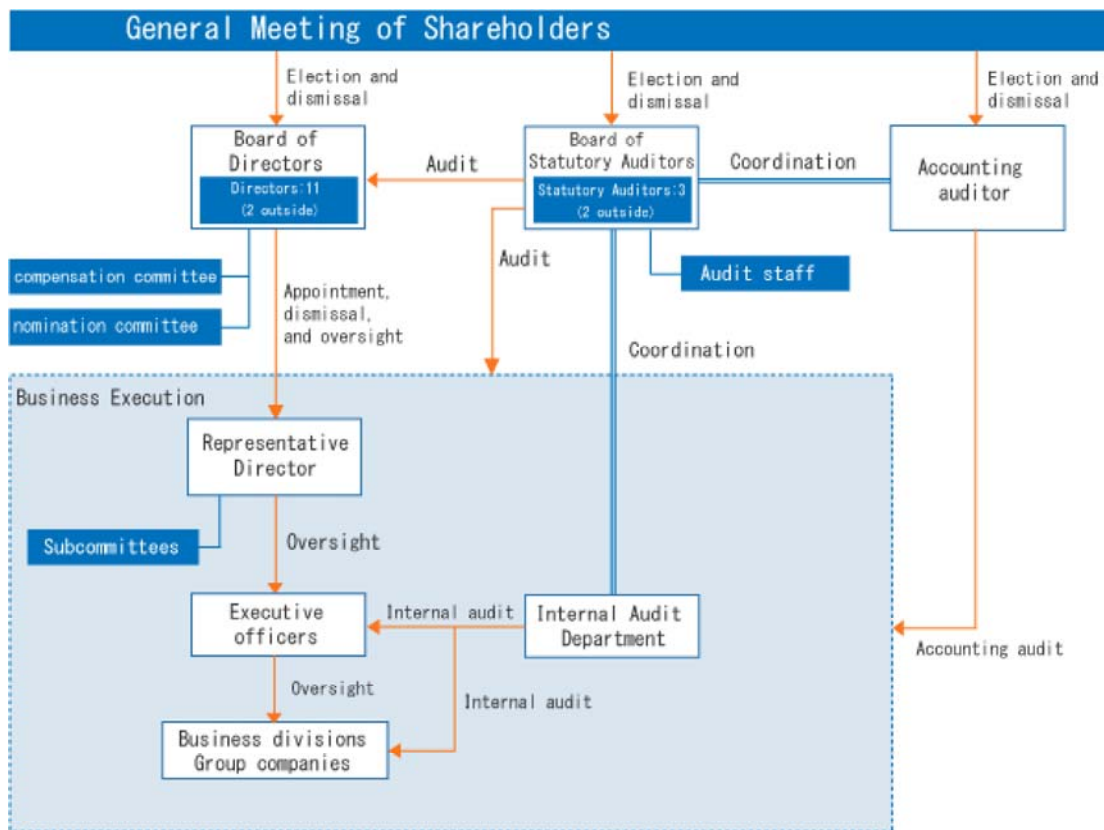
To ensure the effectiveness of its management oversight function, the membership of the Board of Directors must include people with diverse perspectives, experiences, and abilities. In addition to directors who are thoroughly familiar with Casio's business, the Board must also include outside directors with broad insight and rich experience. As of June 30, 2016, the Board of Directors is composed of 11 directors, two of whom are outside directors. The term of office for directors is one year so as to clearly delineate the responsibility that they have for management and to facilitate quick responses to changes in the business environment.

In order to ensure the soundness and transparency of business management, Audit & Supervisory Board Members perform rigorous audits by attending Board of Directors meetings, and other important meetings and committees, as well as by interviewing directors and others and reviewing reports and important resolution documents. This is done in accordance with audit policies and allocation of responsibilities set out by the Audit & Supervisory Board. The audit function is also being further strengthened through the provision of full-time staff to support the Audit & Supervisory Board Members, in addition to the gathering of information from and exchange of opinions with the outside directors as necessary.

More than half of the Audit & Supervisory Board Members are required to be outside auditors, and they must include auditors with finance and accounting knowledge to strengthen the audit function. The current Audit & Supervisory Board is composed of three members, two of whom are outside auditors. The outside directors and outside auditors are independent officers registered with the Tokyo Stock Exchange in compliance with regulations.

Accounting auditors perform external audits according to generally accepted Japanese auditing standards. The Internal Audit Department carries out audits to ensure that the organizations are appropriately operating in compliance with laws and regulations as well as group-wide standards.

Corporate Governance Framework



System of internal controls

The Casio group has established the Charter of Creativity for Casio, Casio Common Commitment and Casio Code of Conduct based on the corporate creed of “Creativity and Contribution.” The following systems have been implemented to ensure proper business operation.

1. System to ensure that performance of duties by directors and employees of the company and group companies comply with the articles of incorporation and relevant laws and regulations
 - a. Based on laws, the articles of incorporation, and rules for the Board of Directors, the Board of Directors decides important issues relating to legal requirements and management of the company and group companies and prevents violations of the law or the articles of incorporation by monitoring the performance of duties by the directors.
 - b. In order to comply with relevant laws and regulations regarding the performance of duties, specific documents such as policies and rules are prepared. After deliberation and consideration by various committees, such as the CSR Committee, awareness of the rules is promoted throughout the company and each group company.
 - c. The Whistleblower Hotline has been established inside and outside the company and operates as the point of contact for inquiries and reporting on problems related to infringements of legal compliance and other compliance matters. The company ensures that whistleblowers are not penalized.

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- d. The company and group companies have absolutely no contact with organized criminal elements, which pose a threat to social order and public safety, and the entire organization is resolved to refuse any improper demands.
 - e. The validity and operational adequacy of the above-mentioned rules are improved through internal audits and continual review, in order to prevent any misconduct.
2. System for saving and managing information relating to performance of duties by directors and employees of the company and group companies

Based on the Document Management Rules and other rules, each department saves and manages information relating to the performance of duties by the directors and employees concerned.

3. Risk management rules and other systems at the company and group companies
- a. The company and group companies have a system to manage risks that can have a significant impact on management. The system is promoted in a unified way by the relevant departments and the Secretariat under the CSR Committee, based on the Risk Management Rules.
 - b. Fundamental Policies on Product Safety and an implementation system have been established with an understanding that maintaining customer confidence in product safety is an important management issue.
4. System to ensure the efficient performance of duties by directors and employees of the company and group companies
- a. Attended by the company's directors and Audit & Supervisory Board Members, meetings of the Board of Directors are held to discuss and decide important management issues facing the company and group companies, at least once a month in principle, and perform prompt and reasonable decision making.
 - b. The company's executive officers, directors, and Audit & Supervisory Board Members attend meetings of the executive officers to discuss and decide important matters of business execution. They ensure group-wide coordination and smooth implementation of measures.
 - c. Detailed execution procedures are outlined in the Executive Decision Making Authority Rules and the Group Company Decision Making Authority Rules.
 - d. Group companies have created a system for performance of duties based on consolidated management plans, the Group Company Decision Making Authority Rules, and various basic group policies.
5. System to ensure proper operations at the company and group companies
- a. To ensure proper operations, the company and group companies have various rules based on the Charter of Creativity for Casio, Casio Common Commitment, and Casio Code of Conduct.
 - b. The company assigns certain directors or executive officers based on a system whereby directors and officers are responsible for specific group companies. The relevant directors and executive officers perform group company management through a system that requires reporting to and approval by the company, in accordance with the Group Company Decision Making Authority Rules. They also perform monitoring as necessary.

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- c. The company and the group companies have built a system to ensure the adequacy and reliability of financial reporting. After inspection of internal controls related to business flow and financial reporting, documentation, evaluation, and improvement is carried out.
6. System for employees that assist the Audit & Supervisory Board Members in the performance of their duties, and the independence of those employees from the directors
- a. Employees are appointed to assist the Audit & Supervisory Board Members in their duties.
 - b. Matters concerning the appointment, transfer, evaluation or discipline of employees who assist the Audit & Supervisory Board Members require the prior consent of the Audit & Supervisory Board.
7. System for the company's directors and employees and group companies' directors, auditors and employees to report to the Audit & Supervisory Board Members, other systems for reporting to the Audit & Supervisory Board Members, and systems to ensure that audits by the Audit & Supervisory Board Members are performed effectively
- a. Whenever something is discovered that is likely to cause significant damage to the company or group companies, whenever there is a violation of the law or the articles of incorporation, or whenever an illegal business execution is performed, the company's directors and employees must immediately report it to the Audit & Supervisory Board Members.
 - b. Whenever something is discovered that is likely to cause significant damage to the company or group companies, whenever there is a violation of the law or the articles of incorporation, or whenever an illegal business execution is performed, the directors, auditors and employees of a group company must immediately report it to the company's officer with responsibility at the group company, and the officer with responsibility must immediately report it to the Audit & Supervisory Board Members.
 - c. Whenever a group company's directors, auditors and employees determine that a management action or guidance from the company may be in violation of the law, or there is a compliance issue, they must report it to the Audit & Supervisory Board Members.
 - d. The company's directors and employees and the directors, auditors and employees of group companies provide the required reports and information in response to requests from the Audit & Supervisory Board Members.
 - e. The company's Internal Audit Department periodically reports the results of audits of the company and group companies to the Audit & Supervisory Board Members.
 - f. The Whistleblower Hotline Secretariat reports the status of whistleblower reports and measures taken to the Audit & Supervisory Board Members.
 - g. The company and group companies ensure that people who have made a report to the Audit & Supervisory Board Members are not penalized.
 - h. The company promptly processes any requests it receives for the prepayment or refund of expenses arising from the performance of duties by the Audit & Supervisory Board Members.
 - i. The Audit & Supervisory Board Members can attend any important internal meeting of the company.

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- j. Important approval documents of the company and group companies are reported to the Audit & Supervisory Board Members after approval.

For more details on corporate governance, visit the following site. Corporate Governance Reports

[「Corporate Governance Reports」](#)

(Tokyo Stock Exchange: Search for Corporate Governance Information)

Compliance and Risk Management

Casio's effort to achieve total compliance management is based on the Casio Group Code of Conduct, a risk management system and the Whistleblower Hotlines.

Casio Group Code of Conduct

Casio established the Casio Group Code of Conduct to make explicit its expectations that all executives and employees follow international norms, laws and ordinances applicable in each country and region, as well as all company rules, and also act with high ethical standards and good sense in their day-to-day work. On June 1, 2013, Casio revised the code, in order to better meet the expectations of the international community and capture trends in the social environment including the issuance of ISO 26000, the international guidance standard on social responsibility, in November 2010; Casio having joined the UN Global Compact in December 2010; and Casio having adopted the UN's Guiding Principles on Business and Human Rights in June 2011. Since then, Casio has been working to ensure everyone is fully aware of the revised code, group-wide. Here are the three main revisions to the Code of Conduct.

- (1) Points concerning issues of high concern to the international community such as human rights, supply chain management, and anti-corruption were revised
- (2) The respective roles of executives and employees were clearly stipulated
- (3) Content was improved to indicate common policies that apply to the worldwide group

The revised Code of Conduct was prepared in Japanese, English, and Chinese, and is translated into other employee languages as necessary. Education on the new code is carried out across the entire group, with the aim of further deepening understanding of its content. Along with this education, a compliance questionnaire is conducted once every two years. The results and identified issues then are shared group-wide to promote continued improvement.

Provisions of the Casio Group Code of Conduct

I. General Provisions

1. *Purpose*
2. *Scope*
3. *Compliance*

II. Code of Conduct

1. *Enabling Value Creation*
 - 1-1. Provision of Products and Services Beneficial to Society

2. *Fulfilling Our Corporate Social Responsibilities*

- 2-1. Respect for Human Rights
- 2-2. Environmental Conservation
- 2-3. Sound Initiatives across the Entire Supply Chain
- 2-4. Harmony with Society

3. *Building Customer Trust*

- 3-1. Provision of Safety and Peace of Mind to Customers.

4. *Establishing Sound Workplaces*

- 4-1. Establishment of Employee-friendly Workplace Environments.

5. *Ensuring Correct Actions*

- 5-1. Compliance with Laws
- 5-2. Prohibition of Bribery and Restrictions on Business Entertainment and Gift-giving
- 5-3. Fair Competition and Transactions
- 5-4. Prohibition of Insider Trading
- 5-5. Thorough Security Trade Control
- 5-6. Prohibition of Involvement with Anti-social Forces
- 5-7. Separation of Personal Affairs from Business
- 5-8. Information Protection
- 5-9. Protection and Utilization of Intellectual Properties.

6. *Building a Relationship of Trust with Society*

- 6-1. Promotion of Communication with Society

III. Maintenance

- 1. *Establishment, Revision and Abolishment of this Code of Conduct*
- 2. *Reporting of Violations*
- 3. *Handling Violations*

[Casio Group Code of Conduct](#)

Education and Awareness Raising

Casio provides e-learning and other educational programs on corporate social responsibility (CSR) once a year to group employees worldwide. The objectives are to promote and instill understanding of the corporate creed and CSR and to ensure awareness of and compliance with the Casio Code of Conduct.

Educational programs on CSR in fiscal 2016 focused on themes of great importance for the Casio Group: respect for human rights and fair business practices in areas such as compliance with anti-corruption and anti-monopoly laws.

Casio will continue to improve the CSR literacy of employees while promoting the corporate creed, through group-wide education and awareness raising activities.

Risk management

Based on its Basic Risk Management Policies, Casio has built a system for efficient management of risks, with an emphasis on compliance risk.

To build this system, Casio identified 70 laws relating to its businesses and listed measures being taken to comply with each law. Casio determined priorities based on the possibility of a risk materializing and its potential impact on company management. Casio then planned and implemented individual measures and developed an overall management system.

In the risk management process at Casio, departments responsible for certain risks develop measures in a planned way to avoid and reduce these risks. The Risk Management Secretariat performs comprehensive management through the use of plan-do-check-act (PDCA) cycles. The Internal Audit Department also audits this entire mechanism. Accordingly, as of the end of fiscal 2011, it was confirmed that the relevant departments had the necessary measures in place for management of all risks, and an overview of the entire situation was obtained. Now, however, Casio is changing its method of implementing risk management. It is transitioning to a system in which the Secretariat checks new and revised laws, develops themes and carries out measures on important issues. Complementing this, the Secretariat takes inventory of risks as necessary, regularly monitors the risk management measures implemented to date, and confirms whether there are any deficiencies in their implementation.

Risk management system



Business Continuity Plan (BCP) initiatives

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, executives, and their families, preserving corporate assets. 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
- Disaster prevention drill with the local community and provision of an open area for a temporary evacuation site

However, in the Great East Japan Earthquake, which struck in March 2011, circumstances were encountered that far exceeded previous expectations. Casio used the lessons learned to identify various points for improvement. These points were reflected in a largely-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.

Together with the initiatives above, Casio is working to enhance its business continuity plan (BCP). In the event of an emergency that interrupts business operations, such as a major earthquake with an epicenter in the Tokyo area, the plan outlines measures for the rapid confirmation of executive and employee whereabouts and well-being, as well as damage conditions, and the quick recovery and maintenance of operations. This mechanism is focused on Casio's global supply chain. For example, if the headquarters suffers a disaster, an emergency headquarters is set up at the appropriate key site, based on a priority determined in advance. Under the direction of the headquarters, the aim is to minimize damage by continuing to provide products and services to customers worldwide based on limited resources. Through rapid restoration of business operation, the confidence of business partners and customers is maintained.

Information system disaster response measures

To ensure business continuity, it is vital to protect information systems against earthquakes and other disasters. In addition to an internal data center, Casio utilizes a secure external data center that features seismic construction and self-contained power generation.

As a measure to reduce disaster risk, Casio finished moving all its important servers, including those for mission-critical tasks, to external data centers and established an environment that can continue to operate even after a disaster. It also moved its e-mail system, an important means of communication, to an external provider.

The company also performs disaster drills in conjunction with the group-wide business continuity plan.

Information security



Casio is aware of its important social responsibility to maintain the security of all Casio information assets, including information that it collects from customers and other stakeholders in relation to its business activities. Casio has established Information Security Rules and implemented regular education for employees to continuously raise awareness of information security and ensure the implementation of safety measures.

Regular training

While information security relies on technical measures, it is also important for everyone handling information to know the required safety procedures, and to incorporate them into their work habits. At Casio, all officers and employees receive regular information security training through e-learning. The training covers general information security, as well as protection of personal information and other compliance matters, based on changes in society and in the company's business environment. Information security is being improved by providing this training content in a timely manner. Similar training is also provided for Casio Group companies.

Initiatives to prevent information leakage

By first establishing internal rules to prevent information leakage and then carrying out training as described above, Casio is strengthening organizational measures to prevent human error and improper information management. This is done by ensuring that safety procedures are well known and thoroughly utilized by all employees handling information. The procedures cover proper information disposal, limitations on sending emails externally, as well as preventing information or information devices from being taken off company premises.

Casio is strengthening its technical measures for information system safety through the introduction of mechanisms to block cyber-attacks at the company's Internet portals. They include measures to prevent targeted attacks, as seen in recent years, and other external attacks such as those from malware. Internal measures include the installation of security software and patches on company PCs, and a multi-layered defense has been created.

Information security certification and initiatives

Casio has focused on established a system for prioritizing the protection of personal information, publically disclosed its Privacy Policy on its website, and remains committed to the safe and appropriate handling of personal information. In December 2005, Casio Computer Co., Ltd. obtained Privacy Mark^{*1} certification and has maintained it since.

Casio's Information Systems Department obtained information security management system (ISO 27001)^{*2} certification in November 2007. The aim of applying for certification was to evaluate fulfillment of responsibility by the department, which takes care of information assets for the entire company. Since then, the department has made continual improvements using PDCA cycles. The fitness and effectiveness of Casio's information security management system was reconfirmed with a certification renewal audit in January 2016.



JQA-IM0536

Information Technology & Engineering Department Casio Computer Co., Ltd.

Internal information systems at Casio Computer Co., Ltd. and Casio Techno Co., Ltd., and the network infrastructure of the Casio Group

^{*1} 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.

^{*2} A program whereby a company establishes a system for using, maintaining, and protecting information within the applicable scope (e.g., business, locations) based on international standards for information security management systems, and a certification body conducts audits of the system and issues certifications.

Whistleblower Hotline

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

Operating on a basis of impartiality, the hotline follows up on all whistleblower reports and consultations, and takes resolute measures against any improper behavior discovered. Effort is put into preventing issues before they grow into real problems.

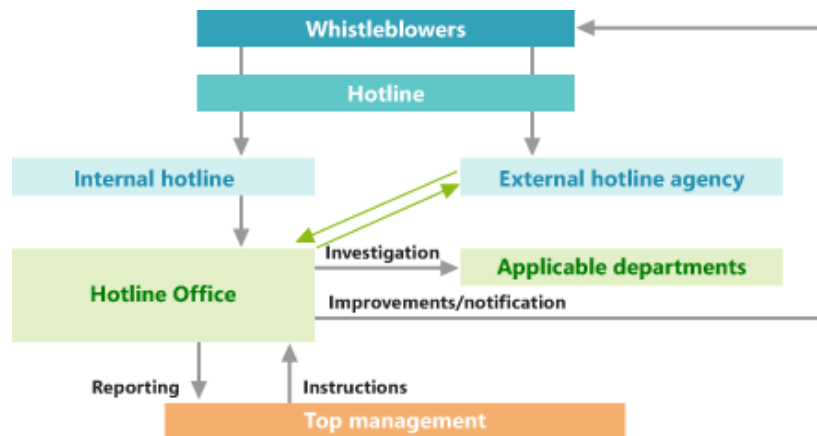
In fiscal 2016, the hotline received two calls. The whistleblowers were interviewed, details were investigated, and corrective measures were taken. The issues were resolved with the whistleblowers' understanding. The company will continue to watch for any latent problems and strive to improve its corporate culture.

The contractor operating the external contact point of the Whistleblower Hotline was changed in April 2015. Now Casio employees can utilize online whistleblower consultation and report filing in English and Chinese, and telephone consultation and reporting is also available in English. This has given employees at group companies outside Japan better access to the hotline.

To ensure even greater hotline awareness, Casio will strive to further increase group-wide understanding of the system in fiscal 2016, using a special intranet site with information on whistleblower protection in Japanese, English, and Chinese.

Fiscal 2016 Report Details	Sexual harassment or power harassment	Violation of employment regulations
	1	1

Whistleblower Hotline



Export control

Export control, or security trade control, 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 thorough 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 in fiscal 2013, at group companies in the UK and Germany, and in fiscal 2014 at a group company in the US.

The Center for Information on Security Trade Controls (CISTEC) is a Tokyo-based non-profit which conducts research and analysis. Each year, it sends research delegations overseas, alternating between Europe and the United States. Casio has dispatched employees to participate in these missions since 2012. By meeting with officials at various export control organizations, government agencies, and major companies, Casio is participating in a social contribution activity that gathers useful information for export managers in Japan. In July 2015, it was discovered that Casio headquarters exported one covered item (with a total value of US\$37.62) to Iran without permission. Casio immediately reported this to the Ministry of Economy, Trade and Industry (METI). At the same time, Casio investigated the causes of the violation and launched measures to prevent a recurrence. It was determined that the causes of the violation were a problem with the operation of the company's IT system and human error on the part of the person who took the order. Steps were taken to prevent a recurrence and a final report was given to METI in September. The issue was brought to a conclusion with the submission of a report in the president's name in November.

Casio sincerely regrets this violation and will strive to ensure that no similar violation ever occurs again.

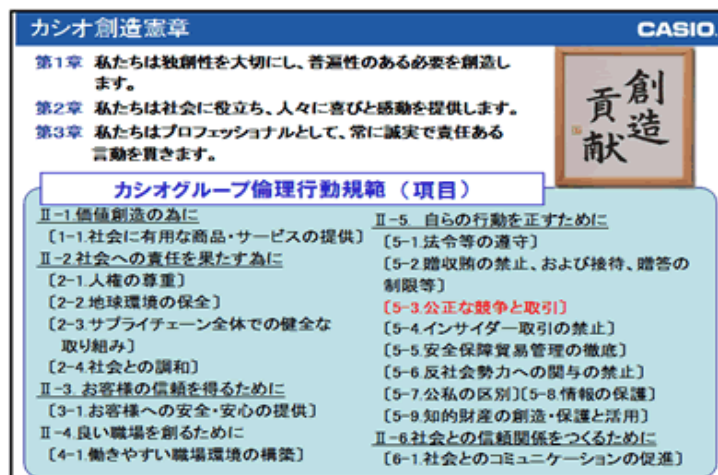
Initiatives for compliance with fair trade and advertising laws

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.

A revision of Japan's Act against Unjustifiable Premiums and Misleading Representations in 2014 required companies to maintain and strengthen internal management systems. In July 2015, Casio Computer Co., Ltd. established a committee tasked with ensuring compliance with the revised act throughout the company. The company is striving to ensure proper product representations and labeling through the establishment of rules for self-regulation and awareness-building programs such as intranet education.

Sales departments at Casio have distributed a Sales Compliance Card to their employees as a tool to promote appropriate and fair competition and trade. These employees are required to carry the card, to help ensure understanding and familiarity with fair competition and trade. In addition to the Charter of Creativity for Casio and excerpts from the Casio Group Code of Conduct, the card contains a compliance test, as well as contact information for a consultation service, and the number for the Whistleblower Hotline. Whenever a salesperson is in doubt over a course of action during daily sales activities, he or she can use this card to quickly perform a self-assessment or consult with a knowledgeable expert. Additionally, training sessions are regularly held at sales locations in Japan, and persons transferred to sales departments outside Japan are given training on competition law in general and the prohibition on bribery of foreign public officials. This training is implemented continuously.

A dedicated department conducts internal inspections to make sure that the company is practicing fair trade and that there are no actions being taken that are not compliant with Japan's Antitrust Act and other laws, as a means of regular monitoring in an effort to prevent risk. The department also strives to ensure that Casio provides appropriate product information by checking to make sure that there are no representations that could cause misunderstanding on the part of customers regarding product information, including in advertisements, catalogues, websites, and other messages from the company.



Corruption Prevention Initiatives

Based on ISO 26000, the international guidance standard for social responsibility, from 2012 to 2013 Casio took stock of the main CSR challenges facing each group company in and outside Japan, assessing and analyzing the status of their initiatives. The issue that rose to the surface as a challenge warranting priority attention alongside respect for human rights was fair business practices—in other words, corruption prevention initiatives.

The Casio Group Code of Conduct prohibits bribery and sets restrictions on business entertainment and gift-giving. Still, in light of recent developments including the ongoing globalization of business, the tightening of regulations, and more robust efforts to detect bribery, there is a need to further strengthen the handling of bribery risks throughout the Casio Group. Accordingly, Casio issued the Casio Guidance on the Prohibition of Bribery (for the Casio Group) in July 2014 and the Manual on the Prohibition of Bribery (for Casio Computer Co., Ltd.) in October 2014. The Casio Guidance on the Prohibition of Bribery articulates the Group's basic stance and philosophy on the prohibition of bribery, including the prohibition of facilitation payments. The Manual on the Prohibition of Bribery specifies mechanisms for the prevention of bribery, including the designation of persons responsible for compliance, education and training, auditing, and the Whistleblower Hotline, as well as specific rules on business entertainment and gift-giving. Additionally, Casio headquarters encourages each site to produce local rules and manuals in an effort to strengthen the mechanisms for the prohibition of bribery throughout the group.

In fiscal 2016, Casio drew up a Corruption Risk Check Sheet to assess corruption risk at group companies in and outside Japan. The check sheet was created with reference to the FCPA guidelines and Bribery Act guidance and drew on the knowledge of an outside expert. It was designed to ascertain corruption risk within the scope of a site's business activities and to encourage the establishment of rules pertaining to corruption prevention and their full implementation within organizations. Each group company will use the check sheet as a tool to take an inventory of its corruption risk. The Secretariat will then provide feedback after analyzing the issues. This system will be used throughout the Casio Group starting in fiscal 2017.

Tax Affairs

The Casio Group Code of Conduct stipulates that all officers and employees in the Casio Group must comply with international norms, applicable laws in each country and region, and company rules in their daily activities as the Casio Group engages in its global business.

This also applies to tax affairs. The Group strives to maintain its tax compliance by paying taxes appropriately in compliance with each country's tax laws, including transfer pricing taxation and anti-tax haven measures, as well as international rules and other statutes.

Respect for Human Rights

Casio established the Casio Group Basic Policy on Respect for Human Rights on July 1, 2014. Casio strives to raise awareness of human rights while thoroughly implementing the policy throughout the group. Casio is also creating a framework for human rights due diligence.

Policy on Respect for Human Rights

Casio recognizes respect for human rights as an important CSR issue as it continues to expand its business globally. Accordingly, it is stepping up its efforts in this area based on international norms relating to human rights.

Since December 2010, Casio has been a signatory to and participated in the UN Global Compact, which consists of 10 principles related to human rights, labour, environment, and anti-corruption advocated by the United Nations. Moreover, Casio long ago spelled out its commitment to the prohibition of discrimination, the prohibition of child and forced labor, and the prohibition of harassment in the Casio Group Code of Conduct and put that commitment into practice. In June 2013, as part of an overall reconsideration of the content of the code, Casio revised its Code of Conduct, explicitly stating a commitment to uphold and respect international norms relating to human rights, such as the Universal Declaration of Human Rights, and to respect basic labor rights.

Recognizing the importance of ensuring effectively functioning global governance related to respect for human rights going forward, Casio held dialogues with group employees outside Japan and experts^{*1} in the process of drafting the Casio Group Basic Policy on Respect for Human Rights. The policy specifies, among other things, the group's commitment to supporting and respecting international codes of conduct for human rights, including the International Bill of Human Rights (Universal Declaration of Human Rights and International Covenant on Economic, Social and Cultural Rights (ICESCR)), the International Covenant on Civil and Political Rights (ICCPR), and the Declaration on Fundamental Principles and Rights at Work from the International Labour Organization (ILO). It also specifies the group's commitment to carrying out initiatives related to respect for human rights based on the UN's Guiding Principles on Business and Human Rights and to continuously performing human rights due diligence^{*2} after the framework for that purpose is established. From here on, Casio will thoroughly communicate this policy throughout the group and carry out initiatives in accordance with it.

Casio also recognizes the importance of spreading the idea of respect for human rights outside its organization together with its entire supply chain. All suppliers have been made aware of Casio's Supplier Guidelines, which clearly mandate respect for human rights and prohibit discrimination. In addition to requesting compliance, Casio strives to verify implementation using questionnaires and other means.

*1 See the feature story, "[Casio's Commitment to Human Rights](#)" in the 2013 Sustainability Report for details.

*2 Human rights due diligence refers to the continuous process for recognizing, avoiding and mitigating any negative impacts Casio has on society using preventative means.

[Casio Group Code of Conduct](#)

[Casio Group Policy on Human Rights](#) (PDF / 42.1KB)

[Responsibilities to Suppliers](#)

Checking for human rights issues

Casio has been taking stock of human rights issues since 2012, using ISO 26000 as a guide. In order to strengthen its due diligence, Casio sought the advice of experts and, in February 2014, created its own tool for checking the status of human rights, taking the Danish Institute for Human Rights' Human Rights Compliance Assessment Quick Check as a reference. Casio will use the new tool to make effective assessments and conduct education relating to human rights. Using the tool, Casio took stock of the status of initiatives addressing human rights issues at Casio Computer Co., Ltd. and at group companies in and outside Japan in fiscal 2015. The secretariat performed issue analysis based on the gathered data, and the results were provided as feedback to the group companies.

In fiscal 2017 and beyond, Casio will check for human rights issues at all group production companies, and then at Casio Computer Co., Ltd. and all group sales companies, alternating year by year. Then, as before, feedback will be provided from the secretariat, and each site will use the PDCA cycle to make improvements based on the feedback, in order to enhance human rights due diligence throughout the group.

Education and awareness raising

Casio provides internal education for Casio Computer Co., Ltd., and group companies in and outside Japan, in order to instill awareness of respect for human rights. A CSR learning program conducted in August 2014 focused on respect for human rights as an important topic. Participants studied documents such as the Casio Group Basic Policy on Respect for Human Rights established in July 2014, and the UN Guiding Principles on Business and Human Rights. The program also evaluated the employee comprehension of the material. Meanwhile, Casio invited Keiichi Ushijima, CCaSS Leader at Ernst & Young Japan, to the CSR Committee meeting in May 2015. He gave a lecture entitled, "Business and Human Rights," and discussed the background and global trends concerning the growing importance of human rights in business, as well as how Japanese companies should approach human rights issues in a global era. His lecture included human rights issues he had encountered in the past, and his experience dealing with them. The talk enabled the committee to further deepen its understanding of human rights for business. In addition, education on human rights is conducted during training sessions at Casio Computer Co., Ltd., for new hires as well as before and after promotions or appointment as a manager.

Casio Computer Co., Ltd., welcomed Hideki Matsuoka, a specially appointed researcher at the Asia-Pacific Human Rights Information Center, to the CSR Leaders Meeting held in May 2016. He gave a lecture entitled, "Companies and Human Rights," and discussed what human rights issues in CSR are and what kind of philosophy "business and human rights" is. This was followed by group work in which participants discussed potential human rights challenges in Casio's business activities, considering the whole value chain. Afterward, Gon Matsunaka, representative of the non-profit "good aging yells," gave a lecture about lesbian, gay, bisexual, and transgender (LGBT) issues, which is an area of human rights concern. The talk enabled attendees to acquire a better understanding of the LGBT community. The CSR leaders who participated in this CSR Leaders Meeting are feeding what they learned back to their respective departments in an effort to spread understanding of the issues discussed.

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. Awareness of preventing harassment is especially stressed in training sessions for managers.

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. Additionally, the Whistleblower Hotline provides consultation about and responds to reports of human rights infringements.

[Whistleblower Hotline](#)

Social Initiatives: Action Plans and Performance

Evaluation : All targets met, : Most targets met, : Remaining issues outweigh results, : No progress made

Management

FY2016 Targets & Plans	FY2016 Performance	Evaluation	FY2017 Targets & Plans
Create local rules for the anti-corruption manual, focusing on group sites outside Japan as part of initiatives to prevent bribery in business dealings.	Created local rules for the anti-corruption manual for 18 out of 28 applicable group companies outside Japan.	△	Conduct corruption risk assessments, which are a new mechanism in the social issue of "fair business practices." Continue to create local rules at group companies outside Japan.
Implement training across the group, in order to ensure employees understand and are aware of compliance as well as social issues and solutions. Ascertain compliance risk conditions and implement monitoring based on priority.	Enhanced the content on the social issues of "respect for human rights" and "fair business practices" in addition to the conventional legal compliance elements in CSR training conducted in August, and implemented the training at group companies in and outside Japan. Considered but did not implement "monitoring."	○	Recently, not only domestic laws but also the laws of other countries could have an enormous effect on business management due to their extraterritorial application. Accordingly, start by conducting an investigation to ascertain an accurate picture of compliance from a global perspective.
Strengthen the group's information security governance and promote related safety measures.	Created standard group-wide security rules. Expanded measures for preventing misuse of email to sites outside Japan.	○	Strengthen the group's information security governance and promote related safety measures.
Promote ongoing IT-BCP drills and education.	Moved important servers to external data centers.	○	Promote ongoing IT-BCP drills and education.

Customers

FY2016 Targets & Plans	FY2016 Performance	Evaluation	FY2017 Targets & Plans
Establishing systems that conform to safety laws and regulations.	<ul style="list-style-type: none"> Strengthened safety reviews of new models and important safety components (power cords, lithium-ion batteries, AC adapters/chargers). Shared information on banned substances and ensured they were not used. 	○	Strengthen system of internal safe design standards (Casio Safe Design Standards).
Reduce quality problems by focusing on new technology.	Shared information on past problems to ensure they would not reoccur (achieved zero reoccurrences).	○	Ensure the same kinds of problems that occurred in the past do not happen again.
Prioritize management of product quality as an integral part of overseas business expansion.	Re-developed quality information for the Asian region outside Japan.	○	
Continue to improve customer satisfaction and convenience based on the customer satisfaction questionnaire.	<p>Started an online repair request service.</p> <p>Launched a customer support page solely for premium brands.</p> <p>Released menu of onsite service options for projectors.</p>	○	Continue to improve customer satisfaction and convenience based on the customer satisfaction questionnaire.
Develop a call tracking system for customer support sites outside Japan, for sharing overseas customer feedback.	Finished developing the Chinese version of a global call tracking system. Adopted at Casio China.	○	Share overseas customer feedback by gradually expanding adoption of a global call tracking system to other sites outside Japan, besides China.
Promote the active use of customer feedback based on the new system.	Started making use of customer feedback using the new system.	○	Promote the active company-wide use of customer feedback from in and outside Japan based on the new system.
<p>Create a system for stable product supply based on the promotion of measures to diversify the risk of production concentrated in China.</p> <ul style="list-style-type: none"> Global standardization of production methods Procurement expansion in ASEAN Expansion of internally made components 	Began producing and shipping scientific calculators and electronic dictionaries at a new third factory of Casio Thailand, to ensure even more stable supply of various items. Also strengthened local procurement in Thailand along with the production system, and promoted supplier development.	○	<p>Create a system for stable product supply based on the promotion of measures to diversify the risk of production concentrated in China.</p> <ul style="list-style-type: none"> Global standardization of production methods Procurement expansion in ASEAN Expansion of internally made components

Suppliers

FY2016 Targets & Plans	FY2016 Performance	Evaluation	FY2017 Targets & Plans
Implement CSR performance monitoring, based on continued use of CSR questionnaires in and outside Japan.	Revised questions on questionnaires for outside Japan and continued use of questionnaires in and outside Japan. Received replies from 231 companies in Japan for a response rate of 100%. Received replies from 306 companies in China and Thailand for a response rate of 100%.	○	Implement CSR performance monitoring, based on continued use of CSR questionnaires in and outside Japan.
Continue onsite inspections outside Japan. Ensure thorough understanding of Casio's CSR policies through surveys.	Conducted onsite inspections at eight companies in China. Covered 60.8% of suppliers on a transaction value basis in six years. Conducted onsite inspections at six companies in Thailand. Although activities were stopped for a time due to flooding, covered 40.2% of suppliers on a transaction value basis in six years.	○	Continue onsite inspections outside Japan. Ensure thorough understanding of Casio's CSR policies through surveys.
Firmly establish CSR procurement throughout the supply chain, through good two-way communication at suppliers meetings.	Explained Casio's CSR procurement policy and shared issues and knowhow through presentations of case studies of CSR initiatives conducted by representative suppliers.	○	Firmly establish CSR procurement throughout the supply chain, through good two-way communication at suppliers meetings.

Employees

FY2016 Targets & Plans	FY2016 Performance	Evaluation	FY2017 Targets & Plans
<p>■Global</p> <ul style="list-style-type: none"> ●Strengthen employee training in Japan to enable employees to perform to global standards. <ol style="list-style-type: none"> 1. Strengthen skills of global human resources. 2. Penetration of expatriate role standards and implementation of role descriptions. ●Strengthen HR system for group companies outside Japan. <ol style="list-style-type: none"> 1. Hold global human resources meetings (production area). 2. Unify HR policies at group companies outside Japan (optimization of global HR policy with the regional characteristics, values, and laws of each country). 3. Reconstruct the consolidated personnel and labor cost management systems outside Japan. 4. Develop a plan for reconstruction of the consolidated HR database. 	<ul style="list-style-type: none"> • Posted "expatriate role description" to company intranet and made attachment of it to the approval document mandatory. • Visited 17 group companies outside Japan, explained the Casio Global HR Policy, and identified issues at each company. <ol style="list-style-type: none"> 1. Hold global human resources meeting (production area). ⇒ Finished preparing for the meeting. But, changed the date and held the meeting at the beginning of FY2017. 2. Unify HR policies at group companies outside Japan. ⇒ Visited 17 group companies outside Japan, explained the Casio Global HR Policy, and identified issues at each company. 3. Reconstructed the consolidated personnel and labor cost management systems outside Japan. ⇒ Established a method of validation and management from the HR perspective, including departmental cooperation in overseas personnel and labor cost planning, with the aim of achieving an optimal number of personnel and labor cost management at group companies outside Japan. 4. Develop a plan for reconstruction of the consolidated HR database. ⇒ No progress made. 	<p>○</p>	<ul style="list-style-type: none"> • Make proposals for implementation of the Casio Global HR Policy at each group company outside Japan. • Try assigning personnel from the HR department to sites outside Japan. <ol style="list-style-type: none"> 1. Hold global human resources meeting (production area). 2. Reconstruct the consolidated personnel and labor cost management systems outside Japan. • Implement validation and management of overseas personnel and labor cost planning. • Where necessary, make adjustments and proposals for personnel and labor cost planning from the HR perspective.
<p>■Persons with disabilities</p> <ul style="list-style-type: none"> • Achieve the legally mandated employment rate for consolidated group companies in Japan. • Implement the staggered working hours system for employees with disabilities. 	<ul style="list-style-type: none"> • Achieved the legally mandated employment rate for all Casio Group companies in Japan (as of June 21, 2016). • Implemented a staggered commuting hours system for persons with disabilities in October 2015. (Used by four people) 	<p>◎</p>	<p>Continue to recruit persons with disabilities through job fairs. Also consider strengthening the follow-up system to increase the retention rate as the types of disabilities become more diverse.</p>

<p>■Non-Japanese</p> <ul style="list-style-type: none"> Strengthen communication with non-Japanese employees. Communication methods with managers and colleagues. 	<p>Provided special e-Learning to around 500 people (non-Japanese employees and their managers and colleagues as well as expatriate employees) to strengthen workplace communication.</p>	<p>◎</p>	<p>Ascertain new issues faced by non-Japanese employees.</p>
<p>■Seniors</p> <ul style="list-style-type: none"> Revise consolidated senior employee system. Continue to provide rehiring opportunities to employees who have reached mandatory retirement age. In the Second Career Working Group, make proposals regarding seniors' active contributions, and formulate and implement measures. 	<ul style="list-style-type: none"> Continuing to consider revision of the consolidated senior employee system. Continued to provide rehiring opportunities to employees who have reached mandatory retirement age. 	<p>○</p>	<ul style="list-style-type: none"> Revise consolidated senior employee system. Continue to provide rehiring opportunities to employees who have reached mandatory retirement age.
<p>Maintain percentage of eligible employees taking childcare leave above 90%.</p>	<p>Percentage of eligible employees taking childcare leave: 100%.</p>	<p>◎</p>	<p>Maintain percentage of eligible employees taking childcare leave above 90%.</p>
<p>Reduce company-wide overtime work by 10% compared to FY2014</p>	<ul style="list-style-type: none"> Reduced by 3% compared to FY2014 on a consolidated basis in Japan (influenced by the finishing of development projects ahead of schedule). Started Smart Work activities (to achieve ideal working style). 	<p>△</p>	<p>(Since environments to facilitate a change of thinking, such as Smart Work activities, have already been developed, switch from establishing company-wide uniformity to goals that take business planning into consideration.)</p>
<p>Ensure thorough follow-up measures (continue targeting at least 80% implementation rate) for those with high-risk health checkup results.</p>	<ul style="list-style-type: none"> Switched from health checkups in mobile health screening vans to hospitals. Enhanced gastric screenings (endoscopic option available). Substantially enhanced options, including complete medical checkups for persons aged 40 and older. However, being the first year, the checkup period went substantially over the usually period, and so there were many cases in which follow-up measures could not be conducted within the fiscal year. The implementation rate for follow-up measures was therefore 75.5%. 	<p>○</p>	<p>Ensure thorough follow-up measures (improve targeting at least 80% implementation rate) for those with high-risk health checkup results.</p>

Local communities

FY2016 Targets & Plans	FY2016 Performance	Evaluation	FY2017 Targets & Plans
Boost nationwide roll-out of activities by continuing to promote the programs for educating the next generation.	Rolled out activities nationwide and provided learning opportunities to a total of 10,000 people.	○	Boost nationwide roll-out of activities by continuing to implement programs for educating the next generation.
Continue to support cutting-edge science and technology research.	Provided 40 research grants, totaling 60 million yen, through the Casio Science Promotion Foundation.	○	Continue to support cutting-edge science and technology research.

* For KPIs for material issues, see [“Specification of Materiality.”](#)

* For environmental targets and performance, see [“Environmental Action Plan \(Targets and Performance\).”](#)

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."

[More](#)

Intellectual Property Initiatives



Casio implement proactive intellectual property programs in accordance with its management strategy, aiming to protect its business and increase profit.

[More](#)

Activities to Improve Customer Satisfaction



Casio has established an organization dedicated to customer satisfaction which reports directly to the president and is pursuing greater customer satisfaction by implementing its basic policy consisting of three major customer satisfaction initiatives.

[More](#)

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.

[More](#)

Customer Support Center



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.

[More](#)

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.

[More](#)

Stable Supply of Products



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

[More](#)

Product Development and Design Initiatives

Casio aims to develop products that meet the latent needs of customers. To do this the company is constantly improving its ability to generate new ideas.

Casio's primary objective is to make products that work reliably in any environment, and can always be used with safety. From the initial engineering phase to the release of the final product, Casio takes great pains to ensure there are no compromises on manufacturing quality.

Product development incorporates insights from the classroom



Global Teachers Meeting 2015

Nearly every year since 2007, Casio has invited teachers from outside Japan who are passionate about mathematics education and research to a Global Teachers Meeting held at its Hamura R&D Center. The purpose of these meetings is to contribute to the development of mathematics education by incorporating the perspectives of teachers with real-world insights from the classroom into Casio products. The overarching goal is to provide products that are optimally suited to the diverse educational settings worldwide.


In 2015, the meeting was held at the Hamura R&D Center on August 27 and 28. A lively discussion took place on the topic of “mathematics education using information and communications technology (ICT).” The participants debated Casio’s role in helping to further improve education amid changing school environments.

In February 2015, Casio launched a service that utilizes QR code technology to link calculators and ICT devices as a new feature incorporated into the ClassWiz series of scientific calculators. The participants at the meeting discussed new features that could enable greater use of this service in the classroom. Casio developers outlined a new service for sharing the calculation results of several students online. In response, the teachers provided creative opinions, including suggesting class ideas to make use of the service.

Casio will continue to expand the ClassWiz series, aiming to keep contributing to the development of mathematics education worldwide.

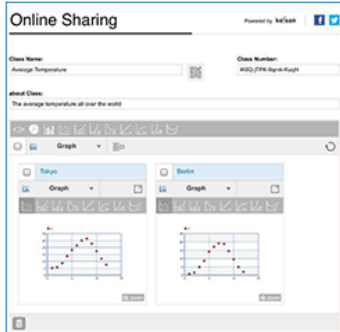
1

Students display a QR Code on their calculator.




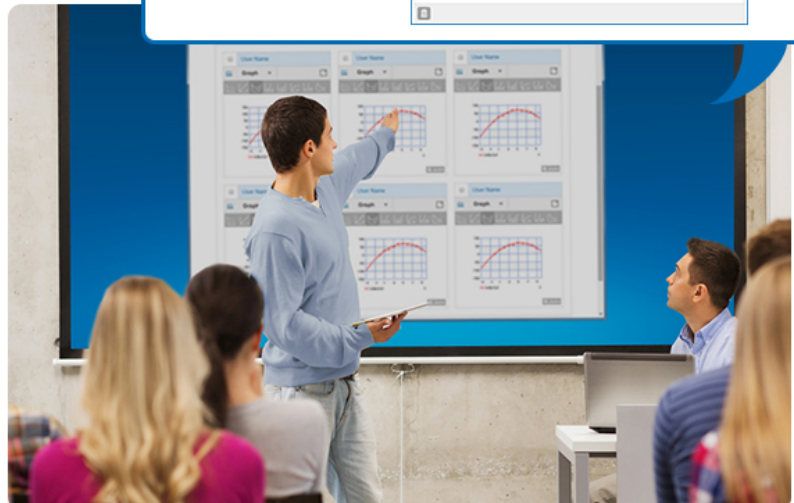
3

The class is displayed on a browser to share students’ results.




2

The teacher scans the QR Codes on students’ calculators.

A “screen sharing service” for sharing several people’s results by scanning in succession the QR Codes* displayed on students’ scientific calculators

* QR Code is a registered trademark of DENSO WAVE INCORPORATED in Japan and in other countries.

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.

During the development of the Exword-Rise English language-learning device for adults, Casio pursued both optimum product size and comfortable operability, accommodating users’ varied learning styles.

The product’s degree of perfection was increased through several rounds of evaluation feedback on multiple prototypes with different key layouts and body shapes.

The final design facilitates learning in different situations. A shape that is easy to hold while on the move in trains plus special surface processing make it possible to study without taking up space, like a tablet. At home, the shape can be computer.



Exword-Rise_XDR-A20/A10

Creating New Value to Meet the Needs of Different World Regions

With varying cultures and customs around the world, it is only natural that needs will differ as well. By carefully responding to regional needs, Casio aims to provide products that will be used by even more people and to strengthen its competitiveness in global markets.

Calculator with Indian digit grouping

Worldwide, long numbers are usually divided into groups of three digits using commas for ease of reading. In India, however, the custom is to use a comma after the thousand position and then after every subsequent two digits (e.g., 10,00,000). Casio was the first to release a calculator that can display numbers in this way. The many shopkeepers who use calculators instead of cash registers in India appreciate the convenience of a device that displays prices in the familiar local format.



MJ-120Da



Display with Indian digit grouping

Calculators that speak aloud in Chinese

In China, Casio sells speaking calculators that read aloud the calculation details in Chinese. This allows the store clerk and the customer to simultaneously check whether any calculation mistakes are being made.



DY-120

Scientific Calculators in Different Language Models

Casio develops scientific calculators that display computational expressions in high resolution in the local language instead of English. Following the launch of a model in China, different language models are being released in Europe and emerging country markets.



"Indonesian model" "Arabic model" "Spanish/Portuguese model"

Oriental Keyboard

Casio's Oriental Keyboard features 54 tones and 83 rhythms that are characteristic of the major musical regions of the Middle and Near East, namely, the Arab / Maghreb (Middle East and North Africa), Oriental (Turkey, Greece, and Central Asia), Iran, and Khaleeji (Persian Gulf) regions. This enables Middle and Near Eastern musicians to enjoy the familiar traditional tones of their own regions.



AT-3

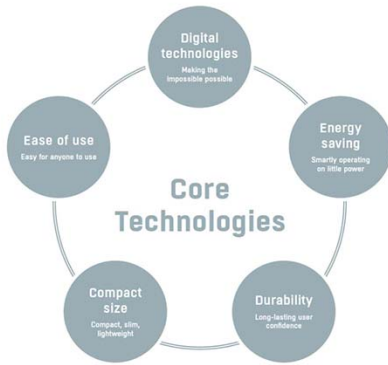
PRAYER COMPASS

This wristwatch, developed especially for Muslims, has the following special features: (1) it indicates daily prayer times based on the position of the sun; (2) it shows the direction of Mecca; and (3) it displays the date in the Islamic calendar. It is sold in 30 countries, including countries in Asia, the Middle East, Latin America, and Africa.



CPW-500H-9AV

Technology



Technological expertise is needed to turn an innovative idea into a new product.

Utilizing its five core technologies, Casio creates products that were not possible before.

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

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 Department

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 Department 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.

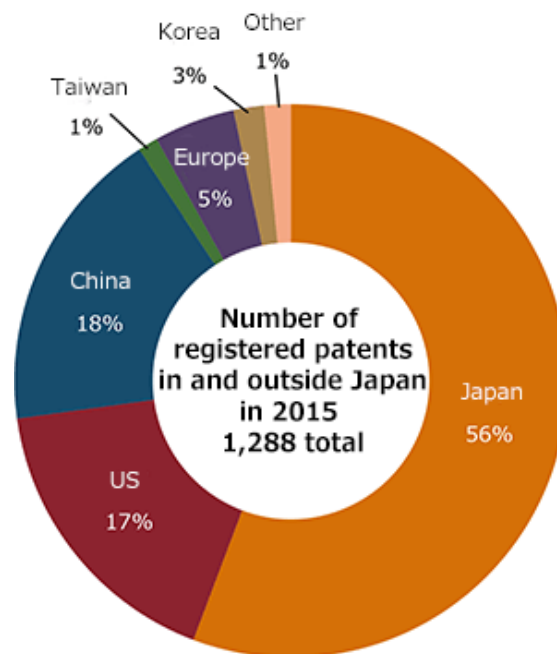
Intellectual property activities

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 (fiscal 2016)



Highlight

Casio Named One of the Thomson Reuters 2015 Top 100 Global Innovators

Casio Computer Co., Ltd., was recognized as one of the Thomson Reuters 2015 Top 100 Global Innovators, an honor awarded by the global information services company Thomson Reuters.

Using its own intellectual property database, Thomson Reuters evaluates each company's patents in terms of four criteria—overall patent volume, patent grant success rates, global reach, and patent influence as evidenced by citations—and selects the top 100 global innovators each year. Casio Computer is a two-time recipient, having also been named last year.

Casio will continue pushing forward vigorously with the development of creative, innovative technologies and products and will actively pursue the creation of inventions as well as the acquisition and effective utilization of intellectual property rights, with the aim of achieving sustainable growth.



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



Meeting for patent experts

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 Department from positions within their respective divisions, these patent experts work to strengthen the intellectual property abilities of their respective organizations.

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



Techno Power exhibition

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.

5. Invention award system

Since 1968, Casio has had an award system for those employees that contribute to inventions and designs. By increasing the incentive for inventors and designers, the system fosters the desire for in-house engineers to take on the challenge of discovering new technologies. In accordance with Article 35 (Inventions by Employees) of Japan's revised Patent Act, which took effect in April 2005, Casio has revised its environment for employee inventors. It updated its intellectual property rules and created a consultation process in which the employee inventors can voice opinions in the revision of the rules. It also implemented a system for employee inventors to file an objection to monetary reward amounts. Additionally, Article 35 (Inventions by Employees) of Japan's newly revised Patent Act, which is intended to resolve instability in the attribution of rights to inventions by employees, took effect in April 2016. Accordingly, Casio updated its rules specifying that the attribution of the right to receive patents originally goes to the employer (Company), in order to resolve such problems as "procedures for joint inventions made with employees of other companies" and "double transfer of inventions by employees." The rules are revised as needed to respond to the expectations of employee inventors and adapt to the changing times and evolving environment.

6. Intellectual property training system

In order to create a stronger awareness about the acquisition of intellectual property, Casio holds intellectual property seminars to deepen employee understanding and interest in intellectual property. The company also distributes relevant information online (through intellectual property website content), and uses outside educational organizations such as the Japan Intellectual Property Association and the Japan Institute of Invention and Innovation. In this way, the company is promoting various intellectual property education activities.

7. Brand support activities

Protecting rights to the Casio brand

In order to promote smooth corporate operations on a global level, Casio has obtained 1,830 registered trademarks in 187 countries around the world, most of which are product trademarks, in order to protect the Casio brand. To further strengthen protection of rights to the Casio trademark, the company has been seeking official recognition of the Casio mark as a well-known trademark in various countries. This type of certification has already been obtained in several emerging countries.

In recent years there have been more trademark applications by other companies—mainly in emerging economies such as China and India—which try to mimic the well-known Casio brand. As a result Casio has been strengthening its monitoring activities and its efforts to prevent the trademarking of look-alike brands.

Trademarking of the Casio Brand Design rights acquisition (as of March 31, 2016)

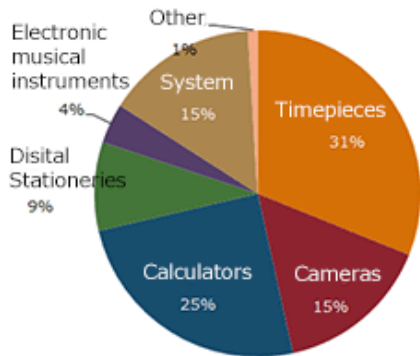


Casio has registered the Casio brand for product trademarks in the countries indicated in blue. In the countries indicated in yellow, trademark examination has been delayed in some fields, there is no trademark registration system, or applications are not being accepted due to the politician situation.

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

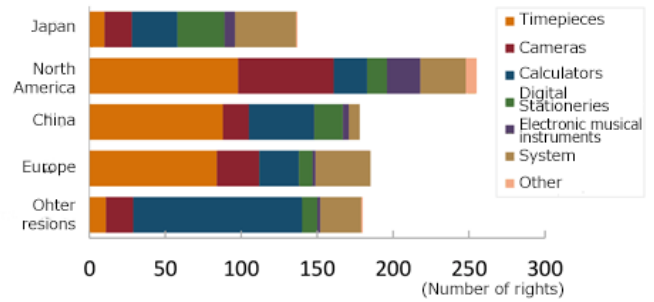
While avoiding the risk of infringing upon the design or trademark rights of other companies, Casio is actively promoting business support activities based on the strengthening of Casio's own design and trademark rights.

Design rights acquisition (as of March 31, 2016)



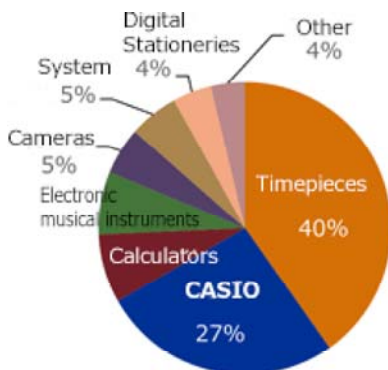
Current number in effect: 935 design rights

By product type



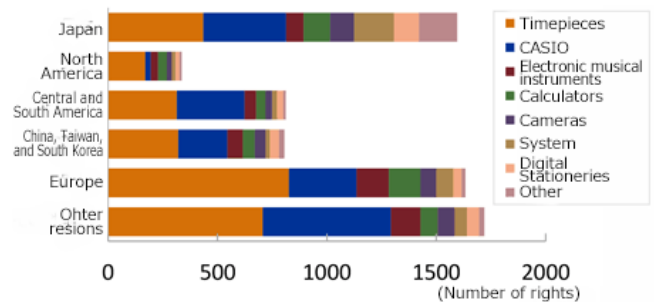
By region/country

Trademark rights acquisition (as of March 31, 2016)



Current number in effect: 6,900 design rights

By product type



By region/country

Counterfeit product removal and consumer protection activities

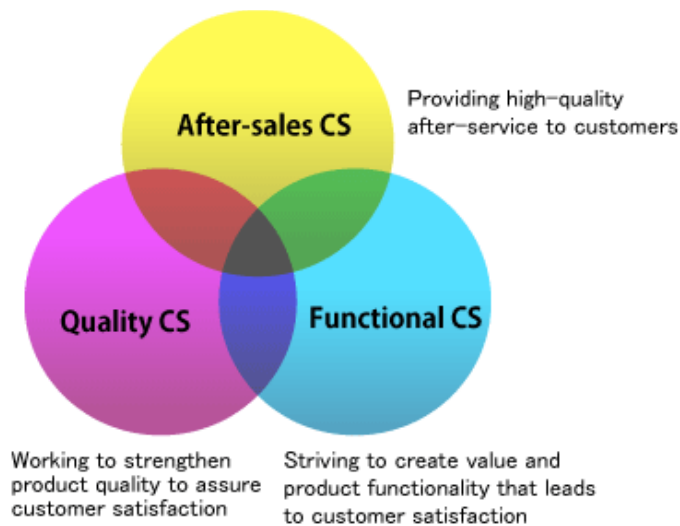
The development of information and communications technology in recent years has facilitated the extensive spread of counterfeit goods on the Internet. Casio products are no exception to the damage caused by counterfeits. In order to guard consumers from the damage of fake products and to protect the Casio brand and increase its value, Casio has established a department tasked with counterfeit countermeasures and is taking action to get counterfeits off the market. Casio will continue to actively cooperate with efforts by government authorities to stamp out counterfeits by exposing factories that make counterfeit goods and stores that sell them, intercepting counterfeits at customs, and monitoring and eliminating counterfeits sold on the Internet.

Activities to Improve Customer Satisfaction

Casio has established an organization dedicated to customer satisfaction which reports directly to the president and is pursuing greater customer satisfaction by implementing its basic policy consisting of three major customer satisfaction initiatives.

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. It is working to improve after-sales service and product quality, and to incorporate the voice of the customer more than ever before in the creation of even better products.



Under these three major CS activities, Casio is making various efforts to ensure that customers are satisfied with its after-sales service. These efforts include enhancing staff training programs to improve product knowledge, repair technical skills, and customer service skills. Casio is also working to boost customer service quality by having staff acquire public qualifications and by improving customer service sites (after-sales CS).

Casio is also striving 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 operational 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 operational improvements to pursue the best solution for customers.

Quality assurance at Casio

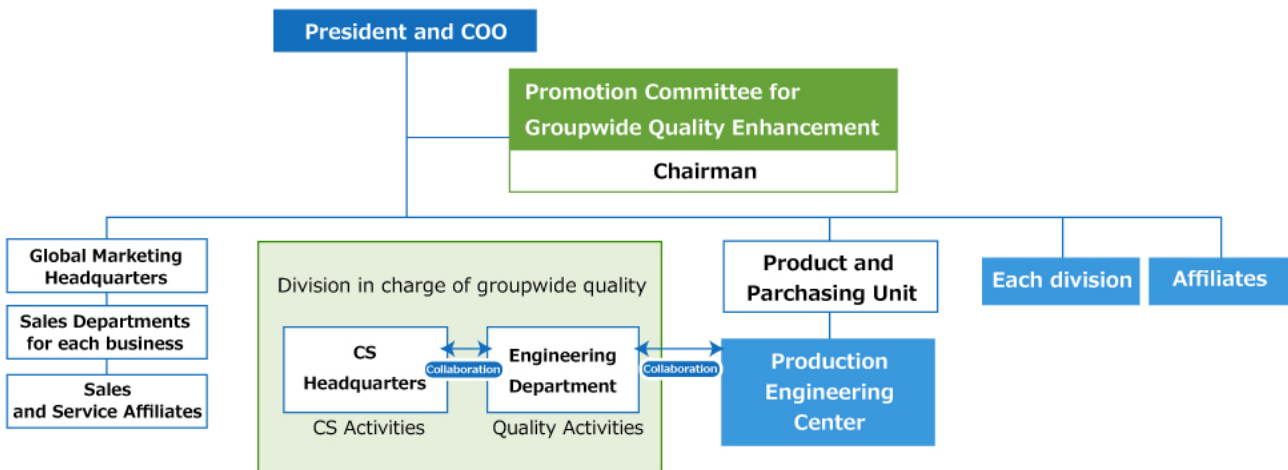


Casio believes it is important not only to provide products and services that delight customers, but also to win acceptance from the whole of society and achieve mutual prosperity. Toward this end, Casio Quality includes everything from the quality of individual products, to environmental protection 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. 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 Headquarters, which reports directly to the president, has been linked with the Engineering Department (within the Production & Purchasing Division). Casio is working hard to ensure quality, with the cooperation of all departments, while always pursuing the best solutions 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.

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, 1999
	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 Electronic Technology (Zhongshan) Co., Ltd.	October 26, 2006
	Casio (Thailand) Co., Ltd.	July 13, 2012

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.

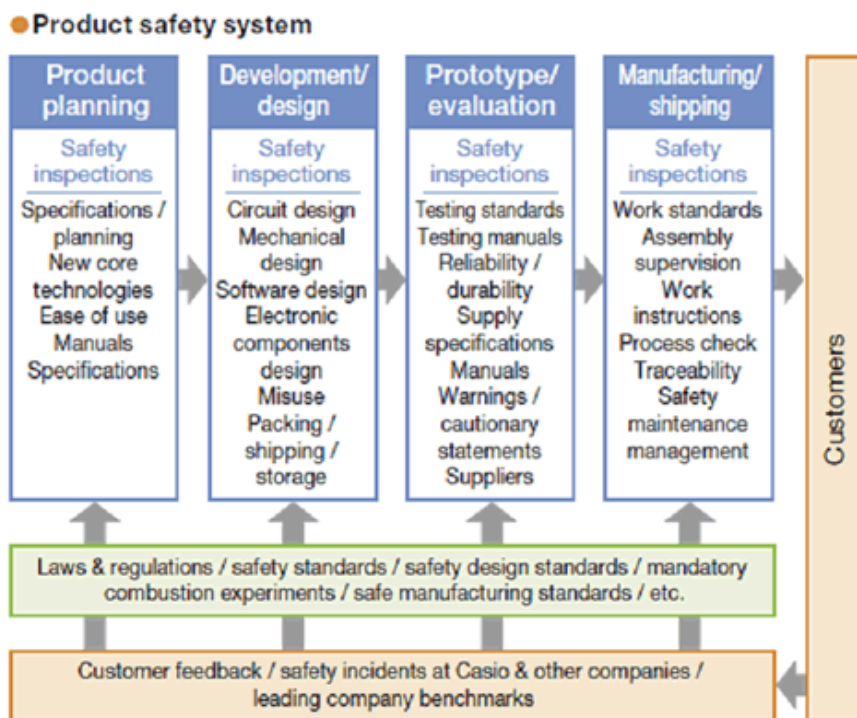
Offering users peace of mind

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.

* Safety audits: Design audits conducted based on the Casio Safe Design Standards

New products are divided into products with “new technology components” and products of the “usual rank.” Then, products that contain new technology components undergo an objective safe design review based on Casio’s own safe design standards. Usual rank products are checked for safe design by their respective business division, thereby ensuring that all products undergo a safe design review.

Product safety system



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

Casio's Customer Support Center strives to improve customer response skills and to incorporate the voice of the customer into the company's products and services in order to earn true customer satisfaction with Casio products.

Customer Service Initiatives

Emphasizing the sensibility of consideration

At the Customer Support Center, Casio professionals do their best to not merely answer customers' questions but to accurately perceive the essence of their troubles and to offer appropriate solutions. The center believes that to achieve that level of service, it is important to have the sensibility of consideration—that is, respect for the customer and a sincere desire to help. Accordingly, it makes efforts to develop that sensibility in its personnel.

Training program enhancement

The center is always working to enhance its education programs to enable the appropriate provision of useful information that customers want.

The center provides systematic training to personnel when they are hired or transferred, as well as ongoing follow-up training.

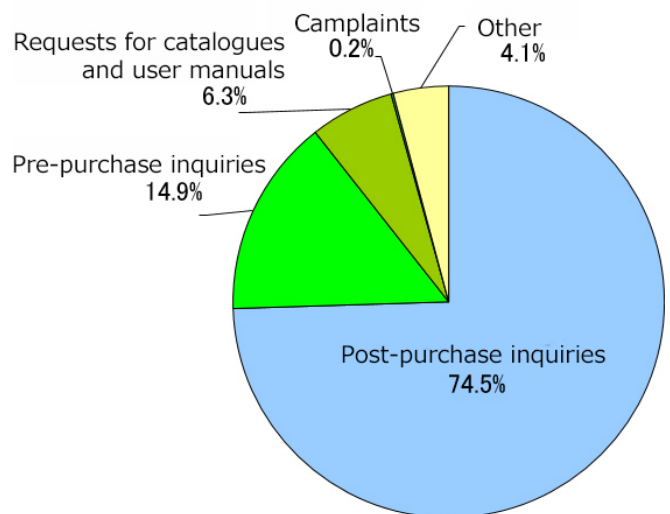
The center has also compiled its expertise in customer service work in a customer service manual that is available on the company intranet to help improve customer satisfaction group-wide.

Reflecting customer feedback in products and services

Opinions and requests received from customers are treated as valuable feedback and used to improve products and provide services that earn customers' true satisfaction. An updated system adopted in 2014 has made it possible to quickly share customer feedback with the relevant departments. That customer feedback is analyzed in various ways so that it can be reflected in products.



Customer Support Center



Breakdown of Customer Inquiries in Japan (Fiscal 2016, Consumer Products)

Global Customer Service

Cooperation with support centers outside Japan

Casio is committed to creating a system of cooperation between the Customer Support Center in Japan and similar centers at Casio sales companies in other countries, aiming to promote good customer relationships worldwide.

Breakdown of Product Inquiries (Fiscal 2016, Overseas/Japan)

Item	Fiscal 2016	
	Overseas	Japan
Timepieces	44.3%	32.9%
Digital Cameras	25.8%	12.5%
Calculators	6.4%	4.8%
Other Consumer Products	7.3%	28.9%
System Equipment	6.2%	20.9%
Total	100.0%	100.0%

Providing Support Information and Repair Services

While further improving the service skills of its employees, Casio is building after-sales service systems that reassure and delight customers.

Customer satisfaction initiatives in Japan

The service departments at Casio, which are responsible for customer satisfaction in after-sales service, strive to increase customer satisfaction by providing service that precisely addresses customer needs and lifestyle preferences.

In September 2012, Casio began returning repaired products to customers with a questionnaire directing them to a customer feedback website. Customers are invited to provide an immediate evaluation of the service they have received. By listening to the evaluations and valuable opinions of customers who have actually experienced the company's repair service, Casio makes continuous efforts to improve its repair service and enhance convenience, in order to provide customers with quick and accurate service.

Pursuing convenience for customers

In fiscal 2016, Casio launched a service that allows customers to make repair requests directly online—the Online Repair Request Service—to increase convenience for customers in Japan. The system is available 24 hours a day so that customers can check estimated repair costs and make repair requests directly to Casio whenever it is convenient for them by following the instructions on the support page to input the required information.

Furthermore, an email delivery system is used to send timely notices to customers who have made repair requests, allowing them to check the status of repairs at their ease. In this way, Casio attempts to give customers a sense of reassurance and to increase convenience by reducing the number of days needed for repairs, avoiding the need for customers to worry about when they can visit a customer service representative, and avoiding problems with procedures for requesting repairs.

Casio also launched a customer support website specifically for premium brand watches such as OCEANUS, MR-G and MT-G (both G-SHOCK models), and PRO TREK (MANASLU). The website gives Casio a means of clearly communicating with customers about its dedicated support services. The company also adopted a flat-rate repair system and started offering an ink cartridge exchange service for its Prin-sharu postcard printer.

For corporate customers, Casio added an “onsite option service” to its extended repair warranty program for projectors. With this option, a Casio serviceperson removes products attached to the ceiling or wall and then comes back to reattach and adjust them after repairs have been made.

Going forward, Casio will continue to revise and enhance the content of its services to match customer needs with respect to each product so that customers can enjoy using Casio's products longer.

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, meet the needs of the changing times, and handle the constant advance of product features —ultimately, to realize the kind of service quality that today's customers expect.

As the company responsible for repairing Casio products, Casio Techno Co., Ltd., encourages its employees to obtain public certifications and professional qualifications, such as national certification through the level 1 or level 2 exams for timepiece repair technicians and business etiquette certifications. By promoting the acquisition of a wide range of qualifications, the company is developing outstanding employees with proficiency not only in repair skills, but also in customer service and product knowledge. Casio Techno is committed to providing detailed high-quality service to customers. Every Casio Techno employee acquires a high degree of technical expertise, motivated by a sincere desire to please customers and earn their confidence. By continuing to work tirelessly in this way, Casio Techno can promise service that both reassures and delights customers.



Site group technical training

Customer satisfaction initiatives outside Japan

Outside Japan, a total of 849 companies, including 11 local subsidiaries and 838 repair partners, carry out after-sales service for Casio brand products (as of March 2016). Casio holds regular technical skill courses for service technicians in each region in order to raise repair skill levels, aiming to ensure that Casio customers around the world receive high-quality repair services. Meanwhile, Casio is working hard to continually assess and improve repair time, quality, and costs at each repair center.

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.

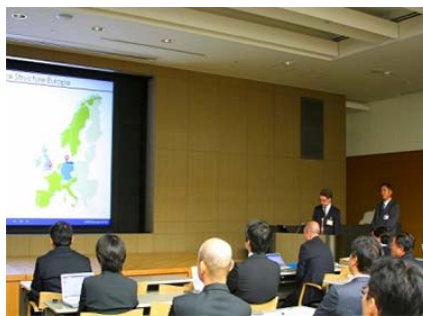
A course was held in Guangzhou, China in July 2015 for certified service providers from around the country. In November, a meeting for local sales and service managers from around the world was held in Tokyo. In January 2016, a meeting was held in Miami in the US for agents from Central and South America.

Casio will continue to work with its service sites to further improve the after-sales service for Casio products worldwide.

Repair centers for local subsidiaries



China ASC meeting: July 2015



Local sales and service meeting: November 2015



Central and South America ASC meeting: January 2015

To ensure that customers outside Japan feel comfortable and confident in their use of Casio products, support information is provided online in 19 languages other than Japanese. The headquarters in Japan uses a system that allows it to maintain this support information directly to ensure overall uniformity and speedier provision of information.

Support



Technical Support



FAQs



Manuals



Downloads



Windows / Mac OS



iOS / Android

Repair / Contact

Select your local website for products/support information.



Online support sites

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 optimize 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 and improving capacity for high-mix/low-volume production 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

Casio uses supply chain management (SCM) at production sites in response to changes in market conditions and demand for high-mix/low-volume product offerings, seeking to speed up the planning cycle and provide a stable supply of salable products.

Specific initiatives include efforts to standardize work processes such as parts delivery controls, materials warehouse management, and manufacturing process management. Casio aims to achieve integrated manufacturing (total optimization) by using the same systems and same methods at different production sites. These initiatives are necessary to increase shipment precision, shorten production lead times, and shrink unused assets, and are already becoming mission-critical systems. The timepiece business in particular, which conducts production at multiple sites, in

Yamagata (Japan), China, and Thailand, must respond rapidly to the changing environment in each region. Smooth operation of SCM enables the deployment of standardized IT tools and production equipment as well as the appropriate distribution of supply capacity.

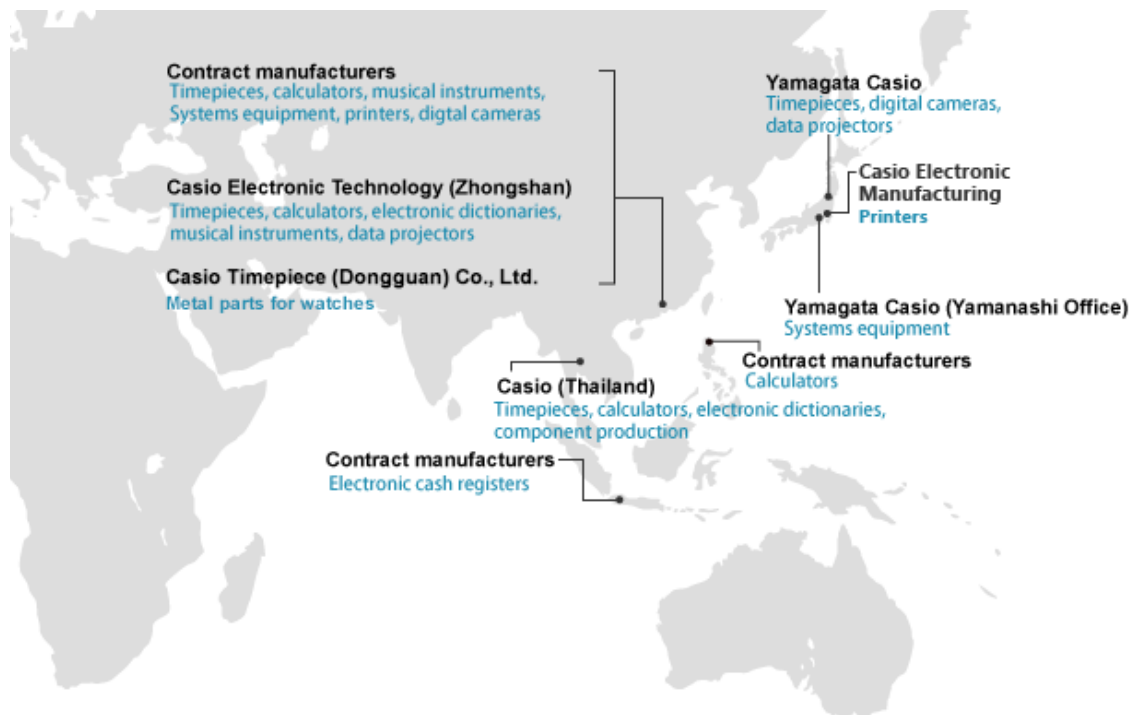
Casio will move to multisite production in other product categories in the future and build an even more sophisticated SCM system.

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



Production Sites

Casio (Thailand) Co., Ltd



Casio's new plant in Nakhonratchasima, Thailand, is located on high ground, making it less susceptible to floods. Casio has added the new plant to its existing major production sites with a view to enhancing business continuity planning (BCP) and diversifying risk through global manufacturing. Casio will continue to expand the plant's production scale and functions. In fiscal 2015, Casio started production of calculators and electronic dictionaries at a new third plant on the site, in order to provide a more stable, high-mix supply of products.

Casio Timepiece (Dongguan) Co., Ltd.

Casio Timepiece (Dongguan) Co., Ltd., was launched in 2015. Located in the city of Dongguan, Guangdong Province, China, it supplies metal cases for watches to group sites in Japan, Southeast Asia, and China. As the Casio Group's first plant processing metal components, it is working at accumulating processing technology (cutting and polishing) and developing new technology. It mainly produces cases for high-end products.

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 avoiding the use of conflict minerals, 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.

[Supplier Guidelines](#)

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.

Initially, these briefings simply involved Casio explaining its business policies to suppliers and asking them to undertake initiatives. Since fiscal 2010, however, Casio has been using these briefings as an opportunity for two-way communication. Suppliers are invited to participate actively, for instance by asking those with exemplary CSR initiatives to present examples of their efforts to promote and improve CSR. This enables the sharing of useful case studies and know-how for addressing CSR. By working collaboratively with its suppliers in this way, Casio is continually improving the level of CSR performance in its supply chain.

In June 2009, Casio revised the Basic Business Agreement it signs with suppliers in Japan. Clauses were added to require measures such as legal compliance, respect for human rights, and environmental protection. The new agreement is being rolled out steadily.



Briefing on Procurement Policies



Award ceremony at the Procurement Policies briefing

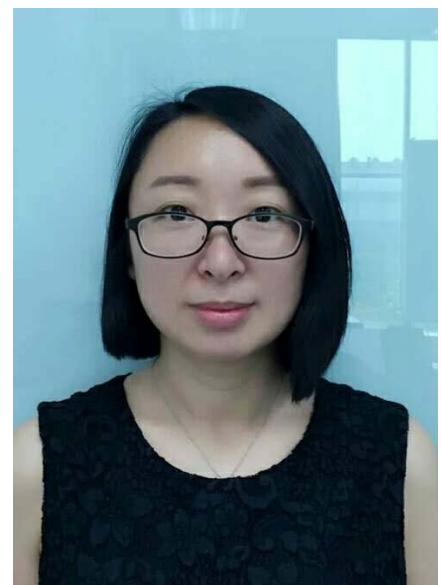


Presentation of exemplary CSR implementation and improvement by a supplier

Voice of a supplier who presented a case study of improvement

At China Precise Hardware & Spring Manufacturing, CSR activities have increased employee loyalty, substantially improved production efficiency, and led to a lower turnover rate.

Our company will continue to actively engage in CSR efforts and create a manufacturing site that pursues sustainable development while strengthening our partnership with Casio.



Lan Li, Sales Manager
China Precise Hardware & Spring
Manufacturing

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.

Based on the fiscal 2012 survey results and changes in society's expectations, the questionnaire for suppliers was revised in fiscal 2013. Overlapping questions were eliminated and a new theme, policies for avoiding conflict minerals, was added.

The fiscal 2016 questionnaire was sent to 231 companies in Japan, and the response rate was 100% (99% in fiscal 2015), clearly indicating suppliers' high level of interest in CSR fulfillment. In China and Thailand, responses were received from 306 companies, also for a response rate of 100% (100% in fiscal 2015, as well). Again, the great concern for CSR fulfillment among suppliers is clear.

Casio compiles and analyses the response data, and shares the results with suppliers, along with Casio's approach to CSR procurement.

Since fiscal 2011, Casio has been conducting onsite audits of major suppliers in China and Thailand with local staff members of the CSR promotion projects launched at sites in those countries. In fiscal 2012, the company started planning onsite inspections performed mainly by local Casio staff, and the number of visits is increasing.

In fiscal 2016, Casio conducted onsite inspections at 8 companies in China, where it has cumulatively covered 60.8% of suppliers on a trade value basis since onsite inspections began. In Thailand, it conducted onsite inspections at 6 companies. Even with the suspension in inspections caused by the flooding, it has covered 40.2% of suppliers in Thailand on a trade value basis. Going forward, Casio will continue onsite inspections with the aim of instilling commitment to CSR throughout the supply chain.

Additionally, Casio underwent CSR-related audits at 5 of its production sites at the request of 4 major distribution customers.

* 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.

[A list of the items included in each category of the questionnaire is available here.](#) (PDF / 10.8KB)

Questionnaire results

Questionnaire given to a total of 537 suppliers

Responses to all questions received from 537 suppliers (100% response rate)

Status of responses by CSR category

Items	Score
0: Overall Promotion of Corporate Social Responsibility	4.1
I Human Rights and Labor	4.6
II Occupational Health and Safety	4.6
III Environment	4.6
IV Fair Trading	4.5
V Product Quality and Safety	4.7
VI Information Security	4.5
VII Contribution to Society	4.0
Total	4.5

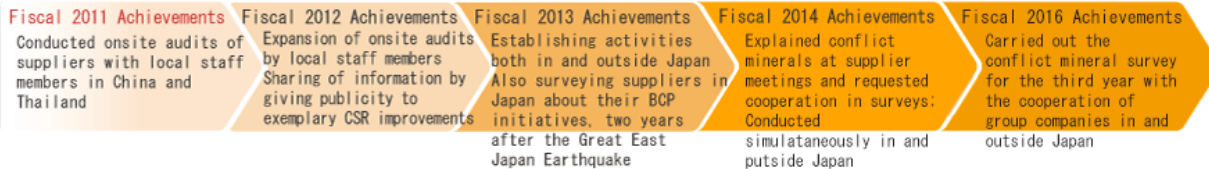
Status of responses by CSR category



Improving CSR across the supply chain



Growing together with suppliers



Supplier message

At the TDK Group, we aim to realize a sustainable society and company through the practice of our corporate motto: “Contribute to culture and industry through creativity.”

We have selected the following four matters as “important action items from the perspective of CSR” in light of their degree of impact on society and materiality, and we apply the PDCA cycle to them:

1. Contribution to the World by Technology
2. Development of Human Resources
3. Society and Environmental Considerations in the Supply Chain
4. Symbiosis with the Global Environment

Going forward, we will continue to leverage our strengths in materials with a medium- to long-term outlook, to contribute by providing socially and environmentally friendly products and services as a partner that plays a role in monozukuri activities that “create something from nothing.”



Takuma Nakamura
 Manager
 Sales Sec.3 East Japan Sales Department
 2
 Japan Sales Division
 Electronic Components Sales & Marketing
 Group
 TDK Corporation

Avoiding any use of conflict minerals

Some minerals, such as tin, tantalum, tungsten, and gold, produced in the Democratic Republic of Congo (DRC) and neighboring African countries have become a source of funding for armed groups and anti-government forces carrying out atrocities. They are called conflict minerals because of their potential to promote conflict, human rights violations, and environmental destruction.

Wanting no part in human rights violations and environmental destruction, Casio’s stance is to completely avoid the use of conflict minerals. The group will continue its efforts to avoid the use of such minerals by working closely with suppliers.

In January 2013, Casio revised its Procurement Policies and Supplier Guidelines, adding a ban on the use of conflict minerals. A question about policies to avoid the use of conflict minerals was also added to the CSR questionnaire sent to suppliers in Japan.

In fiscal 2014, Casio group companies surveyed suppliers worldwide about the use of conflict minerals, using the EICC & GeSI* Conflict Minerals Reporting Template. Worldwide, 650 responses were received in fiscal 2016.

In the first year of the survey, many companies reported conflict mineral use as "unknown." In the second year, there was a noticeable shift towards "yes" or "no" responses, rather than "unknown." There are inherent difficulties in conflict mineral investigation, as strict survey implementation requires going all the way back up the supply chain to the smelters. Casio will continue to collect relevant information including customer reactions and industry trends in the US, EU and other regions.

Casio's policy is to permit use of minerals legally mined in the DRC and neighboring countries, as long as they have no connection to conflict in the region.

* Global e-Sustainability Initiative (GeSI): An international strategic partnership to create and promote technologies and practices for economic, environmental and social sustainability, working with members from major information and communication technology (ICT) companies and organizations.

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 this policy, Casio paid dividends of ¥40 per share in fiscal 2015. This was an increase of ¥5 over the previous fiscal year.

Casio again plans to pay dividends of ¥40 per share in fiscal 2017.

Inclusion in SRI Indexes

FTSE4Good Index

The FTSE4Good Index, developed by FTSE Russell, an index and data provision services company capitalized by the London Stock Exchange Group, evaluates corporate sustainability in terms of social, environmental, and governance aspects. Casio Computer Co., Ltd., has been included in the FTSE4Good Index since June 2016.



MSCI Global Sustainability Indexes

MSCI Global Sustainability Indexes, developed by MSCI (Morgan Stanley Capital Investment), consist of companies that are excellent in ESG (Environment, Society & Governance) aspects. Casio Computer Co., Ltd., has been continually included in the MSCI Global Sustainability Indexes since September 2014.



Morningstar Socially Responsible Investment Index (MS-SRI)

Casio Computer Co., Ltd., has been continually included in the Morningstar Socially Responsible Investment Index (MS-SRI) since September 2004.

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 business briefings.

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.

[Investor Relations](#)

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. At its General Meeting of Shareholders, the company described its main products and key businesses. On the Japanese Investor Relations website, a section was added specifically for individual investors in an effort to make information disclosure clearer.

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.

Global Human Resources Strategy



Casio has started creating a global human resources strategy as it looks to further expand its business outside Japan.

[More](#)

Building Workplaces for a Diverse Workforce



Casio has launched a diversity project focused on enabling all employees to perform at their full potential and reach even greater heights.

[More](#)

Creating Supportive Workplaces



Casio develops various support systems and is committed to creating a culture of mutual acceptance of diverse styles of working.

[More](#)

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.

[More](#)

Promoting health and safety initiatives for employees



Casio seeks to build work environments where all employees of the group can work with peace of mind.

[More](#)

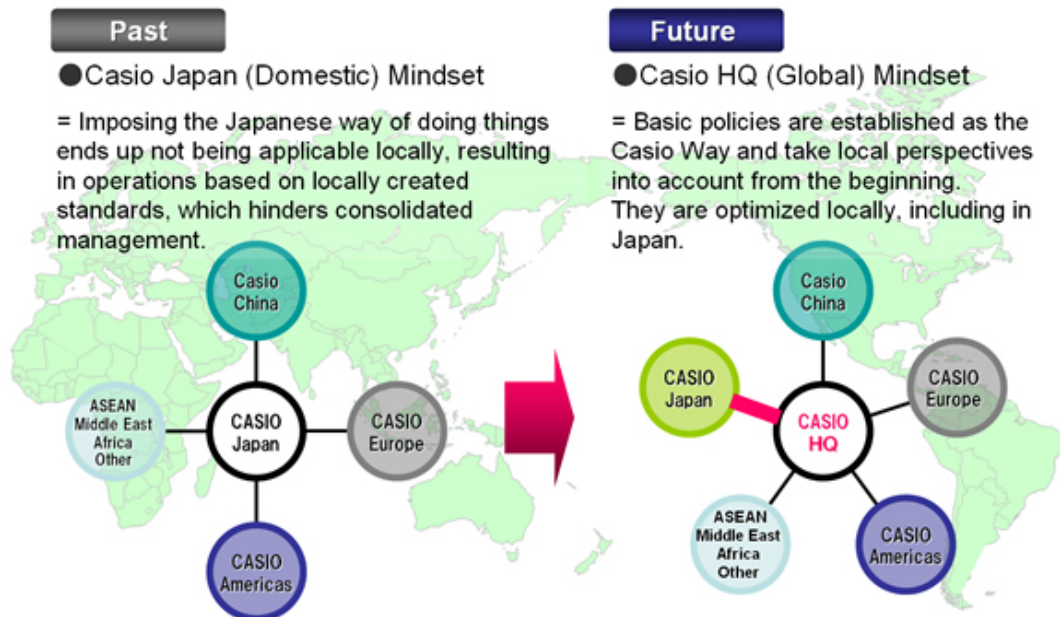
Global Human Resources Strategy

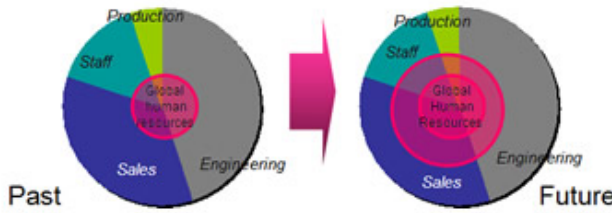
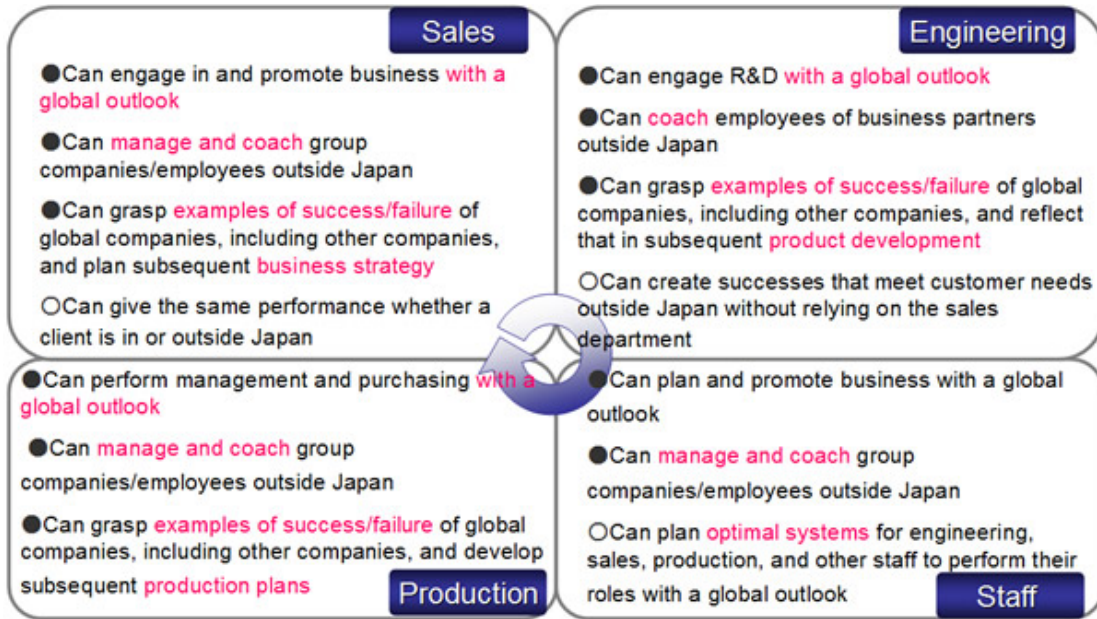
Casio is reinforcing its global expansion in all business fields, including existing and new businesses. In light of its continuing business expansion outside Japan, Casio has started creating a global human resources strategy. This project includes the enhancement of human resources functions at group companies outside Japan and the establishment of a system for developing human resources who are prepared to meet global standards.

Vision of global talent

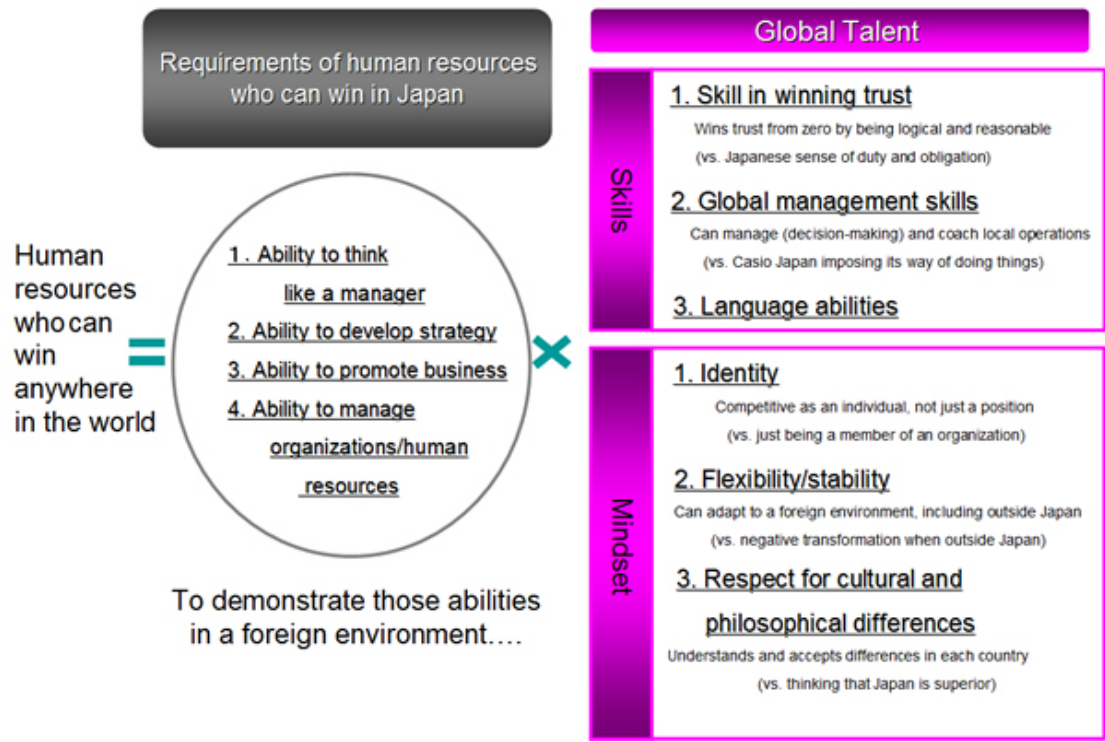
Casio's employees around the world must always think from the headquarters' perspective in order to demonstrate leadership. The human resources department uses various opportunities and tools to convey and share with employees messages on the importance of thinking of Japan as just one area in the world and of changing one's mindset to work with a global outlook.

Example: Company intranet C's ☆ CAFÉ "Vision of Global Talent"





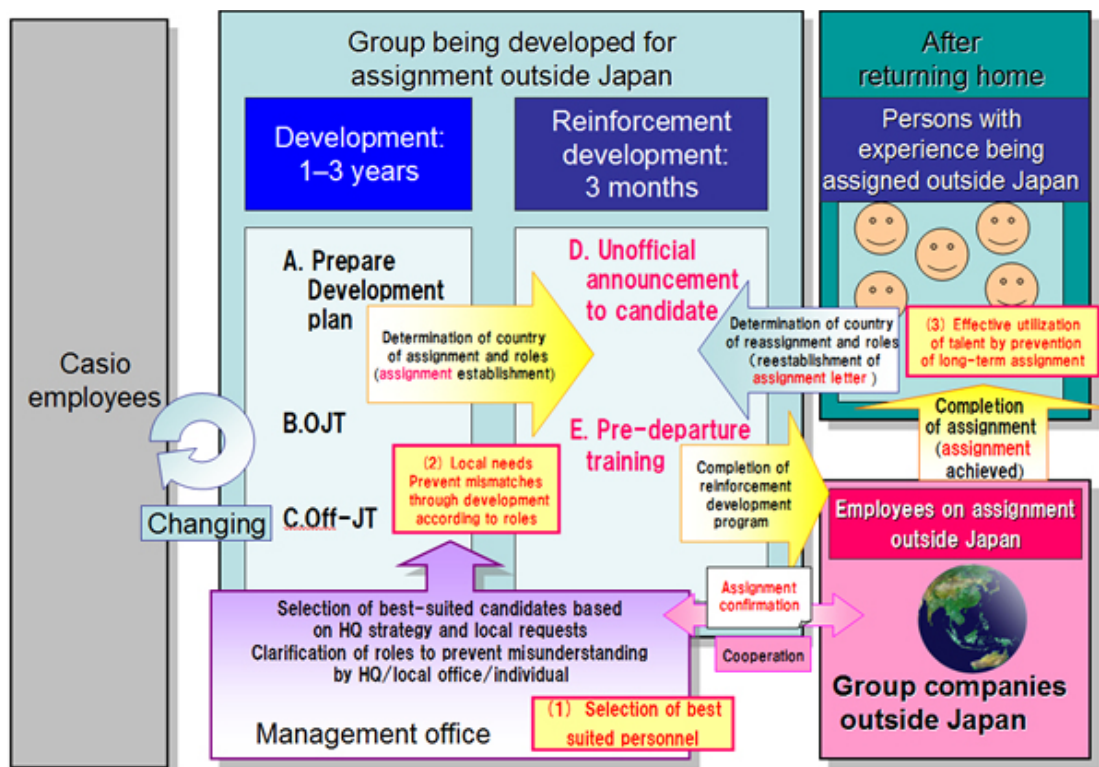
Increasing the percentage of human resources able to win in the global arena will create business resources for the future



Establishment of standards for the roles of persons sent on assignment outside Japan

It is important to increase the number of human resources with the aptitude for assignment outside Japan. At the same time, however, Casio is endeavoring to develop local employees and create more opportunities for their promotion. It does this by sending people on assignments outside Japan only to perform roles that cannot be done by local employees and by clarifying their division of roles with local employees. Casio will establish a table of standards and develop a check system to enable its employees around the world to shine by placing the right people in the right jobs.

Example: Image of the use of the table of standards for the roles of persons sent on assignment outside Japan

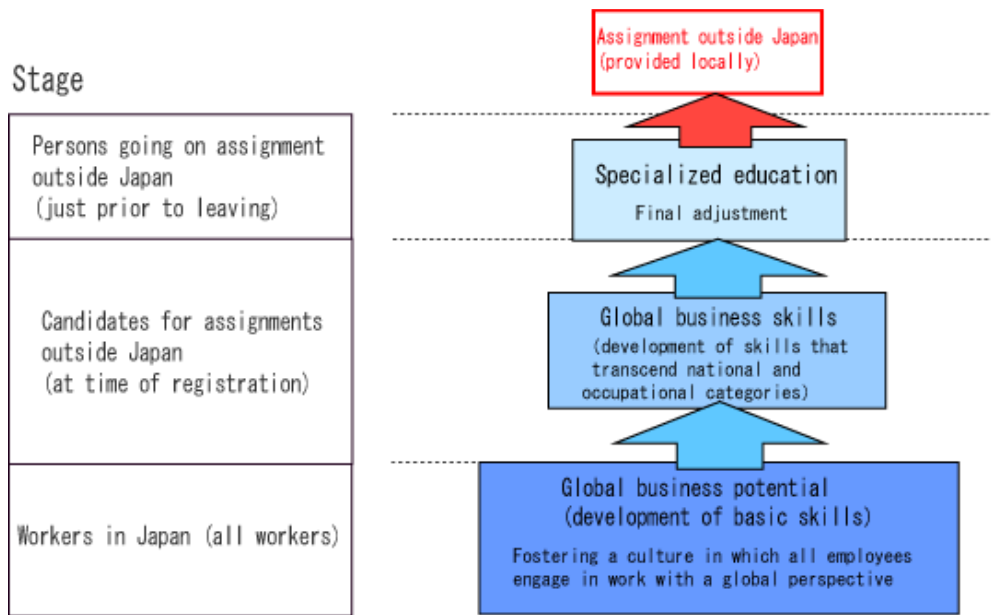


Establishment of a structure for developing employees in Japan who can play an active role on the world stage

Casio is committed to accelerating the globalization of employees in Japan in terms of recruitment, placement, and development.

At present, Casio is enhancing the educational content at each stage and deepening coordination between stages in an effort to create systematic human resources development.

Positioning of stage-based education



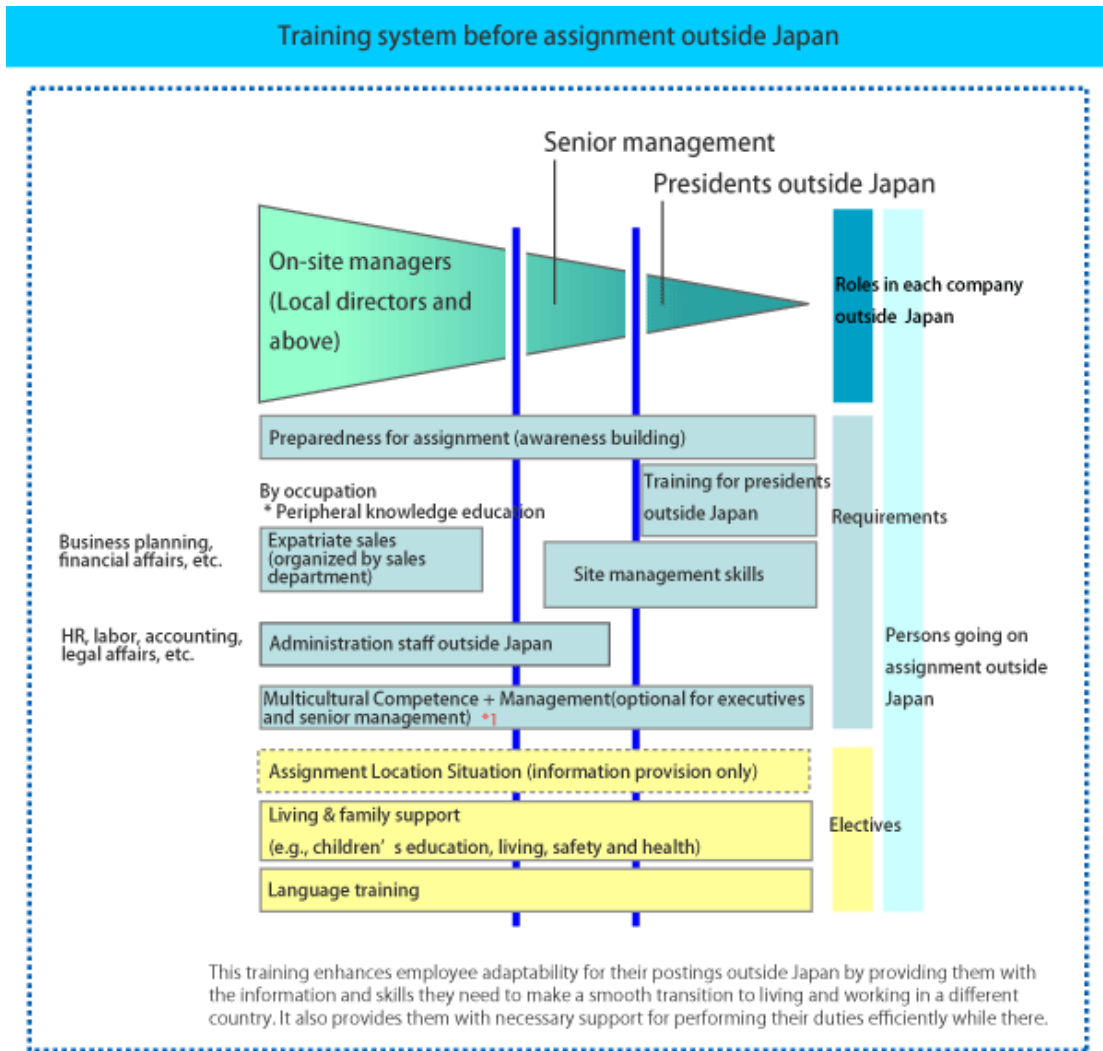
Casio implements measures such as the following at each stage in order to achieve this kind of human resources development.

Provision of local information to persons going on assignment outside Japan and development of multicultural management skills

Casio systematically provides grade-based training to persons going on assignment outside Japan according to their mission at the location of assignment.

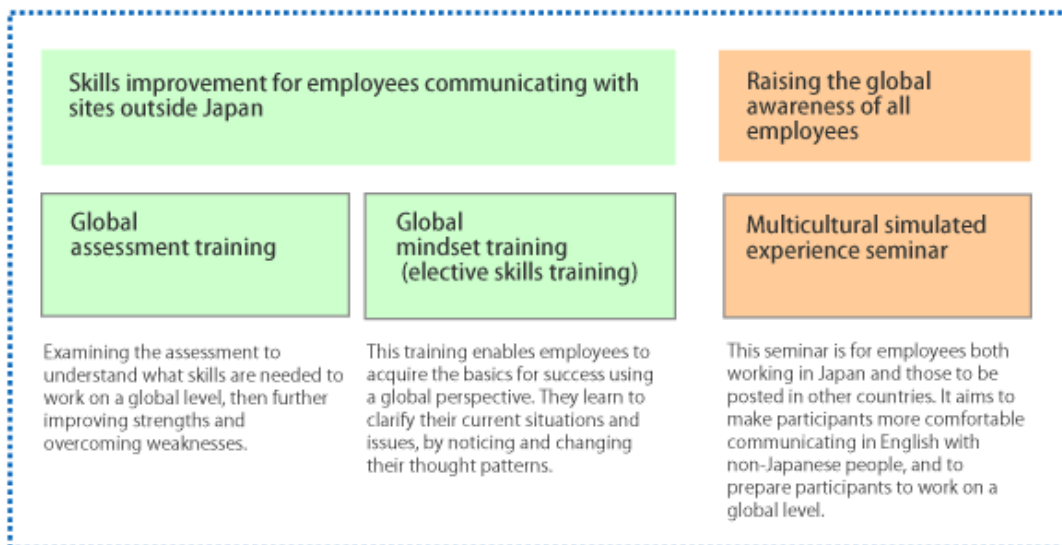
In fiscal 2014, it added Training for Presidents outside Japan for top management, Site Management Skills Training for senior management, and Multicultural Management Skills Training and Assignment Location Situation for all persons going on assignment outside Japan. Additionally, in 2014 Casio stepped up safety measures, the provision of educational information for accompanying children, and other efforts to strengthen on-location living support.

Training system before assignment outside Japan



*1 Learning multicultural communication skills and practical points for managing highly diverse teams

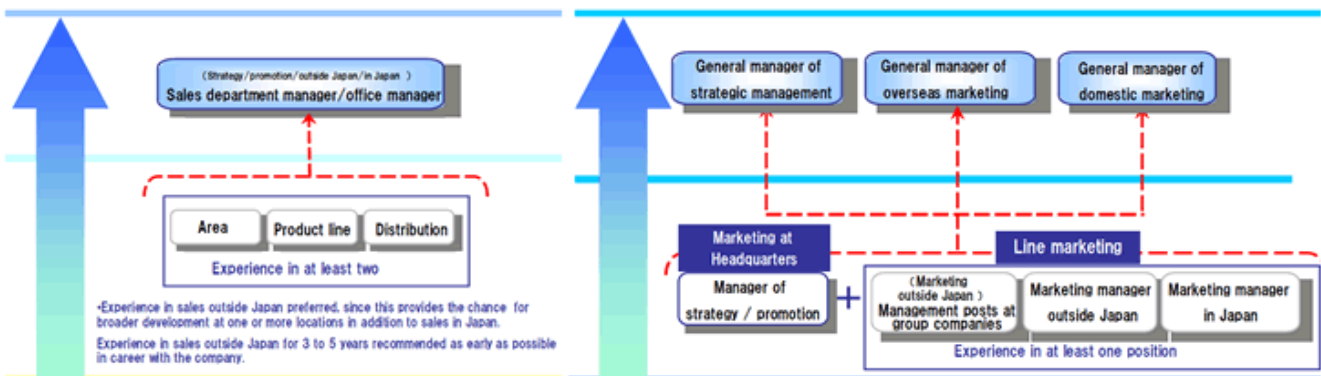
Fostering a global mindset among employees in Japan



Global career path

In order to continuously develop global human resources, it is not enough to use a direct approach from the human resources department to employees; people who can develop global human resources must be developed and promoted as managers so that employees can grow through their work in the field. Accordingly, Casio has developed its conventional career path into a global career path. So that employees in addition to those involved in sales outside Japan will have even a broader perspective, the company has enhanced personnel placement to give employees wide-ranging experience before they become section chiefs, department managers, and division managers. This approach will be used in future human resources development and placement planning.

Example: Company intranet C's ☆ CAFÉ Global career path (sales)

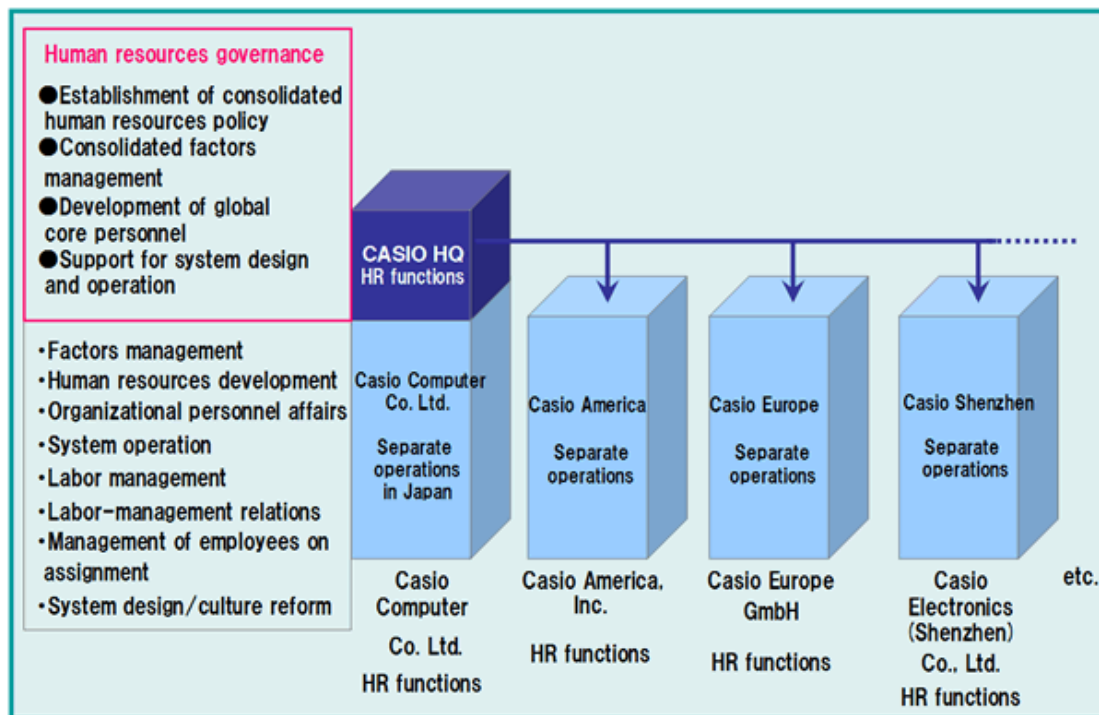


Strengthening human resources functions at group companies outside Japan

The strengthening of human resources functions is becoming an increasingly important issue at group companies outside Japan, which are increasing in number and growing in size rapidly around the world with the continued expansion of Casio's business outside Japan. In this environment, Casio is working at enhancing human resources functions throughout the group, ensuring that they reflect the shared Casio corporate creed, by sharing its global human resources philosophy and know-how. This effort includes restructuring human resources systems to make them suitable to each company, taking into consideration each country's values, laws, and other characteristics.

Global human resources governance system

Casio actively engages in exchanges of opinions on what the Casio Group perspective should be about local problems and circumstances. The headquarters human resource division also directly dialogues with and provides advice on system design to members of human resources departments at local companies.



Global human resources meeting

In fiscal 2015, Casio held a global human resources meeting to foster discussion with HR managers from group companies outside Japan. The aim was to share Casio's global HR approach, ensure further penetration of the Casio philosophy, and ascertain HR issues at sites outside Japan. The participants were very satisfied with the meeting and provided feedback such as, "I'd like to put into practice all the things I have learned here," and "We were able to strengthen communication among HR managers, and a sense of group-wide unity has been created." This initial meeting was held for managers from group sales companies outside Japan, and the next meeting was held for managers from six group production companies overseas in April 2015.

Building Workplaces for a Diverse Workforce

Some progress has been attained through various activities led by the Working Group for Female Employee Advancement as the first step in promoting diversity. Casio has now launched a Diversity Project that, starting in fiscal 2014, is focusing on enabling all employees—including seniors, persons with disabilities, and non-Japanese employees, not just women—to perform at their full potential and reach even greater heights.

Launch of the Diversity Project

The goal of the Diversity Project is to create conditions where all employees can work enthusiastically and enjoy job satisfaction, regardless of gender, nationality, age, or level of ability. The project promotes positive actions via groups that work on themes such as women, seniors, persons with disabilities, and non-Japanese employees.

Supporting advancement of female employees

Casio actively and continuously carries out a variety of measures with the aim of supporting all female employees so that they can fully demonstrate their abilities. Casio actively promotes ambitious and talented employees, and the number of women in senior staff positions increased from four in fiscal 2011 to 24 in fiscal 2016. In order to promote the advancement of women even more in the future, Casio has established the goal of doubling the percentage of women in senior staff positions by 2020. The company plans to actively implement measures to foster ambition for promotion among female candidates for senior staff positions and to take measures to support the career formation of young women.

Additionally, the percentage of female engineers is somewhat low in the hiring of new graduates. Accordingly, Casio has set goals for the percentage of women in the hiring of new graduates joining the company every spring from fiscal 2019 of at least 20% in engineering positions, at least 50% in sales positions, and at least 30% overall. The company plans to expand the number of its female engineer applicants by aggressively targeting technically minded women in its PR.

Female employees in senior staff positions (Casio Computer Co., Ltd.)

(FY)	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Number of female employees in senior staff positions (number of managers)	4(3)	13(5)	16(8)	20(10)	20(9)	24(10)
Percentage of female employees in senior staff positions (percentage of managers)	0.4% (0.9%)	1.3% (1.5%)	1.7% (2.1%)	2.0% (2.0%)	2.1% (1.9%)	2.6% (2.1%)

* Casio regards senior staff as professional staff and classifies them as: managers, or professionals who control an organization; and specialists, or professionals that belong to an organization.

* A manager means a person at the department manager level or higher.

Hiring and encouraging non-Japanese employees to play active roles

Aiming to stimulate and internationalize the company, Casio is actively hiring foreign students studying in Japan who wish to work at Casio. During the selection process, Casio makes careful efforts to prevent disadvantages at the time of selection resulting from insufficient understanding of information due to differences in language, culture, and customs. (The company has hired foreign students studying in Japan every year since 2012.)

Casio has established a working group under the a Diversity Project that includes non-Japanese employees who are already playing active roles while seeking to improve the company's systems from their point of view. Casio is working hard to build an environment in which non-Japanese employees can feel secure about continuing to work for a long time after joining the company. At present, Casio's non-Japanese employees are playing active roles while displaying their individuality in many kinds of workplaces.

Improved menu signage in the cafeteria

Even for non-Japanese employees who are proficient in Japanese, it can be difficult to understand the names of food ingredients and cooking methods. Accordingly, Casio now displays cafeteria menus in both Japanese and English. This has also enabled employees of group companies and suppliers outside Japan who are visiting Japan on business, as well, to use the cafeteria more freely. Additionally, for the benefit of people with dietary restrictions due to religious precepts, menu displays now also include illustrations making it clear what kind of meat is used in each dish.



English menu description (bottom); pork marks (upper right)

New system of leave for returning to one's home country

Casio grants special leave to non-Japanese employees in Japan so that they can participate from time to time in important events in their home countries and to create opportunities for them to see their family and relatives in their home countries once every several years. Until now it was possible for non-Japanese employee to use paid vacation to return home, but establishing a system has made it easier for them to take leave by clarifying the purpose.

Establishment of a prayer room

Casio has prepared a room with space for Muslim employees to put down a prayer rug and pray.



Description of applications to update one's status of residence in Japan

Non-Japanese employees must apply to update their status of residence in Japan every five years. Employees had to collect all the necessary documents and make a request to the company, and sometimes the procedures were difficult to understand. Accordingly, Casio has put up a description of the procedures on its company intranet.

Working together with persons with disabilities

Casio Computer Co., Ltd., and Casio group companies in Japan have participated in many job fairs for persons with disabilities and cooperated with rehabilitation centers and support organizations for persons with disabilities to support their independence and participation in society. As a result of these efforts, in June 2016, the employment rate for persons with disabilities at Casio Computer and all Casio group companies in Japan exceeded the legally mandated rate.

The company is creating workplace environments that allow every individual to display their full abilities and aptitudes. Upon request, it provides hands-on training in the workplace before hiring in an effort to dispel anxiety about actually working there and to eliminate gaps between expectations and reality. Casio has also adopted and uses a follow-up system for persons with disabilities throughout the group. This system is intended to constantly aim for the most suitable environment in light of the opinions of both the workplace and persons with disabilities by conducting periodic interviews after a person with disabilities joins the company so they are not left alone to face any anxieties or problems. The interviews help to quickly resolve any problems, check aptitude for work duties based on actual performance of those duties, and facilitate the provision of care if a disability has changed with the passage of time. This also helps to relieve the anxieties of the families and former schools of employees with disabilities.

These kinds of initiatives have been commended by public institutions and featured in a DVD produced by the Tokyo Metropolitan Government introducing superior companies that it endorses. The system has led to the resolution of many problems, and employees with disabilities themselves have said it is comforting to have such a system in place. Casio also invites sign language interpreters to company events to help convey information to the hearing impaired and makes active use of job-related assistive tools from public institutions.

A working group in the Diversity Project is advancing community development for persons with disabilities. It is carrying out initiatives aimed at making Casio an easier place to keep working by incorporating the opinions of persons with disabilities regarding issues such as environmental retrofitting focused on ensuring safety, measures to increase awareness in workplaces where persons with disabilities work, and measures to further establish their position in the workplace.

Furthermore, Casio introduced commuting support measures for employees with disabilities, thereby allowing them to work staggered hours. The aim was to reduce obstacles and secure safety during commuting, according to the nature of the employee's disability. This move was in response to requests from employees with disabilities, and also addressed legal requirements to prevent discrimination against people with disabilities by providing reasonable accommodation of their needs.

The company aims to create an environment in which all Casio employees can work enthusiastically and enjoy job satisfaction, regardless of level of ability. In this way, Casio actively hires people who display creativity and have the desire to work and take on challenges, and gives them a stage on which to play an active role.

Percent of workforce with disabilities

	As of April 1, 2014	As of April 1, 2015	As of April 1, 2016	As of June 21, 2016
Casio Computer Co., Ltd.	1.72%	1.74%	1.84%	2.01%

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

Casio has a Senior Employee Program 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. It revised this program following amendment of the Act for Stabilization of Employment of Older Persons in fiscal 2014. Under the post-revision program, Casio offers continued employment with reasonable treatment according to past performance and the roles and responsibilities assumed after retirement age. The system creates workplaces where seniors can continue using their career skills and expertise within the Casio group.

The Second Career Working Group is part as part of the Casio Diversity Project. Together with members of the working group, which includes senior employees, the company has been incorporating opinions from the perspective of the persons concerned into discussions. In fiscal 2015, mechanism improvements were made as part of efforts to create systems and an environment where employees can work with enthusiasm regardless of age.

Clarifying roles when hiring senior employees

Casio decided to clarify the procedure for re-hiring employees reaching retirement. The aim is further strengthen the potential of senior employees and to ensure job satisfaction after re-employment at a new compensation level. The company must now describe the skills and experience of each individual concerned, along with the corresponding job description, role, and expectations. These must be clearly documented and presented with the compensation conditions at time of re-employment.

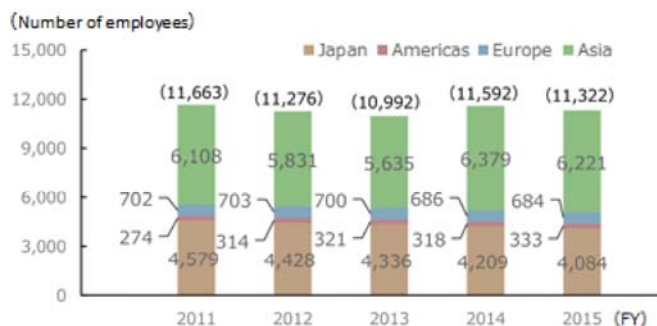
Raising awareness of the need for career planning when looking ahead to retirement and re-employment

When employees reach mandatory retirement age and become eligible for re-employment as a senior employee, their roles and compensation levels will change. Therefore, Casio believes that it is necessary for employees to prepare in advance a forward-looking career plan, in order to continue working enthusiastically during the retirement transition from a regular position to re-employment as a senior employee. Senior Life Seminars are held each year for employees who have reached the ages of 53 and 58, in order to raise awareness of retirement life planning at an early stage. For employees aged 53, an external instructor provides a lecture on personal finance planning covering things such as the pension system, post-retirement living expenses, taxes, and healthcare costs. Now, information on career development planning is also provided with a view to re-employment at Casio once the mandatory retirement age is reached. The seminar has been well received by employees, one of whom indicated it helped him to clarify his goals for the coming seven years through retirement.

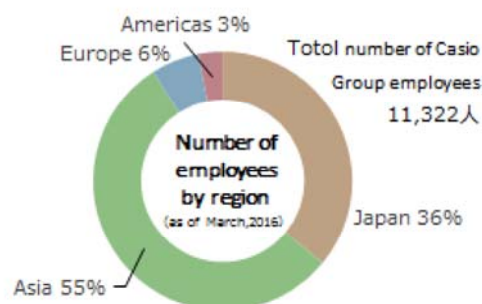
Prioritizing local hiring and promotion at subsidiaries outside Japan

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 (global breakdown)



Number of Casio Group employees



Casio Group employees by region (FY2016)

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. It also conducts voluntary explanation meetings at universities around the country and holds hiring events at different times during the day and week, splitting up selection periods into four or five different times. In this way, Casio is striving to provide hiring opportunities to as many students as possible.

Human resources data

Number of employees hired in Japan (As of end of March 2016)

	Casio Computer Co., Ltd.	Group companies in Japan	Total
Male	2,263	1,171	3,434 (84%)
Female	393	257	650 (16%)
Total	2,656	1,428	4,084

Number of employees hired in Japan (April 1, 2016)

	Casio Computer Co., Ltd.	Group companies in Japan	Total
Male	35	2	37(62%)
Female	21	2	23(38%)
Total	56	4	60

Average years of service in Japan (As of end of March 2016)

	Casio Computer Co., Ltd.	Group companies in Japan	Total
Male	20.7	18.6	20.3
Female	14.8	19.8	17.5
Total	19.8	18.6	19.3

Average employee age in Japan (As of end of March 2016)

	Casio Computer Co., Ltd.	Group companies in Japan	Total
Male	47.3	47.5	47.5
Female	40.6	44.5	42.5
Total	46.3	46.5	46.5

Creating Supportive Workplaces

Casio regards it as crucial to create workplaces where employees can work enthusiastically with job satisfaction and in a state of physical and mental health. It has prepared a number of support programs and strives to foster a corporate culture that accepts diverse working styles. Recognizing its initiatives to date, in 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 work and family life.

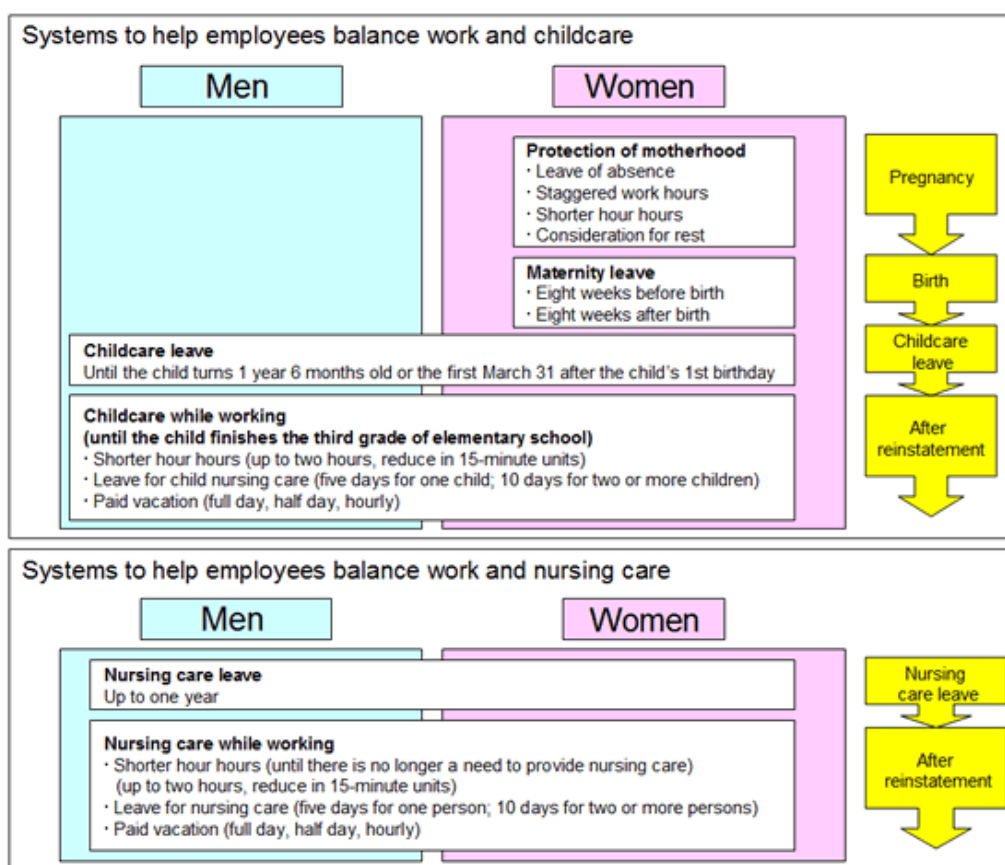


Kurumin mark for helping to foster the next generation

Helping employees balance work and family life

Casio has introduced programs that enable employees under restrictions caused by childbirth, parenting, and family nursing care to feel at ease and to demonstrate their full potential on the job. The company has developed programs that help employees balance work and family life, such as a shorter working hours system for childcare and nursing care and an hourly paid leave system.

Childcare and nursing care leave programs (Casio Computer Co., Ltd.)



	Number of employees taking leave (figure in parentheses is men)					
	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Childcare leave and return program	30(0)	34(0)	28(0)	35(1)	45(1)	46(0)
Nursing care leave program	0	3(1)	4(1)	2(2)	2(2)	3(1)
Shorter working hours system for childcare and nursing care	61(3)	66(2)	75(3)	68(3)	76(0)	77(0)
Child nursing care leave	8(1)	5(1)	16(5)	9(2)	6(1)	13(1)
Nursing care leave	0	2(1)	4(2)	3(2)	3(2)	3(2)

Hourly paid leave system

In June 2010, Casio adopted a system that permits employees to take annual paid vacation in hourly increments. The system is available to all employees and can be combined with half-day leave so that it is used effectively and flexibly.

Employee Comments

- Left an hour early for lunch to renew a drivers license
"Previously, one had to take a half day off in order to attend to a personal matter during the work day. Now, one can take time off on an hourly basis, which is a more efficient way to use holiday time."
- Took hours off to take her two-year-old daughter for vaccinations and to meet with daycare staff
"It is handy to take time off by the hour, since I also want to save my holiday time in case my daughter gets sick."
- Wanted to leave a couple of hours early to catch a ball game
"A great way to break up my work routine. I felt very energized when I returned to work the next day."

Rate of taking paid vacation (Casio Computer Co., Ltd.)

	FY2011 (Jan. 2010 - Dec. 2010)	FY2012 (Jan. 2011 - Dec. 2011)	FY2013 (Jan. 2012 - Dec. 2012)	FY2014 (Jan. 2013 - Dec. 2013)	FY2015 (Jan. 2014 - Dec. 2015)	FY2016 (Apr. 2015 - Mar. 2016)
Rate of taking paid vacation	67.6%	68.3%	70.9%	67.9%	65.5%	71.1%

* Calculation period was changed in fiscal 2016

Other vacation and leave programs

Program	Description
Vacation Day Accumulation	The annual paid vacation expires in two years. However, employees can accumulate a maximum of 30 unused vacation days to carry over up to four days per year. The leave days can be used if the employee gets sick or injured, in order to care for a family member, safe motherhood measures, or volunteering.
Refresh Leave	This program grants five days of leave at the 10-year, 20-year, and 30-year milestones of work.

Caregiving Seminars

Casio held a “Seminar on Balancing Work and Caregiving” for the first time to provide employees with basic information on caregiving, so that they could acquire knowledge that will allow them to handle caregiving, the need for which often comes abruptly.

The seminar was held two times—at the headquarters and the R&D Center—in January 2016 and streamed live to sales offices around the country.

In total, 340 people attended the seminars. On a questionnaire given after the seminar, 93% said that it was useful, and 31% said that they themselves or someone near them were currently involved in caregiving. Clearly caregiving is an immediate concern for employees.

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. In fiscal 2016, company-wide efforts were made, aiming for a 10% reduction from the previous year. Managers and supervisors use a Web-based system that enables them to track and manage the working hours of their subordinates.

Average monthly overtime work (Casio Computer Co., Ltd., and group companies in Japan)

	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Overtime hours	15.08	14.76	15.09	16.20	16.10	15.70

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.

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

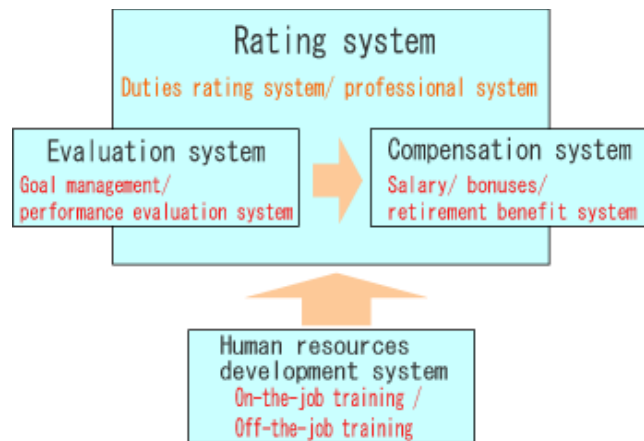
In addition to the above policy, Casio will place a premium on these points of view as it pushes ahead with innovative personnel measures. By taking this approach, Casio aims to strike the optimal balance between the growth and revitalization of society and the expansion and growth of the company.

Casio's design and application of an impartial personnel system ensures fair rating, evaluation, and compensation according to the level of duties, regardless of academic background, years of service, or gender.

Casio feels that goal management is important in its evaluation system and so it has supervisors and their subordinates share goal information via the intranet. Starting in fiscal 2015, goals are also being shared among colleagues in addition superiors and subordinates, which is useful for promoting innovation and synergy.

The company evaluates each employee at an interview twice a year. Casio uses evaluation sheets based on goal management to notify employees about the results of evaluations, a mechanism designed to improve transparency and ensure that evaluation of employees is highly credible.

Human resources system overview



Education for fair evaluation and compensation

Casio requires managers to take evaluator training in an effort to improve their evaluation, leadership, and interviewing skills, in order to operate its human resources system fairly and appropriately.

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.

The company not only works with evaluators, but has also cooperated with the labor union to produce a Goal Setting and Evaluation Interview Handbook to help deepen understanding between supervisors and their subordinates and ensure fairness in operations.

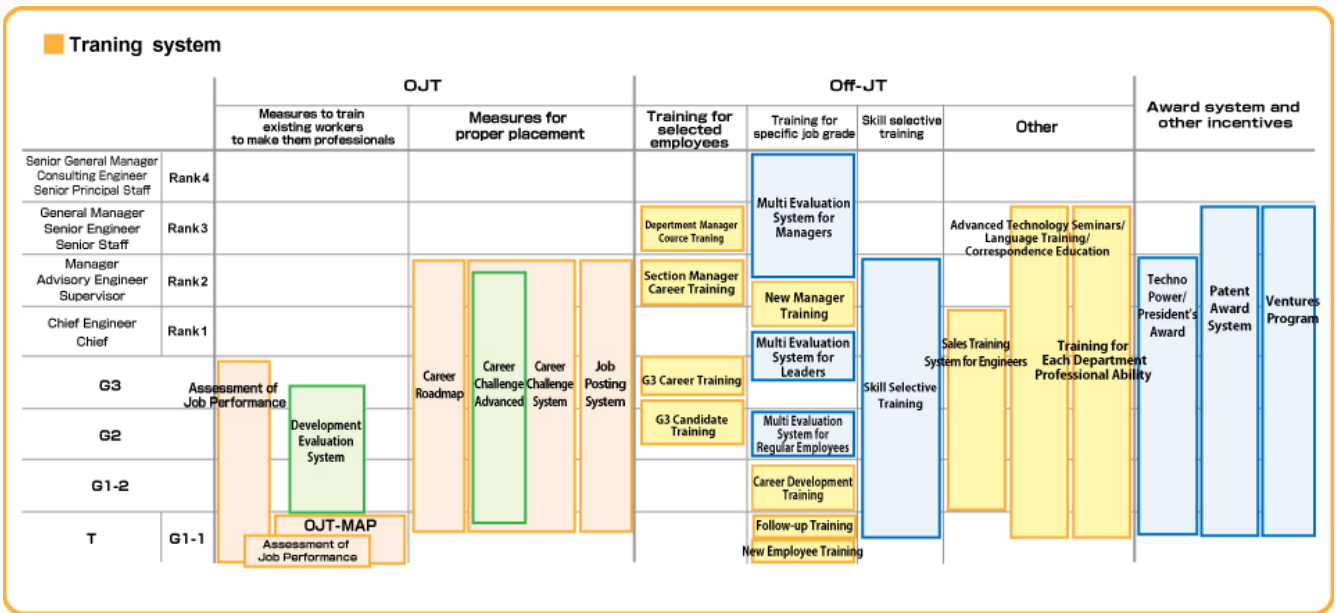
Overview of human resource development

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.

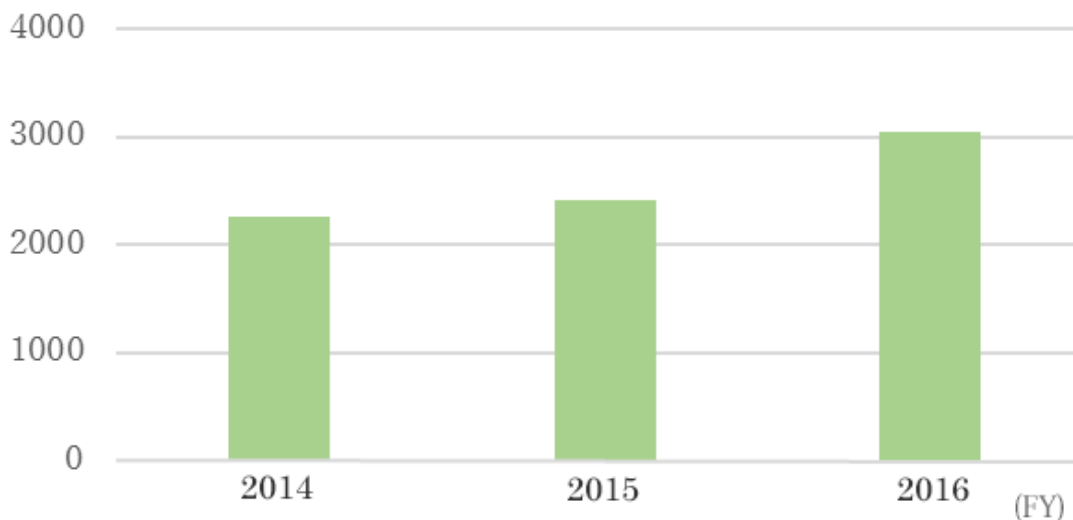
Training System



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.

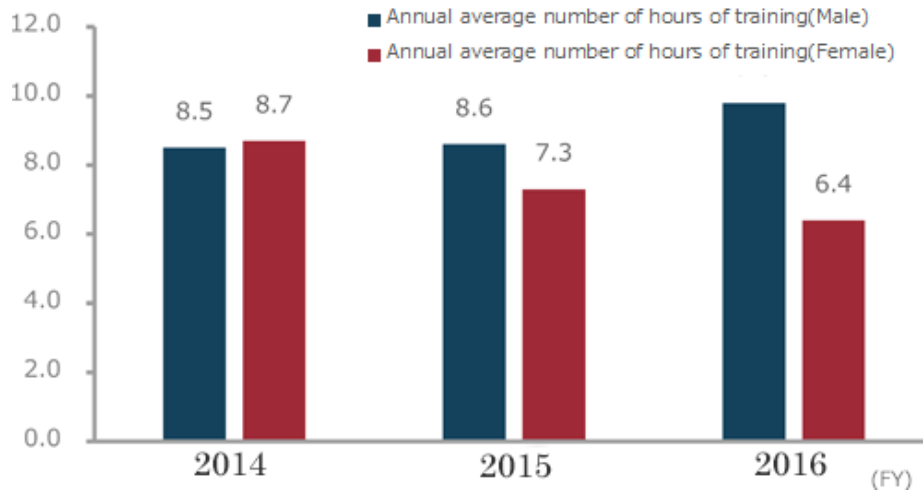
In addition to the system above, Casio holds Senior Life Seminars for employees in Japan when they reach the ages of 53 and 58 (303 employees in fiscal 2016). The seminars help employees to plan their lives after the company retirement age of 60, with information on areas such as retirement career planning, skills development, retirement benefits, and the pension system.

Training participants (Casio Computer Co., Ltd.) *excluding Senior Life Seminars

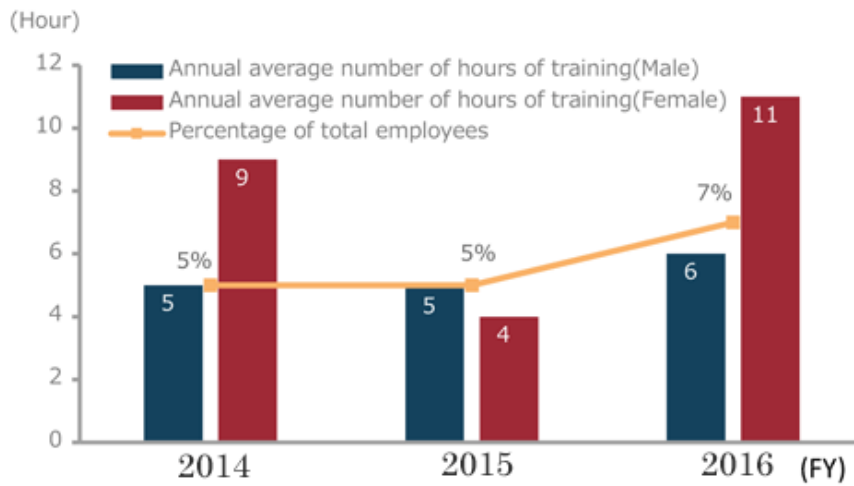


Male 86%, Female 14% in FY2016

Annual average number of hours of training (Casio Computer Co., Ltd.)



Proportion of employees receiving regular assessment of their performance and career development progress



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.

Fiscal 2016 summary and future issues

In fiscal 2016, Casio mainly focused on enhancing training for selected employees, promoting employee innovation, and strengthening global human resources. In fiscal 2017, Casio intends to make continued progress not only by improving its conventional training content, but also by revamping its technical skill selective training, extending training for specific job grades that is designed to strengthen management to all group companies in Japan, and improving employee innovation.

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. Participants can also register challenges they would like to undertake in their current jobs. By allowing employees to share their goals with superiors, the system helps to create an energetic work environment.

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.

This program has been gradually extended to group companies and the number of employees wishing to take the challenge is growing every year. Casio will continue to facilitate revitalization within the group through this system.

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 first-year, second-year and third-year employees.

Skill Selective Training

The training targets all regular employees, for the objective of effectively and efficiently acquiring diverse skills required for work operations, in a training program that allows employees to select from a large variety of training courses. The targeted skills are divided into three categories: specialized skills, strategic skills, and interpersonal skills. 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 an event held annually for the objectives of stimulating engineers, and sharing and accumulating technology. It serves as a place for recruiting new technology and expertise created in-house and recognizing ideas with high originality, technical level, and usefulness. The event encourages engineers to embrace the challenge of new technologies through presentations of in-house technology, exhibition of new technologies, and keynote speeches.

Past accolades (number of awards)

	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Outstanding Technology Award	2	3	2	3	4	2
Honorable Mention	6	5	8	7	9	8
Total	8	8	10	10	13	15

In-house specialist seminars

These are lectures by outside trailblazers in advanced technology and innovators who were able to develop revolutionary new products and create new businesses. They are mainly for technology development engineers, for the objective of understanding technology trends and of fostering a development mindset and the will to take on challenges. The themes of the seminars include trends in advanced technology with high originality and technical level, and ways of thinking to create new products. In recent years the themes have been expanded to include such topics as market and product trends in regions where future market expansion is expected, especially in emerging countries. In fiscal 2016, eight seminars were held, attended by a total of 800 employees.

Language training

The purpose of these training programs is to increase employees' language skills. The company provides diverse language training suited to employee needs, such as online English conversation training that employees can take from home at any time and group lessons in English, Chinese, and other languages. Over 100 employees take advantage of these training programs every year. The company periodically revises the training content, aiming to offer programs that are easier for employees to use.

Intrapreneurship Program

Casio established its Intrapreneurship Program to identify and foster talented human resources who can motivate employees and develop businesses and to quickly launch new businesses by providing an opportunity for employees to make business proposals beyond organizational boundaries. The program allows individual employees to make their own business proposals directly 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. So far 96 proposals have been made, some of which led to business development. Casio intends to make use of this program as an ongoing business proposal tool in the future.

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.

Additionally, in order to make it easier to reflect employees' wishes in the ordinary course of business, employees declare a task that they would like to attempt and this intention is shared with their supervisors and made use of in task assignment and rotation.

Promoting health and safety initiatives for employees

Each and every employee must be able to work safely and in good health in order to perform at his or her full potential. Based on various laws and work regulations such as Japan's Industrial Safety and Health Act, Casio makes group-wide efforts to create workplace environments where all employees can work with peace of mind, in order to maintain and enhance the health of employees and prevent occupational injuries or their reoccurrence. Group companies outside Japan comply with their local laws and regulations and also implement similar measures.

Occupational health and safety activities

Casio has formulated safety and health rules, based upon which it has established Occupational Safety and Health Committees in all of its business locations. The committees independently design and implement policies tailored to each workplace, doing all they can to keep employees physically and mentally healthy and to ensure occupational safety. The committees, which are made up of people selected by the company and the Labor Union in equal proportions, discuss measures to prevent accidents and to maintain and promote employee health. 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. In addition, Casio supports the advancement of health by providing various types of health guidance and raising health awareness, working in cooperation with the Casio Health Insurance Association. Health promotion initiatives are reported to the officer responsible for human resources.

Regular health checks

Regular health checks for employees at Casio are more thorough than legally mandated: they include many additional items intended to help employees maintain their health and to prevent lifestyle-related diseases. Nearly 100% of employees come for the health checks every year. In fiscal 2016, the mobile health check clinic will be replaced with a new vehicle equipped with digital high-resolution X-ray equipment. Employees 35 and older will have their regular health checks at a hospital rather than in the mobile clinic, and for the gastric examination, employees can choose between high-resolution X-ray and endoscope. Employees 40 and older can opt to receive a full medical checkup, partially paid by the employee. The rules for follow-up are also being standardized, and Casio aims to improve the follow-up implementation rate for those whose health check revealed any concerns. Employees on overseas assignments are also required to undergo a routine health check once a year, with an industrial physician offering guidance based on the results.

Initiatives to counter lifestyle-related diseases

In the effort to prevent lifestyle-related illnesses, Casio, together with the Casio Health Insurance Association, is promoting initiatives that focus on exercise and healthy eating. From September to November and from March to May every year, Casio holds a Walking Campaign at sites across Japan to encourage the habit of getting moderate exercise. Participants can check their progress and ranking on a special website. The employee cafeterias provide healthy menu choices featuring a balance of calories and nutrition.



Healthy menu

Additionally, Casio now conducts “Health Fairs,” a new program with the concept of helping employees to make effective use of the lunch break to get refreshed. The fairs include the provision of health information and events that allow employees to learn more about their own bodies, aiming to encourage them to take an interest in health and food so as to maintain and promote their health. Company officers also participated in the first fair.

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.

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 of its employees, seeking to raise awareness of mental health issues. Specifically for the purpose of reducing the rate of mental health problems among younger employees, a Stress Management Program has been created for employees in their second year. The program includes lectures and practice exercises for improving interaction with superiors and colleagues, and it also covers communication skills and mental health issues. A separate e-Learning Program and a Program for Managers have also been created for those in leadership positions, including middle management, in an effort to ensure everyone understands the importance of stress management in organizations.

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

Similar support systems are in place at group companies in Japan, and they are providing support so that employees can work with energy and satisfaction.

Quit smoking campaigns

Casio is conducting quit smoking campaigns worldwide.

Smoking is prohibited on the premises of all group companies in Japan and also prohibited during working hours, whether in or outside the company. 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. In fiscal 2014, Casio Computer Co., Ltd., held a quit smoking seminar at its head office in Hatsudai, which was attended by nearly 200 people.

Preventing occupational accidents

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.



Disaster prevention drill at the head office

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
FY2012(Jan-Dec.2011)	0	1.05	0	0.08
FY2013(Jan-Dec.2012)	0.19	1.05	0.001	0.08
FY2014(Jan-Dec.2013)	0.4	0.94	0.001	0.1
FY2015(Jan-Dec.2014)	0.79	1.06	0.007	0.09
FY2016(Jan-Dec.2015)	0	1.06	0	0.06

*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.

Number of incidents, by gender and department

	Number by gender				Number by department		
	Male	Female	Total	Of which, number of worker days off	Headquarters	Development department	Sales office
FY2012	2	1	3	0	1	0	2
FY2013	3	4	7	1	1	3	3
FY2014	7	0	7	2	0	3	4
FY2015	10	4	14	4	4	4	6
FY2016	5	5	10	0	0	0	10

Initiatives for lifesaving activities by employees



Example commendations

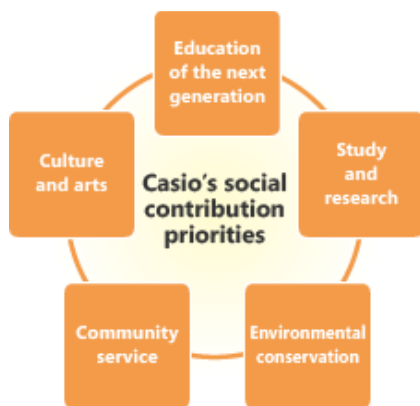
Casio has placed automated external defibrillators (AEDs), which are used in cardiopulmonary resuscitation (CPR) during a cardiac arrest, in all its facilities nationwide. Additionally, the company provides lifesaving classes and supports initiatives for lifesaving activities by employees, in order to be prepared for any eventuality.

So far, AEDs at Casio facilities have been used three times to save the lives of people who had a heart attack, and in each case the person fully recovered.

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.

Raising up the next generation

Classes in the company, and school visits

Casio offers a diverse array of products used in schools and other educational settings, such as calculators, electronic dictionaries, musical instruments, and projectors. Seeking to make educational contributions to the next generation, Casio strives to understand the challenges faced in various educational settings in different countries and regions. It then works to provide suitable products that can help to resolve challenges in the classroom. Thus, this Casio business seeks to improve the very way education is approached.

Beyond its main business, Casio is also actively engaged in other efforts befitting a good corporate citizen to contribute to the education of the next generation. Since 2007, Casio Computer Co., Ltd., has been offering original educational programs, primarily for elementary and junior high school students. These include school visits and classes offered at company facilities. In these programs, Casio aims to make a broader and more profound contribution to education.

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 life, peace, poverty, and the environment. Since 2007, the school visit program has been conducted for over 47,000 children at a total of 470 schools (as of 2015.3.31).

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 program includes activities such as a tour of the thermal storage tank and rooftop garden as well as hands-on experience with taking apart and then reassembling environmentally friendly products.

At other facilities, engineers lead classes in which they convey to children the fun of making things and the value of craftsmanship.



School visit



Developer tells the story of the creation of G-SHOCK

*For more information on Casio school visits, see "[Class on Life](#)" in the Feature Story section of the 2013 report.

*For more information on the classes offered at the Hachioji R&D Center, see the [Environmental Communication section](#).

Calculator disassembly and reassembly workshops at kid's events



Workshop

Casio Computer Co., Ltd. participated in kid's events held in August 2015 and March 2016. These events are sponsored by the Mainichi Shimbun, Mainichi Media Cafe, and Mainichi Elementary School Newspaper. At the events, a Casio employee held a calculator disassembly and reassembly workshop under the theme of "Secrets of the Calculator."

In this workshop, the children took apart actual calculators with their own hands. Then they learned to how to reassemble them, how a calculator works, and what kind of environmentally friendly features it has.

Cooperating in the private sector training of schoolteachers

Casio Computer Co., Ltd., has cooperated in the private sector training of schoolteachers, organized by the Keizai Koho Center, every year since 2004. The purpose of this training is to deepen teachers' understanding of the business world so they can then convey that experience to children and also make use of it in school administration.

In 2015, the twelfth year of its involvement, Casio welcomed seventeen 17 teachers for training over three days on August 19, 20 and 21. The teachers were given a tour of the head office facilities and the Toshio Kashio Memorial Museum of Invention and listened to lectures by employees from different departments about such topics as Casio's product development, design, product display methods, and environmental and CSR initiatives.

The teachers provided feedback such as, "I got to see a real 14-A [calculator] at the Toshio Kashio Memorial Museum and was impressed," and "I was deeply impressed by Casio's corporate creed of 'Creativity and Contribution,' which describes Casio's commitment to contributing to society through manufacturing. I felt that these [creativity and contribution] are principles that also apply to our work [as teachers]. I came away thinking that I want to do work that makes people think, 'This is necessary' for themselves, for children, for parents, the community, and colleagues...." Another teacher added, "I felt that the philosophy of creating something new and of valuing Casio fans is an approach that also holds true in education, even though the line of work is different. I intend to make use of the things I have learned in this training in the classroom."

Casio will continue accepting schoolteachers for training in the private sector in the future, in order to contribute to the education of the children who will be the torchbearers of the future.



Observing a demonstration of the 14-A in operation at the Toshio Kashio Memorial Museum of Invention



Trying high-speed shooting with Casio digital cameras

My Dream Backpack program

Casio (China) Co., Ltd. began a charitable activity called “My Dream Backpack” in order to support the education of impoverished children in rural areas in September 2014.

The activity involves providing each child with a school backpack they can use every day, filled with stationery and learning materials. Useful educational equipment is also donated to each school, according to its needs. These classroom tools include Casio digital pianos, calculators, electronic dictionaries, printers, short-focus data projectors, and digital cameras.

Donations in fiscal 2016

- Lianting Elementary School, Yanzihe town, Jinzhai, Anhui Province (May 2015)
- Yangjiacun Elementary School, Yuhemiao village, Gong town, Yibin, Sichuan Province (September 2015)
- Xianfeng Elementary School, Zhouwenmiao village, Hanshou town, Changde, Hunan Province (December 2015)

Casio (China) intends to continue supporting the growth and education of children through programs like My Dream Backpack, while demonstrating the corporate creed of “Creativity and Contribution.”



Trying out an electronic dictionary



School children

Teaming up with China's Teaching Materials Institute on an experimental education program

Casio (China) signed a three-year partnership agreement with the Teaching Materials Institute of China's Ministry of Education, for an experimental education program in January 2013. The company has provided electronic dictionaries, graphing scientific calculators, digital pianos, and projectors to 26 well-known foreign-language schools in China, and carries out an experimental teaching program. Use of these teaching materials will broaden education and learning, and the educational effectiveness of these schools is expected to increase as a result.



CASIO Education Scholarship Foundation

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.



Fudan University



Tianjin Foreign Studies University

Study and research

Support for the Casio Science Promotion Foundation

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

About the Foundation

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

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

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 33 years, the Foundation has provided a total of about ¥1,591.10 million in 1,245 grants.



The 33th grant presentation ceremony (fiscal 2016)

Grants in fiscal 2016

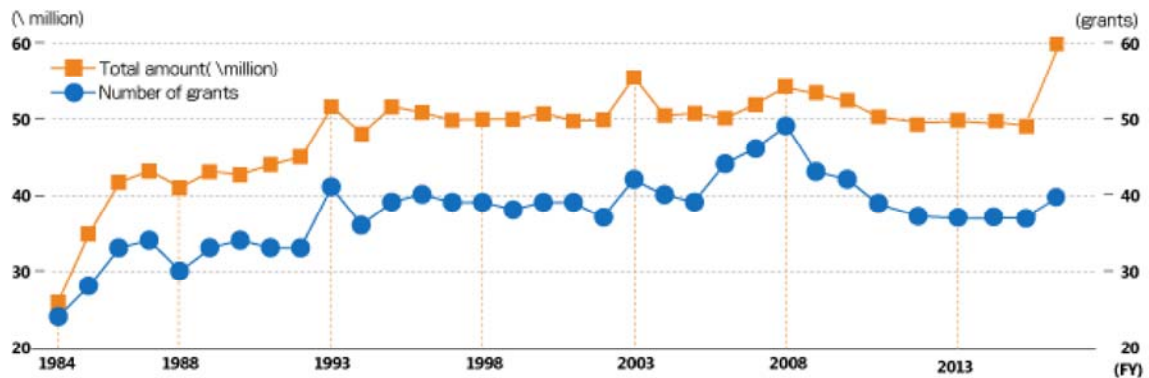
In addition to its 21 basic categories in 5 fields, in fiscal 2016 the Foundation continued to support a special topic considered to be important based on recent social trends: New technology research that could promote industrial activation.

After asking 211 universities to submit research topic proposals, 302 proposals were received from 94 universities. Based on a rigorous selection process, a total of 60.00 million yen in grants was awarded to 40 different proposals.

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 2015.

Special topic	5 grants	¥25 million
Group A (Electronics and Mechanical Engineering)	23 grants	¥23 million
Group B (Medicine and Physiology)	8 grants	¥8 million
Group C (Humanities)	4 grants	¥4 million

Grants from the Casio Science Promotion Foundation



Message from a grant recipient

I would like to express my sincere appreciation at being selected for a fiscal 2016 research grant (special topic: new technology research that could promote industrial activation) from the Casio Science Promotion Foundation. It was very encouraging that my research project was highly regarded out of the many project applications. At present, I am working on the selected project: "Development of a high-throughput protein interaction analysis system based on a new fluorescence polarization assay principle." The objective of this project is to develop a small analysis system that can serve as a tool in drug discovery and clinical diagnosis. I will redouble my efforts so that the research results turn into a technology that will invigorate industry.

Manabu Tokeshi, Professor, Division of Applied Chemistry, Graduate School of Engineering, Hokkaido University



Environmental conservation

Casio continuously and enthusiastically engages in social contribution efforts in the area of environmental conservation, including supporting environmental organizations through the sale of special collaboration G-SHOCK and Baby-G models, planting trees in China, and adopting tulips and Ohga lotus plants.

*For more information, see the [Environmental Communication section](#).

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 14th annual marathon held in 2015, about 40 Yamagata Casio employees participated in the event as runners or volunteers at water stations.

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.



Casio employees volunteering at a water station

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

Other

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., has contracted 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 since 2000. Recently, the workspace has been disassembling and separating mainly used tape cartridges and ink ribbon cassettes collected at Casio Eco Stations. At the welfare workspace, which enrolls persons with disabilities, most of the work is light work such as making bags and presentation boxes and folding leaflets. Work such as disassembly and separation increases their concentration and ability to keep going on a task, which also gives the workers a high sense of fulfillment on the job. This initiative is considered to support the independence of workers through social education and the acquisition of morals and rules. As part of its CSR initiatives, Casio Business Service will continue contracting out this work to help support the independence of workers.



Disassembly and separation of tape cartridges and ink ribbon cassettes

Supporting bread and cakes sales by Hope Employment Center Shibuya's Shibuya Marufukus

Since October 2014, staff from Hope Employment Center Shibuya's Shibuya Marufuku, which is located in Shibuya-ku Tokyo, have been visiting the headquarters of Casio Computer Co., Ltd., to sell bread and cakes once or twice each month. The proceeds help support the independence of people with disabilities.

Hope Employment Center Shibuya's Shibuya Marufuku is a support site for steady employment run by the non-profit Hope Worldwide Japan, which provides vocational training opportunities and employment to people with disabilities. Under the philosophy of "happy workers create happy customers," the center makes and sells delicious and heartwarming traditional Japanese snacks (imagawayaki), as well as handmade breads and cakes. The people participating at the center are working towards their respective goals.

The visiting bake sales are very popular with Casio employees, and the company plans to keep supporting the center.



Bake sale table

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.

●Supporting victims of the Great East Japan Earthquake

School visits

In October 2015, Casio visited Magome Elementary School in Kesenuma, Miyagi, and delivered a session of the "Class on Life" to the students. This was the fifth session at this school, following sessions delivered in February 2012.



Class on Life

Donation to Tsunami Orphans

In order to assist orphans who lost their parents in the 2011 Great East Japan Earthquake, Casio has been donating to the Ashinaga Great East Japan Earthquake & Tsunami Orphans Fundraising Campaign since fiscal 2012. In fiscal 2016, Casio donated 2 million yen, as it did the previous year. As part of the same cause, the company also began supporting the non-profit Children's Village Tohoku in fiscal 2015, and donated 500,000 yen in fiscal 2016. Casio will continue to donate to the campaign in the future.

Supporting the non-profit Change

In September 2015, Casio donated a projector in support of the initiatives of Change, a non-profit led by Anji Hino that aims to contribute to people's mental health by continuously engaging in support activities, including in response to the Great East Japan Earthquake. The project is used in such activities as the organization's "Complete Change Program" (an effective program for overcoming inactivity due to the effects of earthquakes and providing emotional care and prevention).

●Supporting earthquake victims in Nepal

A devastating earthquake also struck Nepal in April 2015. Casio donated 2 million yen to the Japan Platform to support victim relief and post-disaster reconstruction.

●Disaster relief following torrential rain brought by Tropical Storm Etau

Casio donated 2 million yen to the Central Community Chest of Japan to support volunteers, with the aim of benefiting disaster victim relief and post-disaster reconstruction efforts in response to damage from torrential rain brought by Tropical Storm Etau in 2015.

●Supporting earthquake victims in Kumamoto, Japan

A strong earthquake struck Kumamoto Prefecture, Japan in April 2016. Casio donated 2 million yen to the Japan Platform to support victim relief and post-disaster reconstruction.

Additionally, the Casio Group collected donations from employees and made a matching gift from the Group. The donations collected from employees came to 2,837,427 yen. The Casio Group matched this with 3,000,000 yen and donated the total amount as relief funds to the Japanese Red Cross Society.

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.

Basic Environmental Policies

Our Perception of Environmental Problems and Our Responsibility as a Company

In fiscal 2017, Casio merged the CSR Promotion Office with the former Environment Planning Section to launch the CSR Promotion Department.

As CSR and the environment are inherently inseparable, and this new organization reflects that. Accordingly, Casio is committed to integrating its policies and measures to achieve more effective and efficient operation of the new department. Particularly with regard to environmental policy, Casio will value accountability to stakeholders and conduct a zero-based review of its vision for environmental measures from the perspective of promoting CSR for the Casio Group. The ultimate goal of these processes is to make Casio a leading environmental company that adheres to the basic policy of continually improving its environmental performance.

Under the 2004 version of ISO 14001, "improvements to the mechanisms" of the environmental management system (EMS) were required. In contrast, the 2015 version implemented in September 2015 marked a significant change in direction, from form to results, with a new requirement for improvements in environmental performance.

Casio will apply and promote ISO 14001: 2015 as a way of pursuing continual improvement in environmental performance through its EMS.

In order to achieve this, we will first ensure acquisition of certification for the transition to ISO 14001: 2015, thus ensuring the efficient operation of Casio's overall environmental activities. In conjunction with this, we will continue working to deliver improvements in environmental performance.

In terms of the external environment, the Paris Agreement was adopted at COP21 in December 2015, and the Japanese cabinet decided on the Plan for Global Warming Countermeasures in May 2016. A medium- to long-term plan was indicated for reductions in greenhouse gases of 26% by fiscal 2031 and 80% by fiscal 2051 compared with fiscal 2014.

Casio had already declared an 80% reduction in CO₂ emissions by fiscal 2051 compared with fiscal 2006 under the Casio Environmental Vision 2050,



Makoto Kobayashi
Executive Officer
General Manager
CSR Promotion Department

the set of long-term goals established in April 2012, and this corresponds with the Japanese government's long-term plan. Meanwhile, the Casio Environmental Declaration 2020, which lays out Casio's medium-term goals, targets a 30% reduction in CO₂ emissions by fiscal 2021 compared with fiscal 2006, and progress on this goal is already significant.

Nevertheless, with regard to the Casio Environmental Vision 2050, which is the long-term goal, Casio is in the process of diligently identifying roadmaps to the goal in order to demonstrate its respect for Science Based Targets (SBTs). As a global company, Casio recognizes that ensuring the achievement of the commitments in the Casio Environmental Vision 2050 is its social responsibility.

Casio has also identified issues with materiality (significant CSR issues) to its environmental performance, including realizing a low carbon society, building a recycling society, and living in harmony with nature.

All of these reflect Casio's determination to contribute to the aforementioned COP21 and SDGs.

In particular, in terms of living in harmony with nature and preserving biodiversity, Casio hopes to work on initiatives to preserve biodiversity in marine and mountain areas, reflecting the expectations of the active users of our watches, one of Casio's mainstay products.

Casio will pursue diverse environmental initiatives while striving to reduce the overall environmental impact of society through its compact, lightweight, slim and energy-efficient products, thereby helping to build a sustainable global society through its core business.

Casio Environmental Vision 2050 and Casio Environmental Declaration 2020

In April 2012, Casio revised the Casio Environmental Vision and the Casio Environmental Declaration into the Casio Environmental Vision 2050 and Casio Environmental Declaration 2020, respectively, in order to further promote environmental management in response to the changing social conditions surrounding the company.

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 CO₂ 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.

Casio Green Star Plan

Positioning of the Casio Green Star Plan

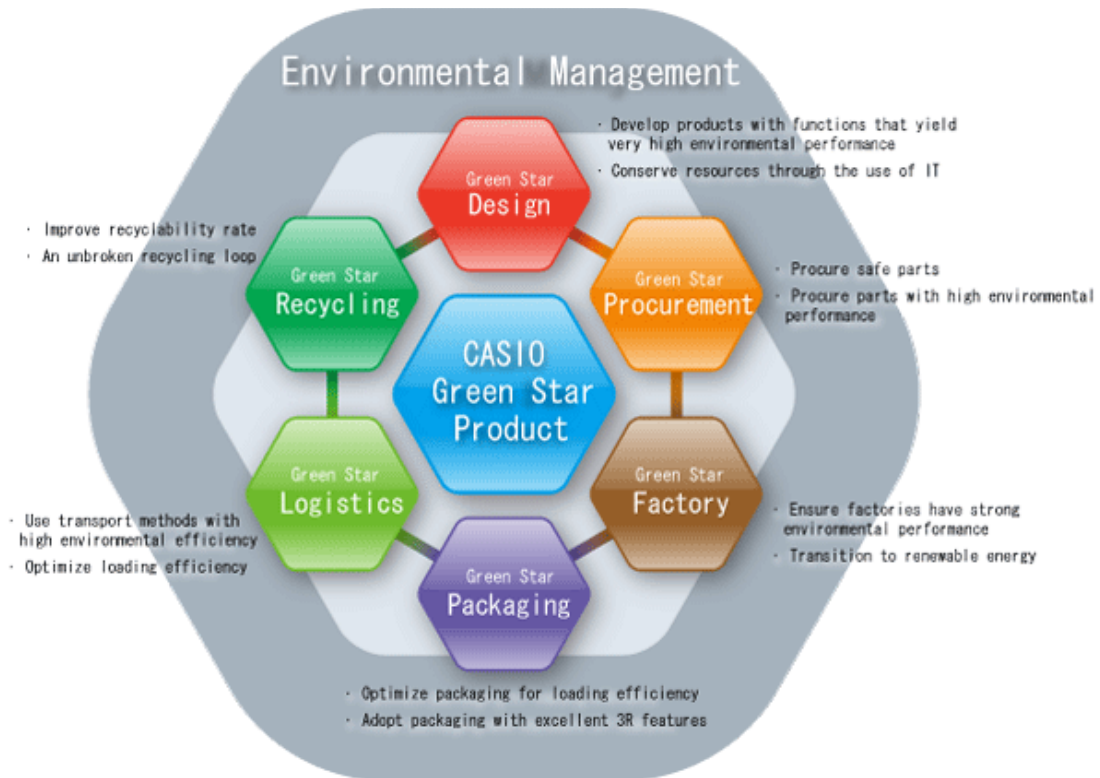
The Casio Green Star Plan is the title of the Casio group's environmental action guidelines formulated based on the Casio Green Star concept under the Casio Environmental Vision 2050 and the Casio Environmental Declaration 2020. The Casio Environmental Action Plan sets numerical targets and implementation deadlines based on the Casio Green Star Plan.



Casio Green Star Concept

The Casio Green Star concept establishes high numerical targets for each stage of the product lifecycle including design, procurement, manufacturing, packaging, logistics and recycling, to promote environmental action. Moreover, Casio will continue to manage each of these stages across its circular platform for environmental management for the entire lifecycle. New Green Star products will be created through these activities.

Image: The Casio Green Star Concept



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.

Medium- and long-term targets

The medium- and long-term reduction targets for the Casio Group's greenhouse gas emissions, which were set based on the Casio Environmental Vision 2050 and the Casio Environmental Declaration 2020, are shown below.

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

1. *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
2. *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 (scope 1 and 2), and does not include CO₂ emissions from logistics, product usage, or employee travel.

Managing risks and opportunities

As a result of the March 2011 Great East Japan Earthquake and the ensuing accident at the Fukushima nuclear power station, virtually all nuclear power stations across Japan have suspended operations. Japan is faced with such risks as rising electricity tariffs and power shortages in summer and winter. Moreover, the greenhouse gas emission coefficient for electricity has risen as a result of the decline in the utilization of nuclear power generation, resulting in an increase in real CO₂ emissions. This translates into greater risk of incurring emissions trading costs under the Ordinance on Environmental Preservation to Secure the Health and Safety of the Tokyo Metropolitan Area (Environmental Preservation Ordinance). 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.

On the other hand, the greenhouse gas reduction effect at time of product usage offered by Casio products which promote paperless lifestyles, such as data projectors and electronic dictionaries, has been identified as a significant opportunity to address climate change over the product life cycle. Casio will work to further expand its business in these products.

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 CO₂ 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 CO₂ emissions (GHG Protocol Scope 3 emissions), Casio will work to expand the scope of disclosure of other indirect CO₂ 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
- CO₂ absorption effect based on the expansion of paperless products (reducing demand for logging, etc.)

3. Utilizing carbon offsets

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

4. Reduction of CO₂ emissions in various business activity processes

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

5. 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

Casio Wins Low Carbon Cup 2016 “Best Long-Term Target Award”

Casio was awarded the Best Long-Term Target Award in the Low Carbon Cup 2016 organized by the Executive Committee for Low Carbon Cup, which is chaired by Hiroshi Komiyama. This award recognizes Casio as an organization that has set and is actively working toward a long-term target for reducing CO₂ emissions. Casio was chosen out of 256 companies in the corporate division. Executive officer Atsushi Yazawa attended the awards ceremony held on February 17 and received the award from the committee chairman. Going forward, Casio will keep working to achieve its long-term environmental target, “To reduce the total volume of global greenhouse gas emissions from business activities by 80% compared to fiscal 2006, by fiscal 2051.”



Biodiversity

Biodiversity Guideline

The 10th Conference of Parties (COP10) to the Convention on Biological Diversity (CBD) was held in Nagoya, Japan in October 2010, and it adopted a new Strategic Plan for Biodiversity (2020), and the Aichi Biodiversity Targets (2050). Following up, business corporations have become more active in their efforts to preserve biodiversity.

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

Risks and opportunities

While benefiting from biodiversity, corporate activities also have a significant impact on it. By fully understanding this relationship, Casio aims to avoid the risks associated with failing to make efforts in the area of biodiversity and, instead, to identify the opportunities that these efforts present.

Example risk:

Problems in the upstream supply chain identified from the perspective of biodiversity preservation could make it impossible to use certain resources, materials, and parts, and Casio could lose customers because it is perceived as having a negative impact on the environment.

Specifics:

- Use of carelessly sourced paper contributes to global forest decline.
- Due to the toxicity of the mercury used in projector light sources, its use is legally restricted.

Example opportunity:

Casio takes the lead ahead of other companies in implementing policies that allow it to more safely and reliably procure resources, materials, and parts, as well as substitutes for the same, and is therefore able to highlight the environmental friendliness of Casio products when appealing to customers.

Specifics:

- Efforts that address environmental impact, such as the formulation of a paper procurement policy, are well received by the general public.

- Through original development of a light source that does not use mercury, Casio is able to supply projectors that are legally compliant.
- By supporting NGOs and NPOs with Casio products, for instance by issuing collaborative wristwatches that support dolphin and whale conservation, Casio is able to strengthen its product brands.

Paper Procurement Policy established

Based on the Casio Group Biodiversity Guidelines, established in 2011, the company created a medium-term plan. Under the plan, it has launched biodiversity impact studies in its product and site-related activities, and is examining and implementing biodiversity preservation measures to be achieved by fiscal 2016. Progress made up until 2014 is summarized in the table below. One such result is the Paper Procurement Policy shown below, established in June 2015.

Casio Group Paper Procurement Policy

Purpose:

To preserve biodiversity by protecting and sustainably using the forest resources which provide the raw material for paper.

Scope:

All paper products procured by the Casio Group worldwide

Policy:

Casio will procure paper for use in its business activities according to the following standards:

1. Paper must be made from trees harvested in accordance with the laws and regulations governing the logging area concerned,
2. Products must not come from companies that are destroying any forest with high conservation value or that are a source of serious environmental or social issues,
3. Priority must be given to reliable certified paper or recycled paper.

Results of activities in fiscal 2016

In fiscal 2016, Casio examined office paper and paper products related to production materials purchased at all sites in Japan and paper products related to production materials procured at plants in China for the purchase of products that do not comply with the Casio Paper Procurement Policy. The results showed that most paper products met the requirements of the procurement policy. However, with respect to some copier paper purchased via the in-house purchasing system in Japan and some of the paper products related to production materials from four suppliers, it was discovered that paper products from certain companies that Casio deems to be a source of serious environmental or social issues were included.

For copier paper, Casio has been thoroughly reinforcing its Paper Procurement Policy among purchasing staff. In addition, the purchasing system was modified in May 2016 to make it impossible to purchase non-conforming products through the system.

Casio completed transfer procedures for paper products related to production materials by April 30, 2016.

Activities in fiscal 2017

Casio has continued to check manufacturing sources for paper products regularly to maintain the use of paper products in line with its procurement policy. In addition, Casio will start initiatives to switch to FSC®-certified paper for product catalogs whenever possible.



The mark of
responsible forestry
FSC® N002433

Participation in the Consortium for Sustainable Paper Use

In June 2014, Casio joined the Consortium for Sustainable Paper Use, which was established to promote the use of paper in a way that is both environmentally and socially responsible throughout society. Casio has been working hard as a dedicated member of the Consortium. The Consortium was established in November 2013 by five companies that are making progressive efforts related to their use of paper, the WWF Japan, and Response Ability, Inc, which promotes corporate sustainability. By enabling each member to promote uses of paper that are environmentally and socially responsible from their various perspectives, the Consortium hopes to expand the sustainable use of paper throughout the broader society.

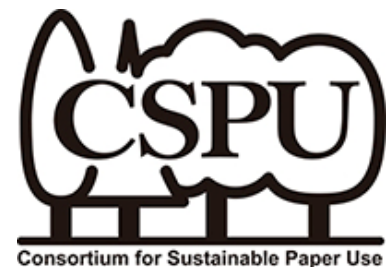
The Casio Group Paper Procurement Policy, formulated in 2015, was also based on exchange of information with member companies and other such external input.

Activities of the Consortium

From fiscal 2015 through fiscal 2016, the Consortium engaged in dialogue with suppliers of paper products, and in July 2016 it organized a symposium entitled “Corporate Collaboration in the Supply Chain: Toward Expanding Sustainable Use of Paper.”



Over 100 participants attended the symposium



Participating Companies (as of March 2016 in Japanese phonetic order)

Ajinomoto Co., Inc.
Kao Corporation
Casio Computer Co., Ltd.
Kirin Holdings Co., Ltd.
JSR Corporation
Sony Corporation
Nikon Corporation
Sumitomo Mitsui Trust Bank, Ltd.

Operations Advisor: Response Ability, Inc.

Details regarding the consortium can be found on the WWF Japan website below.

["Consortium for Sustainable Paper Use" WWF Japan website](#)

The Biodiversity Working Group, The 4 Electrical and Electronic industry Associations

In fiscal 2017, Casio started taking part in The Biodiversity Working Group, The 4 Electrical and Electronic industry Associations (JEMA: The Japan Electrical Manufacturers' Association, JEITA: Japan Electronics and Information Technology Industries Association, CIAJ: Communications and Information Network Association of Japan, JBMIA: Japan Business Machine and Information System Industries Association). Through the working group's activities, Casio will contribute to biodiversity conservation in addition to continuing to expand the scope of its own biodiversity initiatives, taking into consideration the efforts of the pioneering companies that are taking part in the working group.

Details regarding the working group can be found on the JEMA website below.

[The Biodiversity Working Group, The 4 Electrical and Electronic industry Associations](#)



Supporting environmental protection groups

Based on a theme of “Love the Sea and the Earth,” the G-SHOCK and BABY-G brands support the activities of two environmental protection groups, the International Cetacean Education Research Centre (ICERC Japan) and Earthwatch Japan, with collaboration models that promote these groups.



Earthwatch collaboration model



ICERC collaboration model



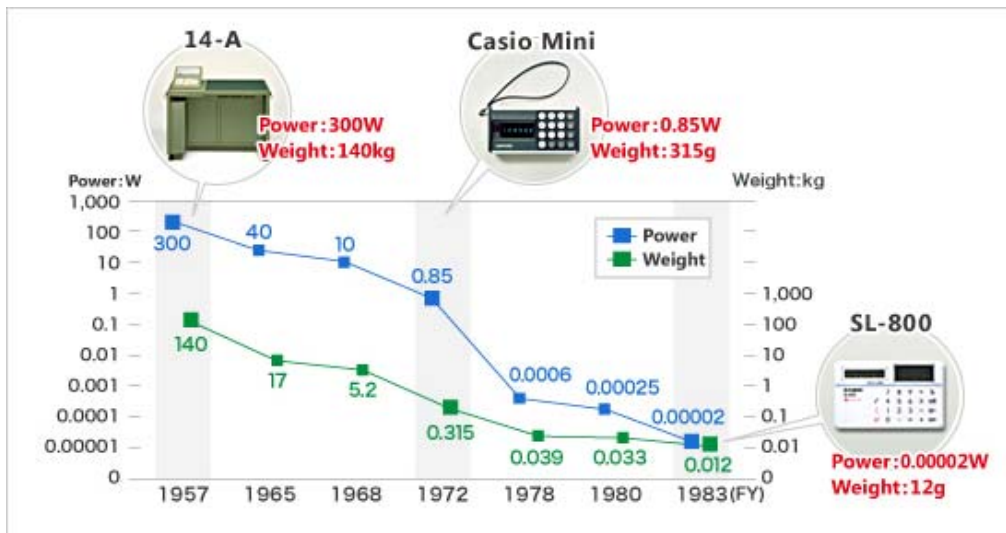
Developing Products that Save Resources and Energy

Since its foundation, Casio has created products which have minimal impact on the environment by striving to make its products more compact, lightweight, slim and energy efficient.

Products made 10,000 times lighter, using 15 million times less power

This section features Casio's Green Star Products and products that comply with external systems and laws and have obtained environment-related marks.

From Casio's first calculator to today's products



Casio's first calculator, the 14-A, had 342 relays and weighed 140 kg. Fifteen years later, through large-scale integration of the calculation circuits, the Casio Mini calculator weighed only 315 grams. With the SL-800 credit-card size calculator in 1983, all the parts were incorporated into a film, and it measured just 0.8 mm thick. This product weighed just 12 g, which is less than 1/10,000th the weight of the original 14-A. Not only that, it operates on just 0.02 mW, which is 1/15,000,000th the power consumption of the 14-A. Making products smaller saves resources and also reduces the energy required for shipping.

Cutting-edge functionality powered by solar energy

Solar power is one of the most attractive next-generation energies. Casio has been using solar power to drive its timepieces for more than 20 years. Rather than using a primary (single-use) battery, these products keep time using the power of light, thus consuming a minute amount of energy best measured at the microwatt level. Even if such products were to be used by 100 million people simultaneously, they would still only use as much power as a single 100-watt light bulb.

Casio's mass capacity solar rechargeable battery system is not only used to power its timepieces. It also powers their radio-controlled function, which keep accurate time by receiving radio waves, as well as sensors that measure air pressure and altitude. These products therefore achieve both energy conservation and cutting-edge functionality.



PRO TREK

Paperless electronic dictionaries

Electronic dictionaries require neither paper nor ink. Casio dictionaries offer the convenience of looking up words while on the go, at any time. If this kind of data were to be provided in printed form, it would result in a heavy and unwieldy published product. Casio has used the power of digital technologies to eliminate the need to carry around large amounts of information and also to reduce consumption of paper.

With today's dictionaries capable of functions only made possible by digital technologies, such as pronunciation assistance and handwritten text recognition, electronic dictionaries are continuing to evolve.



EX-word

Digital cameras make film obsolete

In 1995, Casio released its QV-10, the world's first consumer's digital camera with an LCD display. It required neither film, nor developing solution, nor paper for printing. The benefits of being able to immediately see a picture that had just been taken quickly won support for this entirely new kind of camera.

In 2002, sales of digital cameras surpassed that of film cameras, formally ushering in the age of digital photography.

No matter how many hundreds of photos one might take, digital photos eliminate the need to worry about wasting resources.



QV-10

Handheld terminals seek ease of use

Optimally shaped for easy grip

Design is weighted to provide the greatest sense of stability when the device is held in the user's hand. The back has a concave shape to give the user's fingers a natural place to rest, allowing a firm grip on the device. This device strives for gripability and stability, allowing the user to naturally move between a series of actions: picking up, holding, and carrying the handheld terminal. It is truly comfortable to hold.



Handheld terminal

Printer realizes ease of use and global economic and ecological value

Total pursuit of global economic and ecological value in a printer that realizes superior ease of use while reducing costs and conserves energy and protects the environment, including returnable toner cartridges with a carbon offset.

At approximately 0.4W^{*1} in sleep mode, lowest^{*2}-in-class energy performance
Uses biomass plastic for tabs, etc., on consumable items

^{*1} Standard configuration, sleep mode level 2

^{*2} As of June 2013. A3 color page printer, 30 color pages/minute (A4 width) class for Japanese market. Casio survey.



Printer

Setting the new standard for data projectors: hybrid light source

With its original mercury-free Laser & LED Hybrid Light Source, Casio has developed a long-life light source (about 20,000 hours) that improves cost performance. It can reach maximum brightness in just eight seconds, which greatly shortens the time required to achieve screen projection. Furthermore, since no cooling is required when the power is switched off, it can be shut down completely during short presentation breaks.



Data projector

High quality sound from a small unit

Casio has saved resources and energy by creating a slim, compact design. The compact design also greatly reduces CO₂ emissions during transport.



Electronic musical instruments

Casio Super Green Star Products

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

Green Star Product concept | Casio Green Star Products | Sales Ratio Achievement for Casio Green Star Products

Green Star Product concept

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

In 1993, Casio began product assessment in order to systematize and promote its development of eco products. New products had to undergo a preliminary assessment for their environmental impact and meet certain criteria in order to be certified as Casio Green Products. Prior to fiscal 2009, 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%.

Having achieved its target, since fiscal 2010, Casio has been promoting particularly outstanding Casio Green Products which create new trends that help to build a sustainable society as Casio Green Star Products, using even more stringent and specific assessments. Then, in fiscal 2017, Casio established and began implementing the system for Casio Super Green Star Products. These products are positioned at the highest level, with even better environmental performance.

Casio Green Star Products



See the product lineups that were certified as Casio Green Star Products by fiscal 2016 (photos show product examples).

This mark shows that a product was developed based on the Green Star concept.

Calculator JS-20WK-N



Environmental Features

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

Electronic dictionary XD-Y6500



Environmental Features

- Transport efficiency increased by 105% by reduced packaging (compared to Casio's XD-SP6600)

Scientific Calculator FX-JP900



Environmental Features

- Solar battery powered
- Transport efficiency increased by 34% by reduced packaging (compared to Casio's FX-375ES)

Label printer KL-V460



Environmental Features

- Energy consumption during use reduced by 28% (compared to Casio's KL-V450)

Digital camera EX-AR3100



Environmental Features

- Transport efficiency increased by 114% by reduced packaging (compared to Casio's EX-Z1200)

Data projector XV-V1



Environmental Features

- We do not use a mercury light source
- Weight reduced by 28%
(compared to Casio's XJ-M141)

Electronic musical instrument GP-500



Environmental Features

- Energy consumption during use reduced by 24%
(compared to Casio's AP-500)

Watch EQB-600D/SHB-100D



Environmental Features

- Solar battery powered

Page printer



Environmental Features

- Energy consumption during use reduced by 67%
(TEC value compared to Casio's N-6100)

Handheld terminal



Environmental Features

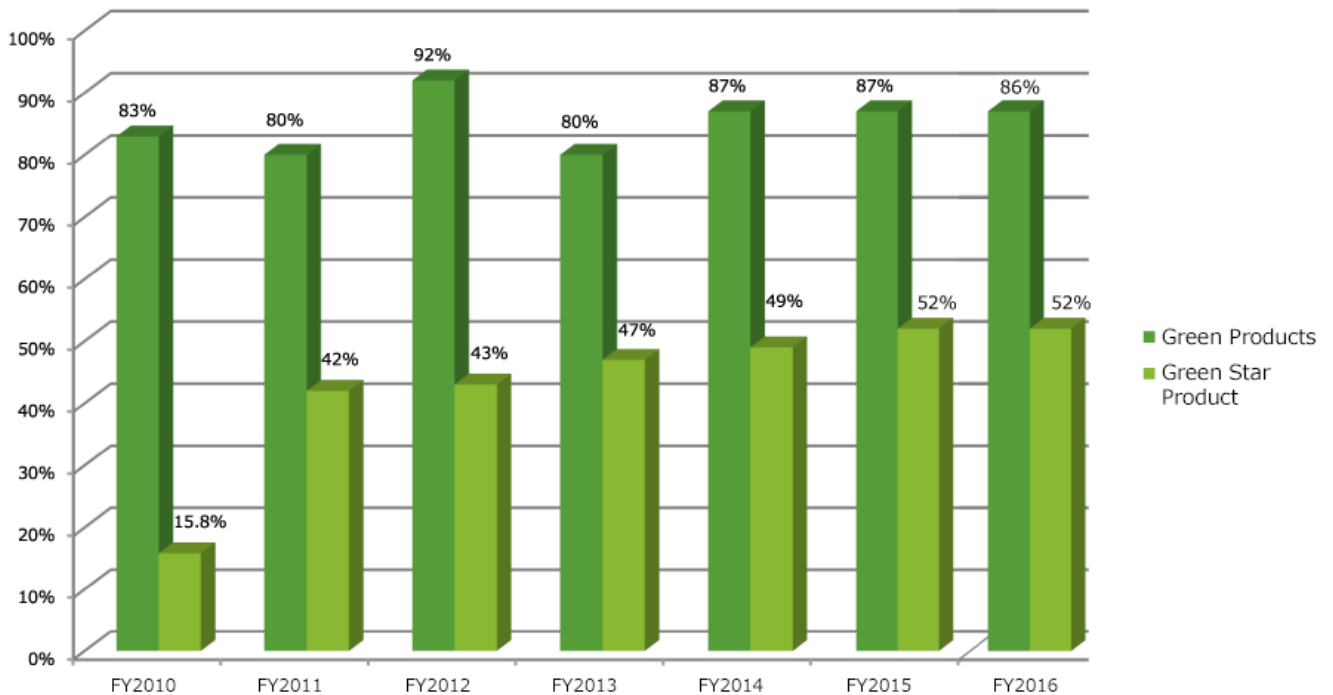
- Weight reduced by 18% (compared to Casio's DT-930)

Sales Ratio Achievement for Casio Green Star Products

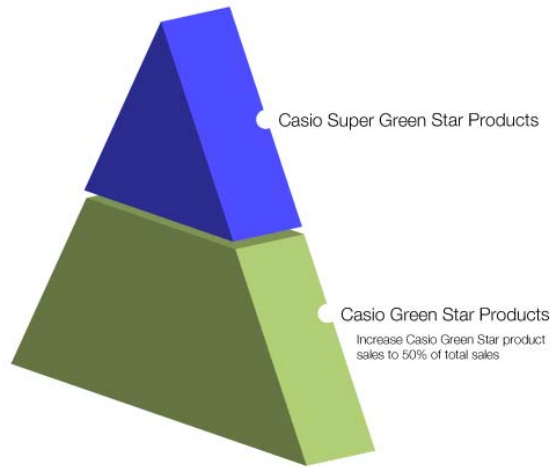
In fiscal 2010, Casio set a target of a 30% sales ratio of Casio Green Star Products to be achieved by fiscal 2013. The result in fiscal 2011 was 42%, hitting the target two years ahead of schedule.

In fiscal 2012, a new target was set to reach a sales ratio of 50% for Casio Green Star Products. The target was achieved in fiscal 2015 with a ratio of 52%. The target ratio was kept at 50% for fiscal 2016, and Casio started to work toward a new target for fiscal 2017.

Casio Green Products and Casio Green Star Products



Assessment categories of Casio Green Star Products and Casio Super Green Star Products



Assesment criteria for products

Product environmental assessment
1.Promotes recycling
2.Designed for recycling
3.Components of products can be separated,disassembled
4.Improved recycling
5.Improved energy efficiency
6.Regulated use of chemical substances
7.Recyclability of batteries
8.Recycling label on batteries
9.Regulatory compliance
10.Components of packaging can be separated, disassembled
11.Regulated use of packaging materials
12.Preserves the natural environment

*80 points or more, out of a total 100 points possible

Assessment criteria for Casio Green Star Product
1.Improved energy efficiency G
2. Effective utilization of resources G
3.Contains no specific hazardous chemical substances
4.LCA environmental assessment G
5.Special criterion G

*Fulfill one of the above criteria

Assessment criteria for Casio Super Green Star Product
1.Improved energy efficiency S
2. Effective utilization of resources S
3.LCA environmental assessment S
4.Special criterion S

*Fulfill one of the above criteria

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 fiscal 2016, along with the targets for fiscal 2017 based on the current results.

Fiscal 2017 Casio Environmental Action Plan

The Casio Environmental Action Plan targets are numerical targets based on total figures for the group as a whole. These targets form the basis for the numerical targets for environmental activities established at individual group companies and worksites. The Casio Environmental Action Plan targets are revised in accordance with and to match changes in the business environment and the business structure or the demands of society.

The deadlines for a number of numerical targets came up in fiscal 2016. Major disparities and overachievement were observed in several areas, showing that there is room for improvements in the methods that have been used to set targets. To set targets for fiscal 2017 and beyond, Casio is taking the time to perform detailed analyses to ensure that targets are appropriate. Meanwhile, Casio will keep the targets that had deadlines in fiscal 2016 the same for fiscal 2017.

The policy is for group companies and sites that achieved their targets for fiscal 2016 to maintain that performance, and for those that did not achieve their targets to keep working to do so.

Product Targets

1. Development target for eco-products

- (1) Maintain Casio Green Star product sales of **50%** of total sales(*)
- (2) Promote development of new Casio Super Green Star products(*)

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 (scope 1 and 2), and does not include CO2 emissions from logistics, product usage, or employee travel.

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

Reduce energy usage (crude oil equivalent kL) by **13** % per unit of total floor space compared to FY2011, by FY2017.
(*)

3. Resource conservation targets (water, paper)

Japan production sites

Reduce water usage by **5** % compared to FY2011, by FY2017.

Production sites outside Japan

Reduce water usage by **5** % compared to FY2011, by FY2017.

Japan sites

Reduce volume of office paper used by **12** % compared to FY2011, by FY2017.

4. Waste reduction targets

Japan sites

Reduce volume of waste by **4** % compared to FY2011, by FY2017.

Production sites outside Japan

Reduce volume of waste by **48** % compared to FY2011, by FY2017.

5. Logistics target for the fight against climate change

Distribution in Japan

Reduce CO₂ emissions volume* per unit of sales by **20** % compared to FY2011, by FY2017.

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

Biodiversity Preservation Targets

1. Sustainable use of paper

- Use FSC certified paper for **30** % of paper for product catalogs in Japan(*)

2. Ecosystem surveys of sites

- Undertake biological diversity surveys on locations of the main sites in Japan(*)

(*)Also specified as a materiality KPI

[KPI formulation and implementation](#)

Fiscal 2015 Casio Environmental Action Plan Performance

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

	Theme	Target	Base value	Target value	FY2015 actual value	Target achievement progress in FY2015	Progress assessment
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Product targets

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.	–	50%	52%	Target was achieved.	☆☆☆
		[Maintain Green Product sales at 80% of total sales or more.]	–	[80% or more]	[87%]	[Target was achieved.]	☆☆☆

Plant and business-site targets

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	38,483	Reduced by 70.9%	☆	
			56,238 (*1)	39,367 (*2)		Reduced by 31.6% (*4)		
				(Tons-CO2)	(Tons-CO2)	(Tons-CO2)		
	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	38,483	Reduced by 70.9%	☆
56,238 (*1)				11,248 (*3)	Reduced by 31.6% (*4)			
			(Tons-CO2)	(Tons-CO2)	(Tons-CO2)			
Figures in blue show adjusted values (*1) for emissions in the base year, taking into account contributions from changes in business structure (including transfers of group companies, etc.), fiscal 2021 target values (*2), fiscal 2051 target values (*3), and actual values (*4), based on the GHG Protocol								
2: Energy conservation (electrical power, fuel, etc.)	Reduce energy usage (All sites).	Reduce energy usage (crude oil equivalent kL) by 13 % per unit of total floor space compared to FY2011, by FY2016.	0.0428	0.0373	0.0374	Reduced by 12.7%	☆	
			(crude oil equivalent kL/m2)	(crude oil equivalent kL/m2)	(crude oil equivalent kL/m2)			
3: Resource conservation (water, paper)	Reduce water usage (Japan production sites).	Reduce water usage by 5% compared to FY2011, by FY2016	65	61	53	Reduced by 18.1%	☆☆☆	
				(Thousand m3)	(Thousand m3)	(Thousand m3)		
	Reduce water usage (production sites outside Japan).	Reduce water usage by 5% compared to FY2011, by FY2016	428	407	147	Reduced by 65.6%	☆☆☆	
			(Thousand m3)	(Thousand m3)	(Thousand m3)			
	Reduce office paper usage (Japan sites).	Reduce volume of office paper used by 12% compared to FY2011, by FY2016	71	63	64	Reduced by 10.4%	☆☆	
				(Tons)	(Tons)	(Tons)		
4: Waste reduction	Reduce generation of waste (Japan sites).	Reduce volume of waste by 4% compared to FY2012, by FY2016	1460	1402	1338	Reduced by 8.4%	☆	
				(Tons)	(Tons)	(Tons)		
	Reduce generation of waste (production sites outside Japan).	Reduce volume of waste by 48% compared to FY2011, by FY2016	791	411	260	Reduced by 67.1%	☆	
				(Tons)	(Tons)	(Tons)		
5: Reduction of volatile organic compounds (*5) (VOCs)	Reduce emissions of VOCs to atmosphere (Japan production site).	Reduce emissions by 45% by FY2016 compared to FY2001.	47	26	0.280	Reduced by 99.4%	☆☆☆	
			(Tons)	(Tons)	(Tons)			
6: Hazardous substance phase-out (*6)	Detoxify PCB-containing equipment now in storage as Japan Environmental Safety Corporation starts.	Detoxify all PCBs stored at the Casio Group company in Chuo City, Yamanashi Prefecture by FY2015.	–	–	Completed detoxification of all PCBs stored at a group company in Chuo City, Yamanashi Prefecture	–	☆☆☆	
7: Logistics-related global warming countermeasures (*7)	Reduce CO2 emissions (distribution in Japan).	Reduce CO2 emissions volume* per unit of sales by 20% compared to FY2011, by FY2016	–	Reduce by 20%, by FY2016	61.5% compared to FY2011	Reduced by 38.5% compared to FY2011	☆	

(*5) Achieved targets for three consecutive years (FY2013 to FY2015). Since the input and output amounts are under a ton, it will be excluded from the Environmental Action Plan starting in fiscal 2016.

(*6) PCB detoxification at a group company in Chuo City, Yamanashi Prefecture was completed, and PCB-containing equipment stored at the Hachioji R&D Center is under appropriate storage and being reported based on the PCB Measures Act. Thus, it will be excluded from the Environmental Action Plan starting in fiscal 2016.

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

Overall business activity targets

1: Biodiversity preservation target	Preserve biodiversity and ecosystem services.	Based on the Casio Group Biodiversity Guidelines, commence a biodiversity impact study for products and sites and examine and implement measures, to reduce biodiversity impact by fiscal 2016, which will include procurement.	–	–	–	Performed a preliminary investigation of paper procurement in Japan, and enacted a worldwide Paper Procurement Policy for the Casio Group.	☆
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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).

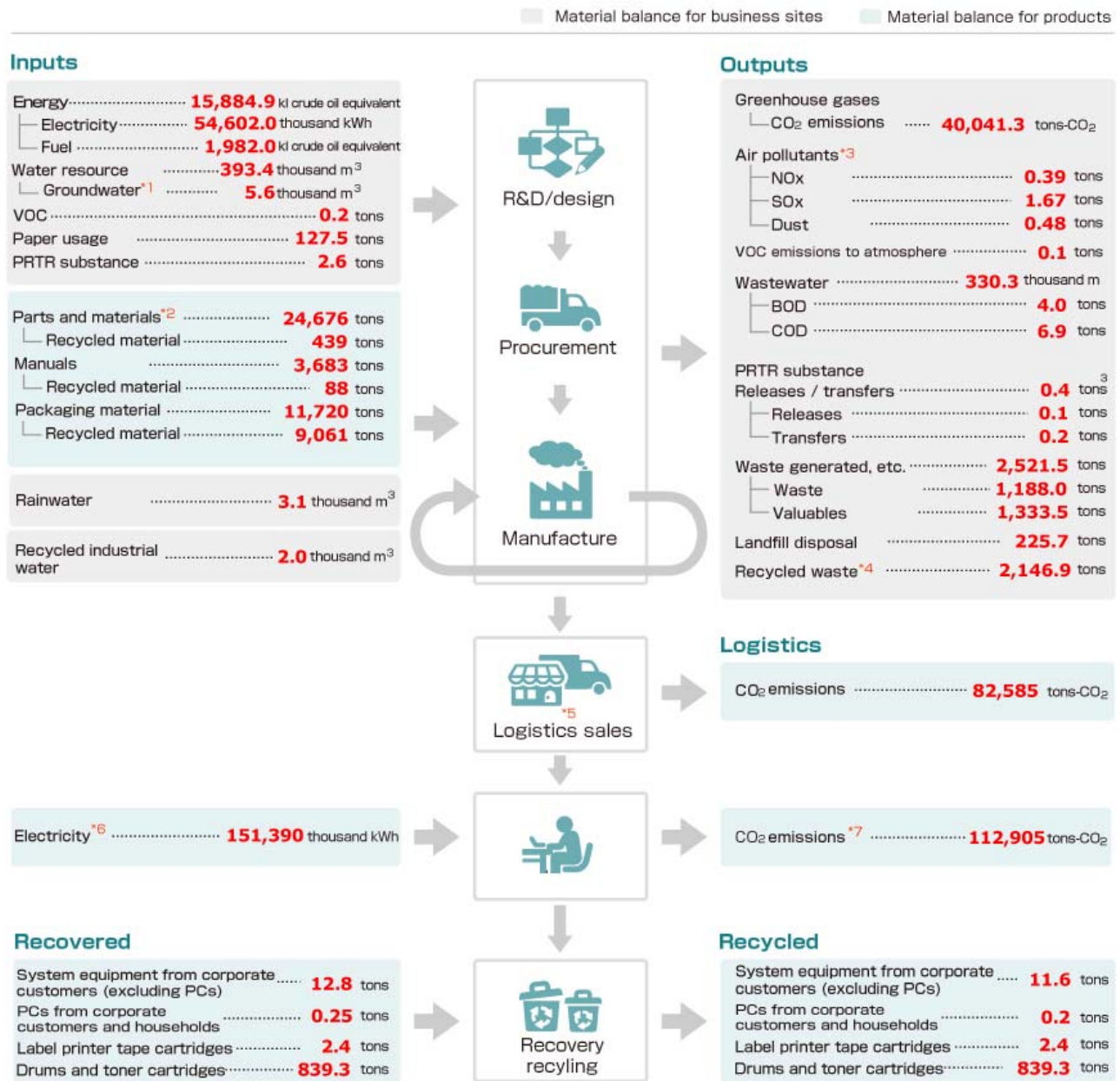
Fiscal 2016 performance

In fiscal 2016, the Casio Group's overall energy input and greenhouse gas emissions rose due the expansion in production which continued from the previous fiscal year. On the other hand, energy use per unit of floor space improved due to the effect of converting lighting to LED and upgrading to high efficiency air conditioning at office sites.

Moreover, although there were inconveniences such as the temporary shift of production to other sites with the 2011 flooding in Thailand, overall environmental efficiency is on an upward trend as full-scale production proceeds at the newly established Thai plant.

The Casio Group is reviewing its system for implementing environmental management, including integration of ISO 14001, under the new organizational structure for CSR and the environment as it continues striving to improve environmental performance while increasing the efficiency of its measures.

Material balance in business activities (fiscal 2016)



*1 Groundwater is included in the water resource inputs.

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

*3 Ozone depleting substances have been fully phased out.

*4 Recycled waste includes thermally recycled material.

*5 Product distribution is consigned to transportation companies.

*6 Electricity is calculated based on five years of use in accordance with the Scope 3 standards.

*7 CO₂ emissions are calculated based on five years of use in accordance with the Scope 3 standards.

The exchangeable battery amounts used for these calculations are based on general market prices.

Environmental Data

Third-party verification

In order to ensure the reliability of its environmental data reporting, in fiscal 2011 Casio began requesting third-party verification.

Casio relied on SGS Japan Co., Ltd., for the audit in fiscal 2016. The audit covered greenhouse gas emissions (Scope 1, 2 and Categories 1, 4 and 11 of Scope 3), water intake, waste and emissions of atmospheric pollutants.

Of the sites covered, on-site surveys were conducted at Hamura R&D Center of Casio Computer Co., Ltd., Yamagata Casio, and Casio Electronics Co., Ltd.

[See the third-party verification statement](#) (PDF / 116KB)

Environmental Performance

The deadlines for a number of numerical targets came up in fiscal 2016. Major disparities and overachievement were observed in several areas, showing that there is room for improvements in the methods that have been used to set targets. To set targets for fiscal 2017 and beyond, Casio is taking the time to perform detailed analyses to ensure that targets are appropriate. Meanwhile, Casio will keep the targets that had deadlines in fiscal 2016 the same for fiscal 2017.

The policy is for group companies and sites that achieved their targets for fiscal 2016 to maintain that performance, and for those that did not achieve their targets to keep working to do so.

CO₂ | Waste | Water resources | Paper

CO₂

Medium-and long-term greenhouse gas reductions

Casio has established “reducing the total volume of global greenhouse gas emissions from business activities by 30% compared to fiscal 2006 by fiscal 2021 and by 80% compared to fiscal 2006 by fiscal 2051” as the medium- and long-term targets for Scope 1 and 2 greenhouse gases. In the fiscal 2016 results, the reduction was 28.8% compared to the base year, showing steady progress at first glance.

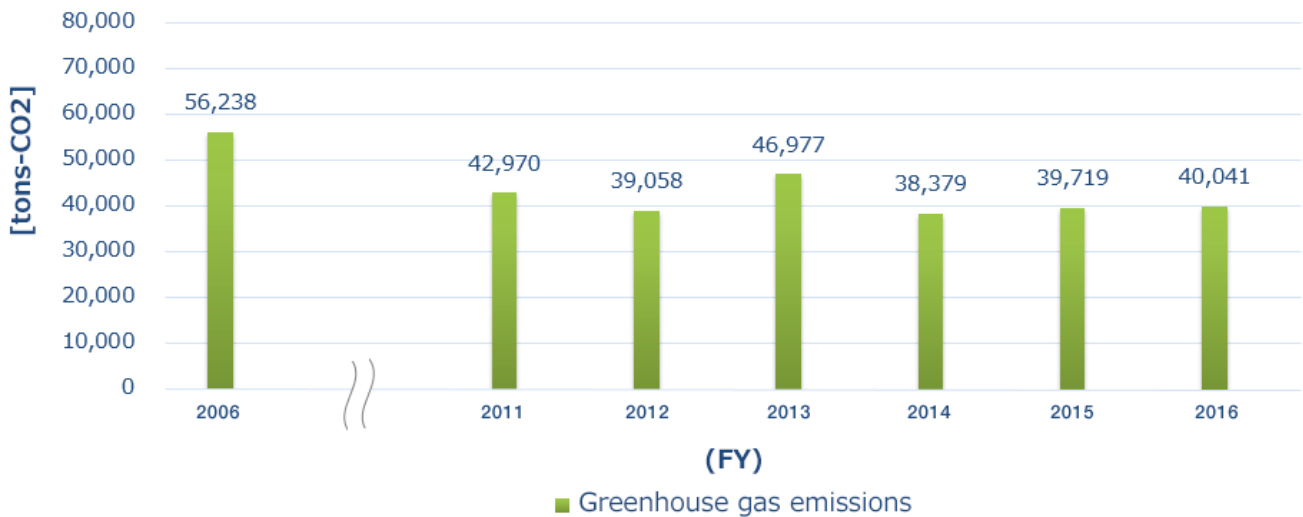
However, further verification of the trends in results thus far revealed that emissions from divested sites have not been adjusted to comply with the GHG Protocol since 2010.

Excluding the emissions from the device business in Japan which was transferred to another company in 2011, the total reduction over the five years from 2010 to 2015 by current businesses is only 2,929 tons, revealing that reductions have more or less stagnated.

The main reason for the stagnation in reductions is the 2011 flooding in Thailand, which required such measures as shifting production to other plants and setting up new plants through 2012. As a result, the efficiency of operations was impeded, for instance by changes in emissions of several thousand tons at a single site and other issues.

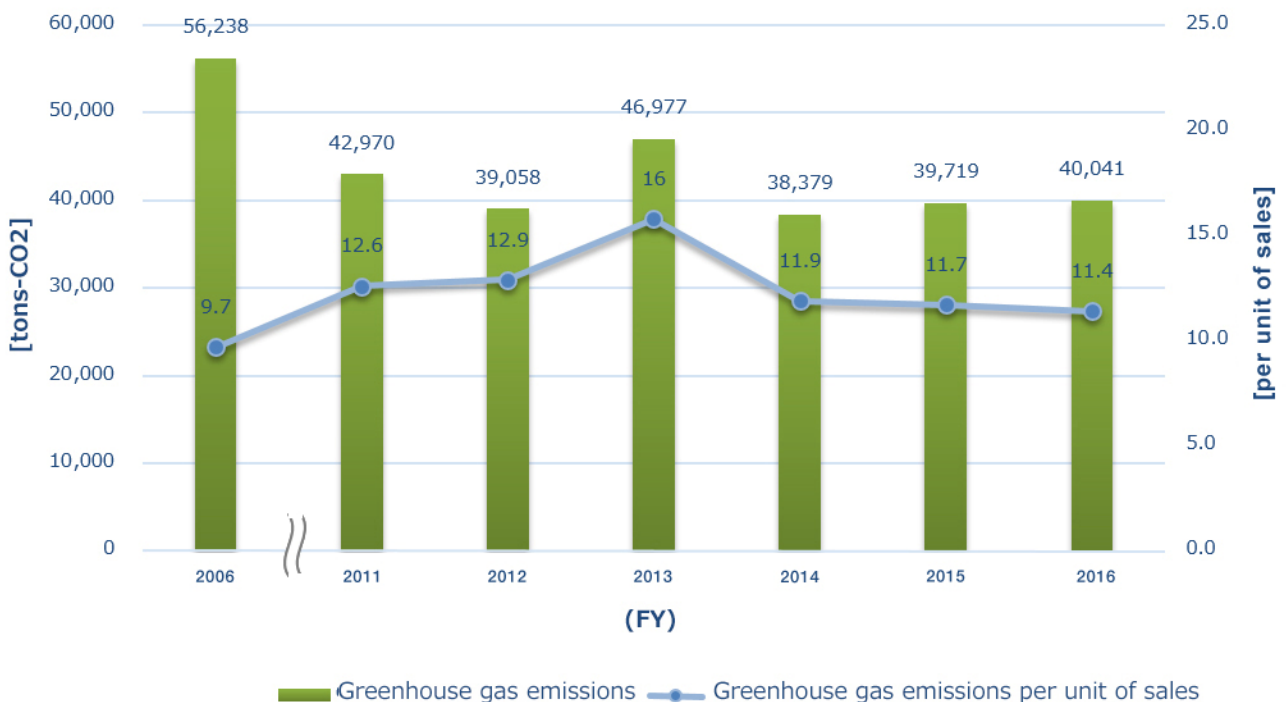
At present, Casio applies JEMA estimated values (estimates based on fiscal 2004 results) to the power conversion factor for overseas sites, but it is thought that circumstances have subsequently changed at individual sites. Casio has started to formulate concrete plans to achieve its medium- to long-term targets while considering revisions to methods of calculation in order to perform more reasonable emissions calculations amid expectations of increased production volume, going forward.

Greenhouse gas emissions



The base year (fiscal 2006) and subsequent results have been adjusted to a level that complies with the GHG Protocol.

Greenhouse gas emissions per unit of sales



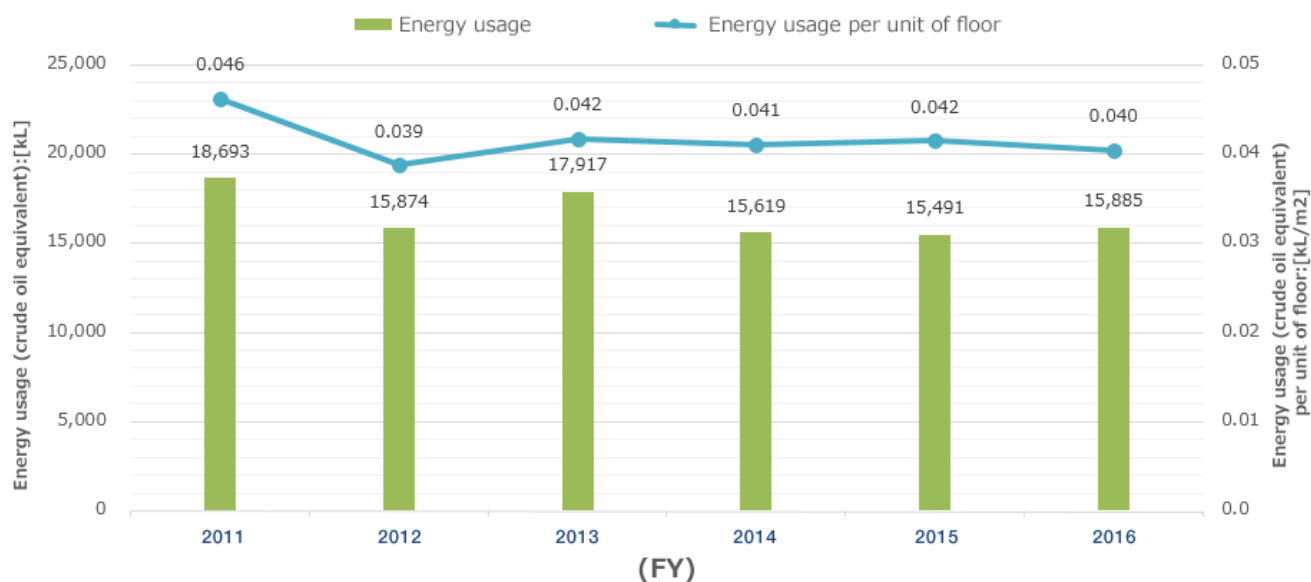
In recent years, CO2 emissions have trended upward, due in part to the operation of new production plants. However, consolidated sales have also expanded, and as a result emissions per unit of sales have decreased.

Energy Conservation

Casio revised its Environmental Action Plan in fiscal 2014 and established an energy conservation target that covers all of its sites. The goal is to reduce energy usage (crude oil equivalent kL) per unit of total floor space by 13% compared to fiscal 2011 by fiscal 2016. A further investigation of floor space during the recent evaluation of this target showed that revisions were required at several sites, and per unit of floor space data for past fiscal years has been revised.

In the results for fiscal 2016, the target achievement line stood at 0.0402 [kL/m²] compared with the target which had been set. Although the target was narrowly missed in fiscal 2016 (12.3% instead of 13%), compared with the previous fiscal year, energy usage per unit of floor space improved even though energy usage rose. This was due to measures including conversion of lighting fixtures from fluorescent lamps to LED. It is thought that if production volume rises even further in the future, this will offset the effect from conversion to high efficiency equipment. Nevertheless, Casio plans innovations in evaluation methods to continue making its reduction efforts clear.

Energy Conservation



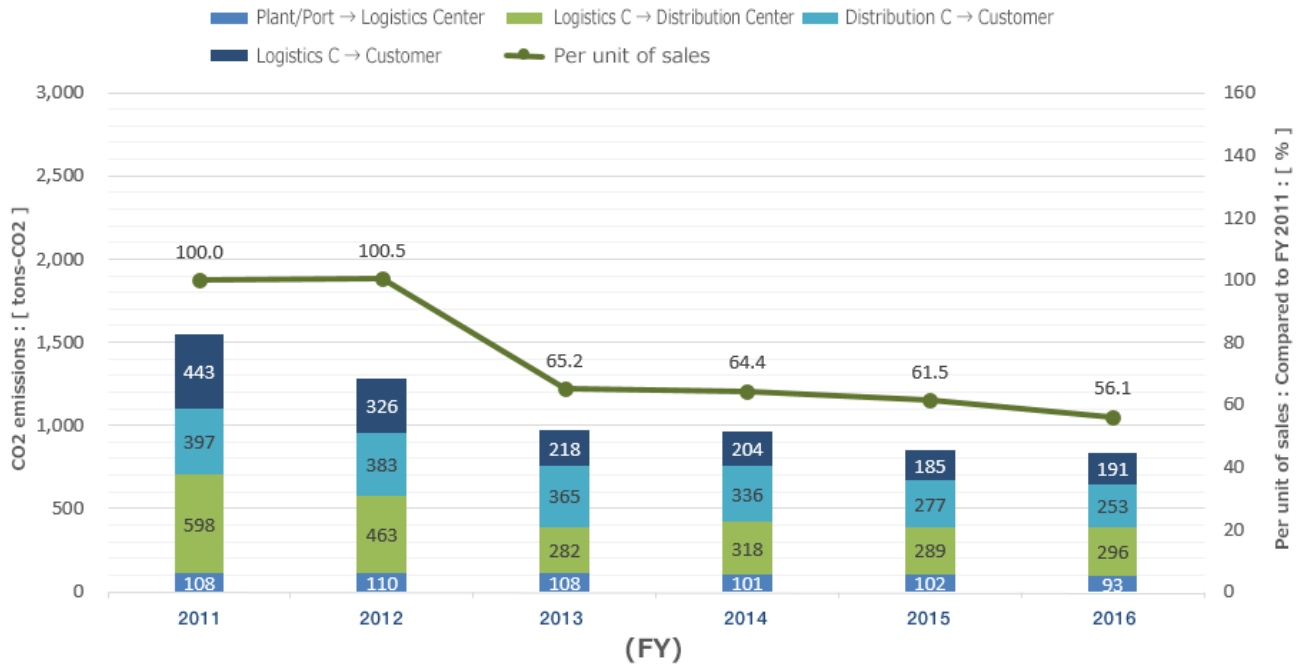
Due to errors in floor space, figures for energy usage per unit of floor space have been revised for past fiscal years.

Reducing CO2 Emissions in Logistics

The target for CO₂ emissions from logistics activities in Japan is a 20% reduction per unit of domestic sales in fiscal 2016 compared to fiscal 2011. In fiscal 2016, the target year, emissions were 38.5% lower than in fiscal 2011, already achieving the target. Nevertheless, Casio will keep working to further reduce CO₂ emissions. 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 amalgamated 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 facilitated a modal shift from truck to rail, helping to further reduce CO₂ emissions.

In fiscal 2013, Casio began an initiative to send products manufactured overseas directly to the Western Distribution Center in Osaka. This allows transport distances to be shortened significantly by cutting out transit through the Toda Logistics Center.

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



Waste

Reducing waste

Casio revised its Environmental Action Plan in fiscal 2014 and transitioned from per unit goals to absolute volume goals.

[All sites in Japan]

The target for waste from sites in Japan is a 4% reduction in fiscal 2016 compared to fiscal 2012. In fiscal 2016, the result of an approximate 2% increase compared to the base year was unsatisfactory. There was an 11% increase over the previous fiscal year, due to the impact of disposal of product and parts inventory at Yamagata Casio.

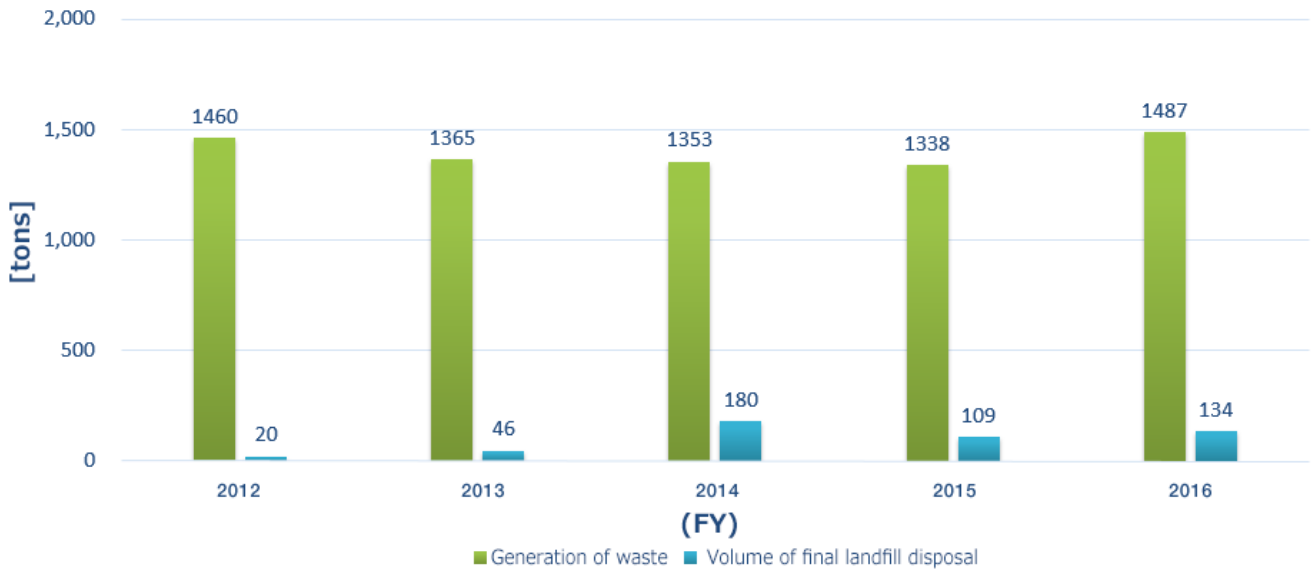
[Production sites outside Japan]

The target for waste from sites outside Japan is a 48% reduction in fiscal 2016 compared to fiscal 2011. In fiscal 2016, the target was achieved with a reduction of approximately 52% from the base year. Achievement outperformed the target significantly due to the closure of the Panyu Factory of Casio Computer (Hong Kong) in fiscal 2014.

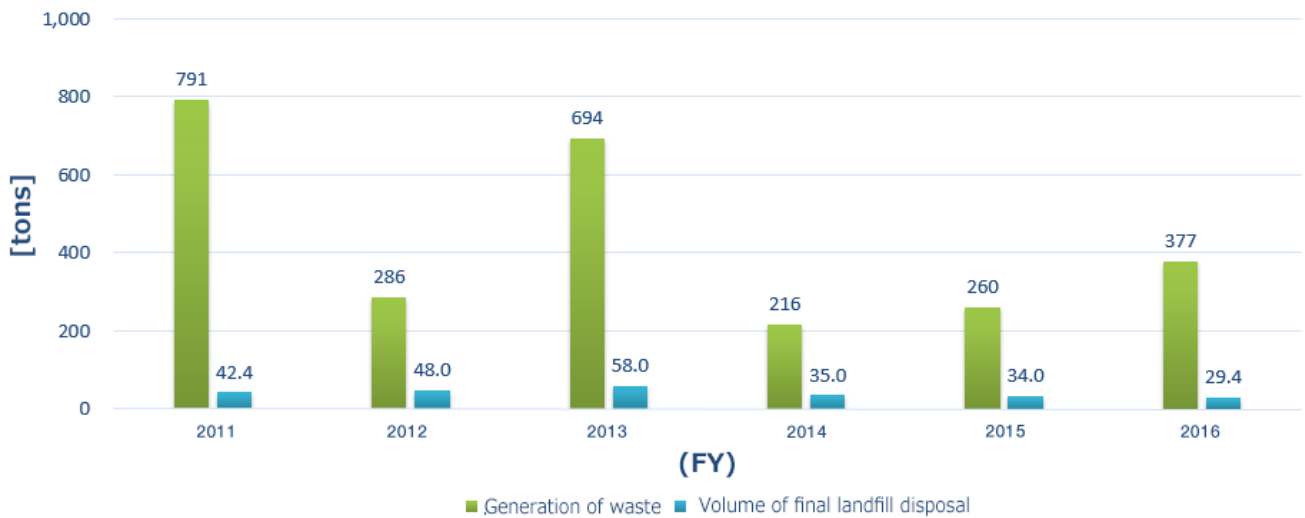
Waste in fiscal 2016 increased by 45% over the previous fiscal year. However, this was due to an increase in waste at Casio Electronic Technology (Zhongshan) Co., Ltd.

Casio believes that group-wide measures to avoid an increase in waste are essential as it is forecast that waste will tend to rise with increases in production volume in the future.

Generation of waste and volume of final landfill disposal (all sites in Japan)



Generation of waste and volume of final landfill disposal (production sites outside Japan)



Water resources

Reducing input of water resources

Casio revised the parts of its Environmental Action Plan related to water resources in fiscal 2014 and transitioned from per unit goals to absolute volume goals.

[Production sites in Japan]

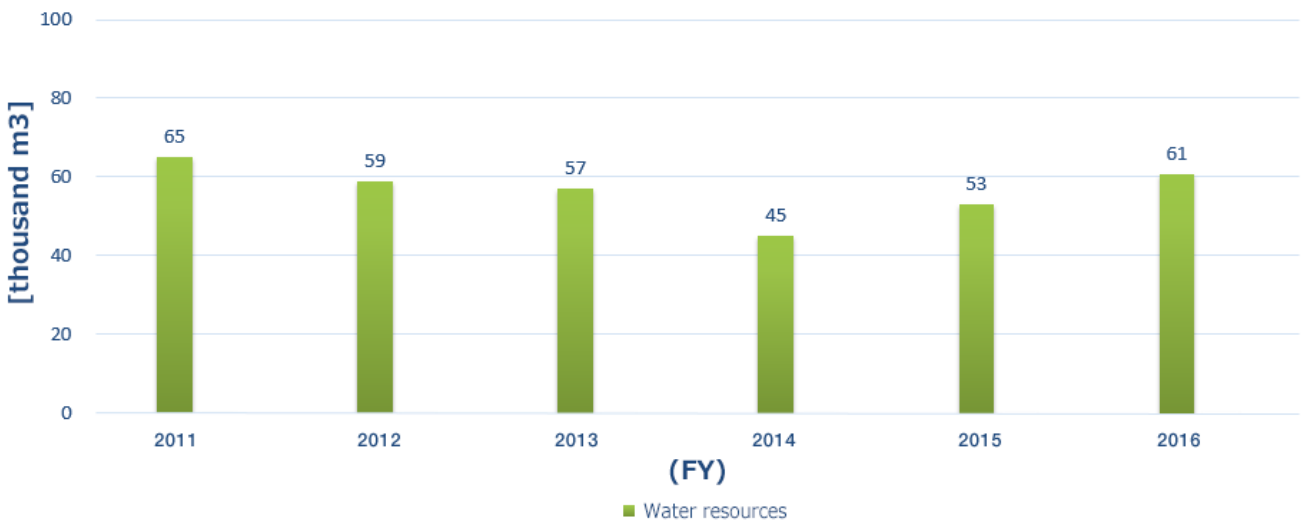
Casio's goal is to reduce water usage at production sites in Japan by 5% in fiscal 2016 compared to fiscal 2011.

In fiscal 2016, although water usage increased by 15% over the previous fiscal year as the number of sites included in figures increased, the target for reduction from the base year was still achieved.

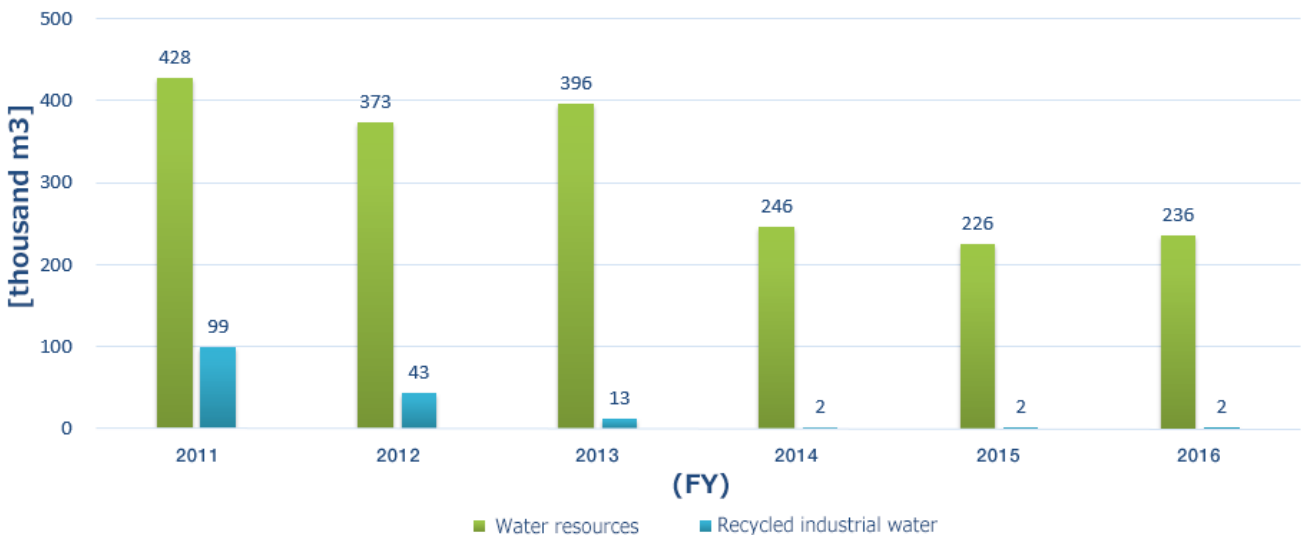
[Production sites outside Japan]

Casio's goal is to reduce water usage at production sites outside Japan by 5% in fiscal 2016 compared to fiscal 2011. In fiscal 2016, although water usage increased by 4% over the previous fiscal year due to the operation of new production sites, there was a significant reduction of approximately 45% from the base year, achieving the target, with a major effect from the closure of the Panyu Factory of Casio Computer (Hong Kong) in fiscal 2014.

Usage of water resources and recycled industrial water (production sites in Japan)



Usage of water resources and recycled industrial water (production sites outside Japan)



Paper resources

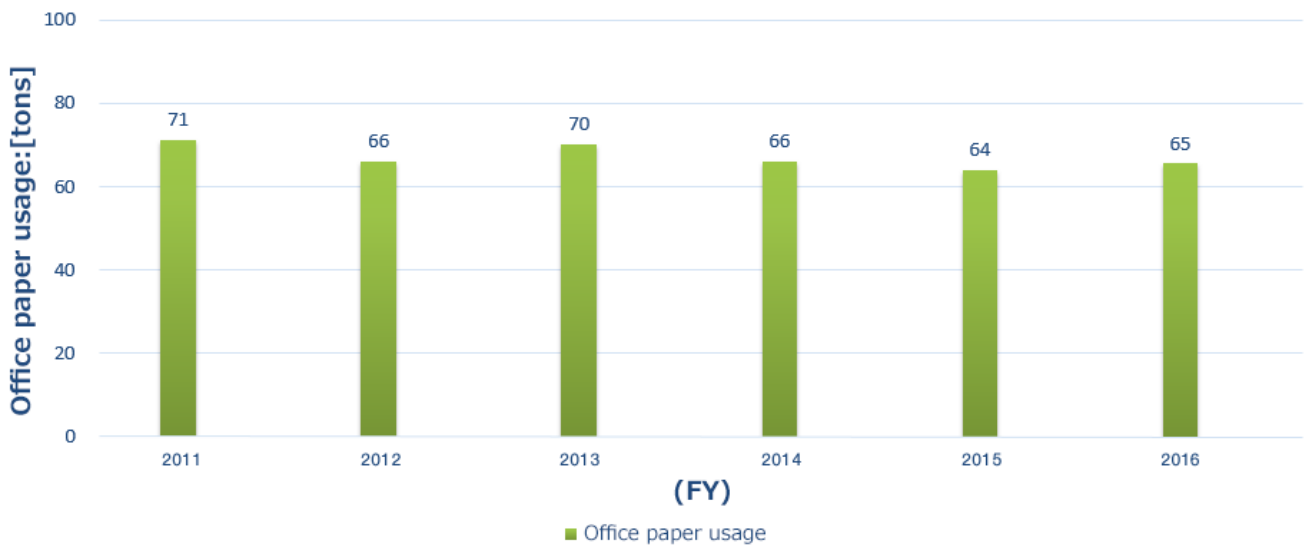
Reducing usage of paper resources

Casio revised the part of its Environmental Action Plan related to paper in fiscal 2014 and transitioned from per unit goals to total volume goals.

The goal is to reduce the volume of office paper used by 12% in fiscal 2016 compared to fiscal 2011.

In fiscal 2016, the volume of office paper used fell by approximately 8% from fiscal 2011, and the goal was not achieved, due in part to the increase from sites that were newly included in the scope of calculation for environmental data. Overall, a leveling-off trend is being seen at large-scale sites. Therefore, Casio plans to shift to qualitative initiatives such as expanding the use of certified paper as part of its measures to preserve biodiversity.

Office paper usage (all sites in Japan)



Usage of parts, materials, instruction manuals and packaging materials

Usage of parts and materials



Usage of instruction manuals



Usage of packaging materials



Scope of Data

For the calculation of environmental performance figures including material balances, data was gathered from the following 46 sites for the period of April 1 2015 to March 31, 2016 (fiscal 2016).

Numerical data on environmental performance for each site is listed separately.

Production sites in Japan (3 sites)	<ul style="list-style-type: none"> • Yamagata Casio Co., Ltd. • Yamagata Casio Co., Ltd. (Yamanashi) • Casio Electronic Manufacturing Co., Ltd.
Office sites in Japan (18 sites)	<ul style="list-style-type: none"> • 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. (7 sales sites) (Kudan, Osaka, Sendai, Saitama, Nagoya, Hiroshima, Fukuoka) • Casio Techno Co., Ltd. (Headquarters) • Casio Techno Co., Ltd. (Technical Center) • Casio Marketing Advance Co., Ltd. • Casio Business Service Co., Ltd. (Headquarters) • Casio Business Service Co., Ltd. (Kofu) • Casio Information Service Co., Ltd • CXD Next Co., Ltd. • Hatsudai Estate Building <p>* Data for Casio Human Systems Co., Ltd., and Casio Communication Brains Co., Ltd. have been included in the data for the sites where they are located.</p>
Production sites outside Japan (3 sites)	<p>Asia (3 sites)</p> <ul style="list-style-type: none"> • Casio (Thailand) Co., Ltd. • Casio Electronic Technology (Zhongshan) Co., Ltd. • Casio Timepiece (Dongguan) Co., Ltd.

Office sites outside Japan (22sites)	<p>Asia (9 sites)</p> <ul style="list-style-type: none"> • Casio Electronics (Shenzhen) Co., Ltd. • Casio Computer (Hong Kong) Ltd. • Casio (Guangzhou) Co., Ltd. • Casio India Co., Pvt. Ltd. • Casio (China) Co., Ltd. • Casio Taiwan Co., Ltd. • Casio Soft (Shanghai) Co., Ltd. • Casio Singapore Pte., Ltd. • Guangzhou Casio Techno Co., Ltd.
	<p>Europe (8 sites)</p> <ul style="list-style-type: none"> • Casio Europe GmbH • Casio Electronics Co., Ltd. • Casio France S.A. • Casio Espana S.L. • Casio Scandinavia AS • Casio Benelux B.V. • Casio Italia S.r.l. • Limited Liability Company Casio
	<p>Middle East (1 site)</p> <ul style="list-style-type: none"> • Casio Middle East FZE
	<p>Americas (4 sites)</p> <ul style="list-style-type: none"> • Casio America, Inc. • Casio Canada Ltd. • Casio Brasil Comercio De Produtos Eletronicos Ltda. • Casio Mexico Marketing, S. de R. L. de C.V.

Calculation Standards

1. Overall

- (1) Items with no input, usage, handling or discharge performance have been left blank.
- (2) Figures are rounded off to the second decimal point, in the specified units (figures shown as “0.0” are less than “0.05”).
- (3) When total Casio Group values for VOC inputs/emissions and PRTR are 1 ton or more, data is shown separately for the individual site.

2. Inputs

(1) Energy input amount

All fossil fuels and power used in business activities are totaled for sites indicated in the Scope of Data. Includes fuel usage by company vehicles, but does not include energy used for contracted logistics services, commuting, and business trips.

Crude oil equivalents are calculated based on Japan's Energy Conservation Act. Energy used at sites outside Japan is calculated on a crude oil equivalent by applying coefficients pursuant to Japan's Energy Conservation Act.

(2) Water resource input amount

Usage amounts of tap water and industrial water are combined.

(3) VOC input amount

For substances subject to follow-up surveys related to VOC emission controls by the four main electrical and electronics industry associations, those whose annual usage at each site exceeds 50 kg are included in the tabulations.

(4) Paper usage amount

Managed and tabulated based on the purchased amounts of paper used in printers, fax machines, and copy machines each year.

The weight of one sheet is determined for each paper size, and weights are calculated based on the amounts purchased.

(5) PRTR substance input amount

Calculated for chemical substances subject to Japan's PRTR Act whose annual amount handled per substance is 0.05 tons or more at each site.

3. Outputs

(1) CO2 emissions

The CO2 conversion factors for electricity used to calculate output amounts are as follows.

For emissions in Japan, Casio used the fiscal 2015 emission coefficient of 0.000554 (t-CO2/kWh), as announced by the Federation of Electric Power Companies to reflect an adjustment for depreciation credit.

For emissions in sites outside Japan, the "emissions factor adjusted for the CO2 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). Regarding CO2 equivalent for fuel, CO2 conversion coefficients were calculated using the emission coefficients and unit calorific values by fuel type based on Japan's Global Warming Act, and then applied to different fuel types and totaled.

(2) Air pollutants

Calculated at sites that have smoke generating facilities based on the concentration measurements and gas emissions at each facility.

Yamagata Casio, Hamura R&D Center and Casio (Thailand) are included in tabulation of results.

Concentrations of dust emissions, NOx, and SOx, which must be managed by law, are measured at target sites, to confirm that they are below regulation levels.

The following substances are not used at any Casio site: dichloromethane, trichlorethylene, tetrachlorethylene, chloroform, vinyl chloride monomer, 1,3-butadiene, benzene, acrylonitrile, 1,2-dichloroethane, formaldehyde, trinickel disulfide, nickel nitrate, and acetaldehyde.

(3) Wastewater

Calculated from values at sites that measure wastewater amounts. Sites that do not measure wastewater amounts but can ascertain tap water use treat the amount of tap water used as their wastewater amount. At sites with special facilities that fall under the Water Pollution Prevention Act and/or the Sewer Act, water quality surveys are conducted based on applicable laws, and confirmation is made that emissions are below regulatory limits. Since fiscal 2014, the applicable facilities have not been operating.

In the case of discharge into public sewer systems, BOD is left blank, but figures are shown if voluntary measurements are taken.

(4) PRTR

Release and transfer quantities are calculated for each chemical substance subject to Japan's PRTR Act whose annual usage is 0.05 tons or more.

(5) Waste

Waste is tabulated as the total amount of industrial waste generated when product is transferred from a Casio site to the processor, general waste derived from sites, and the quantity of valuables.

Because sales sites are small in size and mixed waste is handled by a contractor, it is difficult to get accurate figures for recycling quantities and landfill waste quantities. Thus, all waste from these sites is conservatively treated as landfill waste for calculation purposes.

Results for waste do not include Casio Timepiece (Dongguan).

(6) Base year figures

For the evaluation of greenhouse gases and energy conservation, emissions and usage of divested businesses are excluded from data in and after the base year in accordance with the GHG Protocol.

Scope3

Scope3

Building a low-carbon society is one of the medium- to long-term goals of the Casio Environmental Vision 2050 and the Casio Environmental Declaration 2020. This will require not only efforts from within the Casio Group, but also a commitment to reducing CO₂ emissions both upstream and downstream in the supply chain. For this reason, Casio has calculated emissions for each category in an effort to help everyone involved "visualize CO₂."

CO₂ emissions for the entire Casio Group supply chain in fiscal 2016 were 849,403 t-CO₂.

- Scope 1 direct emissions (e.g., fossil fuels, natural gas) were calculated at 4,821 t-CO₂.
- Scope 2 indirect emissions (e.g., electricity) were calculated at 35,205 t-CO₂.
- Scope 3 other emissions (e.g., use of sold products and end-of-life treatment of sold products, transportation and distribution, employee commuting, lease assets, and investments) were calculated for 11 of 15 categories (with four lowest-impact categories excluded). When CO₂ emissions were calculated pursuant to the GHG Protocol that serves as the international standard, emissions for fiscal 2016 stood at 809,362 t-CO₂.

As a result, Scope 3 accounted for more than 95% of entire supply chain emissions.

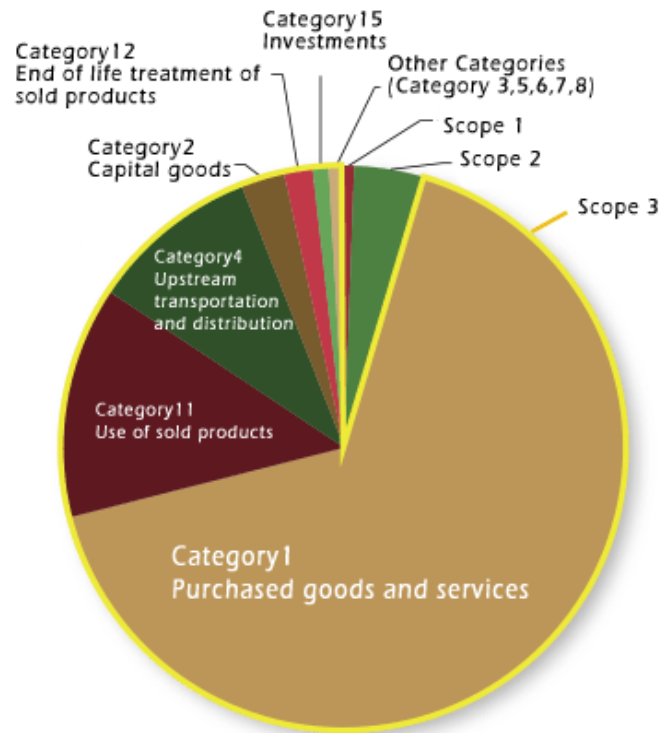
Within Scope 3, purchased goods and services accounted for the greatest share, about 70%.

In the future, the following issues will be addressed:

- Improve calculation accuracy in each category
- Propose and implement emission reduction measures for each category within Scope 3
- Develop measures for reducing emissions both upstream and downstream in the value chain

GHG Protocol: International standards for calculating and reporting greenhouse gas emissions

CO₂ emissions for the entire Casio Group supply chain



Efforts to Ascertain Scope 3

Category		CO ₂ emissions in fiscal 2016	
		t CO ₂	rasio
Scope 1		4,837	0.6%
Scope 2		35,204	4.1%
Scope 3		809,362	95.3%
1	Purchased goods and services	563,311	66.3%
2	Capital goods	21,287	2.5%

3	Fuel- and energy-related activities not included in Scope 1 or Scope 2	2,526	0.3%
4	Upstream transportation and distribution	82,585	9.7%
5	Waste generated in operations	378	0.0%
6	Business travel	1,234	0.1%
7	Employee commuting	1,253	0.1%
8	Upstream leased assets	2,120	0.32
9	Downstream transportation and distribution	-	-
10	Processing of sold products	-	-
11	Use of sold products	112,905	13.3%
12	End of life treatment of sold products	13,903	1.6%
13	Downstream leased assets	-	-
14	Franchises	-	-
15	Investments	7,800	0.9%
Total		849,403	100%

Category 4: The breakdown for transportation and shipping (upstream) is shown below. (Unit: t-CO₂)

Japan: Truck: 772, Railway: 82

Overseas: Railway: 1,145 Airplane: 74,143 Ship: 16,793

Scope 3 calculation methods

Category 1	Purchased goods and services	<p>Amount of activity: Amount of purchased consumables, raw materials, and packaging materials, salaries of temporary staff, purchased tap water, industrial water, and advertising expenses</p> <p>Unit: Calculated by multiplying each item by the emissions unit of the purchased amount and adding together the total. (Emissions output unit DB ver2.0 and CFP COMMUNICATION PROGRAM DB ver1.01)</p>
Category 2	Capital goods	<p>Amount of activity: Amount of capital investment by all consolidated subsidiaries</p> <p>Unit: Calculated by multiplying the emissions unit corresponding to the amount of capital investment. (Emissions unit DB ver2.0)</p>
Category 3	Fuel-and-energy-related activities (not included in Scope 1 or 2)	<p>Amount of activity: Amount of purchased electricity and fuels</p> <p>Unit: Calculated by multiplying the emissions unit of each type and adding together the total. (CFP COMMUNICATION PROGRAM DB ver1.01)</p>
Category 4	Upstream transportation and distribution	<p>Amount of activity: Amount of domestic and overseas shipment</p> <p>Unit: Calculated by multiplying the weight and transportation distance by the emissions unit of each transportation type and adding together the total. (Trucks: Specific fuel consumption using the improved ton/kilo method. Trains, ships and airplanes: CO₂ emissions output level using the conventional ton/kilo method)</p>
Category 5	Waste generated in operations	<p>Amount of activity: Emissions of each type of waste</p> <p>Unit: Calculated by multiplying the emissions unit of each type and adding together the total (Emissions unit DB ver2.0).</p>
Category 6	Business travel	<p>Amount of activity: Number of domestic and overseas employees</p> <p>Unit: Emissions unit per employee (Emissions unit DB ver2.0)</p>
Category 7	Employee commuting	<p>Amount of activity: Transportation expenses paid to employees</p> <p>Unit: Calculated by estimating the train/car ratio from employee commuting style, multiplied by the emissions unit of the amount of transportation expenses for each style and adding together the total (Emissions unit DB ver2.0).</p>

Category 8	Upstream leased assets	Amount of activity: Domestic G-SHOCK stores, sales area for digital paintings and other and number of business days Unit: Calculated by determining the total sales area, and multiplying the emissions unit of the sales area. The number of business days is calculated on a pro-rate basis (Emissions unit DB ver2.0).
Category 9	Downstream transportation and distribution	Transportation to retailers from the distribution hubs of regular sales companies is outside the scope of Casio's expense payment. Since this is difficult to ascertain and the CO ₂ emissions are deemed to be fairly small compared to Category 4 upstream transportation and distribution, it is not included in calculations.
Category 10	Processing of sold products	Although one of our group companies provides name printing and other services, emissions of CO ₂ and other substances from this business activity is included in Scopes 1 and 2.
Category 11	Use of sold products	Amount of activity: Number of products by category Unit: Use of products is calculated by multiplying the emissions unit of each product for the supported period (five years). Regarding the use period, any industrial standards are followed. In cases such industrial standard does not exist, the use period is defined by CASIO. Regarding electricity, the fiscal 2012 end-user CO ₂ emissions unit of the Federation of Electric Power Companies of Japan is used. Regarding products that require battery replacement, CO ₂ emissions to manufacture the battery are also included in the calculation.
Category 12	End of life treatment of sold products	Amount of activity: Emissions from the product itself and container packaging materials Unit: Calculated by multiplying the emissions unit of each type and adding together the total (Emissions unit DB ver2.0)
Category 13	Downstream leased assets	Due to the disposal of relevant buildings, it is not subject to calculation from fiscal 2016.
Category 14	Franchises	The franchise formula is not used.
Category 15	Investments	Amount of activity: Emissions from equity method affiliates and companies which hold specific annual stocks and constructive stocks Unit: Calculated by multiplying the emissions from investment destinations by the equity method ratio or the share holding ratio.

Environmental Accounting

Overview of fiscal 2016 performance

In fiscal 2016, environmental accounting showed that investment in environmental conservation decreased from the previous fiscal year while costs remained almost the same and the economic benefits (real effects) associated with environmental conservation measures increased.

Investments in environmental conservation, such as energy-saving equipment and double-glazed windows, were valued at ¥80 million, while the cost of environmental conservation including costs for recycling products, parts, and toner cartridges and other consumables was ¥1,223 million. The economic benefits associated with environmental conservation measures were ¥941 million and included business profits due to recycling activities as real effects.

Moving forward, Casio will accurately ascertain and inform people about the effects of its environmental management activities from an economic perspective and will strive to engage in efficient and effective environmental conservation efforts.

Environmental conservation costs (April 2015 - March 2016)

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.))		80	281
(1) Pollution prevention cost	Preventing air and noise pollution	9	39
(2) Global environmental conservation cost	Maintenance of energy-saving systems	70	180
(3) Resource circulation cost	Processing, reducing in volume, and recycling of general and industrial waste	1	62
■Upstream/downstream cost ^{*2}	Collection and recycling of products, parts, supplies	-	628
■Administration cost	Secretariat operation costs, environmental information disclosure	0	256
■R&D cost	R&D for reduction of environmental impact	-	41
■Social activity cost	Participation in, donations to, and support for environmental conservation organizations	-	13
■Environmental remediation cost	Improvement of soil	-	4
Total		80	1,223

*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 2015 - March 2016)

Type of benefit		Amount (¥ million)
Actual benefit (benefit that contributes to profits as a result of the promotion of environmental conservation measures)		
Profits	Business revenue from recycling of used products, etc.	847
Cost reduction	Cost reduction through energy saving activities	72
	Reduction of waste processing costs arising from resource saving or recycling	22
Total		941

* Starting in fiscal 2016, only economic benefits that could be aggregated were included, and deemed benefits based on estimates were not included.

Environmental conservation effect

Types of environmental conservation effects	Environmental performance indicator	Unit	FY2015	FY2016	Environmental conservation effect
Environmental conservation effect relating to resources used in business activities	Water resources	Thousand m ³	300	393	-93
Environmental conservation effect relating to environment impact and waste generated by business activities	CO ₂ emissions	Tons-CO ₂	38,483	40,041	-1,558
	Waste emissions	Tons	2,523	2,522	+1

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.

Design and Procurement

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

Environmental laws and regulations relating to Casio products 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.

Covering the procurement stage, Casio has formulated Casio Green Procurement Standards to cover the legal regulations for the chemical substances contained in Casio products, and is procuring its parts and materials in accordance with those standards. To ensure that Casio products comply with the latest laws and standards around the world, the Casio Green Procurement Standards are constantly reviewed and updated. 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.

In response to laws and regulations requiring more energy-saving designs (such as the ErP Ecodesign Directive), Casio is creating technical documents and other internal standards.

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 June 2016)

	Product			Packaging		Battery	
	Collection and Recycling	Hazardous Substances	Energy conservation	Collection and Recycling	Hazardous Substances	Collection and Recycling	Hazardous Substances
EU	WEEE	RoHS REACH Biocidal Products Regulations POP Regulation	ErP	EU Directive on Packaging and Packaging Waste		Batteries directive	
Norway		Chemical substance regulations					
Turkey	Turkey WEEE & RoHS		Turkey ErP	Turkey packaging regulations		Turkey batteries regulations	
Serbia	Serbia WEEE & RoHS					Serbia batteries directive	
Ukraine		Ukraine RoHS					
Customs Union (Eurasian Economic Commission)		Customs Union: RoHS (draft)	Customs Union: ErP (draft)				
US	Each state's TV/PC recycling laws	Each state's mercury regulations, California Proposition 65, California SB50, California regulations on formaldehyde, safer consumer product regulations	US federal law, and external power supply efficiency regulations in each state	California's Rigid Plastic Packaging Container recycling program, and rigid plastic container labeling 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	Products Containing Mercury Regulations	External power energy efficiency regulations	Each state's packaging material collection programs			Products Containing Mercury Regulations
Mexico			Energy consumption labeling regulations				
Brazil	Brazil's Solid Waste Law			Brazil's Solid Waste Law		Brazil's Solid Waste Law	Brazil batteries regulation
Argentina	Argentina WEEE (draft)					Argentina WEEE (draft)	Argentina batteries regulation
Peru	Peru WEEE						
Paraguay							Paraguay batteries regulations
Columbia						Columbia batteries regulations	Columbia batteries regulations
Israel	Israel WEEE			Israel packaging regulations			
Jordan	Jordan WEEE (draft)	Jordan RoHS (draft)	Jordan ErP				
UAE		UAE RoHS (draft)					
China	China WEEE	China RoHS	China Energy Label	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		Taiwan RoHS				Battery recycling regulations	Regulations on heavy metal in batteries
Australia			External power energy efficiency regulations				
India	India's e-waste law						
Viet Nam	Viet Nam WEEE	Viet Nam RoHS				Viet Nam WEEE	
Indonesia	Household waste regulations						
Singapore		Singapore RoHS					Singapore batteries regulations (draft)
Thailand	Thai WEEE (draft)						
Philippines	Philippines WEEE (draft)						
Japan	Recycling Law	Recycling Law (J-Moss), Small Electronic Devices Recycling Act	Energy Conservation Law	Container and Packaging Recycling Law		Recycling Law	
Global conventions		Convention on Persistent Organic Pollutants (POPs), Mercury Convention			Convention on POPs		Mercury Convention

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 CO₂. 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.

Production

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

Winter Eco-style challenge

On August 7, 2014, Yamagata Casio was recognized as an outstanding business establishment for its efforts in the Winter Eco-Style Challenge campaign coordinated by Yamagata Prefecture.

This annual activity, which began in fiscal 2009, is promoted to raise energy-saving awareness in the homes and businesses of the prefecture. In 2014, 862 establishments in Yamagata submitted details of their energy-saving activities carried out between November 1, 2013 and March 31, 2014. Just five were recognized as particularly outstanding business sites.

Yamagata Casio reduced the amount of compressed air it uses to drive machine tools and automated machines as well as to blow dust off components, while also constructing a power monitoring system. The company was recognized for these and other efforts, resulting in the outstanding business establishment award. Yamagata Casio will continue to actively promote energy saving initiatives in the future.



Measuring air leaks at points marked with arrows



Energy-saving training by the compressed-air equipment manufacturer

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 CO₂ and waste emissions arising from logistics. In order to reduce CO₂ 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

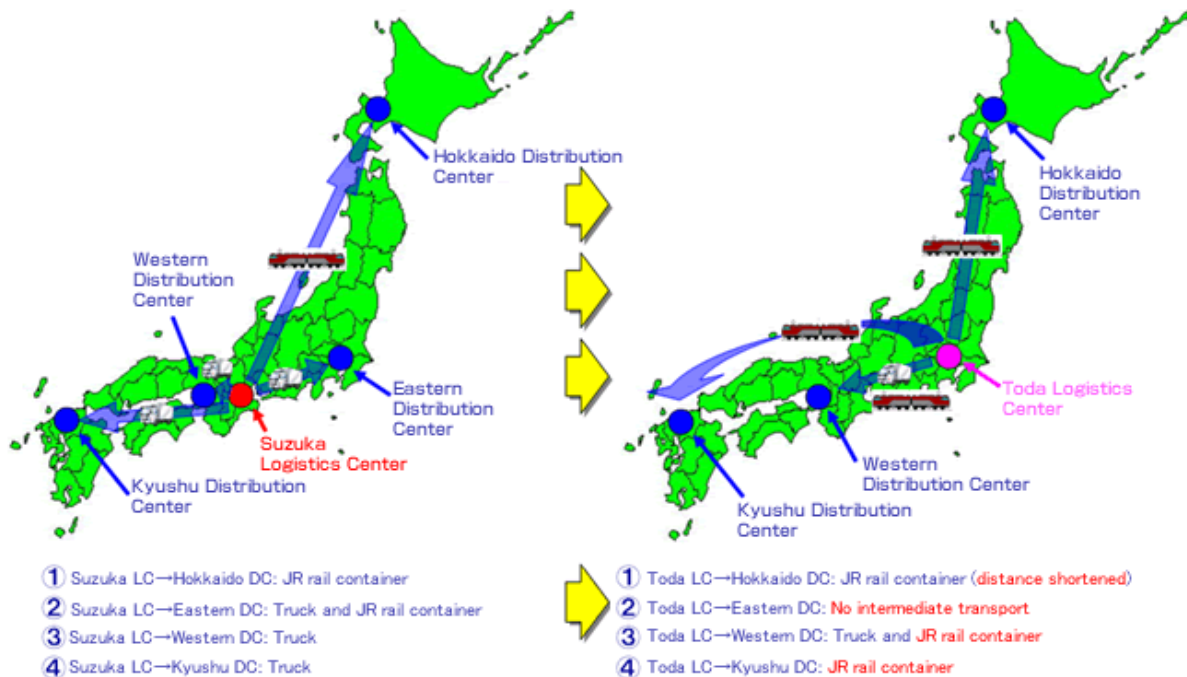
Casio's logistics center in Mie Prefecture was moved to Saitama Prefecture, and then its distribution center in Tokyo was ultimately consolidated with the logistics center, a transition that was achieved in stages.

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 CO₂ emissions reduction.

Promoting Modal Shift and Reducing Intermediate Transport

◎ 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)

* As a result of the efforts above, annual CO₂ emissions were reduced by about 27 tons.

In fiscal 2013, Casio began an initiative to send products manufactured outside Japan directly to the Western Distribution Center in Osaka.

This allows transport distances to be shortened significantly by cutting out transit through the Toda Logistics Center.

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. Casio has been using these large shipping cartons to ship products since fiscal 2012, and in fiscal 2014 new shipping cartons with even greater strength were added to the lineup of shipping supplies.



A reusable shipping carton employed for distribution in Asia



Shipping carton receives Chairman of Japan External Trade Organization (JETRO) Award

On October 4, 2012, the large shipping carton shown here received the Chairman of Japan External Trade Organization (JETRO) Award at the Japan Packaging Contest 2012, one of Japan's biggest packaging competitions, which is organized by Japan Packaging Institute.

Four products obtain Eco Rail Mark certification

On February 28, 2013, Casio obtained Eco Rail Mark certification from the Railway Freight Association for four products: clocks, digital pianos, electronic keyboards and electronic cash registers.

The Eco Rail Mark indicates that a product or company is proactively addressing global environmental issues by using rail freight transport. Rail transport produces about one sixth of the CO₂ emissions of commercial trucking, making it an environmentally friendly method of transport with a low environmental impact.

The criteria for certification are utilization of rail for at least 30% of land freight transport for distances of 500km or more for a product, and utilization of rail for at least 15% of land freight transport for distances of 500km or more for a company.

Casio obtained Eco Rail Mark certification as a company in October 2009 and successfully obtained product certification as a result of further expanding rail transport due to the relocation, amalgamation and closure of business sites.

Casio now actively uses rail for transport from its logistics center in Saitama Prefecture to distribution centers in Hokkaido, Osaka and Fukuoka. Going forward, Casio will make active efforts to reduce environmental impact by pursuing environmentally friendly transport.



Eco Rail Mark



Promoting a modal shift to rail transport



Environmentally friendly rail containers

[CO₂ emissions for logistics \(Environmental Data\)](#)

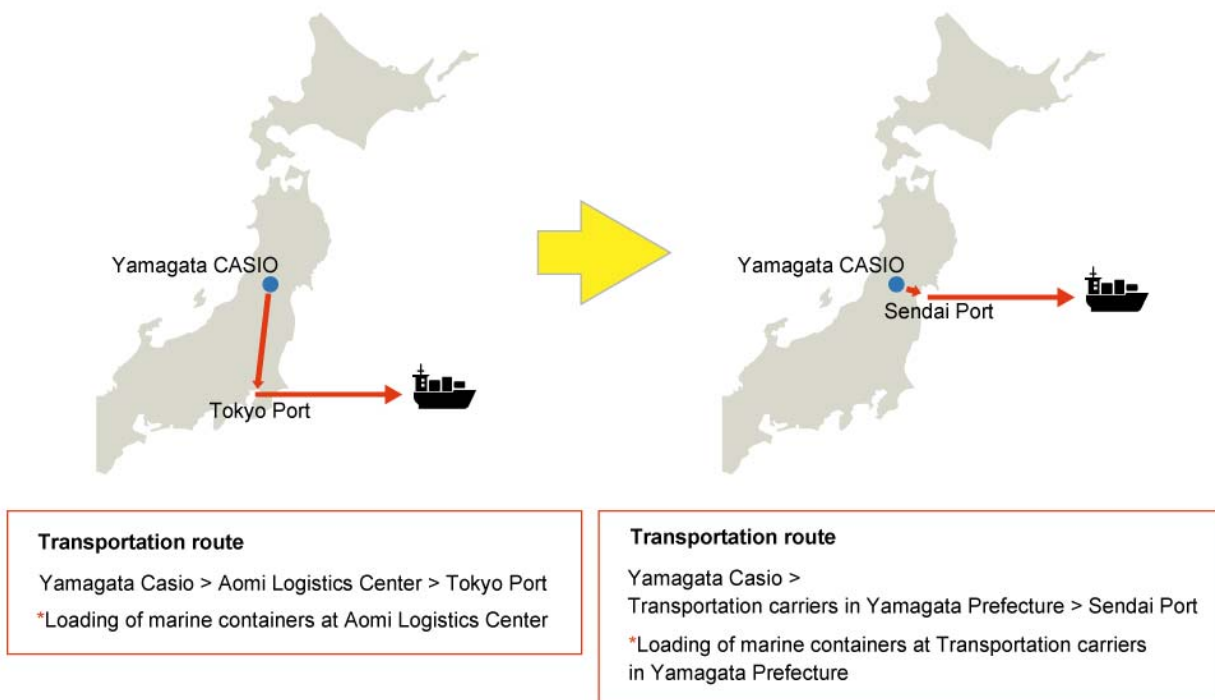
Ports changed for exports to North America

Casio seeks to export its products from the port closest to the production site.

In the past, all projectors produced at Yamagata Casio exported to North America by sea freight were exported from the Tokyo Port harbor area after passing through Aomi Logistics Center. However, since fiscal 2016, Casio has been transporting projectors from Yamagata Prefecture for export from Sendai Port, thereby reducing transportation distance and CO₂ emissions.

In fiscal 2016, CO₂ emissions from transportation of the projectors were reduced by 81% by using Sendai Port.

Using Sendai Port to reduce CO₂ emissions



Collection and Recycling

This section describes Casio's initiatives in the area of product collection and recycling.

Product recycling efforts

The collection of used products includes activities that are performed to comply with relevant laws, and activities that are performed by companies voluntarily. This section introduces Casio's voluntary used-product recycling activities.

Recycling with No Waste Disposal

Casio is recovering and dismantling used tape cartridges and ink ribbon cassettes, and utilizing the materials to make the same products again. Casio actively requests the cooperation of product users in this effort.



Product Recycling outside Japan

[Product Recycling in Europe](#)

Product Recycling in Europe

Product Recycling in Europe

European recycling regulations include the Waste Electrical and Electronic Equipment (WEEE) Directive, the Battery Directive and the Packaging Directive.

These regulations provide a framework under which manufacturers collect and recycle end-of-life products and are obliged to bear the costs of doing so.

Casio fulfills its obligations by participating in collection and recycling organizations with government authorization.

Offices

All Casio office sites are engaged in efforts to reduce CO₂ 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

A total of 1,080 servers had been integrated by March 2016.

Effects of reducing power consumption through server integration

This server integration effort resulted in a total reduction in power consumption of 1,620,000 kWh, yielding a reduction in CO₂ emissions of 588 tons.

Contributing to Green IT Through Server Integration

	Through Mar.2015	Apr. 2015 - Mar. 2016	Cumulative total
Number of servers integrated (machines)	1,020	60	1,080
Annual power consumption reduction (kWh) ^{*1}	1,530,000	90,000	1,620,000
Annual CO ₂ reduction (tons-CO ₂) ^{*2}	555.4	32.7	588.1
Number of Japanese cedars needed to absorb this amount (trees) ^{*3}	39,700	2,300	42,000

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

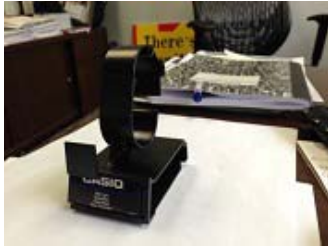
*2 : Calculated based on CO₂ emissions of 0.363 kg/kWh. From Japan's Ministry of Internal Affairs and Communications, "Report by the Study Group on ICT Policy for Addressing Global Warming," April 2008.

*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 CO₂ annually.

Initiatives at Casio America

Casio America has been carrying out various environmental initiatives over many years. These include sorted collection of bottles and cans, collecting and taking out used paper and cardboard for recycling, using recycled materials for individual watch packaging and display stands, replacing old energy-inefficient personal computers, and providing employees with reusable drink bottles to reduce the need for paper cups.

These activities have been recognized by the Morris County Municipal Utilities Authority (MCMUA), which promotes environmental protection by presenting awards to companies for their green endeavors.



Watch display stand made using recycled resources



Individual watch packing box made using recycled resources



Casio Europe's energy-efficient building

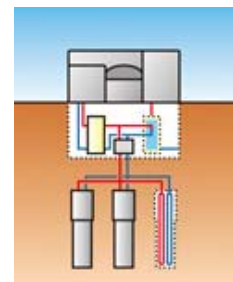
Casio's office sites have shifted from focusing on reducing CO₂ per unit of production to cutting the total volume of CO₂ emitted across the entire Casio Group. In January 2009, Casio Europe integrated its offices, distribution center, and service center, which had previously been separately located around Germany, into a new energy-efficient building.



CASIO Europe

This building has an innovative air conditioning system that uses Geothermal heat collecting 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.



Geothermal heat usage model

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 CO₂ 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

The Hachioji R&D Center completed in November 2003 is a research and development facility that incorporated environmentally friendly equipment from the initial design stage. It has been running efficiently for approximately 12 years since it opened, boasting 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. Thus, instead of just relying on its hardware, the center has been enthusiastically pursuing other improvements such as finely tuned temperature control adjustments, and the revision of operation methods based on actual daily data. In fiscal 2013, interior lighting fixtures started being converted from fluorescent to LED, as part of effort to reduce energy consumption.

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 thermal insulation, which prevents interior heat from escaping to improve 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 outside air in as needed through ducts on each floor. This provides ventilation through natural airflow using the chimney effect to lower room temperatures. Thus, the temperature is adjusted using hardly any electric power.

Automatic blinds and a green wall of vegetation

Automatic blinds reduce the air conditioning load by calculating the position of the sun and using sensors to detect its intensity to open and close automatically. The center has been using these blinds, combined with a green wall of vegetation, since 2012 in an initiative to reduce the cooling load in the summer. The center has also reduced unnecessary usage of electricity by regulating air conditioning to match the number of people in the building according to building entry data and by switching interior lighting on and off and adjusting brightness with sensors that detect room brightness and human movement.



Automatic blinds



The green wall of vegetation covers the surface with bitter melon and morning glory.

The initiatives of the Hachioji R&D Center make a significant contribution to reducing CO₂ and energy conservation. They also play a further role in environmental education via descriptions given during facility tours for elementary and junior high school students from the local area and beyond and others who visit the Hachioji R&D Center.

Related materials: See the “Environmental Communication” section for information about educational tours of the facility [Environmental Communication](#)

Installation of LED lighting

Through the active adoption of LED technology within the Casio Group, energy consumption for lighting has been greatly reduced. As of March 2016, about 4,200 LED fixtures have been installed, saving about 87 tons of CO₂ emissions per year compared to conventional fluorescent lamps.



LED lighting in the lobby of the Hatsudai headquarters



LED lighting in the Hamura R&D Center lobby

Participation in Light Down Campaign

Casio supports COOL CHOICE, the Japanese government's national campaign, and the Fun to Share climate change campaign being implemented by the Ministry of the Environment. Casio once again took part in Light Down campaign in 2015. Three companies, Casio Computer Co., Ltd. (five sites including the company headquarters, Hamura R&D Center, and Hachioji R&D Center), Yamagata Casio, and Casio Electronics Manufacturing, took part in the campaign.



Environmental Management

Implementation framework

The annual 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.

Casio is currently reviewing the structure of the Casio Environmental Conservation Committee. The new organization chart is expected to be ready by the next time this site is updated.

An environmental management system (ISO 14001) has been adopted at the main sites as an environmental management tool.

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.	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 2016, 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 13 Casio sites which have obtained ISO 14001 certification.

Each of these sites regularly implements conditions management and improvement activities by measuring concentrations of dust, SO_x, and NO_x 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 Audits in the Phases of 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.

Casio has established an Expert Sub-Committee on Environmental Law within its Product Regulation Committee. The sub-committee includes representatives from the environmental management, technology, development/design, and

sales departments. It studies measures to ensure compliance with environmental laws and regulations. The members share information, establish reasonable response policies, and confirm response progress not only for currently established laws and regulations but also for new laws and regulations currently being considered. Through these activities, they provide support for development, design, manufacturing, and sales departments. They also share information on product regulations other than those related to the environment (such as electrical safety, radio, and wireless regulations), in an effort to comprehensively rationalize Casio's response to product regulations.

The Expert Sub-Committee on Environmental Law 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.

Casio carries out environmental assessments of each product before new products ship to market, to check to ensure environmental design that complies not only with laws and regulations but also with the Casio Green Star Plan. The environmental management departments also conduct environmental audits.

The group also conducts audits of chemical substances to check whether products comply with laws and regulations on chemical substances in various overseas markets. Products are cleared for shipment on confirmation that all parts and materials satisfy standards on chemical substances.

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.

Casio evaluates products in terms of resource savings, ease of dismantling, recycling potential, and recycled material content. Confirmation is also made to see whether the recycling labels and displayed information meet legal requirements worldwide.

In response to the enactment of Japan's Small Electronic Devices Recycling Act in April 2013, Casio has put together a project team including employees involved in every product category (such as designers), aiming to ensure products being developed are easily recyclable. Casio is asking intermediate processors and metal smelters who recycle used small household appliances to participate in interviews regarding dismantling methods and other issues. The lessons learned are being incorporated into internal design manuals, helping Casio to develop products that are easy to recycle.

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

Casio is committed to further consideration and strengthening of its voluntary efforts, such as the targets included in the Casio Group's Environmental Action Plan, to reflect laws and regulations related to energy-saving and the fight against global warming.

Casio has measures addressing regulations around the globe, but this section focuses on the steps Casio is taking to comply with the laws and regulations in Japan that apply to its relatively large business facilities.

1. Act on the Rational Use of Energy

Pursuant to the requirements of the Energy Conservation Law, Casio is separately evaluating the rational use of energy at the business level. Casio Computer Co., Ltd. and Yamagata Casio are both currently designated as specified businesses. Since fiscal 2010, Casio has been regularly submitting reports and medium and long-term plans on this issue, and in accordance with the determination standards relating to the rational use of energy at plants and facilities,

has been promoting the development of management systems, such as creating the new position of energy management supervisor.

2. Act on the Promotion of Global Warming Countermeasures

Casio does not exceed the standards for emissions of greenhouse gases other than CO2 arising from energy use set by Japan's Act on the Promotion of Global Warming Countermeasures. It is 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

Based on the results for fiscal 2015, the energy usage for small and medium-sized facilities on a crude oil equivalent basis (energy usage below 1,500kl/year on a crude oil equivalent basis) within the Tokyo Metropolis exceeded 3,000kl/year, and Casio submitted reports to the Tokyo Metropolitan Government in fiscal 2016.

The results for fiscal 2016 were below 3,000kl/year, but Casio will continue to take measures to counter global warming based on ordinances of the Tokyo Metropolitan Government.

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.

Environmental Communication

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

Asakawa Photo Contest

In cooperation with the cities of Hachioji and Hino, Casio has been sponsoring the Asakawa Photo Contest in order to raise the profile of Asakawa, the home of the Hachioji R&D Center.

The recent fifth year of the contest invited photo submissions on the theme, “Our Asakawa Connects to the Future,” and 432 entries were received.

Casio Computer Co., Ltd. has sponsored the event every year since its inception, and a general affairs section chief presented the awards at a special ceremony.



Contest poster



Awards ceremony

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 history of calculators, while also getting to take apart and reassemble these devices. Through this activity, Casio is sharing the fun of product creation while creating new Casio fans.



Touring the facilities at the Hachioji R&D Center



Actual operation of the 14-A relay calculator



Calculator disassembly and reassembly

Adopting tulips and Ohga lotus plants

Hamura City, located in Tokyo, is promoting cultivation of tulips and other plants as an effort to preserve fallow rice fields and to make effective use of rice fields after their crops have been harvested. As part of its social contribution, Casio has been a foster-sponsor for the tulips and for Ohga lotus plants since 2004.

A number of varieties bloom in the greatest tulip field in the Kanto region, which is planted with approximately 400,000 bulbs in roughly 23,000m² of rice fields, and many tourists visit the tulip festival held in April each year.

Casio became the owner of about 500m² of one 1,000m² paddy field and helps to cultivate the Ohga lotus. The descendants of local farmers in Hamura city cultivate the Ohga lotus in fallow rice fields, and the flowers bloom from mid-July through to mid-August. A lotus viewing event was held early in the morning on August 1, and a large number of people visited from early in the morning to appreciate the lotus. The Ohga lotus plant is an ancient form of lotus from the Yayoi Period (about 2,000 years ago) discovered in the Kemigawa ruins in Chiba Prefecture under the guidance of the late Dr. Ichiro Oga in 1951.



Exhibiting at Eco-Products 2015

Every year Casio exhibits at Eco-Products, the largest environmental trade show in Japan. Held at Tokyo Big Sight from December 10 to 12, 2015, Eco-Products marked its 17th year with more than 170,000 visitors in attendance and about 700 companies and organizations setting up exhibits to display their environmentally friendly products and services.

Casio has been an exhibitor at the event since its inception, and in 2014, it introduced its initiatives under the theme of harmony between technology and ecology. With an exhibit entitled, “Preserving Nature for the Future,” various environmental activities of the group were highlighted.

The main stage featured audience participation with a TV-style quiz show that included Casio’s history and environmental activities as well as the calculator assembly class, which is popular every year. This year, Hamurin, the mascot character of Hamura City, also provided support in relation to community contribution activities such as Hamura City’s tulip owner program.

In the display section, the company showcased its eco-products, recycling activities, establishment of a Paper Procurement Policy, and support for environmental protection groups through collaborative products such as dolphin and whale models.



Casio naruhodo environmental quiz



Hamurin



Recycling activity



Environment panel display

Environmental lesson for local elementary school students

On February 4, 2016, fifth grade students from Hamura City's Sakae Elementary School visited the Hamura R&D Center located in the city. This was the fifth time that Hamura R&D Center had hosted an environmental lesson for local elementary school students. Staff from the environmental affairs department conducted the lesson to show the initiatives that a familiar company is taking to reduce environmental impact. In addition to a talk with slides, the company set up booths for solar power generation, original resource recycling systems and recycling activities, making the venue resemble the Eco-Products expo. The students were able to increase their understanding while listening to explanations about the items on display.



Classroom



Venue resembling the Eco-Products expo

Tree planting

Casio Electronics (Shenzhen) participates in tree planting promoted by local government organizations, including the Shenzhen City government in Guangzhou Province, China, with the aim of living in harmony with the global environment and the local community. In the ninth tree planting activity on April 17, 2016, eighteen employees and their family members volunteered and planted twenty nursery trees in around three hours.

The area planted this time should become a space filled with greenery in a few years' time. Sharing this small undertaking that steadily makes an impression is motivating the employees to continue the activity in the future.



18 employees and family members participated.



Everyone worked together to plant trees.

Initiative to save Otoguro cherry trees

The Otoguro cherry tree got its name from the Otoguro Embankment where it used to bloom on the banks of the Fuefuki River, which flows through Chuo City in present-day Yamanashi Prefecture, in the late 19th century and early 20th century and had long been a favorite of the people in that region. It is a late-blooming cherry tree variety that comes into full bloom in mid-April with leaves that emerge at the same time as the large white blossoms measuring 5 to 6cm.

With the improvement of the Fuefuki River in 1932, most of 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 Otoguro cherry. His activities 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 initiating efforts to save and propagate the Otoguro cherry tree.

As part of Kofu Casio's environmental activities, the company offered to participate in cultivating this 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, and transplanted more than 30 Otoguro cherry trees over the three years from 2004. All the transplanted trees took root, and they provide a beautiful display of blossoms for people to enjoy on the grounds of the Kofu plant. Since fiscal 2013, the Kofu Office of Casio Business Service Co., Ltd. has managed the trees, including selection and fertilization.

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 efforts on the local level.



At the time of tree planting



July 2016

Employee efforts to preserve biodiversity by protecting endangered species

I work on environmental preservation activities, and I am also a photographer who holds regular photo exhibits featuring photos of wild animals.

In recent years, as greater attention has been paid to biodiversity preservation, I have held regular photo exhibits to share information about endangered species, and I make donations to relevant environmental organizations based on the number of people who visit.

In November 2016, I will organize a photo exhibit to contribute to the protection of the Japanese crane, a bird and Special Natural Monument that symbolizes Japan. The exhibit will feature the Japanese crane that lives as a resident bird in the harsh environment of the land of the north (eastern Hokkaido).

I hope to continue contributing to the protection of endangered species through these kinds of activities.

Recent photo exhibits and donations

	Name of photo exhibit	Donation recipient
October 2012	Arrival of the swans and winter at Lake Hyoko	Wild Bird Society of Japan
November 2014	Humpback whale: Migration to Kerama	Zamami Islands Whale Watching
November 2016	Japanese cranes: Living in the land of the north	Tancho Community

Toshihiro Osawa
Planning Section
Engineering Department

Photos by Toshihiro Osawa



Japanese cranes enduring the chill of the early morning (-20°C)



Japanese cranes: Nestled in the dusk



Swallow feeding



Breaching humpback whale

Verification Statement

Aug 1 2016

CASIO COMPUTER CO., LTD.

Objective

SGS Japan Inc. (hereinafter referred to as "SGS") was commissioned by CASIO COMPUTER CO., LTD. (hereinafter referred to as "the Organization") to conduct independent verification based on ISO14064-3:2006 and the SGS verification protocol regarding the data prepared by the Organization on performance data of GHG emissions, water intake, waste generation and air pollution emissions (hereinafter referred to as "the assertion"). The objective of this verification is to confirm that the assertion in the Organization's applicable scope have been correctly calculated and reported in the assertion in conformance with the criteria, and to express our views as a third party.

Scope

The scope of verification is limited to performance data of the assertion in the Sustainability Report 2016. GHG emissions included in this performance data are Scope 1 and 2: GHG emissions from energy consumption and Scope 3: Category 1, 4 and 11.

The period subject to report is from Apr 1, 2015 to Mar 31, 2016.

Procedure of Verification

The assertion was verified in accordance with ISO14064-3: 2006 and the SGS verification protocol, and the following processes were implemented at a limited level of assurance:

- Verification of the calculation system: interviews on the measurement, tabulation, calculation and reporting methods employed by the Organization as well as review of related documents and records
- Verification of the assertion: On-site verification, review of vouchers at Yamagata Casio Co., Ltd., Hamura R&D Center, CASIO ELECTRONICS MANUFACTURING CO., LTD. and analytical procedures and interviews carried out at all works included in the scope of verification at CASIO COMPUTER CO., LTD. head office

The criteria for this review is based on "The Calculating and Reporting Manual for Greenhouse Gas Emissions Ver.4.0" and the protocol specified by the Organization.

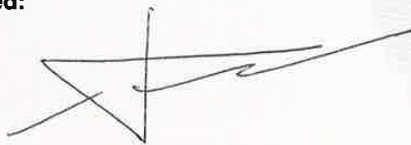
Conclusion

Within the scope of the verification activities employing the methodologies mentioned above, nothing has come to our attention that caused us to believe that the Organization's assertion was not calculated and reported in conformance with the criteria.

For and on behalf of SGS Japan Inc
Senior Executive & Business Manager
Certification and Business Enhancement

Yuji Takeuchi

Signed:




Independent Opinion on the Sustainability Report 2016

The opinion presented here was written based on the content of this report and interviews with Casio personnel responsible for procurement, human resources, environmental 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 and ensuring socially responsible procurement, should be used by top management and all employees to expand CSR initiatives group-wide.

Commendable efforts by Casio

- Under its medium- to long-term [environmental management policy](#), Casio has set greenhouse gas targets for fiscal 2021 and 2051 and has expanded its efforts to reduce environmental impact into the areas of packaging and distribution. This is in line with its three commitments of “realizing a low-carbon society,” “building a recycling society,” and “living in harmony with nature and preserving biodiversity.” [With respect to its procurement policies for paper](#) in particular, Casio is complying with local laws and regulations, and I am very glad to see that Casio has implemented a procurement policy that gives priority to certified or recycled paper, while avoiding purchases from companies that are associated with deforestation or other serious environmental and social issues. Looking ahead, I continue to have strong expectations that Casio will accelerate the achievement of its medium- to long-term goals in concrete ways by encouraging initiatives involving customers—such as providing instructions on optimal product usage, encouraging the sharing of information among customers, and improving the recycling rate at the time of disposal—through the use of the Green Star and Super Green Star programs. I also hope to see biodiversity protection initiatives in which employees participate actively through ecosystem monitoring in the areas around Casio's main sites.
- As [an initiative to improve supplier CSR](#), Casio continued its questionnaire using a five-point scale on issues such as reducing environmental impact, and protecting the human rights of workers. Responses were received from 231 suppliers in Japan, 247 suppliers in China, and 59 suppliers in Thailand. By providing feedback based on the results to suppliers, making inspection visits at 15 suppliers in China and Thailand, presenting awards and providing case studies at meetings, Casio continued to ascertain and appraise its suppliers' commitment to social responsibility. In the future, I recommend that Casio ask suppliers to provide data and other verifiable proof in their self-assessment of initiatives, and work to make the specific measures and issues even more readily visible and understandable. I also hope that Casio will further improve its system of interaction with suppliers with a view to making continual improvements.
- Concerning efforts to [create more supportive workplaces for employees](#), it is laudable that 6.04% of employees at Casio Computer Co., Ltd., made use of the company's leave and reduced working hours programs for childcare or nursing care. It is also highly commendable that support for employee health as well as nursing care and childcare was improved through labor-management consultation, and that nearly 350 employees attended case study sessions on nursing care. In the future, I hope that Casio will promote use of the nursing care support program and do more to illustrate case studies of its use. I also hope that Casio will actively create opportunities for its employees to ask questions about any topic and take rational initiatives to correct the gender gap in the length of service.

Points for improvement while commending progress to date

- With regard to [the group-wide CSR promotion system](#), it is admirable that Casio established a Basic Policy on Respect for Human Rights, created its own tool for checking the status of human rights, compiled responses from group companies concerning their human rights issues, and provided the results as feedback to those companies. It is also noteworthy that Casio prepared the Guidance on the Prohibition of Bribery and the Manual on the Prohibition of Bribery, and started carrying out initiatives at group companies outside Japan, and also disclosed the number of times its whistleblowing system has been used. I have strong expectations that Casio will develop an implementation framework that ensures these guidelines and tools are actually put to effective use in everyday management, including inclusion in goals and evaluation standards for management level employees and coordination with the CSR Leaders system.
In terms of [building a foundation for promoting social responsibility across the entire group](#), I am gratified to learn that Casio is preparing to appoint CSR Leaders at major group companies in and outside Japan. In the future, Casio should also translate messages from top management into languages read by employees and send them to Casio Group workplaces worldwide, to encourage the initiatives by CSR Leaders on the frontlines. I strongly hope that Casio will increase opportunities for frontline employees to quickly and thoroughly understand CSR developments at the headquarters and sites worldwide. Likewise, I hope that Casio will also create opportunities for top management to continuously learn about the necessity and effectiveness of promoting CSR.
- Turning to [group-wide efforts to enhance and make the most of employee diversity](#), it is nice to see that global HR meetings are being held with the participation of the sales and production departments based on a worldwide HR governance policy for the entire group. Going forward, I hope that Casio will envision in detail a global personnel portfolio that transcends departmental and corporate boundaries, establish a comprehensive system for development, exchange, and evaluation of human resources hired around the world, and expand its human resources database to bring local staff members in each country into the picture. In developing such strategies and systems for making active use of employee diversity, Casio should aim for the near future—say within the 2020s.
- In the area of [employing persons with disabilities](#), I am glad to see that Casio finally exceeded the legally mandated rate of employment. I hope that Casio will continue to make improvements by holding employee interviews each quarter and introducing a staggered working hours system. I also continue to have strong expectations that Casio will pursue community-building efforts based on disability and job types and continue making workplaces more supportive in the future.

Points for improvement

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

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

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/iihoe/> (in Japanese)



川北 考人 叔

G4 GRI Content Index

Casio's CSR information disclosure is done in accordance with "Core" level of the 4th Edition of the Global Reporting Initiative (GRI) Guidelines.

GENERAL STANDARD DISCLOSURES

Strategy and Analysis

G4 Disclosure	Description	Related Page
G4-1	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.	Message from the President
G4-2	Description of key impacts, risks, and opportunities.	Message from the President [Conversation] Pursuing Strategic CSR Initiatives Driven by Materiality Risk management Social Initiatives: Action Plans and Performance Basic Environmental Policies New environmental management initiatives and Policies Casio Environmental Vision 2050 and Casio Environmental Declaration 2020 Casio Green Star Plan Climate Change Action Biodiversity Casio Super Green Star Products Environmental Action Plan (Targets and Performance) Annual Securities Report (in Japanese only)

Organizational Profile

G4 Disclosure	Description	Related Page
G4-3	Name of the organization.	Corporate Overview
G4-4	Primary brands, products, and/or services.	Products Corporate Overview Corporate Report
G4-5	Location of organization's headquarters.	Corporate Overview

G4-6	Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	Corporate Overview
G4-7	Nature of ownership and legal form.	Corporate Overview
G4-8	Markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	Corporate Overview
G4-9	Scale of the organization.	Corporate Overview Prioritizing local hiring and promotion at subsidiaries outside Japan Building Workplaces for a Diverse Workforce
G4-10	<ul style="list-style-type: none"> • Total number of employees by employment contract and gender. • Total number of permanent employees by employment type and gender. • Total workforce by employees and supervised workers and by gender. • Total workforce by region and gender. • Whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors. • Any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries). 	Prioritizing local hiring and promotion at subsidiaries outside Japan Building Workplaces for a Diverse Workforce Annual Securities Report (in Japanese only)
G4-11	Percentage of total employees covered by collective bargaining agreements.	Annual Securities Report (in Japanese only)
G4-12	Organization's supply chain.	Casio is supplied with materials by approximately 500 suppliers in around 20 countries around the world. Responsibilities to Suppliers
G4-13	Any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.	None
COMMITMENTS TO EXTERNAL INITIATIVES		
G4-14	Whether and how the precautionary approach or principle is addressed by the organization.	Compliance and Risk Management Environmental Compliance Respect for Human Rights Design and Procurement Green Procurement Related Documents

G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	United Nations Global Compact
G4-16	Memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization.	United Nations Global Compact

Identified Material Aspects and Boundaries

G4 Disclosure	Description	Related Page
G4-17	<ul style="list-style-type: none"> All entities included in the organization's consolidated financial statements or equivalent documents. Whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report. 	Scope of the report
G4-18	<ul style="list-style-type: none"> Process for defining the report content and the Aspect Boundaries. How the organization has implemented the Reporting Principles for Defining Report Content. 	Specification of Materiality
G4-19	Material Aspects identified in the process for defining report content.	Specification of Materiality
G4-20	For each material Aspect, report the Aspect Boundary within the organization.	Specification of Materiality
G4-21	For each material Aspect, report the Aspect Boundary outside the organization.	Specification of Materiality
G4-22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements.	Environmental Performance
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries.	None

Stakeholder Engagement

G4 Disclosure	Description	Related Page
G4-24	Stakeholder groups engaged by the organization.	Specification of Materiality Main stakeholders of the Casio Group
G4-25	Basis for identification and selection of stakeholders with whom to engage.	Specification of Materiality Welcoming the challenge of helping to build a more sustainable global society Main stakeholders of the Casio Group
G4-26	Organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	Specification of Materiality [Conversation] Pursuing Strategic CSR Initiatives Driven by Materiality Product Development and Design Initiatives Responsibilities to Suppliers Responsibilities to Society Environmental Communication Main stakeholders of the Casio Group
G4-27	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. Report the stakeholder groups that raised each of the key topics and concerns.	Specification of Materiality [Conversation] Pursuing Strategic CSR Initiatives Driven by Materiality Product development incorporates insights from the classroom

Report Profile

G4 Disclosure	Description	Related Page
G4-28	Reporting period (such as fiscal or calendar year) for information provided.	Scope of the report
G4-29	Date of most recent previous report (if any).	Scope of the report
G4-30	Reporting cycle (such as annual, biennial).	Scope of the report
G4-31	Contact point for questions regarding the report or its contents.	Scope of the report
GRI CONTENT INDEX		
G4-32	<ul style="list-style-type: none"> 'In accordance' option the organization has chosen. GRI Content Index for the chosen option. Reference to the External Assurance Report, if the report has been externally assured. 	G4 GRI Content Index

ASSURANCE		
G4-33	<ul style="list-style-type: none"> • Organization's policy and current practice with regard to seeking external assurance for the report. • If not included in the assurance report accompanying the sustainability report, scope and basis of any external assurance provided. • Relationship between the organization and the assurance providers. • Whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report. 	Third-party verification

Governance

G4 Disclosure	Description	Related Page
GOVERNANCE STRUCTURE AND COMPOSITION		
G4-34	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Corporate Governance Framework CSR Committee
G4-35	Process for delegating authority for economic, environmental and social topics from the highest.	CSR Committee
G4-36	Whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	CSR Committee
G4-37	Whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	Corporate Governance CSR Committee
G4-38	Composition of the highest governance body and its committees.	
G4-39	Whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization's management and the reasons for this arrangement).	

G4-40	Nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members.	
G4-41	Processes for the highest governance body to ensure conflicts of interest are avoided and managed . Report whether conflicts of interest are disclosed to stakeholders, including, as a minimum.	
HIGHEST GOVERNANCE BODY'S ROLE IN SETTING PURPOSE, VALUES, AND STRATEGY		
G4-42	Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	Corporate Governance Framework Environmental Management CSR Committee
HIGHEST GOVERNANCE BODY'S COMPETENCIES AND PERFORMANCE EVALUATION		
G4-43	"Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics."	
G4-44	<ul style="list-style-type: none"> Processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment. Actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organizational practice. 	CSR Implementation System Corporate Governance Framework
HIGHEST GOVERNANCE BODY'S ROLE IN RISK MANAGEMENT		
G4-45	<ul style="list-style-type: none"> Highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes. Whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities. 	CSR Implementation System Corporate Governance Environmental Management
G4-46	Highest governance body's role in reviewing the effectiveness of the organization's risk.	System of internal controls

G4-47	Frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	CSR Implementation System Corporate Governance Environmental Management
HIGHEST GOVERNANCE BODY'S ROLE IN SUSTAINABILITY REPORTING		
G4-48	Highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.	
HIGHEST GOVERNANCE BODY'S ROLE IN EVALUATING ECONOMIC, ENVIRONMENTAL AND SOCIAL PERFORMANCE		
G4-49	Process for communicating critical concerns to the highest governance body.	Corporate Governance Whistleblower Hotline
G4-50	Nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.	
REMUNERATION AND INCENTIVES		
G4-51	Remuneration policies for the highest governance body and senior executives for the below types of remuneration.	Annual Securities Report (in Japanese only) Corporate Governance Report [*]
G4-52	Process for determining remuneration.	
G4-53	How stakeholders' views are sought and taken into account regarding remuneration.	Corporate Governance Framework Annual Securities Report (in Japanese only)
G4-54	Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.	
G4-55	Ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.	

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

Ethics and Integrity

G4 Disclosure	Description	Related Page
G4-56	Organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	Casio's Corporate Creed and Approach to CSR Environmental Vision Casio Green Star Plan Casio Super Green Star Products Biodiversity Casio Group Code of Conduct
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.	Whistleblower Hotline
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	Whistleblower Hotline

SPECIFIC STANDARD DISCLOSURES

GENERIC DISCLOSURES ON MANAGEMENT APPROACH

G4 Disclosure	Description	Related Page
G4-DMA	Why the Aspect is material	

CATEGORY: ECONOMIC

G4 Disclosure	Description	Related Page
Aspect: Economic Performance		
G4-EC1	Direct economic value generated AND DISTRIBUTED	
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Climate Change Action Annual Securities Report (in Japanese only)
G4-EC3	Coverage of the organization's defined benefit plan obligations	Annual Securities Report (in Japanese only)

G4-EC4	Financial assistance received from government	
Aspect: Market Presence		
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	
Aspect: Indirect Economic Impacts		
G4-EC7	Development and impact of infrastructure investments and services supported	Raising up the next generation
G4-EC8	Significant indirect economic impacts, including the extent of impacts	Environmental Accounting
Aspect: Procurement Practices		
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	

CATEGORY: ENVIRONMENTAL

G4 Disclosure	Description	Related Page
Aspect: Materials		
G4-EN1	Materials used by weight or volume	Material Balance
G4-EN2	Percentage of materials used that are recycled input materials	Material Balance
Aspect: Energy		
G4-EN3	Energy consumption within the organization	Business Processes Material Balance
G4-EN4	Energy consumption outside of the organization	
G4-EN5	Energy intensity	Climate Change Action
G4-EN6	Reduction of energy consumption	Business Processes

G4-EN7	Reductions in energy requirements of products and services	Climate Change Action Developing Products that Save Resources and Energy
Aspect: Water		
G4-EN8	Total water withdrawal by source	Material Balance Environmental Performance
G4-EN9	Water sources significantly affected by withdrawal of water	
G4-EN10	Percentage and total volume of water recycled and reused	Environmental Performance
Aspect: Biodiversity		
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Specification of Materiality Environmental Action Plan (Targets and Performance)
G4-EN12	Description on significant impacts on activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	
G4-EN13	Habitats protected or restored	
G4-EN14	Total 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		
G4-EN15	Direct greenhouse gas (GHG) emissions (SCOPE 1)	Climate Change Action Material Balance Environmental Performance Scope3
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (SCOPE 2)	Climate Change Action Material Balance Environmental Performance Scope3
G4-EN17	Other indirect greenhouse gas (GHG) emissions (SCOPE 3)	Climate Change Action Material Balance Environmental Performance Scope3
G4-EN18	Greenhouse gas (GHG) emissions intensity	Calculation Standards

G4-EN19	Reduction of greenhouse gas (GHG) emissions	Environmental Vision Climate Change Action Business Processes Environmental Performance Scope3
G4-EN20	Emissions of ozone-depleting substances (ODS)	
G4-EN21	Nox, Sox, and other significant air emissions	Material Balance Environmental Performance
Aspect: Effluents and Waste		
G4-EN22	Total water discharge by quality and destination	Material Balance
G4-EN23	Total weight of waste by type and disposal method	Material Balance Environmental Performance
G4-EN24	Total number and volume of significant spills	
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the basel convention ² annex I, II, III, and VIII, and percentage of transported waste shipped internationally	
G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff	
Aspect: Products and Services		
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	Climate Change Action Material Balance Products Scope3 Developing Products that Save Resources and Energy
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	Material Balance Casio Super Green Star Products
Aspect: Compliance		
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Environmental Management

Aspect: Transport		
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	Material Balance Scope3 Business Processes
Aspect: Overall		
G4-EN31	Total environmental protection expenditures and investments by type	Environmental Accounting
Aspect: Supplier Environmental Assessment		
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	
Aspect: Environmental Grievance Mechanisms		
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	

CATEGORY: SOCIAL

SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK

G4 Disclosure	Description	Related Page
Aspect: Employment		
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Creating Supportive Workplaces
G4-LA3	Return to work and retention rates after parental leave, by gender	Creating Supportive Workplaces

Aspect: Labor/Management Relations		
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	Communication between labor and management
Aspect: Occupational Health and Safety		
G4-LA5	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	Communication between labor and management
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Promoting health and safety initiatives for employees
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	
G4-LA8	Health and safety topics covered in formal agreements with trade unions	Promoting health and safety initiatives for employees Communication between labor and management
Aspect: Training and Education		
G4-LA9	Average hours of training per year per employee by gender, and by employee category	Effectively appointing and deploying employees
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Effectively appointing and deploying employees
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Effectively appointing and deploying employees
Aspect: Diversity and Equal Opportunity		
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Building Workplaces for a Diverse Workforce

Aspect: Equal Remuneration for Women and Men		
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	
Aspect: Supplier Assessment for Labor Practices		
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	Responsibilities to Suppliers
Aspect: Labor Practices Grievance Mechanisms		
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	Whistleblower Hotline

SUB-CATEGORY: HUMAN RIGHTS

G4 Disclosure	Description	Related Page
Aspect: Investment		
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	Respect for Human Rights
Aspect: Non-discrimination		
G4-HR3	Total number of incidents of discrimination and corrective actions taken	Whistleblower Hotline
Aspect: Freedom of Association and Collective Bargaining		
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	Responsibilities to Suppliers

SUB-CATEGORY: SOCIETY

G4 Disclosure	Description	Related Page
Aspect: Local Communities		
G4-SO1	Percentage of operations With implemented local community engagement, impact assessments, and development programs	
G4-SO2	Operations with significant actual and potential negative impacts on local communities	
Aspect: Anti-corruption		
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	
G4-SO4	Communication and training on anti-corruption policies and procedures	Compliance and Risk Management
G4-SO5	Confirmed incidents of corruption and actions taken	
Aspect: Public Policy		
G4-SO6	Total value of political contributions by country and recipient/beneficiary	
Aspect: Anti-competitive Behavior		
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	
Aspect: Compliance		
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	
Aspect: Supplier Assessment for Impacts on Society		
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	

G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken	Responsibilities to Suppliers
Aspect: Grievance Mechanisms for Impacts on Society		
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	

SUB-CATEGORY: PRODUCT RESPONSIBILITY

G4 Disclosure	Description	Related Page
Aspect: Customer Health and Safety		
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Offering users peace of mind
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes Aspect: Product and Service Labelin	Offering users peace of mind
Aspect: Product and Service Labeling		
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	Casio Super Green Star Products instruction manual
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	
G4-PR5	Results of surveys measuring customer satisfaction	Activities to Improve Customer Satisfaction Customer Support Center

Aspect: Marketing Communications		
G4-PR6	Sale of banned or disputed products	Initiatives for compliance with fair trade and advertising laws
G4-PR7	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		
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	
Aspect: Compliance		
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	