Independent Opinion on the Sustainability Report 2012

The opinion presented here was written based on the content of this report (website version) and interviews with Casio personnel responsible for environmental, procurement, human resources, and CSR initiatives. Casio is now at a stage where the plan-do-check-act (PDCA) management cycle, with a focus on reducing the company's environmental impact, should be used to expand CSR initiatives group-wide.

Commendable efforts by Casio

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

Points for improvement while commending progress to date

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

Points for improvement

- Concerning the utilization and improvement of human resources diversity throughout the group, it is essential that Casio promote further globalization in future business development. Looking at the entire group ten years from now, there should be a portfolio of global human resources that can move across divisional and company boundaries. A global human resources officer needs to be appointed who can oversee and promote employee hiring, training, and exchange. Human resources databases should also be constructed for a comprehensive picture of staff in each country. Using efforts such as these, Casio is strongly recommended to create systems and strategies for the active utilization of human resources diversity, as a truly global company.
- In the area of employing persons with disabilities, Casio's performance for the consolidated group in Japan fell below the legally mandated rate of employment, although the reason as the transfer of a group company. As I have pointed out before, Casio must promote community creation efforts based on disability and job types. Again, I strongly urge the company to continue making workplaces more supportive.
- Regarding the environmental impact reduction data in this report, it is commendable that details are provided on the principal sites in and
 outside Japan including group companies. My hope, however, would be that Casio will continue to increase the level of accuracy of group
 reporting, not only for environmental data, but also for personnel and procurement initiatives and data.

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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.

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