Prevention of Air and Water Pollution and Reduction of Industrial Water Usage

Casio is working to reduce emissions of SOx, NOx, soot and dust, BOD, and other pollutants, and is also working to reduce industrial water usage.

Reduction of Air Pollutants (SOx, NOx, and Soot and Dust)

Periodic measurement of emissions and compliance with laws and regulations

Casio sets strict voluntary standards for air pollutants and measures emissions periodically (twice a year) at sites in Japan to ensure compliance with its own and legal standards. At sites outside Japan, Casio periodically (once a year) measures emissions where regulatory standards have been established. In either case, Casio observes all regulatory limits.

Emissions trends

Since fiscal 2004, emissions of air pollutants from the Electronics business in Japan have increased greatly. This increase was due to the installation of a cogeneration system at Yamagata Casio and due to the initiation of full-scale operations.

Fiscal 2006 performance

Casio Micronics (Ono) reduced its emissions of SOx from 1.4 tons in fiscal 2005 to 0.8 tons in fiscal 2006 by switching from heavy fuel oil A to city gas as the fuel for cold and hot water generators.

Future initiatives

Casio is considering changing from heavy fuel oil A to fuels such as city gas, kerosene, and LPG, which emit fewer air pollutants.

SOx emissions

NOx emissions

Soot and dust emissions

Reduction of Industrial Water Usage

In fiscal 2006, industrial water usage per unit of production at production sites in Japan increased 34% from the fiscal 2001 level despite the target of a 5% reduction.

Reduction of Industrial Water Usage

This increase was due to the fact that even though water usage (i.e., the numerator) increased by 301,000 m³ to 3,311 thousand m³, compared to fiscal 2005, the production value (i.e., the denominator) was lower, owing to a unit price decrease in TFT-LCDs.

Moreover, in fiscal 2006, Casio used 249,000 m³ of recycling water, which corresponds to 7.5% of its water usage.

Future initiatives

Casio aims to achieve the following targets.

- Sites in Japan: 10% reduction in industrial water usage per unit of actual production by fiscal 2009 compared to fiscal 2001.
- Sites outside Japan: 5% reduction in industrial water usage per unit of production by fiscal 2009 compared to fiscal 2006.

Industrial water usage and usage per unit of actual production and per unit of production (in and outside Japan)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Water Usage (in Japan)</th>
<th>Water Usage (outside Japan)</th>
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<tbody>
<tr>
<td>FY2003</td>
<td>1,000</td>
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<td>FY2004</td>
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<td>FY2005</td>
<td>1,600</td>
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<td>FY2006</td>
<td>1,900</td>
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</tbody>
</table>

Reduction of Water Pollutants (BOD)

Periodic measurement of emissions and compliance with laws and regulations

Casio sets strict voluntary standards for water pollutants and measures emissions periodically (twice a year) at sites in Japan to ensure compliance with its own and legal standards. At sites outside Japan, Casio periodically (once a year) measures emissions where regulatory standards have been established. In either case, Casio observes all regulatory limits.

Emissions trends

In fiscal 2006, BOD increased compared to fiscal 2005. This increase was due to increased wastewater and to the fact that Casio (Thailand)’s measurements were added in. BOD for the Electronic Components business accounted for 68% of the overall BOD value.

Future initiatives

Casio will continue working to ensure it remains in compliance with regulatory limits.