

# Logistics

Read about Casio's environmental initiatives in logistics.

## Logistics process initiatives

Casio is actively reducing its environmental impact by striving to reduce CO<sub>2</sub> and waste emissions arising from logistics.

In order to reduce CO<sub>2</sub> emissions in the logistics process, Casio is promoting the following three action plans.

- **Shortening transport distances:** Promoting direct shipping to customers from logistics centers in and outside Japan
- **Promoting a modal shift:** Actively using modes of transport with low environmental impact such as rail for transport between sites
- **Improving loading efficiency and reducing transport volume:** Improving the packaging design of digital cameras, electronic dictionaries, musical instruments electronic cash registers, and other products, and reducing the volume of packaging

## Example Initiatives

### Eco Rail Mark Certification Obtained

On October 29, 2009, Casio was certified by the Japanese Railway Freight Association as a company carrying out Eco Rail Mark initiatives.

The Eco Rail Mark indicates that a product or company is actively engaged in efforts to alleviate environmental problems through the use of rail freight transport. Rail transport has a smaller environmental impact, producing about 1/7th the CO<sub>2</sub> emissions of commercial trucking.

Casio actively uses rail for shipping from its logistics center in Mie Prefecture to its distribution centers in Hokkaido and Tokyo.

Casio will continue working to reduce its environmental impact by pursuing environmentally friendly transport.



Eco Rail Mark



Promoting a modal shift to rail transport Promoting a modal shift to rail transport



Environmentally friendly rail containers Environmentally friendly rail containers

### Introduction of reusable shipping cartons in Asian distribution

To reduce packaging material, Casio is working to introduce the use of reusable shipping cartons in its Asian distribution operations.

In an effort to switch to plastic reusable shipping cartons in its air freight shipments between Japan, Hong Kong, and Thailand, Casio launched the use of new cartons in September 2009.

These cartons can be used to ship parts made in Japan to Hong Kong for use at Chinese production sites, and to ship timepiece parts from vendors in China, from Hong Kong to Thailand. By then transporting finished timepieces or timepiece parts from Thailand to Japan, the cartons never have to travel empty between the three countries.

Unlike traditional cardboard boxes, these cartons do not have to be discarded, and instead can be used many times over, thereby reducing environmental impact.



A reusable shipping carton

### Developing smaller packaging

Casio is reducing the size of its packaging in order to reduce CO<sub>2</sub> emissions.

The company is reducing the size of packaging for various items by working with relevant departments to reduce logistics costs and CO<sub>2</sub> emissions, from a logistics standpoint.

In the first phase of the process, the packing box is redesigned to be smaller, and in the second phase there is a review of bundled items as part of ongoing streamlining efforts.

In fiscal 2010 alone, Casio's package redesign efforts contributed a 2,300-ton reduction in CO<sub>2</sub> emissions and roughly ¥1.5 million in cost savings. Electronic dictionaries, musical instruments, electronic cash registers, cellular phones and other products all saw new packaging in fiscal 2010.

#### ■ Reducing packing box size



### Promoting a shift from air to marine transport

The sales, production, and logistics departments at Casio are working together to shift a portion of items usually sent by air to marine transport.

Over six months this has reduced costs by approximately 1 million yen, and lowered CO<sub>2</sub> emissions by about 6,000 tons.

\* See the Performance page (p. 92) for information on reduction of CO<sub>2</sub> emissions from logistics and the changes per unit of sales.