

Environmental Accounting

Overview of Fiscal 2008 Performance

The costs of environmental conservation activities in fiscal 2008 amounted to ¥3,461 million. These costs covered exhaust gas treatment equipment in the TFT-LCD manufacturing process (reducing global warming impact to 1/2,500th), upgrading and maintenance of wastewater treatment facilities, and recovery of toner cartridges in the printer business for recycling or conversion to repair components. Casio made capital investments of ¥402 million for renewal of roof insulation coating, high efficient transformers and other items for improved energy conservation.

As a result, Casio realized economic benefits totaling ¥1,462 million, including customer benefits, with ¥1,271 million in business revenue through recycling, and ¥73 million in cost savings for energy and other savings.

Looking to the future, Casio will work to create even more versatile methods of assessing environmental impacts, for instance, evaluating the exact contribution that its core competence in compact, lightweight, slim and energy efficient technologies and its eco-products make to reducing environmental impact.

What Is Environmental Accounting?

Casio began its environmental accounting program in 1999, and we have been releasing the results since fiscal 2001. Environmental accounting refers to a company's effort to calculate the level of expenditure in investment and costs for the purpose of environmental conservation, and assesses in quantitative or monetary terms the environmental conservation effects (reductions in CO₂ and waste) of the expenditure and activities, and the economic benefits of environmental conservation. By disclosing our environmental accounting, we help our stakeholders to gain a better understanding of our environmental initiatives and the impact they have. We will continue to improve internal controls, as well, and work to contribute further to Casio's environmental management.



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Environmental conservation costs (April 2007 – March 2008)

Category by business activity		Main initiatives	Environmental investment (¥ million)	Environmental expenses*1 (¥ million)
Business area costs (Costs arising in the main areas of business activity (manufacturing, processing, sales, distribution etc.))			356	1,534
(1) Pollution prevention cost	Purified and wastewater facilities, upgrading and maintenance of wastewater and exhaust gas treatment facilities	25	769	
(2) Global environmental conservation cost	Roof insulation coating and installing inverters for fluorescent lighting ballast Purchase of CFC alternative non-hazardous solvents	313	570	
(3) Resource circulation cost	Cost of wastewater treatment facilities for reducing dewatered sludge General and industrial waste treatment costs	18	195	
Upstream/downstream cost*2		Costs of recovery and recycling of printer toner cartridges, parts, containers, packaging etc.	—	1,159
Administration cost		Secretariat operating costs, eco trade shows	46	337
R&D cost		Cost of R&D for reduction of environmental impact	—	425
Social activity cost		Donations to environmental conservation groups, greening and beautification, support for community environmental activities	—	6
Total			402	3,461

*1. Depreciation costs are included in the expenses.

*2. Costs arising before and after the processes of the main business activities.


Category by type of environmental conservation measure	Environmental investment (¥ million)	Environmental cost (¥ million)
Cost related to global warming measures	314	959
Cost related to ozone layer protection measures	—	32
Cost related to air quality measures	6	215
Cost related to noise and vibration measures	—	2
Cost related to environmental conservation measures for the aquatic, ground, and geologic environments	18	554
Cost related to waste and recycling measures	18	1,330
Cost related to measures for chemical substances	—	29
Cost related to natural environment conservation	45	22
Other cost (ISO certification, maintenance costs, secretariat operation costs, eco trade fairs, etc.)	—	318
Total	402	3,461

Economic benefits of environmental conservation (April 2007 – March 2008)

Economic benefit*		Amount (¥ million)
Type of benefit		
Actual benefit		1,344
Profits	Business revenue from recycling of used products etc.	1,271
Cost savings	Cost reduction through energy saving activities	55
	Reduction of waste treatment costs through resource saving and recycling	18
Customer benefit	Economic benefits to customers from using Casio products	118
Total		1,462

*Economic benefits are shown as a monetary sum equivalent to the contribution to profits resulting from environmental conservation measures. Estimated benefits such as improved corporate image and risk avoidance are not included.

Method of calculating customer benefit

	Fiscal 2007	Fiscal 2008	Amount of reduction				
Total units sold	150 million units	160 million units	—				
Power consumption during product use (total product power consumption)*1	32.4 million kWh	25.0 million kWh	7.4 million kWh	23% reduction	 <table border="1" style="margin-left: 20px;"> <tr> <td>Customer economic benefit</td> <td>¥118 million</td> </tr> </table>	Customer economic benefit	¥118 million
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*1. Applies to electronic products (timepieces, calculators, label printers, electronic dictionaries, digital cameras, electronic musical instruments, cellular phones, system equipment) sold in Japan and overseas in fiscal 2007 and 2008.

*2. The unit of electric power used is the fiscal 2007 meter-rate lighting B, 1st block rate of ¥16/kWh (fractions rounded off) of the Tokyo Electric Power Company.

Environmental conservation effect

These are the effects of prevention and suppression of the occurrence of environmental impact, and the elimination of impact through environmental conservation activities. This is shown with a physical unit with reductions compared to the previous period.

Type of effect	Environmental performance indicator	Unit	Fiscal 2007	Fiscal 2008	Environmental conservation effect
Effect corresponding to the business area cost	CO ₂ emissions	Tons-CO ₂	115,483	128,773	*1 (13,290)
	NOx emissions	Tons	77	18	59
	SOx emissions	Tons	22	5	17
	BOD emissions	Tons	36	34	2
	Dust emissions	Tons	2	1	1
	Waste emissions	Tons	8,417	9,143	*2 (726)
	Waste reutilization rate	Tons	6,320	7,123	803
	Water resources	Thousand m ³	3,342	3,336	6
Effect corresponding to the upstream/downstream cost	Container and packaging usage	Tons	13,090	13,059	31
Effect corresponding to administration cost	Specific chemical substance (PRTR) emissions	Tons	18	17	1
Effect corresponding to R&D cost	CO ₂ emissions from energy saving products*3	Tons-CO ₂	13,655	10,550	3,105

*1. Includes 14,390 tons-CO₂ due to the special factors of a change to self-manufacturing of LCDs at sites outside Japan, and transfer to new plants in Japan.

*2. While emissions increased due to the change to self-manufacturing of LCDs at sites outside Japan, reutilization rates also increased.

*3. CO₂ equivalent value of customer effect.

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