

Environmental Management Vision

Environmental Management Activities in Fiscal 2007 and Future Efforts



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Casio's environmental management initiatives are driven by the Casio Environment Charter and Casio Fundamental Environmental Policies, which were established in January 1993 to articulate how the corporate creed, "Creativity and Contribution," applies to the environment. In fiscal 2007, we revised our Environmental Action Plan, adding targets for the reduction of environmental impact at sites outside Japan. In particular, in an effort to fulfill our responsibility as a manufacturer by complying with today's globalizing environmental laws and regulations, we firmly executed

projects to ensure that our products comply with the Chinese version of the EU's RoHS Directive as well as the Japanese version (J-Moss) and the North American version (California SB 50).

We are also taking steps to prepare for compliance with the RoHS regulations that are expected to be enacted in the future in South Korea, Australia, and Argentina.

Moreover, thanks to our commitment to proactive information disclosure, Casio has been listed in various indices (Morningstar, STB Good Company, etc.), which we believe helps to increase our corporate value.

Performance in the Previous Fiscal Year

Business-site initiatives

We have traditionally pursued initiatives based on the Environmental Action Plan separately at each business site. In fiscal 2007, we set specific goals for energy and resource conservation and global warming countermeasures for each individual site and have launched programs designed to achieve the targets. In fiscal 2008, we will establish a new committee dedicated to the task of reducing environmental

Performance report for Casio Environmental Action Plan

Category	Theme	Target
Product targets		
1. Eco-products	Raise share of green product sales in total sales.	Increase green product sales to 70% of total sales by FY2008.
	Reduce total usage of packaging materials.	Reduce total usage of packaging materials per unit of sales by 30% in FY2008 compared to FY2001.
2. Hazardous substance phase-out	Discontinue use of lead, mercury, cadmium, hexavalent chromium covered by EU RoHS Directive in all applicable products.	Discontinue use of these substances by end December 2006.
Plant and business-site targets		
1. Energy conservation (electrical power, fuel, etc.)	Reduce CO ₂ emissions (Japan sites).	Reduce CO ₂ emissions per unit of actual production by 20% in FY2011 compared to FY2004.
	Reduce CO ₂ emissions (sites outside Japan).	Reduce CO ₂ emissions per unit of production by 10% in FY2011 compared to FY2005.
2. Reduction of greenhouse gases	Reduce total emissions of greenhouse gases other than CO ₂ (CO ₂ equivalent) to below 2000 level.	Reduce total emissions of greenhouse gases to the 2000 level of 7,278 tons-CO ₂ or below in FY2011.
3. Resource conservation (water, paper)	Reduce water usage (Japan production sites).	Reduce water usage per unit of actual production by 10% in FY2009 compared to FY2001.
	Reduce water usage (production sites outside Japan).	Reduce water usage per unit of production by 5% in FY2009 compared to FY2005.
	Reduce paper usage (Japan sites).	Reduce paper usage per unit of actual production by 30% in FY2009 compared to FY2004.
4. Volume of waste output	Reduce generation of waste (Japan sites).	Reduce generation of waste per unit of actual production by 40% in FY2009 compared to FY2001.
	Reduce generation of waste (production sites outside Japan).	Reduce generation of waste per unit of production by 10% in FY2009 compared to FY2005.
5. Reduction of volatile organic compounds (VOCs)	Reduce emission of VOCs to atmosphere (Japan production sites).	Reduce emission of VOCs by 30% in FY2011 compared to FY2001.
6. Hazardous substance phase-out	Detoxify PCB-containing equipment now in storage as Japan Environmental Safety Corporation starts program in each region. (Hamura, Hachioji R&D Centers, Kofu Casio)	<ul style="list-style-type: none"> • Detoxify all PCBs stored at the Hamura and Hachioji R&D Centers by FY2008. • Detoxify all PCBs stored at Kofu Casio by FY2009.
7. Output reduction of PRTR substances	Reduce output of PRTR substances (Japan production sites).	Reduce output of PRTR substances per unit of actual production by 10% in FY2011 compared to FY2004.
8. Green procurement	Achieve 100% response rate (percent of parts covered by supplier surveys) for green parts (sites in and outside Japan).	Achieve a 100% response rate in Japan during FY2007. Achieve a 100% response rate outside Japan during FY2007.
9. Green purchasing	Raise green purchasing ratio to 60% of total purchases of office supplies and office equipment (Japan sites).	Raise the green purchasing ratio to 60% of total purchases in FY2008 (based on the number of purchases).
10. Distribution-related global warming countermeasures	Reduce CO ₂ emissions (distribution in Japan).	Reduce CO ₂ emissions per unit of sales in Japan by 50% in FY2008 compared to FY2001.
	Reduce CO ₂ emissions (distribution outside Japan).	Reduce CO ₂ emissions per unit of sales outside Japan by 5% in FY2008 compared to FY2005.

Progress assessment key ☆☆☆☆: Target was achieved and a new, higher target was established. ☆☆☆: Target was achieved. ☆☆: Making progress toward achieving target and expect results next fiscal year and beyond.



See the following reference material for per-unit figures for base years and target years: Fiscal 2007 Performance Report for Casio Environmental Action Plan

impact. The committee will consider the adoption of more efficient equipment and machinery and will move ahead with efforts pertaining to certification of green power, emissions trading, and the adoption of renewable energy.

Product initiatives

In fiscal 2007, one year ahead of schedule, we hit our fiscal 2008 target of raising the share of Casio Green Products in total sales to 70%. This year we raised the bar by setting a goal to reach 80% by fiscal 2009. We will continue to focus on advancing our eco-product designs to meet this goal. We are also moving forward with initiatives meant to realize a 30% reduction in the total packaging materials used per unit of sales in fiscal 2008 compared to fiscal 2001, which is the target for packaging materials set in the Environmental Action Plan.

*See page 49 for more about our initiatives to reduce packaging materials.

Future Initiatives

Casio celebrates its 50th anniversary in 2007. We see this major milestone as an opportunity for a "second birth," and

we are making the following environmental management measures an integral part of our plans:

- Revise the Environmental Action Plan and launch campaigns to achieve all of its targets.
- Provide compact, lightweight, slim, and energy efficient eco-products.
- Continue to reduce environmental impact at all Casio Group business sites.
- Keep implementing proactive information disclosure to stakeholders.
- Build a group-wide environmental management system covering the entire supply chain.
- Dependably comply with environmental laws and regulations.

We will continue to strengthen Casio's foundation as an environmentally advanced enterprise by executing these measures. We are determined to help realize a sustainable world.



- Casio Environment Charter and Casio Fundamental Environmental Policies
- Green Products Sales Ratio Targets

Performance by end of FY2007	Progress assessment	Plans for FY2008 and beyond
Grew to 70.5%. (Target achieved one year ahead of schedule.)	☆☆☆☆	<ul style="list-style-type: none"> ■ Set FY2009 target at 80%. ■ Start planning and establishing standards for the next generation of eco-products.
Achieved a 23.7% reduction.	☆☆	<ul style="list-style-type: none"> ■ Set new targets for FY2009 and beyond during FY2008.
Completely discontinued use (excluding some special purpose products).	☆☆☆	
Same level as base year, and down 4.1% from previous year.	●	<ul style="list-style-type: none"> ■ Set targets for each site and consider/implement additional measures for each site.
Reduced by 26.5% from base year and by 21.9% from previous year.	☆☆☆	<ul style="list-style-type: none"> ■ Set new targets during FY2008. ■ Set targets for each site and consider/implement additional measures for each site.
Increased by 13,168 tons-CO ₂ over base year and by 1,732 tons-CO ₂ over previous year.	●	<ul style="list-style-type: none"> ■ Currently evaluating and considering reduction measures (introduction of alternative gases for scrubbing, and recycling of SF₆). Decide method in FY2009. Set FY2011 target at 7,278 tons-CO₂.
Reduced by 3.9% from base year and by 1.3% from previous year.	☆	<ul style="list-style-type: none"> ■ Consider measures to increase percentage of recycled and reused water in total water usage.
Reduced by 12.8% from base year and by 19.0% from previous year.	☆☆☆	<ul style="list-style-type: none"> ■ Set new targets during FY2008. ■ Implement water reduction measures at new Chinese plants (including employee dormitories), which account for nearly 40% of water usage outside Japan.
Reduced by 5.0% from base year and by 9.5% from previous year.	☆☆	<ul style="list-style-type: none"> ■ Promote the shift to paperless work, including using projectors in meetings and reading data on the internet.
Reduced by 29.1% from base year and by 5.5% from previous year.	☆☆	<ul style="list-style-type: none"> ■ Continue reducing total waste output and set targets during FY2008 for higher ratio of valuables in waste output.
Reduced by 25% from base year and by 18.1% from previous year.	☆☆☆	<ul style="list-style-type: none"> ■ Set new targets during FY2008. ■ Implement waste reduction measures at new Chinese plants, which account for 1/3 of waste production outside Japan.
Situation remains worse than base year at 52 tons of emissions, same as previous year.	●	<ul style="list-style-type: none"> ■ Consider VOC alternatives or consider installation of scrubbing equipment (in Electronic Components segment).
Finished delivering PCB-containing equipment from Hamura and Hachioji R&D Centers to waste treatment contractor for detoxification. (Still waiting to deliver low concentration items per JESCO treatment policy.)	☆☆	<ul style="list-style-type: none"> ■ Complete detoxification of all PCB-containing equipment during FY2009 as JESCO program begins in each region.
Reduced by 54.5% from base year and by 51% from previous year.	☆☆☆	<ul style="list-style-type: none"> ■ Rearrange targets during FY2008.
Achieved a 100% response rate in and outside Japan.	☆☆☆	<ul style="list-style-type: none"> ■ Install and expand GP-Web System to group production companies outside Japan.
Achieved 64.9%. (Target achieved one year ahead of schedule.) Increased by 6.2% over previous year.	☆☆☆	<ul style="list-style-type: none"> ■ Set new targets during FY2008 (add monetary basis to number of purchases bases).
Reduced by 39% from base year and by 1.4% from previous year.	☆☆	<ul style="list-style-type: none"> ■ Revise target year of FY2008 for a 50% reduction and reestablish during current fiscal year. (Due to effect of changes in integrated schedule of distribution bases in Japan.)
Increased by 3.3% over base year and by 6.7% over previous year.	●	<ul style="list-style-type: none"> ■ Expect CO₂ increase due to increased sales of digital cameras. ■ Push for a reduction of about 2,800 tons-CO₂ by moving ahead with smaller packaging for digital cameras in FY2008.

☆☆: Target not achieved, but steady improvement made over previous fiscal year.
●: Same as or worse than base value.