

Responses to the Independent Opinion of the 2009 Report

Independent Opinion

Casio needs to provide more group-wide information on initiatives other than environmental protection in order to improve the accuracy of the report for the group as a whole.

Casio's Response

In the 2010 report, Casio worked hard to disclose data on group company initiatives, to the extent currently possible, in the areas of employee initiatives and social contribution activities. The company will continue to strengthen its efforts in this regard.

Independent Opinion

Regarding the reduction of greenhouse gases, it is strongly recommended that Casio take immediate steps to collect and treat current emissions and introduce this alternative on mass production lines.

Casio's Response

In fiscal 2010, Casio completed the evaluation of processes where F₂ can be used as a replacement for SF₆. However, due to reorganization of the group's Electronic Components business, the SF₆-emitting processes at Kochi Casio and the Hachioji R&D Center (device division) have been transferred from Casio to the Toppan Printing Group, as of April 1, 2010. Accordingly, measures such as the collection and treatment of emissions based on the operation of the process and the introduction of this technology on production lines have been transferred to the Toppan Printing Group. Starting in fiscal 2011, amounts of SF₆ which Kochi Casio and Hachioji R&D Center (device division) emit will no longer be reported by Casio.

Independent Opinion

Concerning CSR initiatives for suppliers, looking to the future, Casio should establish a system for "visualizing" the environmental and human rights initiatives and problems of its suppliers, as well as forums for sharing and honoring best practices, and resolving relevant issues.

Casio's Response

In fiscal 2010, Casio conducted a questionnaire survey of its suppliers in China and Thailand. Along with the data and results analysis, Casio provided the suppliers with feedback on its approach to CSR procurement. In Japan, Casio conducted a survey of its suppliers by revising its previous 39 questions (with response choices of "implemented," "planned," and "not planned") to a full 340 questions (with a five-point response scale). Each supplier received feedback in the form of statistics concerning the average response values for all suppliers, and the response values for that particular supplier.

At the Procurement Policies briefing in China, a selected supplier presented its model CSR initiatives. The switch to a supplier-participation format enabled the briefing to promote mutual communication.

Casio will continue to investigate the holding of participatory meetings relating to the promotion of CSR in the industry, along with efforts to ascertain actual conditions based on onsite inspections at suppliers outside Japan.

Independent Opinion

With regard to the promotion of employment for persons with disabilities, it is admirable that Casio Computer Co., Ltd., has achieved its goal of reaching Japan's legally mandated employment rate, though the company will need to keep working on this over the long term. The company should work with the parties concerned to make it easier for employees with disabilities to continue working at the Casio group.

Casio's Response

The employment rate for persons with disabilities at Casio Computer Co., Ltd. is now 1.93% (1.83% in fiscal 2009), and the rate is 1.76% (1.67% in fiscal 2009) for consolidated Casio companies in Japan.

Casio will work to achieve the legally mandated employment rate for all consolidated companies in Japan.

To ensure that employees with disabilities can continue to work without concerns after joining the company, at Casio Computer Co., Ltd., they receive regular follow-up interviews and other supports every three

years after joining the company. This measure will be expanded to the rest of the group in the future.

Independent Opinion

Looking at the group-wide CSR initiatives, Casio must quickly create a medium-term CSR strategy, treating this as an important element in its Medium-term Management Plan, and also establish a system for bottom-up promotion of the strategy.

Casio's Response

At the CSR Committee meeting in March 2009, Casio established the following medium-term CSR initiative policies:

- 1) Ascertain society's expectations based on stakeholder opinions, and take steps to make CSR issues continually visible
- 2) Relevant divisions are to work together to solve CSR issues using a bottom-up approach
- 3) Specific issues are to be flexibly promoted not only within the Casio group, but also at relevant suppliers, according to individual circumstances

Together with these policies, the role of the CSR Committee was substantially revised.

The new CSR Committee and CSR promotion system took effect in fiscal 2011.

Independent Opinion

Although paper use is increasing along with Casio's growing number of sales sites worldwide, the company should accelerate initiatives to reduce the number of sheets used per site, based on a careful re-examination of paper consumption. Casio should study the examples of other companies, for example, introducing universal design fonts for its user manuals and other publications.

Casio's Response

The reduction target for the usage of office paper at sites in Japan starting in fiscal 2010 is a 10% reduction compared to fiscal 2008 by fiscal 2013, per unit of sales. In fiscal 2010, paper usage was about 17% higher per unit than in fiscal 2008, due to a 32% decrease in sales compared to the same year. The total amount of office paper used, however, was about 21% lower than in fiscal 2008. The amount of office paper used outside Japan was about 8% lower than the overseas target year of fiscal 2009.

Casio will continue to work to reduce the amount of paper its uses worldwide.

Casio has taken initiatives to reduce its paper use by reducing the size and number of pages in the user manuals included with its products. As a result, for digital cameras, scientific calculators, and electronic dictionaries, the amount of paper usage for fiscal 2010 was reduced by an average of 39% from the previous year.

Regarding the introduction of universal design fonts, the company is now introducing the concepts of "easy to read," "easy to view," and "reduced paper use" to consumers in order to increase customer satisfaction.

Independent Opinion

Casio must take more sophisticated steps concerning reuse of the increasingly expensive rare metals used in high-performance products such as digital cameras and electronic dictionaries, for which recycling systems are not yet established. Measures could include recovery of rare metals in used products, which can be linked to sales promotion, and development of products that use recycled metals.

Casio's Response

Together with other companies in the same industry, Casio is now looking into recovery of rare metals from personal electronic devices including digital cameras, based on the establishment of study groups last year at the Japan Electronics and Information Technology Industries Association (JEITA) and the Camera & Imaging Products Association (CIPA), organizations of which Casio is a member.

Independent Opinion

Regarding the group-wide personnel portfolio, Casio should establish a long-term plan for building recruitment and training systems that can capitalize on a diverse workforce as a truly global company.

Casio's Response

In fiscal 2011, the company will begin an initiative to accelerate the needs-analysis and other preparatory studies underway regarding the development and implementation of a human resources management system befitting a global company.

First, the company will identify the issues and needs not only of the personnel department, but also the

relevant internal departments and each of the Casio sites outside Japan.

Based on these efforts, Casio will then draw up more specific measures for the building of a global human resources management system, before testing and implementing them in an incremental, carefully planned way.