



CASIO SUSTAINABILITY REPORT 2015

CASIO

C o n t e n t s

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Editorial Policy

Casio discloses information to stakeholders about its corporate social responsibility (CSR) initiatives aimed at building a more sustainable world. By constantly improving communication with stakeholders, Casio expects to further improve its CSR performance.

- Casio provides three channels of CSR reporting to meet the needs of different readers: the Sustainability website, the Sustainability Report, and the CSR Communication Book.

[Sustainability Website]

An easily searchable site that offers comprehensive information on Casio's CSR initiatives.

[Sustainability Report 2015]

A report containing information from the Sustainability website that can be downloaded in PDF format. It may be printed in part or in its entirety, for your convenience.

[Click here](#) to download the report

[CSR Communication Book 2015: "Welcoming Challenge of Helping to Build a More Sustainable Global Society"]

Highlights of Casio's CSR initiatives are presented based on the Charter of Creativity for Casio. The content is presented in a way that is easy to understand.



CSR Communication Book 2015: "Welcoming Challenge of Helping to Build a More Sustainable Global Society"

[Click here](#) to download the report.

- An independent opinion from an outside expert has been obtained and included as an objective assessment of the report overall. Third-party verification of environmental performance data has also been obtained to ensure reliability.
- This report contains information deemed to have a high level of importance to both society and Casio. Information importance is determined based on factors such as opinions obtained through dialogue with stakeholders and experts, questionnaire responses from readers of the Casio Sustainability Report, the questions in major socially responsible investment (SRI) surveys, and the items and indicators listed in the guidelines below.
- For details on Casio's management and financial information, visit the [Investor Relations site](#).

Scope of the report

- **Period**
This report covers fiscal 2015 (April 1, 2014 to March 31, 2015), and also includes some information pertaining to years before and after fiscal 2014.
- **Issued**
November 2015 (Previous publication: December 2014, next publication planned: November 2016)
- **Boundary**
Some information in this report applies only to the parent company, Casio Computer Co., Ltd., while other material refers to the entire Casio Group. Further clarification is provided in each case, as needed. The name "Casio" in this report indicates the Casio Group, while "Casio Computer Co., Ltd.," refers specifically to the parent company.
The scope of the environmental accounting and impact data in this report includes 10 sites of Casio Computer Co., Ltd., in Japan, 10 group companies in Japan, and 24 group companies outside Japan.

Guidelines used as a reference

- GRI (Global Reporting Initiative) Sustainability Reporting Guidelines Ver3.1/Ver4 of the Global Reporting Initiative (GRI)
- Environmental Reporting Guidelines (2007 Edition) issued by Japan's Ministry of the Environment
- Environmental Accounting Guidelines 2005 issued by Japan's Ministry of the Environment
- ISO 26000 Guidance on Social Responsibility
(GRI Guidelines and ISO 26000 content indices are posted on the website.)

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Forecasts and forward-looking statements

The future forecasts and forward-looking statements published in this report for Casio Computer Co., Ltd., and the Casio Group are based on information available at the time of publication. These forecasts and statements include potential risk and uncertainty, and the reader should be aware that the actual results of business activities may differ from these predictions.

Corporate Overview

Company data

Name	Casio Computer Co., Ltd.
Headquarters	1-6-2, Hon-machi, Shibuya-ku, Tokyo, Japan, 151-8543
Established	June 1, 1957
Chairman and CEO	Kazuo Kashio
President and COO	Kazuhiro Kashio
Employees *	2,677 (consolidated: 11,592)
Paid-in capital *	¥48,592 million
Net Sales *	¥338,389 million (consolidated)
Operating income *	¥36,763million (consolidated)
Ordinary income *	¥37,857 million (consolidated)
Net income *	¥26,400 million (consolidated)
Major Products	Timepieces, Electronic Dictionaries, Calculators, Label Printers, Electronic Musical Instruments, Digital Cameras, Handheld Terminals, Cash Registers, Office Computers, Page Printers, Data Projectors, Molds

*as of March 31, 2015

Group companies by region



Message from the President



Creating New Markets from a Customer-Driven Perspective: Leveraging Casio's Originality to Contribute to Society

The Casio brand represents our promise to customers

Since the beginning, Casio Computer Co., Ltd., has developed original technologies that go from “0” to “1” — creating something from nothing. We have provided the world with a wide range of new products that have surpassed expectations. Our history has involved the transformation from analog to digital as well as an evolution based on the pursuit of ever smaller and lighter products.

In recent years, the business environment has been changing dramatically. Smartphones and tablets are enjoying explosive popularity, and society is becoming increasingly connected via the Internet, changing people's lifestyles and preferences, along with the flow of tangible products. In order to continue growing as a company essential to society, we must accurately read the signs of the times, so that we can undergo the necessary self-transformation.

Amid these far-reaching changes, my appointment as president in June 2015 has made me realize the sobering responsibility of leading an entire group of companies. Since first joining Casio, I have always felt that our corporate creed of “Creativity and Contribution” is paramount. The significance of “creativity” is profound, and the word indicates so much more than merely creating something. It also means enriching the lives of people by developing and delivering products the world has never seen before, all the while inspiring new cultural phenomena and pioneering new markets. That is the kind of “contribution” that only Casio can make.

This is why today it is so important for us to renew and deepen our awareness of “Creativity and Contribution.” This is how we can confirm our path to the future. Product development that merely focuses on improving specs — thinking for example that “we added this new function so this product should sell well” — will no longer meet the expectations of society. It is essential that we take a thoroughly customer-oriented perspective and stretch our imagination into the future. We need to earnestly consider the best ways to help people live enjoyable and convenient lives. In other words, we need to make a new start. We need to go from just creating tangible “things” to creating different, higher-order things that include intangible “things” — like whole new experiences for people and exciting new services.

We need to also remind ourselves of the importance of our brand. Our brand is a bond that connects Casio to its customers through products and services, and is in fact a promise we make to our customers. Once they buy a Casio product and become a Casio fan, customers put their trust in our brand, which leads to a cycle of future purchases. Therefore, our brand is the most essential channel for communication for a company like Casio in the consumer products business. It is thanks to our countless fans that we have been able to be successful in business.



Earning a strong position in the education market

The education market is one area where Casio has left a significant footprint by securing strong customer support based on our brand. This product area includes electronic dictionaries and scientific calculators.

Casio electronic dictionaries have an overwhelming share of the Japanese market, and many Japanese high school students are using Casio products. By listening to feedback from classrooms and making repeated improvements, we have developed two important assets —

rich dictionary content and a network of teachers. We have built a stable market of many high school students who purchase Casio electronic dictionaries to help them achieve their goal of passing university entrance exams every year. We are now in the stage of applying our expertise to expand into the education markets of Southeast Asia.

Meanwhile, in the area of scientific calculators, we have been able to foster new markets, mainly in Europe and the United States. The market development team began by visiting classes in various countries and strengthening relationships with schools, and then proceeded with product development to better meet classroom needs. We have even supported legislation to facilitate better mathematics education. As a result, many high school students in the countries and states concerned have purchased Casio scientific calculators. With the world's first "natural textbook display," our ClassWiz series has spawned numerous revolutions in the world of scientific calculators. The addition of high-resolution LCD technology in fiscal 2015 enabled calculators in each country to display the local language, and ClassWiz has now achieved an unrivaled status in the market.

As examples of market creation that clearly goes beyond mere product manufacturing, I am proud of the way these practices demonstrate Casio uniqueness. As a result of striving steadily to achieve our mission of supporting classroom education, we have been able to create innovative products and services that have earned Casio numerous fans. In response to expanding educational needs in high-growth newly emerging countries and elsewhere, we will continue our unique business development based on our roadmap for contributing to education worldwide.

Deploying market strategy based on a long-term vision

In education and other existing markets, we must continue to firmly protect the Casio brand, which is our promise to customers. While maintaining our culture developed over many years and launching new products that meet not only today's needs but the needs of the future, we will continue to provide unwavering value. It is also important for us to pioneer new markets and create new Casio fans, by taking on the challenge of creating new categories of "things".

To that end, there are also several issues that we must overcome. First, even when we are successful in establishing good communication with customers in the education and other markets, there is a company-wide tendency for us to always rely on dealers and distributors for sales. This can make it difficult for us to listen to the voices of our customers. We need to focus more clearly on customer needs, and create mechanisms that enable continuous contact with customers through our distribution network.

The second issue is that we have tended to conduct product development separately for each product category, due to our organizational structure that is aligned by product categories. To address this, we need to revise our organizations so that we can operate horizontally across product boundaries and flexibly pursue the creation of those higher-order "things" I mentioned earlier, working from a broad customer perspective.

It is also extremely important to pursue market strategy with a medium- and long-term view. Rather than sticking to short-term sales and profit, Casio needs to look ahead 5, 10, and 20 years and create a broad vision for the future. We must also consider what to focus on in the form of a series of corporate stories for these time frames.

In June 2015, a new Corporate Governance Code was adopted in Japan, and there has been growing momentum across the entire society to measure corporate value over the medium and long term. As a listed company, Casio is expected to declare and deliver on long-term goals, i.e., its methods for contributing to the sustainable development of society. Rather than just responding in a superficial way, at Casio we intend to use this opportunity to reconsider the very essence of our company.

Getting back to basics and taking "Creativity and Contribution" to an even higher level

Given this situation, I hope our employees will broaden their perspectives. While it is necessary to shift from a short-term to a medium and long-term outlook, employees also need to follow company-wide developments beyond their individual departments and job areas.

Rather than the optimization of individual departments, each and every Casio employee must be aware of company-wide optimization goals in order for Casio to undergo the transformation needed to ensure an even brighter future. To reflect company-wide strategy in individual businesses, I intend to provide team leadership from the top. However, individual departments — especially their leaders — must each also think earnestly about the future, and based on their unique perspectives, actively express their ideas on how things should change.

Finally, as a manufacturer, technological capabilities form the foundation of everything Casio does. While remembering this starting point,

we should work to create an environment that allows the engineers of the Hamura and Hachioji R&D Centers, which form the heart of Casio, to fully realize their abilities. Furthermore, without the enthusiasm of Casio employees, the company has no future. That's why we are working so hard to build a company where enthusiastic people can play a dynamic role. The entire company is united in the ambition to take "Creativity and Contribution" to an even higher level to achieve sustainable development together with society.

Kazuhiro Kashio

Kazuhiro Kashio
President & COO

Feature Story: Where Should Casio Focus Its CSR Efforts to Help Build a Sustainable Global Society?

What are society's expectations today concerning corporate social responsibility, and what should Casio be doing to meet them? We invited Toshihiko Goto, Chief Executive of the Sustainability Forum Japan, for a conversation with Noriaki Kimura, Section Manager of the CSR Promotion Office, General Affairs and Personnel Department. They discussed the latest CSR developments and Casio's initiatives for the future.

Latest CSR developments relating to future management strategy (background remarks by Toshihiko Goto)



Today, companies find themselves in an environment of major change. One of the roots of these changes relates to the fact that the system of mass production, mass consumption, and mass disposal is no longer recognized as viable, long-term. This system has been flourishing based on vigorous economic activity since the start of the Industrial Revolution, but it is now reaching its limits.

Since the Industrial Revolution, the world's population has grown substantially along with the improvement in productivity. From a global population of 1.65 billion people in 1900, the number grew about four times in the 20th century, and we have already surpassed 7.3 billion people today. Meanwhile, consumption of resources and energy, especially in developed countries, continues to grow. In order to meet this growing demand, it is

estimated that the resources of 1.5 planet earths are now needed. If the world's population continues to grow, and if developing and newly emerging countries were to practice "business as usual" as developed countries have done, our global human society would certainly collapse.

This crisis situation is becoming vividly apparent in the areas of climate change and biodiversity reduction. People around the world are slowly coming to realize that human activity has now exceeded the environmental capacity (and population support capability) of the earth. Faced with this problem affecting the very survival of humankind, we need to transition to a sustainable global society.

Accordingly, people have also been looking at the role companies need to play in order to help change society. In Europe, socially responsible investment (SRI) began to take hold around 1990. SRI evaluates companies not just on their financial data, but also on their social and environmental activities. In 2006, the United Nations proposed the Principles for Responsible Investment (PRI), which calls on institutional investors to make investment decisions based on environmental, social and governance (ESG) factors—or in other words, by considering a company's social responsibility efforts. In 2013, the International Integrated Reporting Council (IIRC) issued the International Integrated Reporting Framework, which encourages reporting on long-term development with integrated financial and non-financial information.

Since the start of the 21st century, the CSR/ESG concept has been spreading globally. At the same time, we are transitioning from an era when companies were evaluated just based on their business performance (financial value), into one where companies are evaluated based on their contribution to sustainability (ESG or non-financial value). This is a major change. In other words, we are now entering an era in which non-financial information, such as how a company plans to create value over the long term, will be given more emphasis than financial information, which is nothing more than past results. Therefore, companies need to be deeply aware that they are doing business at the major threshold of a new era.

Amid this growing global momentum, the Stewardship Code and Corporate Governance Code have been introduced in Japan by the Abe administration. The Stewardship Code encourages institutional investors to accurately ascertain ESG conditions at the companies they invest in, including their governance measures and response to social and environmental problems. On the other hand, the Corporate Governance Code encourages listed companies to actively take ESG measures. These codes therefore represent a major step forward. A major feature of these new codes is the choice for companies to "comply or explain."

In order for Japan and humankind to attain sustainability, companies are being asked to pursue their own growth in a way that also helps build a sustainable society. We are at the dawn of a new era. If 2003 is considered to be the first year of the CSR era in Japan, then 2015 can be called the first year of the CSR (ESG) corporate management era. Those companies that embrace the new era will enjoy a surge of development, while those that do not will gradually ebb into decline.



Toshihiko Goto
Chief Executive of the Sustainability Forum Japan

Chief Executive Officer, Sustainability Forum Japan
(Nonprofit organization)

Chair, Environmental Auditing Research Group
Founder, Japan Sustainable Investment Forum
Co-Chair, Network for sustainability Communication (NSC)
Chairman, Sustainable Management Forum of Japan
Director, Environmental Partnership Council
Director, Earth Watch Japan
Director, Green Finance Organisation

Target setting with a long-term view (the conversation)

Goto: By February 2015, 184 institutional investors in Japan expressed support for the new Stewardship Code, and they have started to move quickly in order to create fund management mechanisms for incorporating non-financial information including ESG data. However, Japanese companies have had virtually no experience with evaluating their ESG factors, and many institutions are still in the stage of first learning how to handle corporate ESG information. A dialog between companies and investors is most likely also needed, so they can all learn together. Have any of Casio's investors requested a dialog based on the Stewardship Code so far?

Kimura: Although the numbers are still very small, some financial institutions have requested interviews and the start of a trend can be seen. It seems that the way we handle the move towards ESG investment will have a large impact on our future success. Now that the Corporate Governance Code has also been issued, we must address it fully, as well.

Goto: I think we are at the point where companies are being assessed by how seriously they will address the Corporate Governance Code. As stated in Principle 2.3.1 of the Code, if a company wants to seriously consider sustainability issues, then it has to do more than just prepare short-term sales plans. As an example of the environmental aspects, the Abe administration has decided that Japan should reduce greenhouse gas emissions by 80% or more by 2050. Moreover, the Intergovernmental Panel on Climate Change (IPCC) has stated that in order to keep the average global temperature increase below 2°C, GHG emissions must drop to zero or below by 2100. With such a variety of prerequisites, companies need to clarify their own paths forward. Those that have undertaken initiatives based on definite policies and plans with a long-term view are on the way to sustainable growth. However, companies that have just tried to perform superficial greenwashing will certainly no longer be able to keep up with the changes.

Kimura: Traditionally, Japanese companies have tended to only set targets they can confidently achieve. However, instead of setting these easily achievable targets, they should announce robust policies that indicate the methods by which they will create and promote their plans.

Goto: That's right. Listed companies now must comply or explain. By December 31, 2015, the first year the Code is in effect, companies are asked to submit a Corporate Governance Report under the new system (in the case of companies whose fiscal year ends in March). However, they should avoid making any hasty policies just for the sake of meeting the tight deadline. For companies without much awareness of long-term planning until now, it will be difficult to work out a direction that can be shared by all employees within a few months. Rather than drawing up makeshift policies, it would be more substantive and important for them to explain their current situation. For example, a company could indicate an intention to spend the coming year developing a long-term plan to be achieved by 2050, and to carry it out through a series of three-year plans. It could also indicate how it has started the process.

Turning increased pressure for reform from within and outside companies into opportunity

Kimura: Here at Casio, we are in the middle of the development of long-term goals that will enable us to our entire group of companies forward in a single direction. For example, we are now at the stage of thinking hard about what kind of business portfolio we should be aiming for, and what kind of business domains to expand into, in order for Casio to maintain our presence as a trusted company. Our sights are set on the next ten years until 2025, and then even further out to 2050. However, the difficult thing is to predict what the future will be like in 2050, or even a decade from now in 2025. This includes climate change, population issues, as well as cultural trends. Everyone has a different view of the future.



Goto: As you say, a variety of different assumptions can be made about what the world will be like in several decades. If it is known that things are progressing in a dire direction, then the actual future will always deviate from the prediction, since human beings strive to avoid bad outcomes. Once you set targets, then there will always be people who are fastidious about numbers. But the setting of numerical targets can then almost become meaningless. For example, even for the use of alternative energy to reduce greenhouse gas emissions, an optimal power source is not something that a company can determine on its own, and it is largely influenced by the overall situation in Japan.

However, even though predicting the future is difficult, it is possible to determine a broad direction, such as reducing net CO2 emissions to as close to zero as possible. On top of that, while monitoring its own environment, a company can continue to anticipate the needs of society. That is not only using ESG as a risk factor, but it will also become a source of competitiveness as a return factor.

Kimura: With the recent appointment of the first new Casio president in 27 years, a new era has begun at our company. The new president is also deeply aware of the importance of long-term initiatives. Therefore, I think it is important to create a solid system, and for all employees to join forces and take on the challenge of change.

Goto: The arrival of a fresh top executive is a good time for internally driven change. You could say that Casio is now at an optimal point for change thanks to the internal and external momentum. Given this situation, it is fantastic that your new president is aware of the need to buckle down and formulate plans.

Specifying material issues with an awareness of future vision

Kimura: Until now, Casio has pursued CSR activities based on ISO 26000, and has prepared information disclosure based on the 4th edition of the GRI Guidelines. In the future, however, we must further emphasize proactive CSR with an awareness of the need to create shared value (CSV*). If we can set up a broad direction for future strategy based on the new system, milestone goals can also be considered. As part of this, we will also work to specify the CSR issues that have the most materiality for our business.

* A process by which a company makes and executes policies to increase its own competitiveness, while helping to improve the economic and social conditions in the communities in which it operates.

Goto: The specification of issues with materiality, including measures to address social and environmental issues, is also required by the Corporate Governance Code. The larger a company becomes, the more pressure it receives from various quarters, and diverse initiatives become essential. Even so, in order to be aware of important issues from a medium and long-term perspective and prioritize them, the company will be asked about the connection to its corporate story or vision for moving forward. It is essential that vision awareness be shared throughout the company.

Kimura: I think corporate storytelling is very important. To be an outstanding storyteller, the top management tells a corporate story that instills a dream in employees and gives them motivation.

Goto: That's right. Investors are also looking for those kinds of inspiring stories. Companies that have a corporate story relating to ESG factors tend to be held in higher esteem, and it is essential to provide accurate information.

Kimura: With the new Stewardship Code, it is clear that there will be more and more opportunities for dialog with investors, and it will probably be necessary to appoint someone responsible for engaging in this dialog. In addition, that person will need to expertly promote dialog not only with investors but also with consumers and other stakeholders such as suppliers, in order to convey the company's message.

Goto: The Corporate Governance Code defines a principle for constructive dialog with shareholders. It also requires the appointment of executives or directors to ensure that the constructive dialog is realized. The nomination of persons responsible for shareholder engagement shows an intention to fully comply with this. Therefore, it is important to firmly decide a company policy that conveys the same message to various stakeholders in addition to shareholders and financial institutions.

Making CSR an individual concern for employees

Goto: When preparing a company-wide long-term vision, it is important to promote it horizontally across the company. When a company becomes larger, it tends to become divided into separate vertical organizations. Therefore, it is necessary to foster a shared awareness created by an organization such as a CSR committee.



Kimura: For the company's long-term goals, unless the strategies of various departments such as CSR, sales, human resources and finance are organically bound together, they don't have much meaning. The importance of going horizontally across the company seems to be becoming better understood internally. Casio has a CSR Committee, and we are now also considering the selection of CSR Leaders. This involves the selection of about 100 employees from all the departments, and giving them priority CSR training. This would allow them to discuss future directions for the company, and then they would help spread CSR awareness in their own departments.

Goto: When you implement that measure, be sure to sufficiently incorporate the perspectives of younger employees. At least half of the activity leaders should be under 40. This will greatly enhance the sense of ownership when thinking about the future of the company in 2050, as that generation will still be active in the company at that time.

Kimura: I agree that a sense of ownership is very important. It seems that currently, many employees have trouble linking CSR issues to their own jobs, compared with more immediate profit and development targets. However, all employees have some connection to someone in the value chain, somewhere from upstream to downstream. They need to consider how they can contribute to their own stakeholders—the people they are engaged with—and incorporate CSR issues into their own operational targets. To that end, I think we need to also revise the human resources evaluation system. As long as there is no mechanism for superiors to properly evaluate their subordinates' contributions to CSR, employees will not be able to see CSR as part of their own work.

Aiming for further growth by involving the entire company

Goto: As one idea, it might be good to have an internal essay contest on the topic of what kind of company Casio should be by 2050 and what should be done to achieve that goal. The contest can be held after explaining the latest trends concerning CSR and the business environment. This would provide the two benefits of getting employees to think about the future, and finding out what younger employees are thinking in particular.

Kimura: That's a very interesting idea. It would be a valuable opportunity for employees to participate in management decision-making, and might also help to motivate employees. It would be great if it could further energize the company.

Goto: That is a very important perspective, as activities cannot last if employees do not find them motivating. Employees do not feel any satisfaction if they are just told what and how to do something, without any reasons why. By studying on their own and learning why CSR and ESG are important to the company and their own jobs, employees can truly consider what needs to be done and how to do it. Until now many companies have not explained to outside stakeholders why they are focusing on CSR efforts, and they have tended to just list up their initiatives and implementation methods. However, that is no longer sufficient today. Casio has an advantage because you have been seriously thinking about your long-term vision for over a year prior to the enactment of the Corporate Governance Code. By involving the whole company, I hope you will sail forward and ride the large wave of change that is emerging right before our very eyes.

Casio's Corporate Creed and Approach to CSR

Casio's Corporate Creed and Approach to CSR



Making life richer and more convenient by creating innovative products—this was the aspiration of Casio's founders, and it is summed up in the corporate creed, "Creativity and Contribution." Casio believes that part of its social responsibility is to pass down this corporate creed to all of its employees without fail. Casio is determined to ensure that its businesses, which make something from nothing, or go from "0" to "1," continue to make a consistent contribution to a more sustainable global society.

Welcoming the challenge of helping to build a more sustainable global society

In recent years, there has been widespread concern over the sustainability of human civilization in its current form. While economic activity has enriched the lives of many people, it has also put great strain on the global environment and social systems. Cooperation is needed to overcome this global crisis and leave a sustainable global society to future generations. In order to achieve this, proactive initiatives need to be taken by individuals, companies, governments, and international organizations. A company has a much larger impact on society than an individual, and corporate activities are responsible for some of the current impact on the planet. This is why society now has much greater expectations for companies to actively implement their own initiatives to help resolve sustainability issues, or in other words, to fulfill their corporate social responsibility (CSR). Today, a company's performance on social responsibility impacts its corporate value. Firms that fail to fulfill their corporate social responsibilities are no longer valued or allowed to survive by society.

Casio's corporate creed of "Creativity and Contribution" contains the company's founding idea of social contribution through the provision of innovative products that have never existed before. Everyone working at Casio fully appreciates this corporate creed, and the company is always striving to help build a more sustainable global society by pursuing business activities designed to make something from nothing, or go from "0" to "1." This is Casio's CSR approach.

To ensure that it continues to deliver on the commitments of its corporate creed, Casio has established three key documents. **The Charter of Creativity for Casio** outlines the basic principles behind the mindset and conduct expected from everyone at Casio, while **the Casio Common Commitment** provides specific conduct guidelines for implementing the Charter. **The Casio Group Code of Conduct** establishes norms for ethical conduct and requires all Casio group executives and employees to comply with relevant laws and internal rules. With recent changes in the external environment, in June 2013 Casio revised the Code of Conduct to reflect the higher expectations of the international community with a focus on the areas of human rights, supply chain management, and anti-corruption measures.

Casio has established four specific keywords, shown below, to guide its efforts to address social and environmental issues that relate directly and indirectly to its business operations. By addressing these issues the company aims to help build a more sustainable global society.

The world today is faced with many complex economic, environmental and social problems of a very serious nature. Humanity as a whole needs to consider its own best future, and then find ways to move in that direction. If economic activities are to be maintained on this planet with limited resources, every member of society must try to help achieve sustainability.

Casio is determined to do its part to find solutions for social and environmental issues while continuing to provide new value to society, based on its corporate creed of "Creativity and Contribution." Casio will steadily pursue specific initiatives while always seeking to conceive of ideal solutions for each issue.

Keywords for a sustainable world and Casio's main initiatives

- **Resource recyclability (social and economic activities on a planet with limited resources)**

Reducing daytime power consumption through the use of geothermal electricity and the installation of power storage equipment, etc.

- **Biodiversity (respecting the uniqueness of all living organisms and recognizing their interdependence)**

Establishing an Environmental Action Plan, and evaluating the entire impact of the business, etc.

- **Fairness across generations (the current generation properly appreciating the legacy of previous generations and passing it on to future generations)**

Setting medium and long-term CO2 reduction targets, and promoting next-generation development and education, etc.

- **Fairness across regions (fairly distributing wealth and assets across regions)**

Being a member of the UN Global Compact, and conducting CSR activities globally, etc.

Casio's CSR Platform



Charter of Creativity for Casio and Casio Common Commitment

In 2003, Casio adopted the Charter of Creativity for Casio and Casio Common Commitment, a promise from everyone working at Casio. They are designed to ensure that Casio employees will be aware of the corporate creed at all times, and act upon it. These promises cover the three key aspects of CSR—economy, environment, and society—as well as the company's approach to compliance.

Charter of Creativity for Casio

First Chapter

We will value creativity, and ensure that our products meet universal needs*.

Second Chapter

We will strive to be of service to society, providing customers with delight, happiness, and pleasure.

Third Chapter

We will back up our words and actions with trustworthiness and integrity, and work as professionals.

* To create innovative products that everyone needs but no other company has ever produced. At Casio, this is the mission not only of product development, but of every other part of the business.

▶ Charter of Creativity for Casio and Casio Common Commitment

Engaging employees in Casio's unique CSR approach

To ensure thorough application of these principles, the directors and department heads sign the Charter of Creativity for Casio and Casio Common Commitment every year, and together recite a pledge to abide by the Charter and Commitment and familiarize their subordinates with it. All employees also sign a card printed with these promises, to carry with them at all times.

There is also a site on the company intranet entitled CASIO STYLE which includes messages about the corporate creed and the Charter and Commitment from the four brothers who founded the company, along with other simple, compelling stories presented once a month. This helps all group employees to better understand and identify with Casio's essential character.

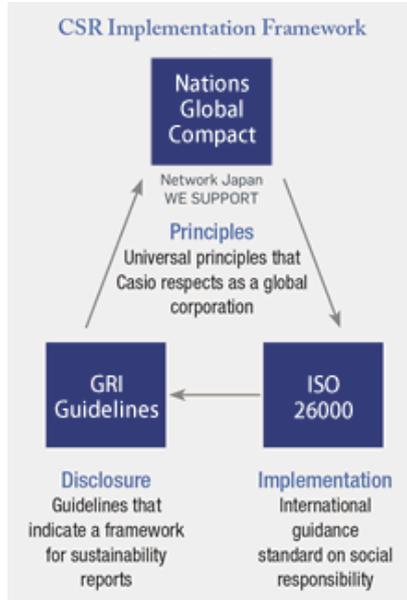
Every other year, Casio conducts a comprehensive questionnaire survey to learn what group employees in Japan think about the Charter of Creativity for Casio and Casio Common Commitment, the Casio Group Code of Conduct, and the Whistleblower Hotline. The results are analyzed to determine how thoroughly employees have embraced the company's approach to CSR. The next questionnaire will be conducted in fiscal 2013.

The CSR Communication Book has been issued mainly for employees every year since 2012. By presenting specific cases to illustrate each chapter of the Charter of Creativity, it helps employees better understand the charter.

CSR Implementation Framework

Casio joined the UN Global Compact in 2010. The company upholds the ten principles of the Global Compact, which concern human rights, labour, the environment and anti-corruption, and it has also fully adopted the corporate commitments.

Casio has been working to enhance its CSR programs to meet the requirements of the international community. The company draws on the ISO 26000 guidance standard on social responsibility in implementing CSR, and uses Global Reporting Initiative (GRI) Guidelines to select subjects for disclosure. The company is currently working to comply with the latest G4 version of the guidelines.



United Nations Global Compact

Casio products are made through cooperation not just within the Casio Group, but with many other parts and consignment manufacturers. Through global distribution, over 100 million Casio products are sold each year in 140 countries around the world.

In order for consumers worldwide to purchase Casio products with confidence, the company believes that it must support and adhere to common global principles for sustainable growth for the international community, beginning with Casio's global supply chain.

This is why, in December 2010, the company president signed a letter of commitment to support the principles of the United Nations Global Compact. With that step, Casio joined the compact, and it has been making employees thoroughly aware of it ever since, group-wide. While pursuing specific initiatives for the realization of the Global Compact principles, Casio is also appropriately disclosing progress.

Casio is also active at the local network level of the UN Global Compact, serving as a member of the Japanese Global Compact Network Japan (GC-NJ).



10 Principles of the UN Global Compact

Human Rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.

Labor Standards

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labor;
5. the effective abolition of child labor; and
6. the elimination of discrimination in respect of employment and occupation.

Environment

7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

10. Businesses should work against all forms of corruption, including extortion and bribery.

[United Nations Global Compact](#) ■

Main stakeholders of the Casio Group

Casio strives to ascertain and understand how its operations impact the environment and society and what kind of contributions it can make. It then identifies stakeholder groups and strives to implement appropriate measures for each.

Companies must not become complacent in their efforts to pursue social responsibility and maintain social trust. The first step in earning stakeholders' understanding and trust for the initiatives of the company is listening to what they have to say. Good communication is a necessity, and it is not a one-way street. Companies must find solutions that benefit both their stakeholders and their business, as well as the global society as a whole. By actively disclosing information to stakeholders, and creating opportunities for dialogue with them, Casio finds out what stakeholders expect, evaluates its existing activities, and plans future initiatives.

Main Stakeholder Group	Main Casio Group Responsibilities	Main Dialogue Opportunities / Information Disclosure
Customers	<ul style="list-style-type: none"> Providing appealing, safe, and reliable products Ensuring stable product supply Providing the proper information regarding products Improving customer satisfaction Providing fast and accurate support to customers Properly managing customer information 	<ul style="list-style-type: none"> Daily sales activities Customer Support Center Customer satisfaction surveys Casio's official website
Suppliers	<ul style="list-style-type: none"> Fair and equitable transactions Requesting CSR implementation and providing support 	<ul style="list-style-type: none"> Daily procurement activities Holding vendor conferences CSR questionnaires
Shareholders and investors	<ul style="list-style-type: none"> Timely and appropriate information disclosure Appropriate profit returns 	<ul style="list-style-type: none"> General Meeting of Shareholders Briefings for investors Investor Relations website Issuing financial reports (shareholder newsletter) Responding to CSR questionnaires from socially responsible investors
Employees	<ul style="list-style-type: none"> Respecting human rights Promoting diversity and inclusion Promoting balance of work and family life Human resource recruitment and utilization Fair evaluation and treatment Industrial health and safety and employee health promotion 	<ul style="list-style-type: none"> Casio intranet Group Workers' Labor-Management Conference Occupational Safety and Health Committees Career challenge system Internal newsletter
Local communities	<ul style="list-style-type: none"> Respecting and preserving regional cultures Activities that contribute to local communities Preventing accidents and disasters at sites Providing support to disaster-stricken regions where sites are located 	<ul style="list-style-type: none"> Factory and workplace tours School visit program Internships Employee participation in local community events
Global environment	<ul style="list-style-type: none"> Environmental consideration in product development Environmentally responsible production activities Complying with environmental laws Protecting biodiversity 	<hr/>
NPO/NGO	<ul style="list-style-type: none"> Protecting the environment, human rights, and biodiversity Support for local communities and cultural activities 	<ul style="list-style-type: none"> Responding to questionnaires Holding dialogues Implementing social contribution programs together with NGOs and NPOs

Identifying materiality (important CSR issues)

World trends when it comes to building a more sustainable global society are changing. Companies are now expected to carry out strategic initiatives to help make human societies more sustainable through their core business activities. Casio, which is expanding its business worldwide, is no exception. There is demand for Casio to make more targeted contributions through its business, built upon the long track record Casio has of creating something from nothing, or going from “0” to “1.” As part of these evolving trends, in May 2013 the fourth version of GRI’s international guidelines for sustainability reporting, GRI Guidelines (G4), were issued. The new version reflects a shift from comprehensive information disclosure to disclosure focused on materiality. In response, starting with the sustainability report to be issued in 2016, Casio plans to clearly articulate materiality and give it priority attention.

Action so far and next steps

Fiscal 2014 performance: reviewing the current situation

- Casio held workshops with employees to identify how to keep advancing its business of going from “0” to “1” to help build a more sustainable global society. Participants shared their views of Casio’s uniqueness and their visions for the company, discussing what has to be done to close the gap between today and tomorrow.

* For details, see Feature Story 1, “[Creating the Future at Casio: Casio Employees’ Thoughts about Future Strategy](#)” in the Sustainability Report 2014.

- Casio solicited opinions from external experts on the topic of stakeholders’ expectations of Casio.

* For details, see Feature Story 2, “[Listening to the Experts: What Is Expected of Casio and What Should Casio Prioritize in the Future?](#)” in the Sustainability Report 2014.



Fiscal 2015 result: priority issues identified internally

- Casio drew up a detailed list of issues according to business field and region and organized them in order of precedence for the company (horizontal axis in figure below).

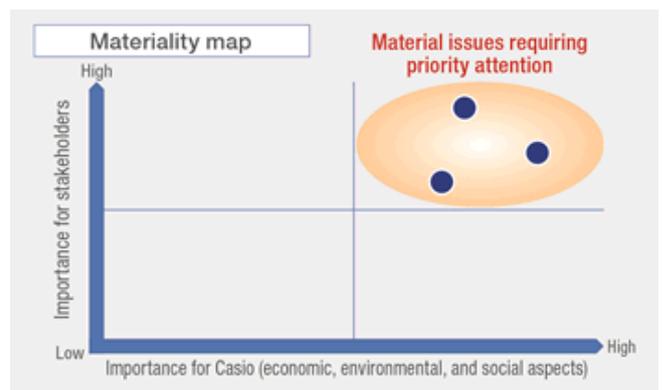


Fiscal 2016 agenda: prioritize issues and specify materiality from an outside perspective

- Stakeholder questionnaires and interviews are conducted in order to identify issues that are important to them. (vertical axis below)

- With the approval of the board of directors, the final decision on materiality for Casio is made based on the results of deliberation over the horizontal and vertical axes.

- Casio plans to disclose the identified materiality in its sustainability report 2016.



Casio's CSR Management



Casio is committed to earning the confidence of all of its stakeholders, including the broader society. In order to further enhance the effectiveness of its CSR activities, the company is engaged in various initiatives such as the improvement of corporate governance.

CSR Implementation System

Guided by ISO 26000, Casio is responding to today's rapidly changing world by identifying the specific issues that it must address to meet the expectations of society.



Corporate Governance

Through various initiatives, Casio is working to strengthen the soundness and transparency of its management.



Compliance and Risk Management

Casio is pursuing total compliance through integrated management of three foundations of employee conduct: the Casio Group Code of Conduct, risk management, and the Whistleblower Hotline.



Social Initiatives: Action Plans and Performance

Each fiscal year issues are identified, and promotion plans are drafted and implemented to ensure that CSR activities are steadily carried out.



CSR Implementation System

Guided by the ISO 26000 international guidance standard on social responsibility, Casio is responding to today's rapidly changing world by identifying the issues that it must address to meet the expectations of society and implementing management cycles designed to resolve these issues.

Steps in CSR Implementation

1. Evolution from preventative CSR to proactive CSR (2004 to 2010)

Since the establishment of its CSR Promotion Office in 2004, Casio has been implementing CSR activities while expanding the themes to be undertaken and the scope of their impact. In the initial stage, there was an emphasis on protecting corporate value through compliance and risk management (preventative CSR). Starting in fiscal 2011, Casio began focusing on using CSR to improve corporate value (proactive CSR).

2. Evaluation of initiative progress on core ISO 26000 subjects (2011)

In fiscal 2012, Casio appointed managers and team leaders who have responsibility for implementing CSR in order to advance CSR globally at group companies around the world. At the same time, Casio evaluated and analyzed the status of initiatives at each company based on the core subjects under ISO 26000.

3. Prioritization of initiatives to promote respect for human rights (2012 to present)

In fiscal 2013, Casio once again surveyed its group companies concerning CSR activities with a focus on respect for human rights, among the priority issues identified in the previous year. Based on an evaluation and analysis of the survey results, Casio has been making group-wide efforts to improve sensitivity to human rights issues, making this a priority since fiscal 2014.

As part of those efforts, in June 2013 Casio implemented revisions to the Casio Group Code of Conduct reflecting the latest global standards relating to respect for human rights and fair business practices. In July 2014, it established and announced the Casio Group Basic Policy on Respect for Human Rights (Casio Human Rights Policy), in order to show its commitment to human rights problems in and outside the company.

▶ [Casio Group Policy on Human Rights](#)  (PDF / 47.1KB)

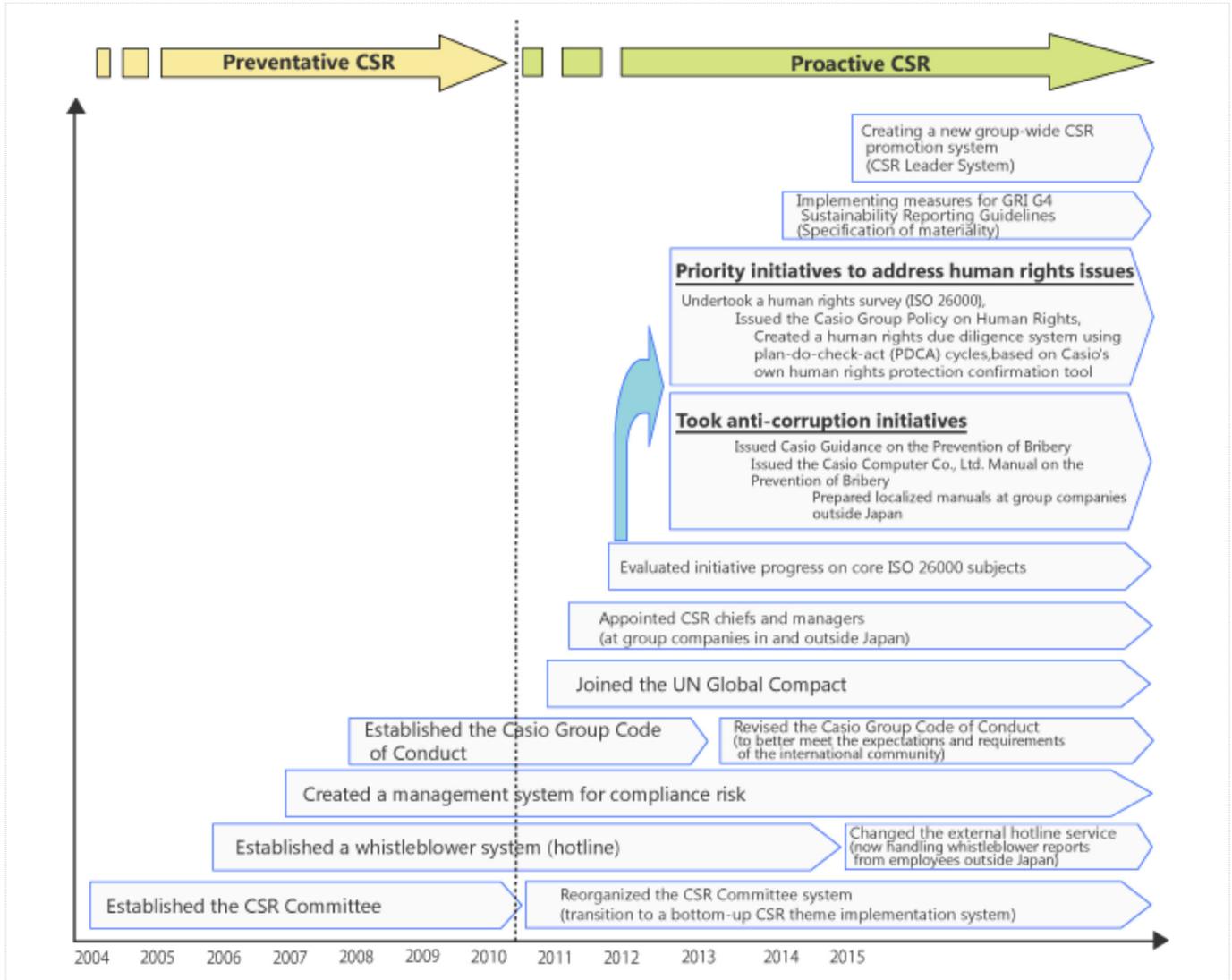
4. Implementation of measures for the GRI G4 Sustainability Reporting Guidelines (2014 to present)

Additionally, Casio made efforts to identify materiality for the group. First it held an employee workshop and a CSR Committee workshop to explore materiality in the eyes of employees in April and May of 2014. Then it held a meeting with experts in different areas to hear stakeholder perspectives on materiality in June 2014. From here on Casio will continue these kinds of initiatives in an effort to increase the precision of its output (Casio's materiality). In May 2015, Casio started sending out questionnaires to various experts, employees, and customers, in order to gather opinions on Casio materiality from various stakeholder perspectives. The aim is to increase the precision of the output (materiality) of the efforts Casio makes. The specification of materiality will be completed by the end of 2015. It will be reflected in the Sustainability Report 2016, which will comply with the GRI G4 Guidelines.

5. Establishment of new group-wide CSR promotion system

Casio is now creating a CSR Leader system, a new initiative in 2015. About 100 employees will be selected from each department to receive priority CSR training to help them become CSR Leaders. By fostering these leaders as core CSR human resources and promoting discussion among them concerning the future direction of Casio's CSR activities, Casio expects that they will become key agents for promoting CSR awareness within their departments. In fiscal 2016, the new system will first be introduced at the head office, before it is eventually expanded to Casio group companies in and outside Japan. The aim is to improve group-wide CSR literacy, worldwide.

Implementing CSR initiatives

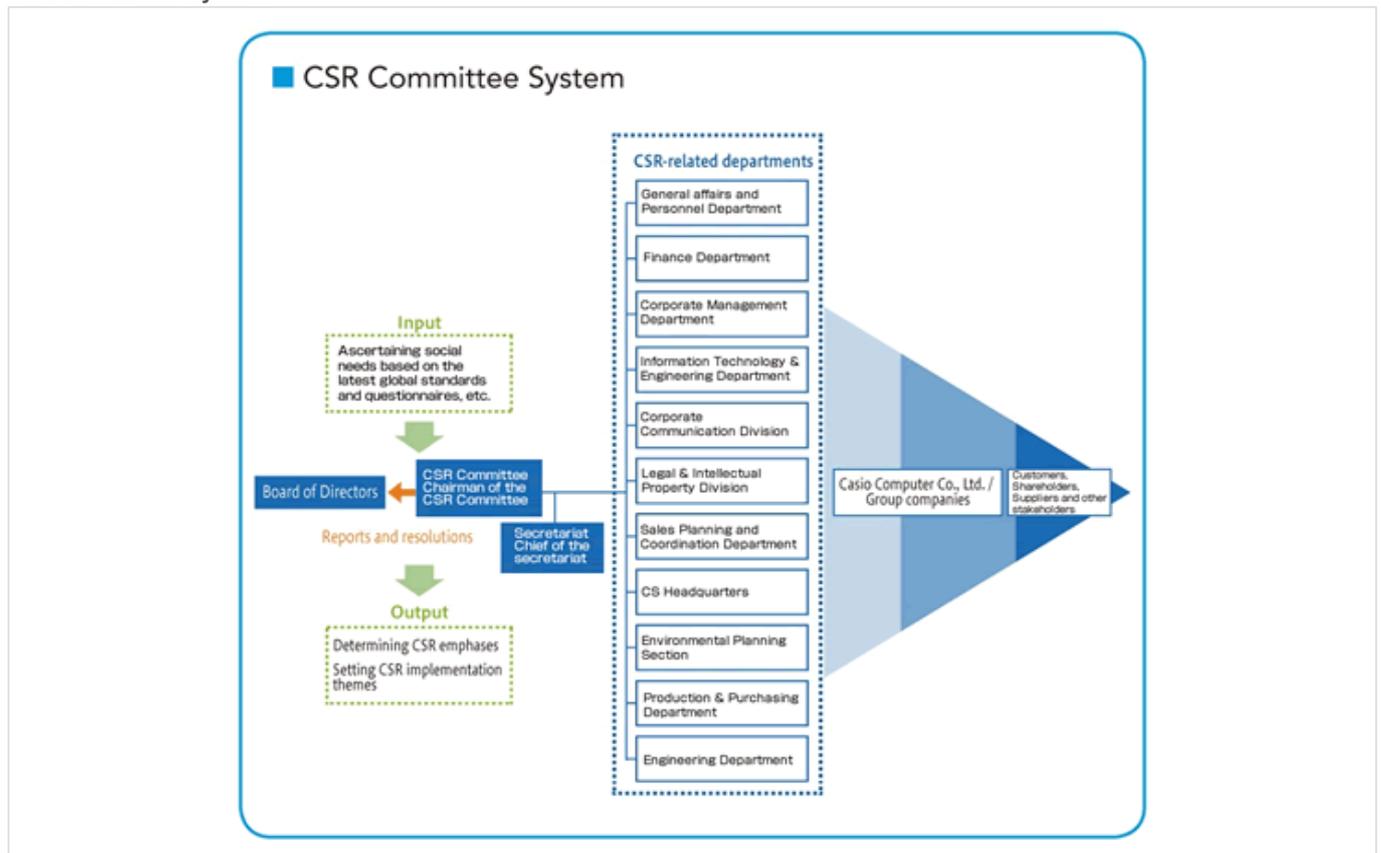


CSR Committee

Casio has established a CSR Committee headed by the director responsible for CSR under the board of directors. The committee is the central body for implementation of CSR. The CSR Committee is composed of CSR chiefs and managers from staff-related departments at Casio Computer Co., Ltd., and all Casio group companies worldwide, and is administrated by a Secretariat. At the start of the fiscal year, the Secretariat checks progress made on various CSR themes in the previous year. It then creates an overview of conditions for future progress, the expectations of society, and environmental changes. Priority themes for action are determined for each fiscal year, and a specific action plan is formulated. Under the action plan, ongoing themes are continued and new themes are introduced. New themes are established upon ascertaining the current situation and challenges, and also according to requests from CSR-related departments.

The CSR-related departments then implement programs based on the established goals for the themes they are responsible for and the annual plans to achieve the goals. At the end of the fiscal year, progress made on the themes is evaluated. Based on the results, issues are identified, and then used to improve the plan for the next year.

CSR Committee System



In fiscal 2015, "ensure compliance with the GRI G4 Sustainability Reporting Guidelines" was added as a key policy initiative alongside "respect for human rights" and "fair business practices," which are core objectives of ISO 26000 that Casio had been working on since the previous fiscal year. A total of seven themes were addressed: two compliance-related theme and five themes focusing on CSR issues. The following table outlines the progress made on these themes in fiscal 2014, along with the fiscal 2015 plan.

<Individual themes for fiscal 2015 and implementation status>

No.	Theme	Fiscal 2015 performance	Status	Fiscal 2016 plan
1	Fair business practices: take action to prevent corruption	Develop manuals for Japan and raise awareness of them	Ongoing	Promote the creation of localized rules outside Japan
2	Create system for checking respect for human rights	Develop policies and check human rights issues	Ongoing	Promote understanding and awareness of respect for human rights
3	Increase and utilize employee diversity	Enhance diversity globally	Ongoing	Enhance diversity globally
4	Implement measures to ensure no conflict minerals are used	Conduct and evaluate the second supplier survey	Ongoing	Consider conducting a third supplier survey
5	Ensure compliance with the GRI G4 Sustainability Reporting Guidelines	Materiality: Specify Casio's core issues	New	Determine materiality
6	Take action to reduce OSS risk	Revise guidelines and promote awareness	Ongoing	Revise guidelines and utilize tools effectively
7	Ensure compliance with Japan's revised Act against Unjustifiable Premiums and Misleading Representations	Develop a regulatory compliance system	New	Create documents, tools and mechanisms

Corporate Governance

Casio recognizes that quick decision-making and appropriate execution of business operations are vital. Not only these capacities are needed, however, strengthening of oversight to improve management soundness and transparency is equally important in ensuring that business goals are reliably achieved and corporate value continues to grow.

Corporate governance framework

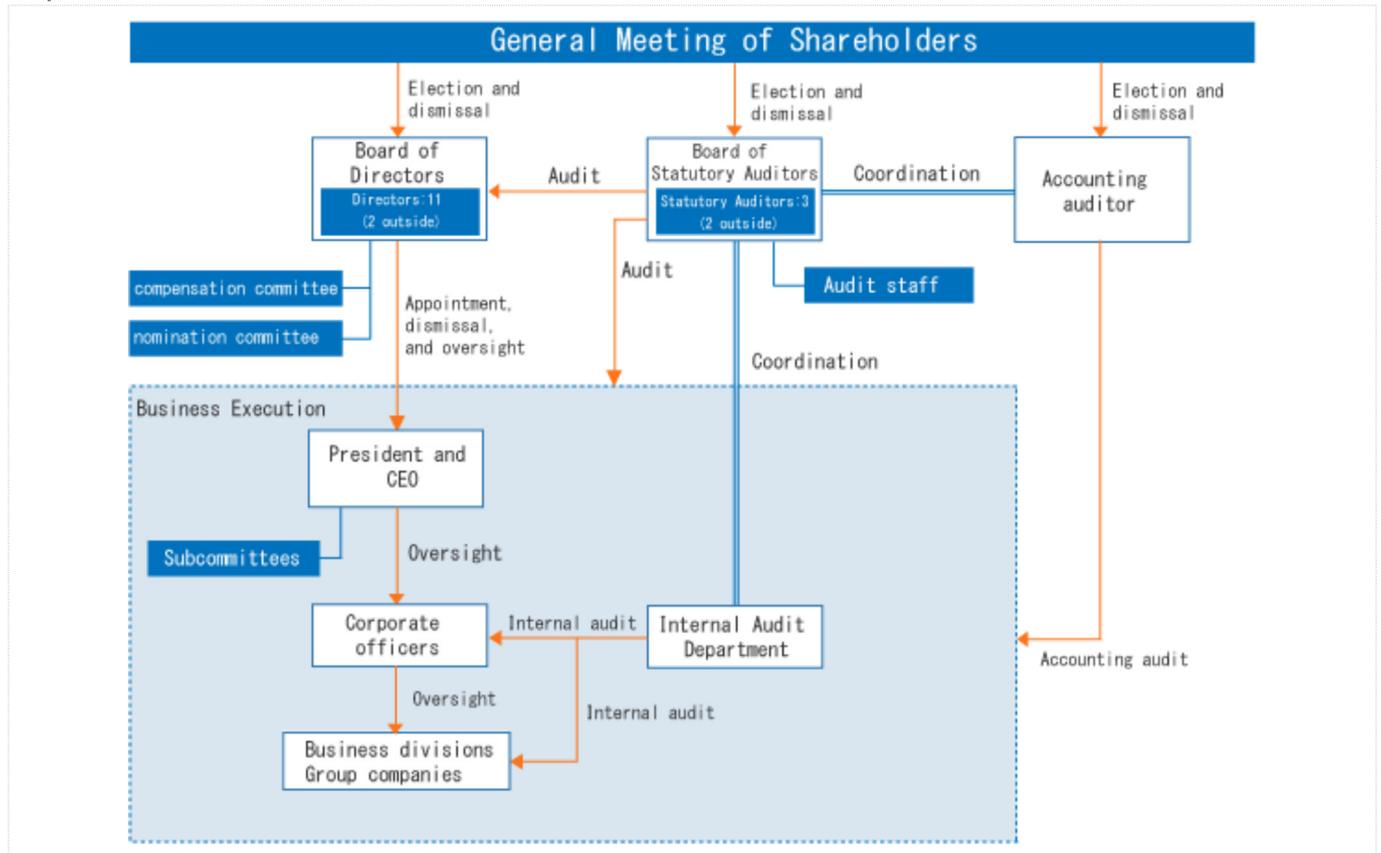
Casio is a company with a board of statutory auditors. In addition to the management oversight function of the board of directors and board of statutory auditors, Casio is working to further strengthen its corporate governance by expanding the role of outside directors and enhancing the executive officer system.

The board of directors has delegated most of its authority relating to important business execution to the executive officers to enable fast and efficient business execution. However, the supervisory function of the board of directors has been substantially secured through its retained authority to pass resolutions on matters set forth in law and in the articles of incorporation, and on particularly important business execution matters. Also, as part of efforts to strengthen the management oversight function of the board of directors, a nomination committee and compensation committee have been established with the requirement that outside directors serve among their members. To ensure the effectiveness of its management oversight function, the membership of the board of directors must include people with diverse perspectives, experiences, and abilities. In addition to directors who are thoroughly familiar with Casio's business, the board must also include outside directors with broad insight and rich experience. As of June 30, 2015, the board of directors is composed of 10 directors, two of whom are outside directors. The term of office for directors is one year so as to clearly delineate the responsibility that they have for management and to facilitate quick responses to changes in the business environment.

In order to ensure the soundness and transparency of business management, the statutory auditors perform rigorous audits by attending board of directors meetings, and other important meetings and committees, as well as by interviewing directors and others and reviewing reports and important resolution documents. This is done in accordance with audit policies and allocation of responsibilities set out by the board of statutory auditors. The audit function is also being further strengthened through the provision of full-time staff to support the statutory auditors, in addition to the gathering of information from and exchange of opinions with the outside directors as necessary. More than half of the members of the board of statutory auditors are required to be outside auditors, and they must include auditors with finance and accounting knowledge to strengthen the audit function. The current board of statutory auditors is composed of three members, two of whom are outside auditors. The outside directors and outside auditors are independent officers registered with the Tokyo Stock Exchange in compliance with regulations.

Accounting auditors perform external audits according to generally accepted Japanese auditing standards. The Internal Audit Department carries out audits to ensure that the organizations are appropriately operating in compliance with laws and regulations as well as group-wide standards.

Corporate Governance Framework



System of internal controls

The following explains the basic approach of Casio Computer Co., Ltd. to its internal control system, and progress made on implementation.

Internal control system basic approach and implementation level

The Casio group has established the Charter of Creativity for Casio, Casio Common Commitment and Casio Code of Conduct based on the corporate creed of "Creativity and Contribution." The following systems have been implemented to ensure proper business operation.

1. System to ensure that performance of duties by directors and employees of the company and group companies comply with the articles of incorporation and relevant laws and regulations

- In order to comply with relevant laws and regulations regarding the performance of duties, specific documents such as policies and rules are prepared. After deliberation and consideration by various committees, such as the CSR Committee, awareness of the rules is promoted throughout the company and each group company.
- The Whistleblower Hotline has been established inside and outside the company and operates as the point of contact for inquiries and reporting on problems related to infringements of legal compliance and other compliance matters. The company ensures that whistleblowers are not penalized.
- The company and group companies have absolutely no contact with organized criminal elements, which pose a threat to social order and public safety, and the entire organization is resolved to refuse any improper demands.
- The validity and operational adequacy of the above-mentioned rules are improved through internal audits and continual review, in order to prevent any misconduct.

2. System for saving and managing information relating to performance of duties by directors and employees of the company and group companies

Based on the Document Management Rules and other rules, each department saves and manages information relating to

the performance of duties by the directors and employees concerned.

3. Risk management rules and other systems at the company and group companies

- (a) The company and group companies have a system to manage risks that can have a significant impact on management. The system is promoted in a unified way by the relevant departments and the Secretariat under the CSR Committee, based on the Risk Management Rules.
- (b) Fundamental Policies on Product Safety and an implementation system have been established with an understanding that maintaining customer confidence in product safety is an important management issue.

4. System to ensure the efficient performance of duties by directors and employees of the company and group companies

- (a) Attended by the company's directors and statutory auditors, meetings of the board of directors are held to discuss and decide important management issues facing the company and group companies, at least once a month in principle, and perform prompt and reasonable decision making.
- (b) The company's corporate officers, directors, and statutory auditors attend meetings of the corporate officers to discuss and decide important matters of business execution. They ensure group-wide coordination and smooth implementation of measures.
- (c) Detailed execution procedures are outlined in the Executive Decision Making Authority Rules and the Group Company Decision Making Authority Rules.
- (d) Group companies have created a system for performance of duties based on consolidated management plans, the Group Company Decision Making Authority Rules, and various basic group policies.

5. System to ensure proper operations at the company and group companies

- (a) To ensure proper operations, the company and group companies have various rules based on the Charter of Creativity for Casio, Casio Common Commitment, and Casio Code of Conduct.
- (b) The company assigns certain directors or corporate officers based on a system whereby directors and officers are responsible for specific group companies. The relevant directors and corporate officers perform group company management through a system that requires reporting to and approval by the company, in accordance with the Group Company Decision Making Authority Rules. They also perform monitoring as necessary.
- (c) The company and the group companies have built a system to ensure the adequacy and reliability of financial reporting. After inspection of internal controls related to business flow and financial reporting, documentation, evaluation, and improvement is carried out.

6. System for employees that assist the company's statutory auditors in the performance of their duties, and the independence of those employees from the directors

- (a) Employees are appointed to assist the statutory auditors in their duties.
- (b) Matters concerning the appointment, transfer, evaluation or discipline of employees who assist the statutory auditors require the prior consent of the board of statutory auditors.

7. System for the company's directors and employees and group companies' directors, auditors and employees to report to the company's statutory auditors, other systems for reporting to the company's statutory auditors, and systems to ensure that audits by the statutory auditors are performed effectively

- (a) Whenever something is discovered that is likely to cause significant damage to the company or group companies, whenever there is a violation of the law or the articles of incorporation, or whenever an illegal business execution is performed, the company's directors and employees must immediately report it to the statutory auditors.
- (b) Whenever something is discovered that is likely to cause significant damage to the company or group companies, whenever there is a violation of the law or the articles of incorporation, or whenever an illegal business execution is performed, the directors, auditors and employees of a group company must immediately report it to the company's officer with responsibility at the group company, and the officer with responsibility must immediately report it to the company's statutory auditor.
- (c) Whenever a group company's directors, auditors and employees determine that a management action or guidance from the company may be in violation of the law, or there is a compliance issue, they must report it to the company's statutory auditor.
- (d) The company's directors and employees and the directors, auditors and employees of group companies provide the required reports and information in response to requests from the company's statutory auditor.
- (e) The company's Internal Audit Department periodically reports the results of audits of the company and group companies to the company's statutory auditor.
- (f) The Whistleblower Hotline Secretariat reports the status of whistleblower reports and measures taken to the company's

statutory auditor.

- (g) The company and group companies ensure that people who have made a report to the company's statutory auditor are not penalized.
- (h) The company promptly processes any requests it receives for the prepayment or refund of expenses arising from the performance of duties by the company's statutory auditor.
- (i) The company's statutory auditors can attend any important internal meeting of the company.
- (j) Important approval documents of the company and group companies are reported to the company's statutory auditors after approval.

For more details on corporate governance, visit the following site. Corporate Governance Reports

▶ [「Corporate Governance Reports」](#)

(Tokyo Stock Exchange: Search for Corporate Governance Information)

Compliance and Risk Management

Casio's effort to achieve total compliance management is based on the Casio Group Code of Conduct, a risk management system and whistleblower hotlines.

Casio Group Code of Conduct

Casio established the Casio Group Code of Conduct to make explicit its expectations that all executives and employees follow international norms, laws and ordinances applicable in each country and region, as well as all company rules, and also act with high ethical standards and good sense in their day-to-day work. On June 1, 2013, Casio revised the code, in order to better meet the expectations of the international community and capture trends in the social environment including the issuance of ISO 26000, the international guidance standard on social responsibility, in November 2010; Casio having joined the UN Global Compact in December 2010; and Casio having adopted the UN's Guiding Principles on Business and Human Rights in June 2011. Since then, Casio has been working to ensure everyone is fully aware of the revised code, group-wide. Here are the three main revisions to the Code of Conduct.

- 1) Points concerning issues of high concern to the international community such as human rights, supply chain management, and anti-corruption were revised
- 2) The respective roles of executives and employees were clearly stipulated
- 3) Content was improved to indicate common policies that apply to the worldwide group

The revised Code of Conduct was prepared in Japanese, English, and Chinese, and is translated into other employee languages as necessary. Education on the new code is carried out across the entire group, with the aim of further deepening understanding of its content. Along with this education, a compliance questionnaire is conducted once every two years. The results and identified issues then are shared group-wide to promote continued improvement.

Provisions of the Casio Group Code of Conduct

I. General Provisions

1. Purpose
2. Scope
3. Compliance

II. Code of Conduct

1. Enabling Value Creation

- 1-1. Provision of Products and Services Beneficial to Society

2. Fulfilling Our Corporate Social Responsibilities

- 2-1. Respect for Human Rights
- 2-2. Environmental Conservation
- 2-3. Sound Initiatives across the Entire Supply Chain
- 2-4. Harmony with Society

3. Building Customer Trust

- 3-1. Provision of Safety and Peace of Mind to Customers

4. Establishing Sound Workplaces

- 4-1. Establishment of Employee-friendly Workplace Environments

5. Ensuring Correct Actions

- 5-1. Compliance with Laws
- 5-2. Prohibition of Bribery and Restrictions on Business Entertainment and Gift-giving
- 5-3. Fair Competition and Transactions
- 5-4. Prohibition of Insider Trading
- 5-5. Thorough Security Trade Control
- 5-6. Prohibition of Involvement with Anti-social Forces
- 5-7. Separation of Personal Affairs from Business
- 5-8. Information Protection
- 5-9. Protection and Utilization of Intellectual Properties

6. Building a Relationship of Trust with Society

- 6-1. Promotion of Communication with Society

III. Maintenance

1. Establishment, Revision and Abolishment of this Code of Conduct
2. Reporting of Violations
3. Handling Violations

► Casio Group Code of Conduct

Education and Awareness Raising

Casio conducts e-learning and other educational programs on corporate social responsibility (CSR) once a year at group sites worldwide. The education program in fiscal 2015 provided training for better understanding these areas: the corporate creed “Creativity and Contribution,” the Charter of Creativity for Casio, which is the action value criteria for implementing the creed, and the Casio Code of Conduct. Among these areas, in the area of corporate social responsibility, the training covered the importance and background of CSR, while seeking to foster better understanding of the UN Global Compact, in which the Casio Group participates, as well as ISO 26000, which is the international guidance standard on social responsibility. The e-learning program also emphasized the social topics of respect for human rights and fair business practices in areas such as compliance with anti-corruption and anti-monopoly laws. Social awareness is high in these areas, and meeting them is very important to the Casio Group. Casio will continue to improve the CSR literacy of employees while promoting the corporate creed, through group-wide education and awareness raising activities.

Risk management

Based on its Basic Risk Management Policies, Casio has built a system for efficient management of risks, with an emphasis on compliance risk.

In the early stage of risk management, Casio identified 70 laws relating to its businesses and listed measures being taken to comply with each law. Casio determined priorities based on the possibility of a risk materializing and its potential impact on company management. Casio then planned and implemented individual measures and developed an overall management system.

In the risk management process at Casio, departments responsible for certain risks develop measures in a planned way to avoid and reduce these risks. The Risk Management Secretariat performs comprehensive management through the use of plan-do-check-act (PDCA) cycles. The Internal Audit Department also audits this entire mechanism. Accordingly, as of the end of fiscal 2011, it was confirmed that the relevant departments had the necessary measures in place for management of all risks, and an overview of the entire situation was obtained. Now, however, Casio is changing its risk management promotion method. It is transitioning to a system whereby the Secretariat takes inventory of risks as necessary, checks new and revised laws, regularly monitors the risk management measures implemented so far, and confirms whether there are any deficiencies in their implementation.

Risk management system



Business Continuity Plan (BCP) initiatives

In order to respond to emergencies with the resources of the company organization, Casio has created a Crisis Management Manual for securing the safety of all employees, executives, and their families, preserving corporate assets. Sequential updates of the manual keep pace with changes in the business environment, and the company is taking practical initiatives at the same time. Specifically, the following measures have already been undertaken:

- Implementation of regular evacuation drills and general lifesaving classes for employees
- Distribution of emergency assistance kits to employees and additional disaster stockpiling
- Disaster prevention drill with the local community and provision of an open area for a temporary evacuation site

However, in the Great East Japan Earthquake, which struck in March 2011, circumstances were encountered that far exceeded previous expectations. Casio used the lessons learned to identify various points for improvement. These points were reflected in a largely-revised Crisis Management Manual based on the premise of responding to a major earthquake with Tokyo at its epicenter. Casio also produced the Disaster Handbook for the families of its employees to deepen understanding of disaster countermeasures in the home and promote disaster readiness.

Together with the initiatives above, Casio is working to enhance its business continuity plan (BCP). In the event of an emergency that interrupts business operations, such as a major earthquake with an epicenter in the Tokyo area, the plan outlines measures for the rapid confirmation of executive and employee whereabouts and well-being, as well as damage conditions, and the quick recovery and maintenance of operations. This mechanism is focused on Casio's global supply chain. For example, if the headquarters suffers a disaster, an emergency headquarters is set up at the appropriate key site, based on a priority determined in advance. Under the direction of the headquarters, the aim is to minimize damage by continuing to provide products and services to customers worldwide based on limited resources. Through rapid restoration of business operation, the confidence of business partners and customers is maintained.

Information system disaster response measures

With the risk of power interruptions following the Great East Japan Earthquake that struck in March 2011, disaster response measures are more important than ever before. In addition to an internal data center, Casio utilizes a secure external data center that features seismic construction and self-contained power generation.

As a measure to reduce disaster risk, Casio finished moving all its important servers, including those for mission-critical tasks, to external data centers and established an environment that can continue to operate even after a disaster. It also moved its e-mail system, an important means of communication, to an external provider.

The company also performs disaster drills in conjunction with the group-wide business continuity plan.

Information security

Casio is aware of its important social responsibility to maintain the security of information that it collects from customers and other stakeholders in relation to its business activities. Casio has established Information Security Rules and implemented regular education for employees to continuously raise awareness of information security and ensure the implementation of safety measures.



Regular training

While information security relies on technical measures, it is also important for everyone handling information to know the required safety procedures, and to incorporate them into their work habits. At Casio, all officers and employees receive regular information security training through e-learning. The training covers general information security, as well as protection of personal information and other compliance matters, based on changes in society and in the company's business environment. Information security is being improved by providing this training content in a timely manner. Similar training is also provided for Casio Group companies.

Initiatives to prevent information leakage

By first establishing internal rules to prevent information leakage and then carrying out training as described above, Casio is strengthening organizational measures to prevent human error and improper information management. This is done by ensuring that safety procedures are well known and thoroughly utilized by all employees handling information. The procedures cover proper information disposal, limitations on sending emails externally, as well as preventing information or information devices from being taken off company premises. Casio is strengthening its technical measures for information system safety through the introduction of mechanisms to block cyber-attacks at the company's Internet portals. They include measures to prevent targeted attacks, as seen in recent years, and other external attacks such as those from malware. Internal measures include the installation of security software and patches on company PCs, and a multi-layered defense has been created.

Information security certification and initiatives

Casio has focused on established a system for prioritizing the protection of personal information, publically disclosed its Privacy Policy on its website, and remains committed to the safe and appropriate handling of personal information. In January 2006, Casio Computer Co., Ltd. obtained Privacy Mark*1 certification and has maintained it since.

Casio's Information Systems Department obtained information security management system (ISO 27001)*2 certification in November 2007. The aim of applying for certification was to evaluate fulfillment of responsibility by the department, which takes care of information assets for the entire company. Since then, the department has made continual improvements using PDCA cycles. The fitness and effectiveness of Casio's information security management system was reconfirmed with a certification renewal audit in February 2015.



JQA-IM0536

Information Technology & Engineering Department and Casio Information Service Co., Ltd.

Internal information systems at Casio Computer Co., Ltd. and Casio Techno Co., Ltd., and the network infrastructure of the Casio Group

*1 Privacy Mark: A program where the Japan Information Processing Development Corporation, a public-service foundation, evaluates the adequacy of corporate protective measures related to the handling of personal data. Companies that are found to have adequate protective measures in place are certified and permitted to display the Privacy Mark.

*2 A program whereby a company establishes a system for using, maintaining, and protecting information within the applicable scope (e.g., business, locations) based on international standards for information security management systems, and a certification body conducts audits of the system and issues certifications.

Whistleblower Hotline

As a way to help ensure compliance, Casio set up a Whistleblower Hotline in April 2006. The hotline has been functioning with neutrality and fairness across all of its internal and external contact points.

Operating on a basis of impartiality, the hotline follows up on all whistleblower reports and consultations, and takes resolute measures against any improper behavior discovered. Effort is put into preventing issues before they grow into real problems.

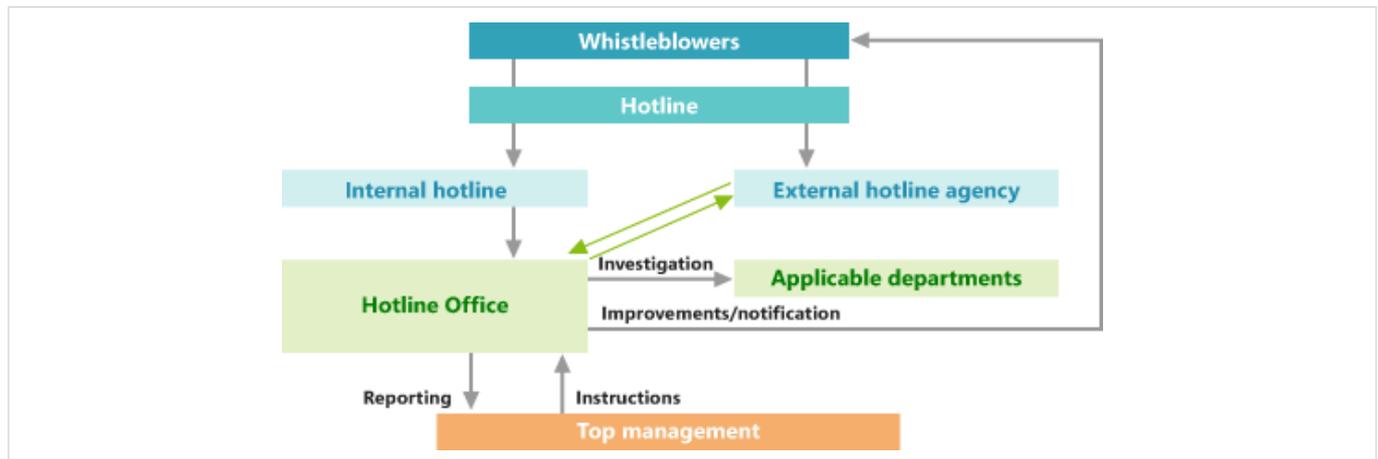
In fiscal 2015, the hotline received six calls. The whistleblowers were interviewed, details were investigated, and corrective measures were taken. The issues were resolved with the whistleblowers' understanding. The company will continue to watch for any latent problems and strive to improve its corporate culture.

The contractor operating the external contact point of the Whistleblower Hotline was changed in April 2015. Now Casio employees can utilize online whistleblower consultation and report filing in English and Chinese, and telephone consultation and reporting is also available in English. This has given employees at group companies outside Japan better access to the hotline.

To ensure even greater hotline awareness, Casio will strive to further increase group-wide understanding of the system in fiscal 2016, using a special intranet site with information on whistleblower protection in Japanese, English, and Chinese.

Fiscal 2014 Report Details
5 power harassment
1 ethics issue reported

Whistleblower Hotline



Export control

Export control, or security trade control, aims to maintain international peace and security. It involves regulations on the export of goods and technology that could be diverted for the development of weapons of mass destruction or other weaponry. The regulations are designed to prevent such goods and technology from reaching countries and regions of concern or terrorist organizations.

In 1987, the Export Control Security Program of Casio Computer Co., Ltd. (a compliance program) was established in order to make sure proper measures are taken to ensure the security of exports. The program has since been continually updated along with changes in the Japanese Export Control Regulation.

Casio has appointed employees responsible for export control in relevant departments as part of an internal system to ensure observance of the program.

As the Exporter Compliance Standards took effect in April 2010, Casio has been striving to maintain and manage its system by conducting voluntary annual audits while ensuring through legal compliance, in response to the revision of applicable laws and regulations. Efforts include the strengthening of training activities at group companies in Japan.

Casio has also established a management system for complying not only with Japanese export laws but also with US Export Administration

Regulations. The company is working to improve global export management, including the implementation of export management training in fiscal 2013, at group companies in the UK and Germany, and in fiscal 2014 at a group company in the US.

The Center for Information on Security Trade Controls (CISTEC) is a Tokyo-based non-profit which conducts research and analysis. Each year, it sends research delegations overseas, alternating between Europe and the United States. Casio has dispatched employees to participate in these missions since 2012. By meeting with officials at various export control organizations, government agencies, and major companies, Casio is participating in a social contribution activity that gathers useful information for export managers in Japan.

Initiatives for compliance with fair trade and advertising laws

In order to promote proper transactions as well as fair, transparent and free competition, it is essential for sales employees to have a proper understanding of Japan's Act on Prohibition of Private Monopolization and Maintenance of Fair Trade and Act against Unjustifiable Premiums and Misleading Representations. The sales offices of Casio Computer Co., Ltd., in Japan are strengthening their measures to ensure compliance with these laws.

Since 2011, Casio has distributed a Sales Compliance Card to all employees involved in sales in Japan as a tool to promote appropriate and fair competition and trade. These employees are required to carry the card. When the company revised the card in September 2013, it expanded the distribution to include employees engaged in sales outside Japan in an effort to ensure understanding and familiarity with fair competition and trade. In addition to the Charter of Creativity for Casio and excerpts from the Casio Group Code of Conduct, the card contains a compliance test, as well as contact information for a consultation service, and the number for the Whistleblower Hotline. Whenever a salesperson is in doubt over a course of action during daily sales activities, he or she can quickly perform a self-assessment or consult with a knowledgeable expert.

A dedicated department regularly conducts internal inspections to make sure there are no actions being taken that could conflict with Japan's Antitrust Act or the Designation of Unfair Trade Practices published by the Fair Trade Commission, as a way of monitoring compliance with competition laws. Casio also strives to provide appropriate product information by checking product catalogues and promotional materials based on relevant laws such as Japan's Act against Unjustifiable Premiums and Misleading Representations and company rules, and corrects any expressions that could be misleading to customers. The timepiece division in particular has a committee on product information composed of relevant persons from within the company. The committee leads efforts that help make the wording of product information more appropriate, using tools such as a specialized glossary.

After two amendments of Japan's Act against Unjustifiable Premiums and Misleading Representations in 2014, companies in Japan are now required to maintain applicable compliance systems. A penalty regime has also been introduced to impose fines in cases of misleading representations. In an effort to comply with this law, Casio joined the Home Electric Appliances Fair Trade Conference, and set up a new internal committee with expanded functions to oversee Casio's product and service representations. The committee is now ensuring even greater optimization of product and service claims and advertising.

Additionally, the overseas sales department of Casio Computer Co., Ltd., has made it mandatory for all employees who transfer into the department to receive training on competition law overall and the prohibition on bribing foreign bureaucrats. The department has continuously implemented this training.

Casio Sales Compliance Card (revised version)

The image shows a Casio Sales Compliance Card. At the top left, it says 'カシオ創造憲章' (Casio Charter of Creativity) and 'CASIO'. Below this are three articles: Article 1 states that they value uniqueness and create universal necessities; Article 2 states they provide joy and感动 to society; Article 3 states they act as professionals with responsibility. To the right is a logo with the characters '創造' (Creation) and '貢献' (Contribution). Below the articles is the 'カシオグループ倫理行動規範 (項目)' (Casio Group Code of Conduct (Items)). This section is divided into two columns of items, II-1 through II-6, detailing various ethical and legal standards such as respecting human rights, environmental protection, fair competition, and transparency.

Corruption Prevention Initiatives

Based on ISO 26000, the international guidance standard for social responsibility, from 2012 to 2013 Casio took stock of the main CSR challenges facing each group company in and outside Japan, assessing and analyzing the status of their initiatives. The issue that rose to the surface as a challenge warranting priority attention alongside respect for human rights was fair business practices—in other words, corruption prevention initiatives.

The Casio Group Code of Conduct prohibits bribery. The Casio Guidance on the Prohibition of Bribery, issued in July 2015, articulates the basic philosophy for group companies, making it clear that bribery inhibits sustainable social development. In November 2015, Casio Computer Co., Ltd. issued the Manual on the Prohibition of Bribery. Additionally, Casio headquarters encourages group companies outside Japan to produce local rules and manuals in an effort to strengthen systems for the prohibition of bribery throughout the group.

Social Initiatives: Action Plans and Performance

Evaluation ●: All targets met, ○: Most targets met, △: Remaining issues outweigh results, ✕: No progress made

Management

FY2015 Targets & Plans	FY2015 Performance	Evaluation	FY2016 Targets & Plans
Encourage the formulation of local rules at group sites outside Japan using the corruption prohibition guidance issued by Casio as a guideline.	Issued Casio Guidance on Preventing Corruption and Anti-Corruption Manual in July and October, respectively. Based on these, promoted the creation of local rules at group sites in and outside Japan.	△	Create local rules for the anti-corruption manual, focusing on group sites outside Japan as part of initiatives to prevent bribery in business dealings.
In Japan, survey the group again to ascertain the situation of compliance risk and implement monitoring. Continue to conduct CSR education with the aim of raising awareness of the Casio Group Code of Conduct.	Took inventory to ascertain risks relating to compliance, conducted monitoring according to priorities, and promoted improvements. Carried out training at group companies to promote understanding and awareness of CSR, and to ensure thorough awareness and application of the Casio Group Code of Conduct.	○	Implement training across the group, in order to ensure employees understand and are aware of compliance as well as social issues and solutions. Ascertain compliance risk conditions and implement monitoring based on priority.
Strengthen the group's information security governance and promote related safety measures.	Held investigation meetings to strengthen information security governance. Strengthened safety measures for USB memory device utilization.	○	Strengthen the group's information security governance and promote related safety measures.
Promote ongoing IT-BCP drills and education.	Promoted the relocation of important servers to external data centers.	○	Promote ongoing IT-BCP drills and education.

Customers

FY2015 Targets & Plans	FY2015 Performance	Evaluation	FY2016 Targets & Plans
Establishing systems that conform to safety laws and regulations.	Improved safety reviews for new models and important safety parts.	○	Establishing systems that conform to safety laws and regulations.
Reduce quality problems by focusing on new technology.	Prevented recurrences of problems by sharing information on past problems.	○	Reduce quality problems by focusing on new technology.
Prioritize management of product quality as an integral part of overseas business expansion.	Developed overseas quality information.	○	Prioritize management of product quality as an integral part of overseas business expansion.
Continue to improve customer satisfaction and convenience based on the customer satisfaction questionnaire.	Began operation of a new premium brand dedicated repair line and collection service. Revised the watch re-repair warranty service.	○	Continue to improve customer satisfaction and convenience based on the customer satisfaction questionnaire.
Establish a technical support center in Dubai to provide after-sales service to the Middle East and Africa.	Hired local staff at Casio Middle East in Dubai, and began support activities in the Middle East and Africa region.	○	Develop a call tracking system for customer support sites outside Japan, for sharing overseas customer feedback.
Reform the customer support center system to increase customer satisfaction and improve work.	Replaced core systems for customer support and made drastic improvements.	○	Promote the active use of customer feedback based on the new system.
Promote further diversification of China concentration risk. Move forward with the creation of systems in software.	Began producing and shipping scientific calculators and electronic dictionaries at a new third factory of Casio Thailand, to ensure even more stable supply of various items. Also strengthened local procurement in Thailand along with the production system, and promoted supplier development.	○	Create a system for stable product supply based on the promotion of measures to diversify the risk of production concentrated in China. - Global standardization of production methods - Procurement expansion in ASEAN - Expansion of internally made components

Suppliers

FY2015 Targets & Plans	FY2015 Performance	Evaluation	FY2016 Targets & Plans
<p>Continue implementing CSR questionnaires in and outside Japan. Reconsider questions on questionnaires used outside Japan. (Unify with questions used in Japan, except for those concerning laws and regulations only found outside Japan.)</p>	<p>Revised questions in the questionnaire for suppliers outside Japan, and sent out the annual questionnaires in various countries. The Japanese questionnaire was returned by 223 companies (99% response rate) and the Chinese and Thai questionnaires were returned by 283 suppliers (99% response rate).</p>	○	<p>Implement CSR performance monitoring, based on continued use of CSR questionnaires in and outside Japan.</p>
<p>Continue and expand onsite inspections of CSR performance at suppliers outside Japan. With respect to onsite audits, cover 70% of suppliers in China on a trade value basis.</p>	<p>Onsite inspections were conducted at nine companies in China. Over five years, the inspections have covered 69.4% of suppliers in China on a trade value basis. In Thailand, inspections were conducted at six companies. Despite interruptions caused by the 2011 floods, over five years the inspections have covered 58.6% of suppliers in Thailand on a trade value basis.</p>	○	<p>Continue onsite inspections outside Japan. Ensure thorough understanding of Casio's CSR policies through surveys.</p>
<p>Share issues with suppliers at supplier meetings.</p> <ul style="list-style-type: none"> • Avoidance of conflict minerals • Share CSR performance issues and know-how 	<p>Casio explained its CSR procurement policies. Issues and expertise were shared through the presentation of outstanding CSR initiative cases by representative suppliers.</p>	○	<p>Firmly establish CSR procurement throughout the supply chain, through good two-way communication at suppliers meetings.</p>

Employees

FY2015 Targets & Plans	FY2015 Performance	Evaluation	FY2016 Targets & Plans
<ul style="list-style-type: none"> • Implement measures to strengthen the global mindset of employees in Japan. (Spread awareness of the definition of global human resources by posting it on the company intranet, and provide training to company leaders designed to mimic intercultural experiences.) • Implement measures to strengthen the human resources systems at overseas group companies. (Hold global human resources meetings, and check, share, and offer guidance on revising each company's HR programs.) 	<ul style="list-style-type: none"> • Implement measures to strengthen the global mindset of employees in Japan. <ol style="list-style-type: none"> 1. Established global human resource definitions and global career paths, and introduced promotion language skills requirements. 2. Introduced overseas successor human resource registration training system (introduced global assessment training). 3. Strengthened overseas operations based on the introduction of expatriate role standards. 4. Raised employee awareness through a cross-cultural simulated experience program (provided to over 100 outstanding leaders). 5. Strengthened training for personnel prior to posting overseas. • Implement measures to strengthen the human resources systems at overseas group companies. <ol style="list-style-type: none"> 1. Held first global human resources meeting (sales companies). -> Sharing HR policies, tracking human resource issues, sharing expertise, and global HR network creation. 2. Created a system based on a policy to unify the HR policies of group companies outside Japan. -> Building HR systems in Thailand (Korat), Brazil, Singapore, and the Middle East. 3. Reconstructed local systems for information gathering and analysis outside Japan. -> Regularly obtaining truly effective data, and effective reflection in compensation, etc., based on prompt analysis. 		<p>Strengthen employee training in Japan to enable employees to perform to global standards.</p> <ol style="list-style-type: none"> 1. Strengthen skills of global human resources. 2. Penetration of expatriate role standards and implementation of role descriptions. <p>Strengthen HR system for group companies outside Japan.</p> <ol style="list-style-type: none"> 1. Hold global human resources meetings (production area). 2. Unify HR policies at group companies outside Japan (optimization of global HR policy with the regional characteristics, values, and laws of each country). 3. Reconstruct the consolidated personnel and labor cost management systems outside Japan. 4. Develop a plan for reconstruction of the consolidated HR database.
<p>Female employees</p> <ul style="list-style-type: none"> • Measure effects of reinstatement interview system. • Disseminate company-wide evaluation guidelines for persons working shorter hours. • Survey awareness related to active roles played by women. • Reconsider action plan. • In the medium term, match the ratio of male to female executive appointments with the gender ratio of all company employees. 	<p>Female employees</p> <ul style="list-style-type: none"> • Measure effects of reinstatement interview system. • Disseminate company-wide evaluation guidelines for persons working shorter hours. • Improved the mentor system. • Reconsider action plan. • In the medium term, match the ratio of male to female executive appointments with the gender ratio of all company employees. • Held a career forum for female employees. 		<p>Female employees</p> <ul style="list-style-type: none"> • Develop measures for compliance with the law to promote the career advancement of women. • In the medium term, match the ratio of male to female executive appointments with the gender ratio of all company employees.

<p>Persons with disabilities</p> <ul style="list-style-type: none"> • Achieve the legally mandated employment rate for consolidated group companies in Japan. • Expand active hiring practices. • Maintain the employee follow-up system. • Implement measures to increase understanding of persons with disabilities in the workplace. 	<p>Persons with disabilities</p> <ul style="list-style-type: none"> • Strengthened the recruitment system and hired people with mental disabilities. • Maintained consolidated employment rate for people with disabilities. • Strengthened the follow-up system. • Revised work environments for safety. • Developed a staggered working hours system for employees with disabilities. 	○	<p>Persons with disabilities</p> <ul style="list-style-type: none"> • Achieve the legally mandated employment rate for consolidated group companies in Japan. • Implement the staggered working hours system for employees with disabilities.
<p>Non-Japanese</p> <ul style="list-style-type: none"> • Respond to the needs of Muslims at company facilities. • Make self-development plan for non-Japanese employees. • Support applications for work permission. • Establish leave system for non-Japanese employees to visit their home countries. 	<p>Non-Japanese</p> <ul style="list-style-type: none"> • Interviewed non-Japanese employees. • Created a new leave system for employees to visit their home countries. • Added international signage in the cafeteria (added English translations and ingredient symbols). • Set up a prayer room. 	◐	<p>Non-Japanese</p> <ul style="list-style-type: none"> • Strengthen communication with non-Japanese employees. Communication methods with managers and colleagues.
<p>Seniors</p> <ul style="list-style-type: none"> • Continue to provide rehiring opportunities to employees who have reached mandatory retirement age • In the Second Career Working Group, make proposals regarding seniors' active contributions, and formulate and implement measures. 	<p>Seniors</p> <ul style="list-style-type: none"> • Launched the Second Career Working Group as part of diversity promotion efforts. Began investigation into measures to enable seniors to be active in the workplace. • Clarified roles at the time of senior employee appointment. • Raised awareness with senior lifestyle seminars. • Strengthened management capabilities through manager training. 	○	<p>Seniors</p> <ul style="list-style-type: none"> • Revise consolidated senior employee system. • Continue to provide rehiring opportunities to employees who have reached mandatory retirement age. • In the Second Career Working Group, make proposals regarding seniors' active contributions, and formulate and implement measures.
<p>Maintain percentage of eligible employees taking childcare leave above 90%.</p>	<p>Maintain percentage of eligible employees taking childcare leave above 90%.</p>	◐	<p>Maintain percentage of eligible employees taking childcare leave above 90%.</p>
<p>Reduce company-wide overtime work by 10%.</p>	<p>Set overtime reduction targets for each department, and implemented monitoring.</p>	◐	<p>Reduce company-wide overtime work by 10%.</p>
<p>Ensure thorough follow-up measures (target 80% implementation rate) for those with high-risk health checkup results.</p>	<p>Ensured thorough follow-up measures for those with high-risk health checkup results. Achieved implementation rate of 86% for follow-up measures.</p>	◐	<p>Ensure thorough follow-up measures (continue targeting at least 80% implementation rate) for those with high-risk health checkup results.</p>
<p>Conduct a stop smoking support program at the Hachioji R&D Center.</p>	<p>Priority given to continued implementation of the program at the Hatsudai headquarters.</p>	○	<p>Conduct a stop smoking support program at the Hachioji R&D Center.</p>

Local communities

FY2015 Targets & Plans	FY2015 Performance	Evaluation	FY2016 Targets & Plans
<p>Boost nationwide roll-out of activities by continuing to promote the programs for educating the next generation.</p>	<p>Expanded scope of activities to include Fukushima, Aichi, Osaka, and Shiga, and provided learning opportunities to a total of 18,000 people.</p>	◐	<p>Boost nationwide roll-out of activities by continuing to promote the programs for educating the next generation.</p>
<p>Continue to support cutting-edge science and technology research.</p>	<p>Presented 38 research grants totaling 49.96 million yen through the Casio Science Promotion Foundation.</p>	○	<p>Continue to support cutting-edge science and technology research.</p>

Responsibilities to Customers



Casio is recognized by the market for its commitment to treating customers right. The company constantly strives to ensure its business management is worthy of customer confidence.

▶ Product Development and Design Initiatives

Casio develops products with new value and helps create new cultural phenomena. Casio's product development concept is simple: going from "0" to "1."



▶ Intellectual Property Initiatives

Casio implement proactive intellectual property programs in accordance with its management strategy, aiming to protect its business and increase profit.



▶ Activities to Improve Customer Satisfaction

Casio has established an organization dedicated to customer satisfaction which reports directly to the president and is pursuing greater customer satisfaction by implementing its basic policy consisting of three major customer satisfaction initiatives.



▶ Quality Assurance

In order to maintain the confidence of customers and ensure the reliability of its products, Casio takes an integrity-based approach to constant quality improvement.



▶ Customer Support Center: Ensuring Customer Satisfaction

Deeply valuing long-term relationships with customers, Casio strives to improve the skills of support employees and uses customer feedback in the development of products and services.



▶ Providing Support Information/Repair Service

To please customers and ensure their peace of mind when using its products, Casio is working to improve its system for providing customer support information, while enhancing the service skills of its staff.



▶ Stable Supply of Products

Casio is working to strengthen its global supply chain to meet rising product demand.



Product Development and Design Initiatives

Casio aims to develop products that meet the latent needs of customers. To do this the company is constantly improving its ability to generate new ideas.

Casio's primary objective is to make products that work reliably in any environment, and can always be used with safety. From the initial engineering phase to the release of the final product, Casio takes great pains to ensure there are no compromises on manufacturing quality.

Product development incorporates insights from the classroom

Nearly every year since 2007, Casio has invited teachers from outside Japan who are passionate about mathematics education and research to a Global Teachers Meeting held at its Hamura R&D Center. The purpose of these meetings is to contribute to the development of mathematics education by incorporating the perspectives of teachers with real-world insights from the classroom into Casio products. The overarching goal is to provide products that are optimally suited to the diverse educational settings worldwide.

In 2014, a lively discussion took place at the meeting on the topic of "mathematics education using information and communications technology (ICT)." The participants debated Casio's role in helping to further improve education amid changing school environments. The discussion yielded ideas for making greater use of calculators in the classroom than ever before. This included linking calculators and ICT devices using online cloud services. Casio developers proposed utilizing QR code technology as a means to link the two types of devices. In February 2015, a new QR code feature was incorporated into the ClassWiz series of scientific calculators.

Casio will continue to expand the ClassWiz series, aiming to keep contributing to the development of mathematics education worldwide.

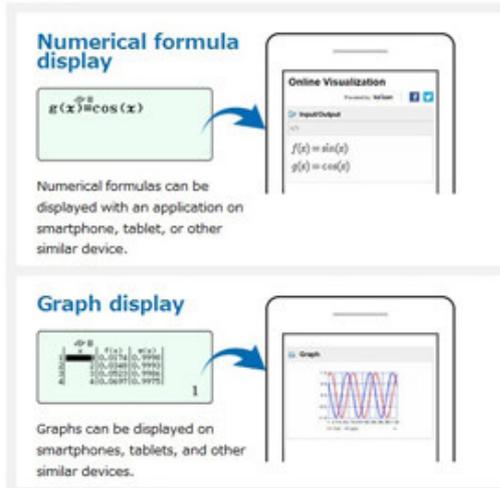


Global Teachers Meeting 2014

Convert the numerical formula into a QR Code!



ClassWiz



The inputted formula and data are made into a QR Code* matching the settings on the calculator, and then displayed on the calculator's screen.

The numerical formulas and graphs can be displayed by reading the QR Code with an application on a smartphone, tablet, or other similar device.

* QR Code is a registered trademark of DENSO WAVE INCORPORATED in Japan and in other countries.

Going beyond universal design to human-centered design

Casio works to develop products using human-centered design (HCD) in conformity with ISO 13407 processes, with the objective of improving product ease of use as part of the product's overall quality. In the HCD process, Casio seeks optimal ease of use by determining important issues from customer feedback and observation of product use in real-world situations. Through repeated evaluation and verification, Casio works to develop highly desirable products.

During the development of the IT-G500 handheld terminal, Casio focused on the basic operations of viewing, scanning, and inputting. Casio set the scanning angle at 25 degrees based on the results of user trials, and adopted a 4.3-inch WVGA transitive TFT LCD for its wide viewing angle. The display became the industry's largest in this product class, allowing the content to be checked easily, even when held at the scanning angle. Moreover, with the addition of special finger grips on the back of the unit, the IT-G500 is very easy and comfortable to hold securely even on rainy days or other times when the user's grip is prone to slip. The grip design was developed based on the trial and evaluation of multiple shapes.



IT-G500

Creating New Value to Meet the Needs of Different World Regions

With varying cultures and customs around the world, it is only natural that needs will differ as well. By carefully responding to regional needs, Casio aims to provide products that will be used by even more people and to strengthen its competitiveness in global markets.

Calculator with Indian digit grouping

Worldwide, long numbers are usually divided into groups of three digits using commas for ease of reading. In India, however, the custom is to use a comma after the thousand position and then after every subsequent two digits (e.g., 10,00,000). Casio was the first to release a calculator that can display numbers in this way. The many shopkeepers who use calculators instead of cash registers in India appreciate the convenience of a device that displays prices in the familiar local format.



MJ-120D



Display with Indian digit grouping

Calculators that speak aloud in Chinese

In China, Casio sells speaking calculators that read aloud the calculation details in Chinese. This allows the store clerk and the customer to simultaneously check whether any calculation mistakes are being made.



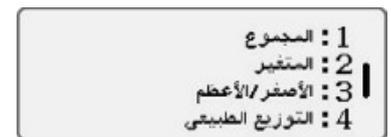
DY-120

Scientific calculators with Arabic display

In Arabic-speaking regions, Casio sells scientific calculators that display the Arabic language. Equipping the calculators with high-resolution LCDs enabled the sophisticated Arabic script to be shown.



fx-991AR X



Arabic display

Oriental Keyboard

Casio's Oriental Keyboard features 54 tones and 83 rhythms that are characteristic of the major musical regions of the Middle and Near East, namely, the Arab / Maghreb (Middle East and North Africa), Oriental (Turkey, Greece, and Central Asia), Iran, and Khaleeji (Persian Gulf) regions. This enables Middle and Near Eastern musicians to enjoy the familiar traditional tones of their own regions.



AT-3

PRAYER COMPASS

This wristwatch, developed especially for Muslims, has the following special features: (1) it indicates daily prayer times based on the position of the sun; (2) it shows the direction of Mecca; and (3) it displays the date in the Islamic calendar. It is sold in 30 countries, including countries in Asia, the Middle East, Latin America, and Africa.



CPW-500H-9AV

Technology

Technological expertise is needed to turn an innovative idea into a new product. Utilizing its five core technologies, Casio creates products that were not possible before.



Durability

Tough construction to withstand harsh environments

Casio continues to focus on durability so that customers can enjoy its products for many years.

As one technique for increasing shock resistance, Casio mounts a strong metal plate on the back of its display panels to increase strength and prevent warping. By also placing a shock-absorbing cushion between the display panel and its casing, any external shock is mitigated and destruction of the LCD is prevented. Tough Casio calculators also offer splash-resistant and dust-resistant performance, and are used in outdoor work such as civil engineering surveying.



Digital technologies

High-speed image processing delivers a wide range of expression instantly

The "EXILIM Engine HS, Ver.3 ADVANCE" is a high-speed image processing engine that quickly and smoothly performs all the image processing right from digital camera startup. By simultaneously operating dual CPUs and two parallel image processors, this unique image processing engine offers high-speed operation.

One feature enabled by this technology is the world's first dual combination bracketing function.* With just one press of the shutter button, the camera shoots nine images while automatically varying a pair of parameters, such as focus and aperture, or white balance and brightness, in three stages. Setting the user free from complicated settings, this feature makes it possible to shoot stunning photos and realize new possibilities for expression not seen before.

*For a bracketing function encompassing two kinds of parameters like white balance and brightness for a digital camera with a built-in lens. (As of November 14, 2013; based on a Casio survey.)



Energy saving

New concept for highly efficient solar cells

With regular solar-powered analog watches, the solar cells are arranged linearly in six sections. This is because it is necessary to have multiple cells in a series to ensure the necessary voltage. The disadvantage of this design is that the cell providing the least power impacts the entire series. When the shadow from the watch hand falls on one cell, the upper limit of power generation for the entire series is lowered.

Overcoming this, Casio developed a high-output solar cell with blocked-light distribution. By arranging the cells in a spiral and distributing the hand shadow over multiple cells, the decrease in power generation is minimized. This ensures efficient and stable power. This energy-saving technology enabled more freedom in watch designs and improved functions.



Intellectual Property Initiatives

Casio is actively promoting intellectual property activities in line with its management strategy through cooperation between its R&D and business divisions. Based on these activities, the company aims to protect its businesses, and contribute to corporate profitability.

Policies for promotion of intellectual property activities

Casio takes a medium- to long-term perspective in order to increase its technology management ability, and is systematically promoting research and development for the creation of future business. While recognizing R&D results as intellectual property, Casio is taking steps to ensure that they are properly managed and utilized in order to secure profits. Casio places importance on intellectual property as an important measure of corporate value. In order to effectively promote intellectual property activities, Casio has set the following goals for promoting intellectual property activity, and implements them group-wide for effective utilization of intellectual property.

Intellectual property goals

Casio is working to increase its intellectual property capacity using the following goals.

- Increase the intellectual property capacity of Casio
- Protect technology and products globally with strong intellectual property capacity
- Guarantee creative technology and product development through strong intellectual property capacity

Role of the Intellectual Property Department

Since its founding, Casio has worked to develop innovative new technologies and products that are completely original and have never existed before. The protection of these development results through the creation of intellectual property rights is vital to ensuring corporate competitiveness. At the same time, protecting Casio brands and designs from counterfeiting by securing intellectual property rights is also an important activity for the company.

The Intellectual Property Department aims to secure intellectual property rights on a global level. Its role is to utilize patent, design, and trademark rights in order to help establish competitive advantage for corporate management.

The center also broadly manages intellectual property (rights) such as copyrights and trade secrets as well as general intangible properties, while signing contracts with third parties and resolving disputes.

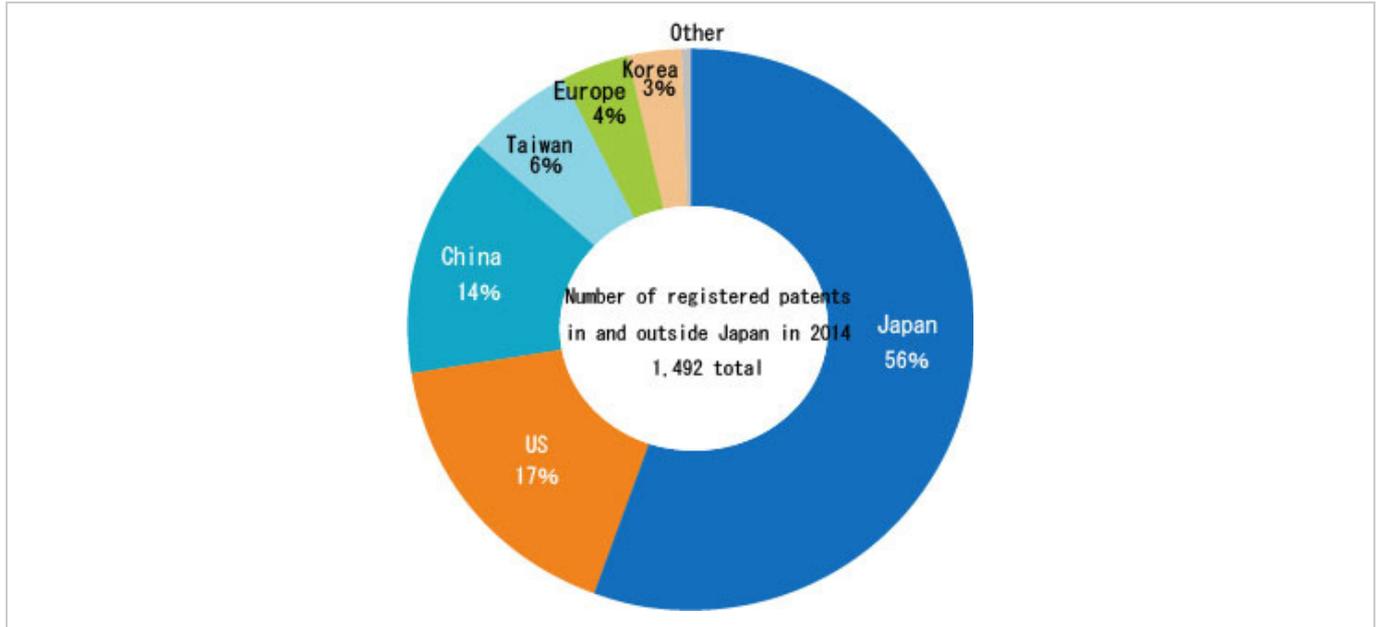
Intellectual property activities

Casio implements various intellectual property activities. Casio actively utilizes the intellectual property that it has accumulated over the years, and carries out activities to protect its businesses. The company conducts ongoing R&D necessary for sustained growth, and has put in place various systems for producing new intellectual property.

1. Patent application and rights acquisition activities

Casio constructs patent nets based on patent application and registration in priority fields (selection and concentration), and actively promotes activities for the acquisition of effective patents based on quality improvement. The company carries out patent application and rights acquisition activities worldwide, including in the USA, China, South Korea, Taiwan, and other Asian countries.

Global patent portfolio



2. Intellectual property rights utilization

In addition to securing intellectual property rights for its inventions and other proprietary developments, Casio works to ensure freedom of operations by preventing legal claims from other companies and earns profits by licensing its technologies to other companies (including cross licensing). The company also uses intellectual property as a barrier to deter other companies from entering the same business, and carries out activities to establish competitive advantage for corporate management. In particular, Casio takes stringent measures to combat counterfeit products, and cooperates with government agencies to remove fakes from the marketplace.

3. Patent expert system

Casio initiated a patent expert system in 1994 in order to promote the ongoing creation of outstanding intellectual property. With the aim of business strengthening through stronger intellectual property, engineers with high-level understanding of technologies and leadership skills have been assigned to each division as patent experts. While cooperating with the Intellectual Property Department from positions within their respective divisions, these patent experts work to strengthen the intellectual property abilities of their respective organizations.



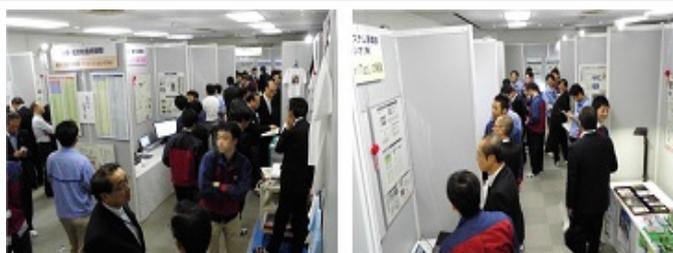
Meeting for patent experts

Here are details of specific activities.

1. Patent activity planning based on ascertainment of technology and development trends at Casio and other companies, as well as target management
2. Discovering and updating inventions
3. Evaluation of patent applications, determination of direction for patent creation according to business strategy, as well as evaluation of patent maintenance
4. Surveys of patents at other companies, patent infringement avoidance, and patent risk management
5. Creation of new businesses centered on intellectual property

4. Techno Power

Casio's in-house Techno Power technology exhibition began in 1992 and is held annually to stimulate engineers, and foster sharing and cross-fertilization of technology. By creating a place for engineers to present their results to top management, and an opportunity for outstanding engineers and designers to receive recognition (i.e., awards based on the suitability of intellectual property results), the exhibition is a source of pride and motivation for engineers and encourages them to take on the challenge of developing new technologies.



Techno Power exhibition

5. Invention award system

Since 1968, Casio has had an award system for those employees that contribute to inventions and designs. By increasing the incentive for inventors and designers, the system fosters the desire for in-house engineers to take on the challenge of discovering new technologies. In accordance with Article 35 (Inventions by Employees) of Japan's revised Patent Act, which took effect in April 2005, Casio has revised its environment for employee inventors. It updated its intellectual property rules and created a consultation process in which the employee inventors can voice opinions in the revision of the rules. It also implemented a system for employee inventors to file an objection to monetary reward amounts. The rules are revised as needed to respond to the expectations of employee inventors and adapt to the changing times and evolving environment.

6. Intellectual property training system

In order to create a stronger awareness about the acquisition of intellectual property, Casio holds intellectual property seminars to deepen employee understanding and interest in intellectual property. The company also distributes relevant information online (through intellectual property website content), and uses outside educational organizations such as the Japan Intellectual Property Association and the Japan Institute of Invention and Innovation. In this way, the company is promoting various intellectual property education activities.

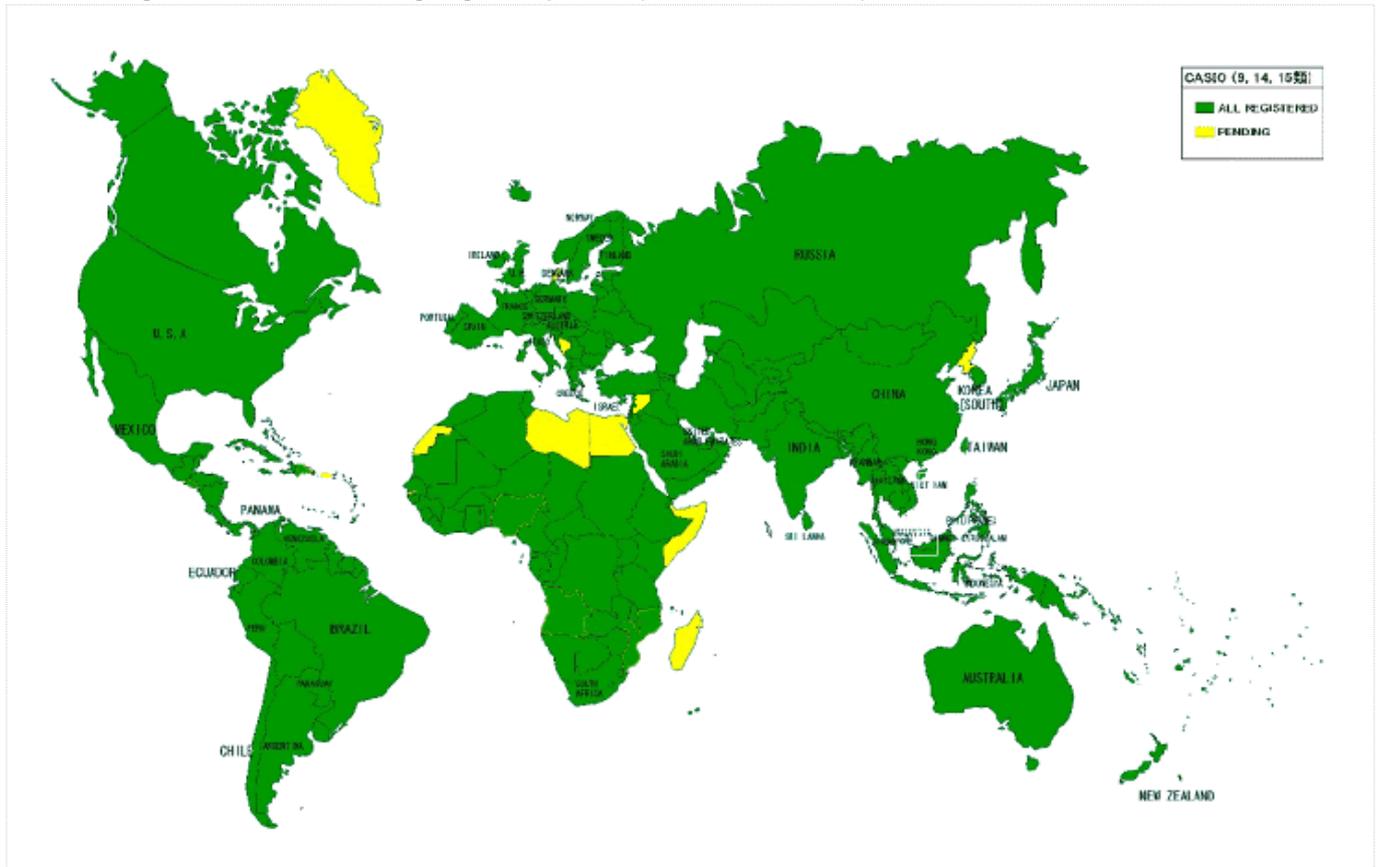
7. Brand support activities

Protecting rights to the Casio brand

In order to promote smooth corporate operations on a global level, Casio has obtained 1,874 registered trademarks in 187 countries around the world, most of which are product trademarks, in order to protect the Casio brand. To further strengthen protection of rights to the Casio trademark, the company has been seeking official recognition of the Casio mark as a well-known trademark in various countries. This type of certification has already been obtained in several emerging countries.

In recent years there have been more trademark applications by other companies—mainly in emerging economies such as China and India—which try to mimic the well-known Casio brand. As a result Casio has been strengthening its monitoring activities and its efforts to prevent the trademarking of look-alike brands.

Trademarking of the Casio Brand Design rights acquisition (as of March 31, 2015)

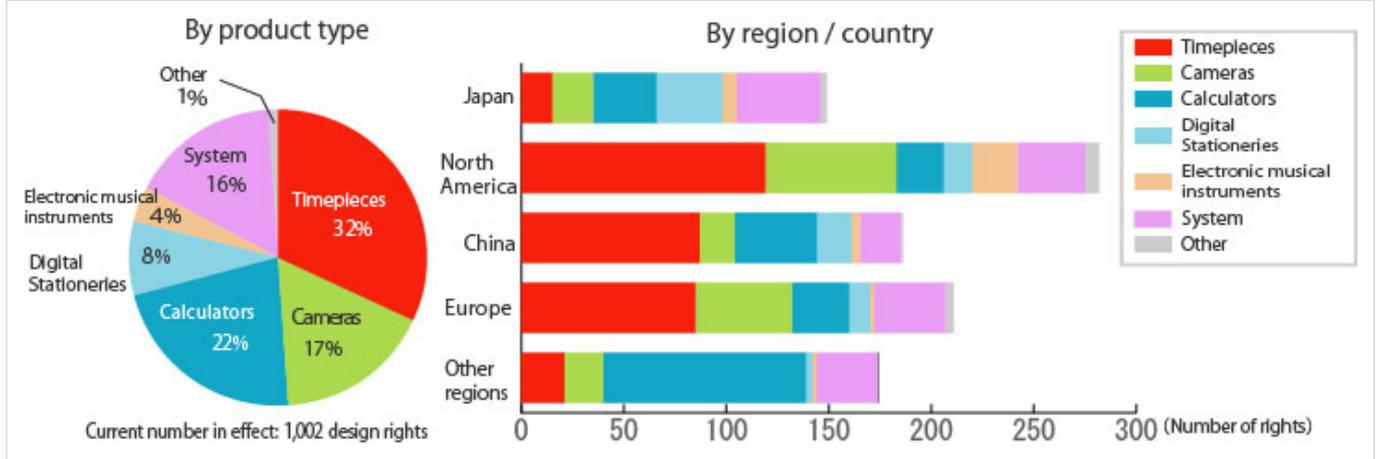


Casio has registered the Casio brand for product trademarks in the countries indicated in blue. In the countries indicated in yellow, trademark examination has been delayed in some fields, there is no trademark registration system, or applications are not being accepted due to the politician situation.

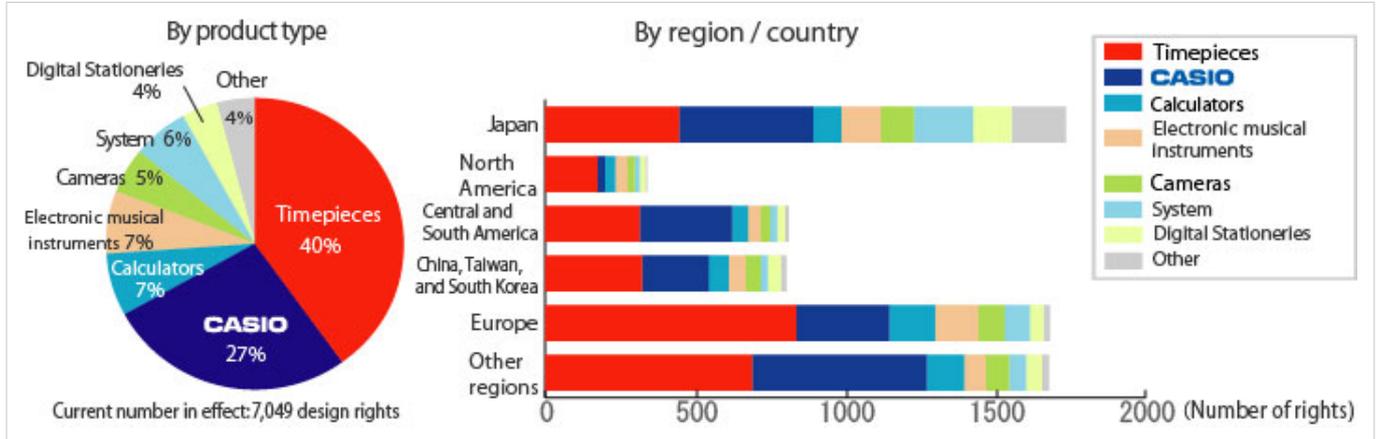
Activities for minimizing risk entailed by new product naming and design, as well as rights acquisition

While avoiding the risk of infringing upon the design or trademark rights of other companies, Casio is actively promoting business support activities based on the strengthening of Casio's own design and trademark rights.

Design rights acquisition (as of March 31, 2015)



Trademark rights acquisition (as of March 31, 2015)



Counterfeit product removal and consumer protection activities

The development of information and communications technology in recent years has facilitated the extensive spread of counterfeit goods on the Internet. Casio products are no exception to the damage caused by counterfeits. In order to guard consumers from the damage of fake products and to protect the Casio brand and increase its value, Casio has established a department tasked with counterfeit countermeasures and is taking action to get counterfeits off the market. Casio will continue to actively cooperate with efforts by government authorities to stamp out counterfeits by exposing factories that make counterfeit goods and stores that sell them, intercepting counterfeits at customs, and monitoring and eliminating counterfeits sold on the Internet.

Activities to Improve Customer Satisfaction

Casio has established an organization dedicated to customer satisfaction which reports directly to the president and is pursuing greater customer satisfaction by implementing its basic policy consisting of three major customer satisfaction initiatives.

Activities to improve customer satisfaction

Aiming to further improve customer satisfaction (CS), Casio has focused on strengthening the three major CS initiatives listed below since fiscal 2009. It is working to improve after-sales service and product quality, and to incorporate the voice of the customer more than ever before in the creation of even better products.



Under these three major CS activities, Casio is making various efforts to ensure that customers are satisfied with its after-sales service. These efforts include enhancing staff training programs to improve product knowledge, repair technical skills, and customer service skills. Casio is also working to boost customer service quality by having staff acquire public qualifications and by improving customer service sites (after-sales CS).

Casio is also striving to ensure that customer feedback from in and outside Japan is always delivered directly to the right place within the company, and to take unified improvement measures. Casio is also constantly working to improve product functions (functional CS).

Casio compiles and analyzes information on customer inquiries and product defects in and outside Japan. It focuses on early detection, rapid response and prevention of recurrence of problems (quality CS).

Quality Assurance

In all of its business processes, Casio always takes the customer's perspective and bases its actions on the Principle of the Five "Gens"—in Japanese, *genba* (on site), *genbutsu* (actual goods), *genjitsu* (reality), *genri* (theory) and *gensoku* (rule). Casio focuses on daily improvement in order to provide customers with reliability and peace of mind, and to meet customer demands with speed and integrity.

"Casio Quality"—world-class quality assurance

In order to deliver products and services that offer reliability and peace of mind to customers, Casio is constantly working on improvements to pursue the best solution for customers.

Quality assurance at Casio

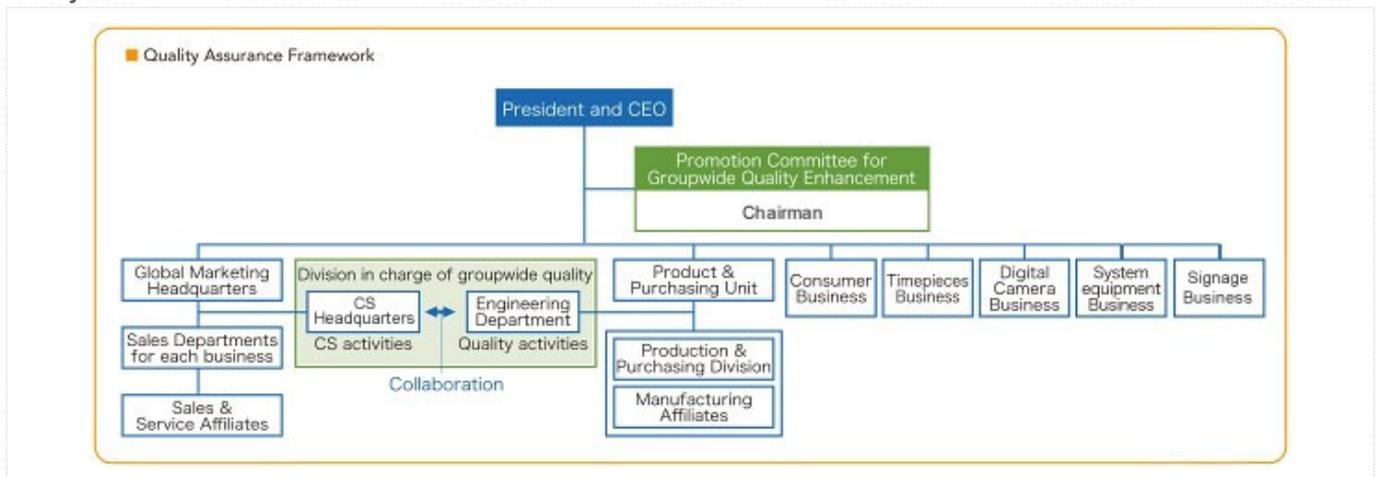
Casio believes it is important not only to provide products and services that delight customers, but also to win acceptance from the whole of society and achieve mutual prosperity. Toward this end, Casio Quality includes everything from the quality of individual products, to environmental protection and recycling. The role of quality assurance is to deliver quality that satisfies customers in every possible way.



Quality assurance system

In order to carefully maintain and improve Casio Quality, the company has created the quality assurance system shown in the diagram below. The Promotion Committee for Group-wide Quality Enhancement meets twice a year. It pursues activities such as making quality data accessible and easy to understand, and sharing quality information, while passing resolutions on quality policy and measures. The results are used for quality assurance activities in each division.

Quality assurance framework



As the division in charge of group-wide quality management, the CS Headquarters, which reports directly to the president, has been linked with the Engineering Department (within the Production & Purchasing Division). Casio is working hard to ensure quality, with the cooperation of all departments, while always pursuing the best solutions for customers.

In order to create a common group-wide awareness of "Quality First" being the foundation all operations, strong leadership is essential from top management and those responsible for quality. The Promotion Committee for Group-wide Quality Enhancement implements training to

ensure employees understand and are widely aware of regulations and standards relating to quality and safety, and to learn technology expertise. This includes holding presentations for the improvement of quality management skills.

Moreover, Casio is striving to raise the level of quality initiatives and improve the quality skills of employees, including the holding of in-house seminars given by outside instructors.

Casio's production plants carry out plan-do-check-act (PDCA) cycles using the ISO 9001 Quality Management System. In order to deliver reliability and peace of mind to customers that use Casio products, Casio employees focus on daily improvement.

List of ISO 9001 Certified Sites

Classification	Certified and Registered Sites	Initial Version Registration Date
Development, Production and Service Sites in Japan	Product Solution Department, System Product Division, Casio Computer Co., Ltd.	June 25, 1999
	Casio Electronic Manufacturing Co., Ltd.	August 5, 1994
	Yamagata Casio Co., Ltd.	December 16, 1994
	Casio Techno Co., Ltd.	May 21, 2004
Production Sites outside Japan	Casio Electronic Technology (Zhongshan) Co., Ltd.	October 26, 2006
	Casio (Thailand) Co., Ltd.	July 13, 2012

Pursuing top quality

Casio's efforts to achieve premium quality are guided by a clearly articulated Quality Concept and Quality Management Policies, which provide indices for evaluating all quality initiatives.

Quality Concept

Casio maintains a strong quality assurance system, based on its belief in "Quality First." This system requires all employees to make quality their first concern in every task they perform, enabling the company to offer products and services that please and impress customers. The company's commitment to quality supports its corporate growth and makes social contributions possible, while at the same time winning customers' trust and giving them peace of mind.

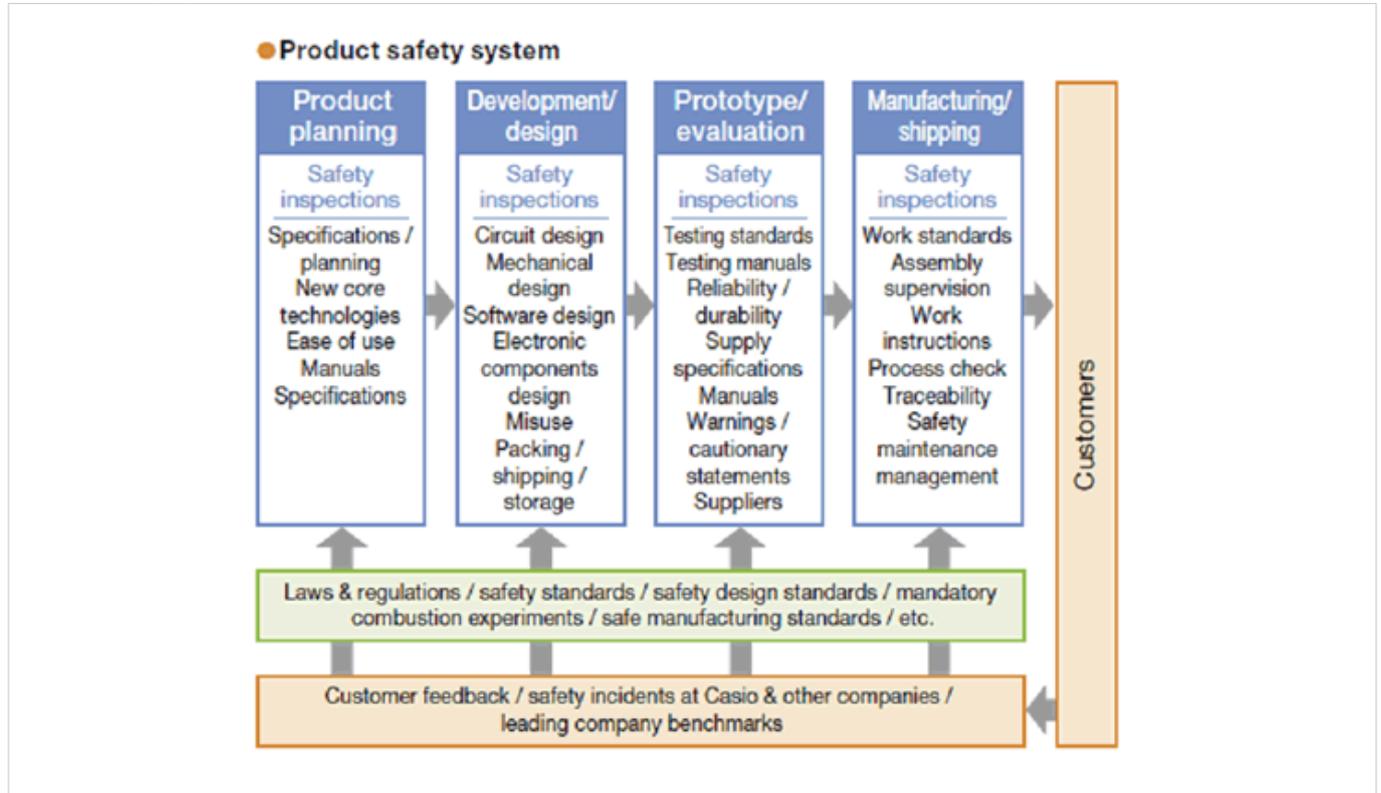
Quality Management Policies

- To build a good corporate image, we offer products and services that please and impress our customers, gain their strong trust, and ensure their peace of mind.
- We respond to our customers' requests and inquiries with sincerity and speed, and reflect their valuable comments in our products and services.
- In all our business processes, we base our actions on the Principle of the Five "Gens"—in Japanese, *genba* (on site), *genbutsu* (actual goods), *genjitsu* (reality), *genri* (theory) and *gensoku* (rule)—and adhere to the basics of business operations.
- We capture and analyze quality assurance activities quantitatively, using reliable data, and use the analysis to make continuous improvements. We also maintain a quality information system that enables the sharing of quality information and prevention of problems before they occur, and prevents recurrence of quality problems.

Offering users peace of mind

Casio makes every effort to ensure product safety so that customers can always use Casio products with peace of mind. As shown in the diagram below, Casio works to ensure product safety in each process from product planning, development, and design, to trial manufacture, evaluation, production, and delivery. In order to maintain and enhance these efforts, the company performs safety audits and works to prevent potential problems from occurring, or issues from reoccurring.

Product safety system



To comply with the legislative intent of Japan's recently revised Consumer Product Safety Act, which went into force on May 14, 2007, the Casio board of directors has adopted the Fundamental Policies on Product Safety. Based on these policies, Casio has put in place the Product Safety Voluntary Action Plan which specifies the details of the steps to be taken. The company has also reengineered its response systems for handling those unusual situations when a product-related accident occurs, and has established procedures for managing such situations. These include the steady, timely collection and dissemination of accident information, the issuance of notifications and reports to customers and relevant administrative agencies, prompt, appropriate response measures, efforts to identify causes, and measures to prevent any future recurrence.

Customer Support Center: Ensuring customer satisfaction

Aiming to build enduring relationships of trust with customers, Casio values customer communication. One of the many benefits of good communication is that it allows Casio to incorporate the voice of the customer into its efforts to improve products and services.

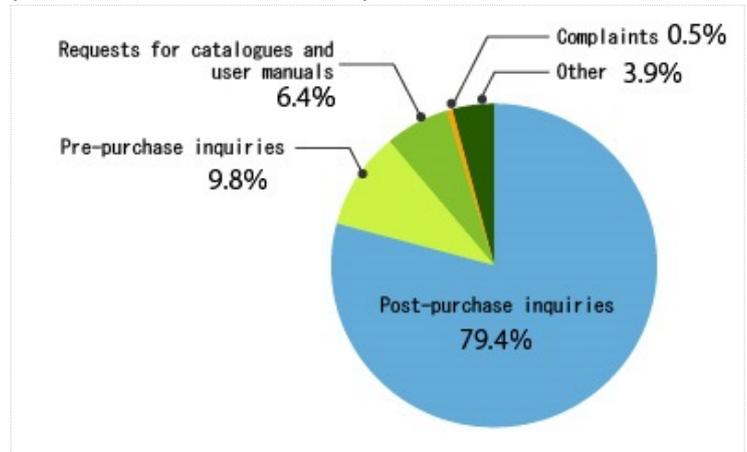
Customer Service Initiatives

At the Customer Support Center, Casio professionals do their best to respond to inquiries politely and sincerely, and work hard to resolve any issues customers may have.

Customer Support Center



Breakdown of Customer Inquiries in Japan
(Fiscal 2015, Consumer Products)



Training program enhancement

The center is always working to enhance its education programs to enable the appropriate provision of useful information that customers want. In fiscal 2015, Casio training instructors competed in a telephone customer service skills competition, and then utilized what they had learned in the Customer Support Center training program, aiming to further improve customer satisfaction. In addition, the center provides systematic training to personnel when they are hired or transferred, as well as ongoing follow-up training. The center has also compiled its expertise in customer service work in a customer service manual that is available on the company intranet to help improve customer satisfaction group-wide.

Reflecting customer feedback in products and services

Opinions and requests received from customers are treated as valuable feedback and used to make products and services even better. In fiscal 2015, Casio redesigned the system for collecting customer feedback. Now the feedback is analyzed using various methods and the improved results shared with the relevant departments. Casio constantly strives to ensure that customers are satisfied with its products and services.

Global Customer Service

Cooperation with support centers outside Japan

Casio is committed to creating a system of cooperation between the Customer Support Center in Japan and similar centers at Casio sales companies in other countries, aiming to promote good customer relationships worldwide.

Breakdown of Product Inquiries (Fiscal 2015, Overseas/Japan)

Item	Overseas	Japan
Timepieces	44.3%	32.9%
Digital Cameras	25.8%	12.5%
Calculators	6.4%	4.8%
Other Consumer Products	7.3%	28.9%
System Equipment	16.2%	20.9%
Total	100.0%	100.0%

How customer comments are utilized for products and services



Ensuring customer satisfaction

The voice of the customer is essential information for product improvement, and Casio regularly conducts customer satisfaction surveys. While also referencing customer comments received by the Customer Support Center, Casio is striving to develop even better products and improve the level of customer satisfaction.

Improvements to watches after customer feedback

【Customer feedback】

I would like a watch that is a little smaller and slimmer



The smallest ... and most dazzling

World's smallest* solar-powered radio-controlled watch with World Time function

Casio has released a new model in the Voyage series of watches for women who value their own time and use it flexibly

Offering functional beauty and femininity, the 25.4 millimeter face is the world's smallest and slimmest among solar-powered radio-controlled watches with World Time function.

With high-quality intelligent design and advanced functions packed into a small watch, the new model helps the wearer to really shine.

* World's smallest solar-powered radio-controlled watch with world time function (Casio survey in April 2015)



Providing Support Information/Repair Service

While further improving the service skills of its employees, Casio is building after-sales service systems that reassure and delight customers.

Customer satisfaction initiatives in Japan

The service departments at Casio, which are responsible for customer satisfaction in after-sales service, strive to increase customer satisfaction by providing service that precisely addresses customer needs and lifestyle preferences.

In September 2012, Casio began returning repaired products to customers with a questionnaire directing them to a customer feedback website. Customers are invited to provide an immediate evaluation of the service they have received. The feedback helps Casio to further improve its repair service.

Pursuing convenience for customers

In fiscal 2015, Casio created and began operating a dedicated repair workshop — the Premium Brand Watch Repair Service. It handles models such as OCEANUS, MT-G, MR-G, and PROTREK Manaslu, which are produced by Yamagata Casio, the only Casio watch manufacturing site in Japan. By offering a special repair service with a high degree of reliability and technical expertise to handle watch repairs from across the country, this service provides peace of mind to customers across Japan. Casio also launched an online repair service that can accept repair orders at any time and offered a new maintenance package for these premium watch lines last year. The goal of this service is to improve customer convenience. Moreover, the post-repair warranty period was changed from three months to one year for Premium Brand Watch Repair, and to six months for regular watches and electronic calculators. The fees for simple repairs of digital cameras were reduced and simplified to a uniform 3,000 yen. By taking steps like these, Casio is working to improve its repair service so that customers can enjoy using their products longer and with more peace of mind.



Premium Brand Watch Repair Service

The Casio customer support website also provides information to help customers solve any issues they may have, before needing to call a customer service representative. The information includes answers to frequently asked questions from the Customer Support Center. There are even videos for Casio watch models that are the subject of many inquiries, showing how to adjust the time or the watchband length, for example. Casio is working hard to help customers understand their products better and to resolve any issues they may have.

Casio will continue to give primary consideration to customer feedback obtained through questionnaires and other means. It will continuously strive to improve its service system and increase convenience, in order to provide customers with prompt and precise repair service whenever it may be needed.

Reliable technical skill

Casio is working to improve repair technical skills, product knowledge, and customer service skills (through training programs and in-house competitions, for example) in order to maintain customer confidence, meet the needs of the changing times, and handle the constant advance of product features —ultimately, to realize the kind of service quality that today's customers expect.

As the company responsible for repairing Casio products, Casio Techno Co., Ltd., encourages its employees to obtain public certifications and professional qualifications, such as national certification through the level 1 or level 2 exams for timepiece repair technicians and business etiquette certifications. By promoting the acquisition of a wide range of qualifications, the company is developing outstanding employees with proficiency not only in repair skills, but also in customer service and product knowledge. Casio Techno is committed to providing detailed high-quality service to customers. Every Casio Techno employee acquires a high degree of technical expertise, motivated by a sincere desire to please customers and earn their confidence. By continuing to work tirelessly in this way, Casio Techno can promise service that both reassures and delights customers.

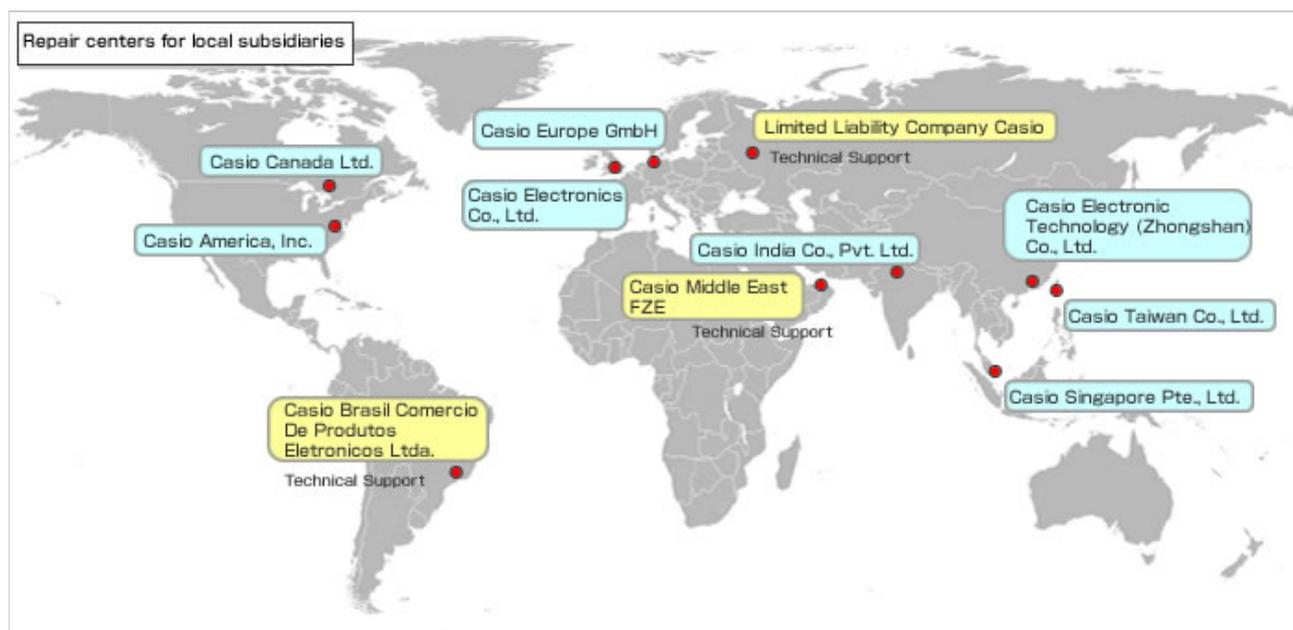
Customer satisfaction initiatives outside Japan

Outside Japan, a total of 731 companies, including 11 local subsidiaries and 720 repair partners, carry out after-sales service for Casio brand products. Casio holds regular technical skill courses for service technicians in each region in order to raise repair skill levels, aiming to ensure that Casio customers around the world receive high-quality repair services. Meanwhile, Casio is working hard to continually assess and improve repair time, quality, and costs at each repair center.



Technical skill courses

Casio holds regular technical skill courses in each region in order to improve the acquisition of repair technical skill and to raise skill levels to ensure that Casio customers around the world receive high-quality repair services. The fiscal 2015 courses were held in Moscow in June, Hamburg in November, and Mumbai in December. There were 41 participants from 35 companies from Russia and surrounding countries at the Moscow training, 31 participants from 26 companies from European countries at the Hamburg training, and 21 participants from 20 certified Indian service companies at the Mumbai training. In March 2014, Casio Middle East started hiring local staff in Dubai and launched support for the Middle East and Africa region. Casio will continue to work with its service sites to further improve the after-sales service for Casio products worldwide.





Russia ASC meeting: June 2014



Europe ASC meeting: November 2014



India ASC meeting: December 2014

To ensure that customers outside Japan feel comfortable and confident in their use of Casio products, support information is provided online. This includes information on product operation and repair, as well as other details that customers would like to know. In the past, product support information for markets outside Japan was maintained by the headquarters in Japan, but operated through the regional sales companies. Now the entire process has been unified and maintenance sped up by having the Japanese headquarters perform the information maintenance directly.



► Online support sites

Online support sites

Stable Supply of Products

Casio's primary mission is to deliver the products desired by customers at the right time. The company is working to strengthen its global supply chain, and to continue providing cutting-edge products without interruption.

Approach to stable product supply

Delivering a stable supply of products to consumers is one of the most important responsibilities of a manufacturer, and is required to ensure customer satisfaction and loyalty.

As part of Casio's mission to provide delight, happiness, and pleasure to customers through its innovative products, the company is promoting the following policies.

Policies on Stable Product Supply

1. We strive to shorten production lead-time and improve planning and execution accuracy by using IT to optimize the supply chain (procurement-production-logistics-sales-service).
2. We build good relationships with component suppliers to ensure stable procurement.
3. We maintain the flexibility needed to address various risks involved in manufacturing by:
 - building a production system with at least two production sites for each product;
 - producing multiple products and improving capacity for high-mix/low-volume production at each Casio Group production site
 - maintaining in-house production and inlining of key devices and components.

Supply network is highly responsive to changes in demand

Casio uses supply chain management (SCM) at production sites in response to changes in market conditions and demand for high-mix/low-volume product offerings, seeking to speed up the planning cycle and provide a stable supply of salable products.

Specific initiatives include efforts to standardize work processes such as parts delivery controls, materials warehouse management, and manufacturing process management. Casio aims to achieve integrated manufacturing (total optimization) by using the same systems and same methods at different production sites.

These initiatives are necessary to increase shipment precision, shorten production lead times, and shrink unused assets, and are already becoming mission-critical systems.

The timepiece business in particular, which conducts production at multiple sites, in Yamagata (Japan), China, and Thailand, must respond rapidly to the changing environment in each region. Smooth operation of SCM enables the deployment of standardized IT tools and production equipment as well as the appropriate distribution of supply capacity.

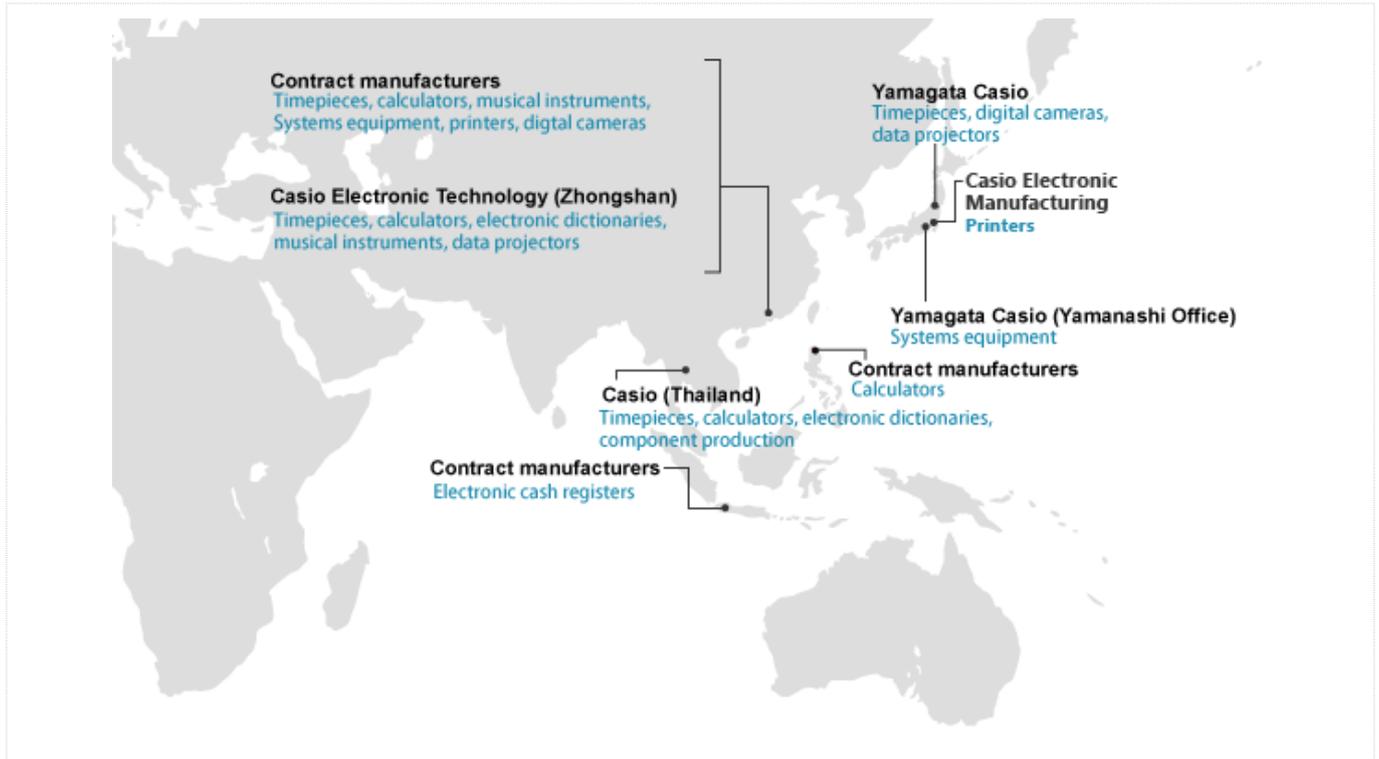
Casio will move to multisite production in other product categories in the future and build an even more sophisticated SCM system.

Diversifying production risk and producing core components in-house

Casio maintains a stable supply of products by having each production site manufacture multiple product items, and by ensuring that two different sites can produce any given Casio product.

The company is also increasing the internal production of components in order to protect newly created technologies and to reduce parts procurement risk.

Production sites for individual products



Highlight

Casio's new plant in Nakhonratchasima, Thailand, is located on high ground, making it less susceptible to floods. Casio has added the new plant to its existing major production sites with a view to enhancing business continuity planning (BCP) and diversifying risk through global manufacturing. Casio will continue to expand the plant's production scale and functions. In fiscal 2015, Casio started production of calculators and electronic dictionaries at a new third plant on the site, in order to provide a more stable, high-mix supply of products.



Casio Thailand

Responsibilities to Suppliers



Casio procures various materials from a large number of suppliers in and outside Japan. In order to develop long-term business relationships based on its Procurement Policies, Casio is working to strengthen CSR activities across its entire supply chain, while improving measures for proper transactions.

Socially responsible procurement at Casio

Casio has established Procurement Policies in order to execute its social responsibility to conduct fair and equitable transactions throughout the supply chain. The policies cover matters including legal compliance, respecting human rights, labor, safety, and health, as well as environmental protection such as biodiversity preservation and risk control of chemical contents and information security. Casio constantly improves its socially responsible procurement by obtaining the understanding and support of suppliers for the policies and building strong partnerships.

Procurement Policies

Casio aims to fulfill its social responsibilities, including compliance with relevant laws and social norms, and protection of the environment, through fair and equitable transactions throughout the supply chain by strengthening partnership with suppliers.

1. Fair and equitable transactions

Casio carries out fair and equitable transactions by providing equal opportunities to all suppliers (and candidates) in and outside Japan in accordance with its internally established procedures.

2. Compliance with laws and social norms

Casio's procurement activities comply with all relevant laws, social norms, standards and treaties worldwide, including the protection of human rights, the prohibition of child labor, forced labor and discrimination, and avoiding the use of conflict minerals, and respect for freedom of association, the right to associate, and the right to collective bargaining, as well as ensure that absolutely no contact is made with organized criminal elements. Therefore, Casio requires its suppliers to observe the same legal and social requirements.

3. Environmental protection

Casio helps to protect the global environment through environmentally friendly procurement, which is based on the Casio Environmental Vision and Casio's Environmental Declaration, in cooperation with suppliers.

4. Strengthening partnership with suppliers

Casio builds up relationship of trust with its suppliers through reciprocal efforts, such as merging and complementing mutual technological development abilities, supply chain cooperation, compliance with laws and social norms and protection of the global environment, which will benefit both parties.

5. Policies on supplier selection and transaction continuation

Casio initiates and continues transactions with suppliers based on comprehensive evaluation criteria, which include compliance with laws and social norms, environmental protection, proper information security, respect for intellectual property, sound and stable corporate management, superior technological development ability, right price and quality, stable supply capabilities and electronic transaction systems.

6. Securing right price and quality

Casio endeavors to secure right price and quality in order to provide its customers with stable supply of optimal products,

which ensures that Casio gains the full confidence of customers around the world.

7. Prohibition of personal-interest relationships

Casio does not allow any employees to have personal-interest relationships with any suppliers.

Fulfilling social responsibilities together with suppliers

In order to ensure compliance with the Procurement Policies together with its suppliers, Casio has established the Supplier Guidelines (available at link below). All of Casio's suppliers in Japan and elsewhere have agreed to these guidelines to help Casio fulfill its social responsibilities.

Casio is also managing its supply chain more successfully by introducing a regular monitoring system that ensures that these guidelines are properly fulfilled.

[▶ Supplier Guidelines](#)

Disseminating supplier guidelines

Casio carries out the majority of its production outside Japan at Casio plants and manufacturing subcontractors (electronic manufacturing services). Every year, Casio holds briefings on its Procurement Policies in Southern China.

Initially, these briefings simply involved Casio explaining its business policies to suppliers and asking them to undertake initiatives. Since fiscal 2010, however, Casio has been using these briefings as an opportunity for two-way communication. Suppliers are invited to participate actively, for instance by asking those with exemplary CSR initiatives to present examples of their efforts to promote and improve CSR. This enables the sharing of useful case studies and know-how for addressing CSR. By working collaboratively with its suppliers in this way, Casio is continually improving the level of CSR performance in its supply chain.

In June 2009, Casio revised the Basic Business Agreement it signs with suppliers in Japan. Clauses were added to require measures such as legal compliance, respect for human rights, and environmental protection. The new agreement is being rolled out steadily.



Briefing on Procurement Policies



Award ceremony at the Procurement Policies briefing



Presentation of exemplary CSR implementation and improvement by a supplier

Voice of a supplier who presented a case study of improvement

At TechnoPLAS (HK) Ltd., we have been using CSR activities to enhance a sense of belonging among employees and to fulfill our corporate responsibilities.

We have built an even stronger partnership with Casio, while supporting Casio's Procurement Policies. Our company will continue to actively engage in CSR activities.

Seiji Tanigawa
Techno Group Sales DIV.



Comprehensive management of CSR performance

In fiscal 2008, Casio started conducting a questionnaire survey* of principal suppliers in Japan on CSR performance in order to confirm the status of CSR procurement. In fiscal 2010, the survey was expanded to include suppliers in China and Thailand.

Based on the fiscal 2012 survey results and changes in society's expectations, the questionnaire for suppliers was revised in fiscal 2013. Overlapping questions were eliminated and a new theme, policies for avoiding conflict minerals, was added.

The fiscal 2015 questionnaire was sent to 226 companies in Japan, and 223 responses were received, for a response rate of 99% (same as in fiscal 2014). In China and Thailand, responses were received from 283 companies, for a response rate of almost 100%. The great concern for CSR fulfillment among suppliers is clear.

Casio compiles and analyses the response data, and shares the results with suppliers, along with Casio's approach to CSR procurement.

Since fiscal 2011, Casio has been conducting onsite audits of major suppliers in China and Thailand with local staff members of the CSR promotion projects launched at sites in those countries. In fiscal 2012, the company started planning onsite inspections performed mainly by local Casio staff, and the number of visits is increasing.

In fiscal 2015, Casio conducted onsite inspections at 9 companies in China, where it has cumulatively covered 69.4% of suppliers on a trade value basis since onsite inspections began. In Thailand, it conducted onsite inspections at 6 companies. Even with the suspension in inspections caused by the flooding, it has covered 58.6% of suppliers in Thailand on a trade value basis. Going forward, Casio will continue onsite inspections with the aim of instilling commitment to CSR throughout the supply chain.

* The questionnaire was prepared in accordance with a Supplier Checklist for CSR Procurement based upon the Guidebook for Supply Chain Implementation of CSR Procurement published by the Japan Electronics and Information Technology Industries Association (JEITA). It covered: (1) human rights and labor conditions; (2) health and safety; (3) the environment; (4) fair transactions and ethics; (5) quality and consumer safety; (6) information security; and (7) social contribution.

Improving CSR across the supply chain



Supplier message

By providing outstanding semiconductor products driven by advanced technology and sincere service, the Renesas Electronics Group is helping to create a future that can fulfill the dreams of people worldwide. To help build a more sustainable society, we are complying with all relevant laws and regulations while working in good faith and with a high sense of ethics based on our CSR charter.

We will continue to support the Procurement Policies of Casio, and we will work with Casio to step up CSR performance. Renesas will take more initiative while striving to be an even better partner.



Kon Watari
 Section Manager
 East Japan Sales & Marketing Department 3
 Japan Sales & Marketing Division, Global Sales & Marketing Unit
 Renesas Electronics Corporation

Avoiding any use of conflict minerals

Some minerals, such as tin, tantalum, tungsten, and gold, produced in the Democratic Republic of Congo (DRC) and neighboring African countries have become a source of funding for armed groups and anti-government forces carrying out atrocities. They are called conflict minerals because of their potential to promote conflict, human rights violations, and environmental destruction.

Wanting no part in human rights violations and environmental destruction, Casio's stance is to completely avoid the use of conflict minerals. The group will continue its efforts to avoid the use of such minerals by working closely with suppliers.

In January 2013, Casio revised its Procurement Policies and Supplier Guidelines, adding a ban on the use of conflict minerals. A question about policies to avoid the use of conflict minerals was also added to the CSR questionnaire sent to suppliers in Japan.

In fiscal 2014, Casio group companies surveyed suppliers worldwide about the use of conflict minerals, using the EICC & GeSI* Conflict Minerals Reporting Template. The 255 companies that reported no use of conflict minerals (tin, tantalum, tungsten, and gold) in fiscal 2014 were left out of the fiscal 2015 survey. As a result, 312 responses were received in fiscal 2015. In fiscal 2014, the first year of the survey, many companies reported conflict mineral use as "unknown." In the second year, there was a noticeable shift towards "yes" or "no" responses, rather than "unknown." There are inherent difficulties in conflict mineral investigation, as strict survey implementation requires going all the way back up the supply chain to the smelters. Casio will continue to collect relevant information including customer reactions and industry trends in the US, EU and other regions.

Casio's policy is to permit use of minerals legally mined in the DRC and neighboring countries, as long as they have no connection to conflict in the region.

* Global e-Sustainability Initiative (GeSI): An international strategic partnership to create and promote technologies and practices for economic, environmental and social sustainability, working with members from major information and communication technology (ICT) companies and organizations.

Subcontract Act compliance initiatives

Casio has established a Compliance Committee on Japan's Act against Delay in Payment of Subcontract Proceeds, Etc., to Subcontractors (Subcontract Act) which includes group companies, and is striving to ensure all transactions comply with the law. Under the annual basic plan of the Committee, each group company in Japan drafts its own action plan, and maintains proper transactions with subcontractors based on the use of PDCA cycles.

In particular, employees that deal directly with suppliers and outsourcers are provided with the necessary knowledge through in-house seminars and classes sponsored by the relevant government authorities.

In fiscal 2015, 3,601 Casio employees attended in-house seminars, and 52 people also participated in classes sponsored by the Japan Fair Trade Commission and by the Small and Medium Enterprise Agency. This training helped to raise compliance awareness and provided employees with the knowledge they need.

Various efforts were made to encourage understanding, such as conducting training sessions with original teaching materials prepared to suit the unique transaction conditions of various group companies.

The Compliance Committee also obtains the latest information from government websites and email notification services, and sends the information directly to committee members. The news is also posted on the committee's website, and shared with the entire group.

In offices where subcontract transactions are handled, independent audits are carried out on an ongoing basis. Casio confirms that proper, compliant transactions are executed, by inspecting the document record of the entire series of transactions from ordering to payment. The goal is to ensure that no problems occur. In fiscal 2011, group companies drew up their own action plans under the basic plan of the Subcontract Act Compliance Committee, establishing courses of action for maintaining proper subcontracting transactions using the PDCA cycle.

Casio will continue to promote understanding of the Subcontract Act among its employees, and work to strengthen its system for even better compliance.

Responsibilities to Shareholders and Investors



Casio discloses information promptly and fairly to shareholders and investors, and always strives to increase shareholder returns.

Basic policy for shareholder returns

Casio considers the maintenance and expansion of returns for all of its shareholders an important management issue, and constantly strives to improve its business performance and financial structure. The company's dividend policy calls for maintaining stable dividends, and Casio determines the allocation of profit by taking into account all factors such as profit levels, financial position, the dividend payout ratio, and future business development and forecasts.

Considering this policy, Casio paid dividends of ¥ 35 per share in fiscal 2015. This was an increase of ¥ 10 over the previous fiscal year. Casio again plans to pay dividends of ¥ 35 per share in fiscal 2016.

Inclusion in an SRI Index

Morningstar Socially Responsible Investment Index (MS-SRI)

Casio Computer Co., Ltd., is included in the Morningstar Socially Responsible Investment Index (MS-SRI). Morningstar Japan selects 150 companies from among all listed companies in Japan based on their social responsibility track records, and indexes their stock prices (January 2015).



Communication with shareholders and investors

IR events

Every quarter, Casio holds a financial results briefing for institutional investors and securities analysts on the same day that the company announces its results. The president or the director responsible for investor relations is the main speaker at these briefings, and explains the financial results and forecasts. Casio also holds meetings with institutional investors and analysts worldwide, while occasionally providing factory tours and business briefings.

Improving IR publications

To provide IR information for shareholders and investors, the company issues an Annual Report, semiannual business reports (Japanese only), and quarterly Consolidated Financial Results. Casio's Investor Relations website also features these publications and other IR information. Casio also updates its Investor Relations site in a timely fashion to reflect market changes and make the information more accessible and useful.

[▶ Investor Relations](#)

Reaching out to individual shareholders and investors

Casio is carrying out various initiatives in order to deepen the understanding individual investors and shareholders have of its business. At its General Meeting of Shareholders, the company described its main products and key businesses. On the Japanese Investor Relations website, a section was added specifically for individual investors in an effort to make information disclosure clearer.

Responsibilities to Employees



At Casio, the human resources mission is organized around two themes: contributing to the development of the company through the growth of all employees based on their desire to always take on challenges and make improvements; and achieving both corporate development and employee growth under optimal conditions.

▶ Respect for Human Rights

Casio has established a basic policy on respect for human rights. Casio works to raise awareness of human rights while thoroughly implementing the policy group-wide. Casio is also creating a framework for human rights due diligence.



▶ Global Human Resources Strategy

Casio has started creating a global human resources strategy as it looks to further expand its business outside Japan.



▶ Building Workplaces for a Diverse Workforce

Casio has launched a diversity project focused on enabling all employees to perform at their full potential and reach even greater heights.



▶ Creating Supportive Workplaces

Casio develops various support systems and is committed to creating a culture of mutual acceptance of diverse styles of working.



▶ Effectively appointing and deploying employees

Casio works to maintain a healthy corporate culture where fairness and impartiality are valued in all promotion decisions. The company uses a merit-driven system combined with a performance-based approach to evaluate employees and determine compensation.



▶ Promoting health and safety initiatives for employees

Casio seeks to build work environments where all employees of the group can work with peace of mind.



Respect for Human Rights

Casio established the Casio Group Basic Policy on Respect for Human Rights on July 1, 2014. Casio strives to raise awareness of human rights while thoroughly implementing the policy throughout the group. Casio is also creating a framework for human rights due diligence.

Policy on Respect for Human Rights

Casio recognizes respect for human rights as an important CSR issue as it continues to expand its business globally. Accordingly, it is stepping up its efforts in this area based on international norms relating to human rights.

Since December 2010, Casio has been a signatory to and participated in the UN Global Compact, which consists of 10 principles related to human rights, labour, environment, and anti-corruption advocated by the United Nations. Moreover, Casio long ago spelled out its commitment to the prohibition of discrimination, the prohibition of child and forced labor, and the prohibition of harassment in the Casio Group Code of Conduct and put that commitment into practice. In June 2013, as part of an overall reconsideration of the content of the code, Casio revised its Code of Conduct, explicitly stating a commitment to uphold and respect international norms relating to human rights, such as the Universal Declaration of Human Rights, and to respect basic labor rights.

Recognizing the importance of ensuring effectively functioning global governance related to respect for human rights going forward, Casio held dialogues with group employees outside Japan and experts*1 in the process of drafting the Casio Group Basic Policy on Respect for Human Rights. The policy specifies, among other things, the group's commitment to supporting and respecting international codes of conduct for human rights, including the International Bill of Human Rights (Universal Declaration of Human Rights and International Covenant on Economic, Social and Cultural Rights (ICESCR)), the International Covenant on Civil and Political Rights (ICCPR), and the Declaration on Fundamental Principles and Rights at Work from the International Labour Organization (ILO). It also specifies the group's commitment to carrying out initiatives related to respect for human rights based on the UN's Guiding Principles on Business and Human Rights and to continuously performing human rights due diligence*2 after the framework for that purpose is established. From here on, Casio will thoroughly communicate this policy throughout the group and carry out initiatives in accordance with it.

Casio also recognizes the importance of spreading the idea of respect for human rights outside its organization together with its entire supply chain. All suppliers have been made aware of Casio's Supplier Guidelines, which clearly mandate respect for human rights and prohibit discrimination. In addition to requesting compliance, Casio strives to verify implementation using questionnaires and other means.

*1 See the feature story, "[Casio's Commitment to Human Rights](#)" in the *2013 Sustainability Report* for details.

*2 Human rights due diligence refers to the continuous process for recognizing, avoiding and mitigating any negative impacts Casio has on society using preventative means.

[Casio Group Code of Conduct](#)

[Casio Group Policy on Human Rights](#) 

[Responsibilities to Suppliers](#)

Creating and using a tool for checking the status of human rights

Casio has been taking stock of human rights issues since 2012, using ISO 26000 as a guide. In order to strengthen its due diligence, Casio sought the advice of experts and, in February 2014, created its own tool for checking the status of human rights, taking the Danish Institute for Human Rights' Human Rights Compliance Assessment Quick Check as a reference. Casio will use the new tool to make effective assessments and conduct education relating to human rights.

Using the tool, Casio took stock of the status of initiatives addressing human rights issues at Casio Computer Co., Ltd. and at group companies in and outside Japan in fiscal 2015. The secretariat performed issue analysis based on the gathered data, and the results were provided as feedback to the group companies. Going forward, it will analyze the issues at its head office and use the PDCA cycle to make improvements at each site based on the results in an effort to enhance human rights due diligence throughout the group.

Education and awareness raising

Casio provides internal education for Casio Computer Co., Ltd., and group companies in and outside Japan, in order to instill awareness of respect for human rights. A CSR learning program conducted in August 2014 focused on respect for human rights as an important topic. Participants studied documents such as the Casio Group Basic Policy on Respect for Human Rights established in July 2014, and the UN Guiding Principles on Business and Human Rights. The program also evaluated the employee comprehension of the material. Meanwhile, Casio invited Keiichi Ushijima, CCaSS Leader at Ernst & Young Japan, to the CSR Committee meeting in May 2015. He gave a lecture entitled, "Business and Human Rights," and discussed the background and global trends concerning the growing importance of human rights in business, as well as how Japanese companies should approach human rights issues in a global era. His lecture included human rights issues he had encountered in the past, and his experience dealing with them. The talk enabled the committee to further deepen its understanding of human rights for business. In addition, education on human rights is conducted during training sessions at Casio Computer Co., Ltd., for new hires as well as before and after promotions or appointment as a manager.

Preventing sexual harassment and power harassment

Casio has stipulated in the Casio Group Code of Conduct that it will not engage in any acts that ignore individuality, and will not countenance sexual harassment and power harassment. The company has issued Guidelines to Prevent Sexual Harassment and established a hotline. A full-time hotline officer is available to respond to issues raised by telephone, fax, e-mail and postal mail, demonstrating Casio's determination to prevent harassment and quickly address any issues which arise. Moreover, in its employment regulations, Casio has specified that persons who commit sexual harassment or power harassment will be subject to discipline. Awareness of preventing harassment is especially stressed in training sessions for managers.

Establishment of employee hotline

Casio has established a special hotline on the company's intranet for employee concerns and inquiries on corporate culture, human relations, pay and working conditions.

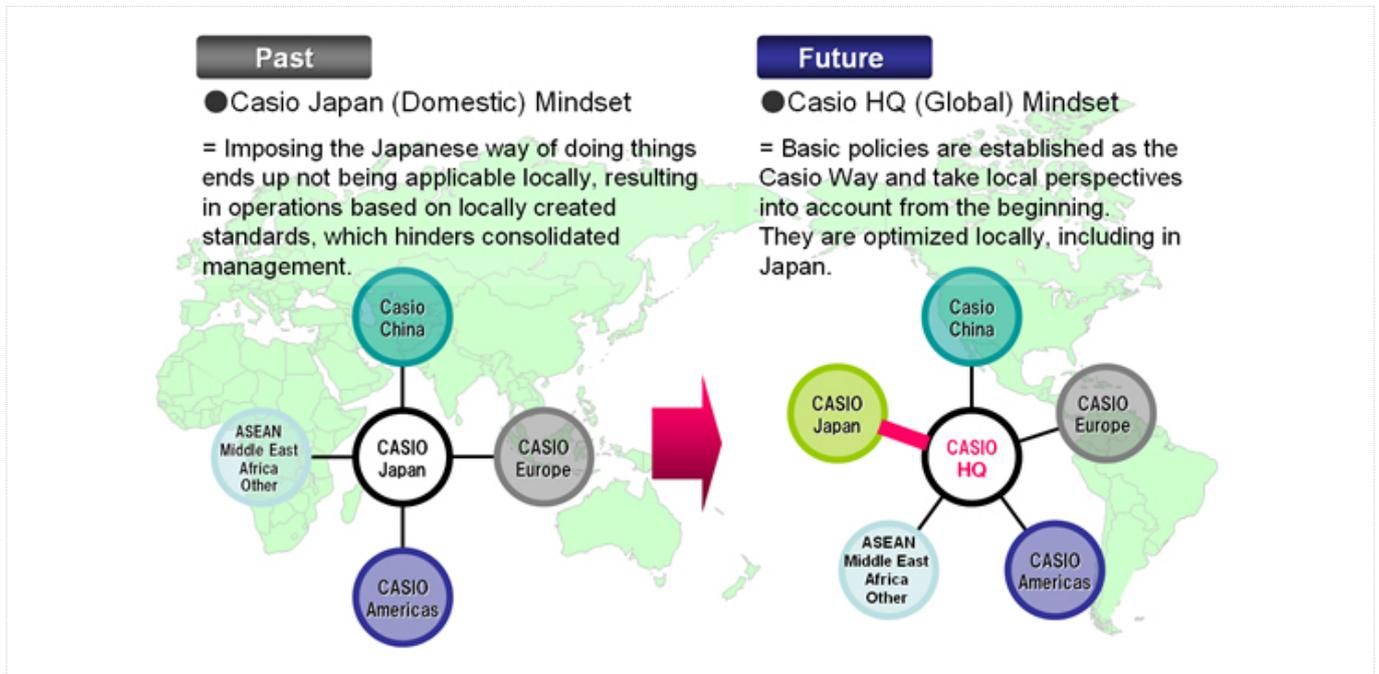
Global Human Resources Strategy

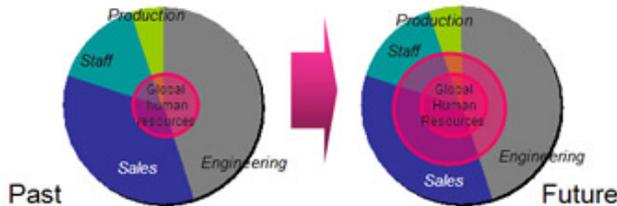
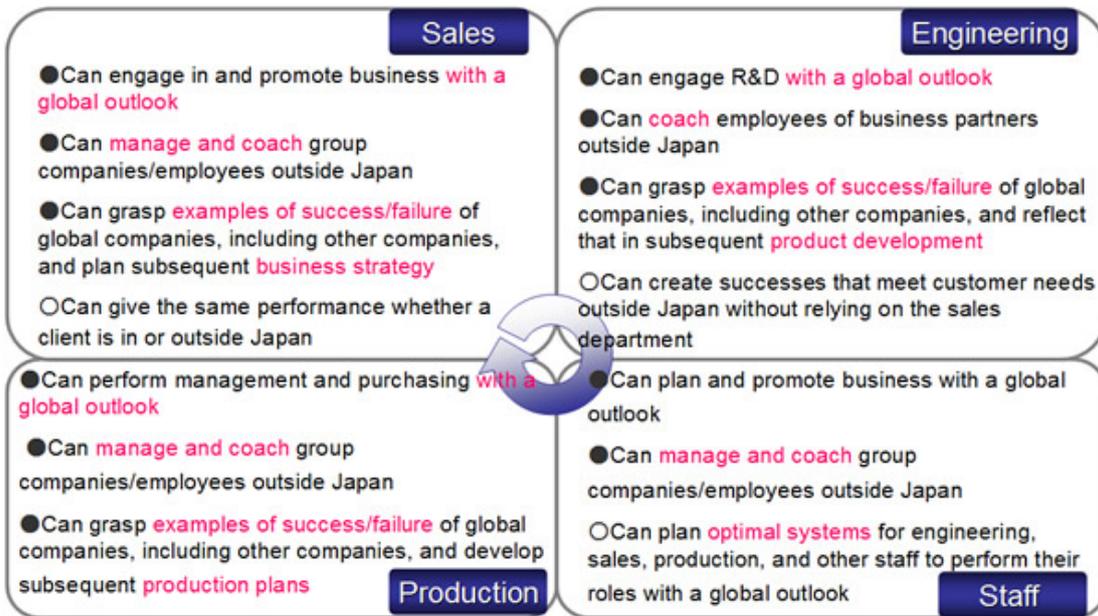
Casio is reinforcing its global expansion in all business fields, including existing and new businesses. In light of its continuing business expansion outside Japan, Casio has started creating a global human resources strategy. This project includes the enhancement of human resources functions at group companies outside Japan and the establishment of a system for developing human resources who are prepared to meet global standards.

Vision of global talent

Casio's employees around the world must always think from the headquarters' perspective in order to demonstrate leadership. The human resources department uses various opportunities and tools to convey and share with employees messages on the importance of thinking of Japan as just one area in the world and of changing one's mindset to work with a global outlook.

Example: Company intranet C's ☆ CAFÉ "Vision of Global Talent"





Increasing the percentage of human resources able to win in the global arena will create business resources for the future

Past

Future

Requirements of human resources who can win in Japan

Human resources who can win anywhere in the world =



To demonstrate those abilities in a foreign environment....

Global Talent

Skills

1. **Skill in winning trust**
Wins trust from zero by being logical and reasonable (vs. Japanese sense of duty and obligation)
2. **Global management skills**
Can manage (decision-making) and coach local operations (vs. Casio Japan imposing its way of doing things)
3. **Language abilities**

Mindset

1. **Identity**
Competitive as an individual, not just a position (vs. just being a member of an organization)
2. **Flexibility/stability**
Can adapt to a foreign environment, including outside Japan (vs. negative transformation when outside Japan)
3. **Respect for cultural and philosophical differences**
Understands and accepts differences in each country (vs. thinking that Japan is superior)

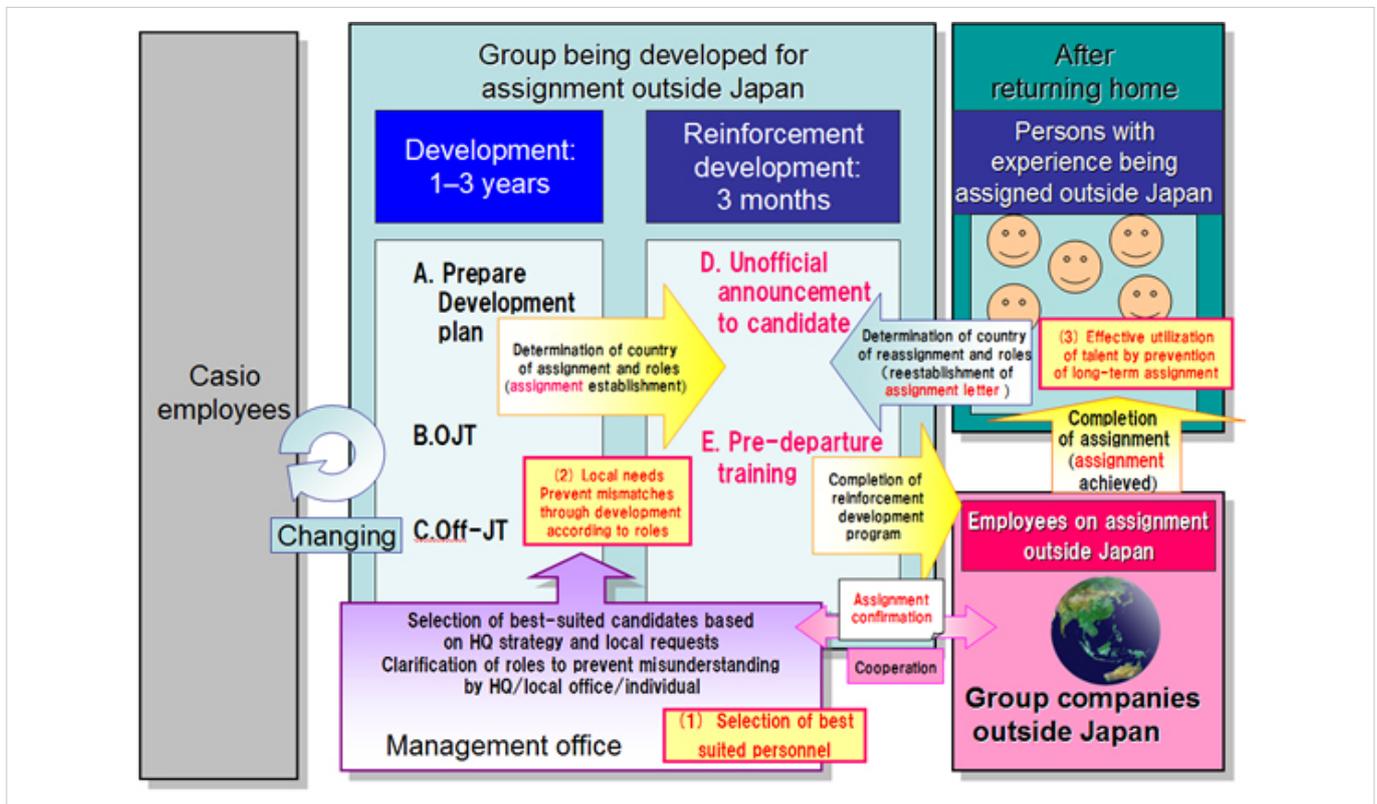
Example: Message from the officer responsible for human resources in the company newsletter



Establishment of standards for the roles of persons sent on assignment outside Japan

It is important to increase the number of human resources with the aptitude for assignment outside Japan. At the same time, however, Casio is endeavoring to develop local employees and create more opportunities for their promotion. It does this by sending people on assignments outside Japan only to perform roles that cannot be done by local employees and by clarifying their division of roles with local employees. Casio will establish a table of standards and develop a check system to enable its employees around the world to shine by placing the right people in the right jobs.

Example: Image of the use of the table of standards for the roles of persons sent on assignment outside Japan

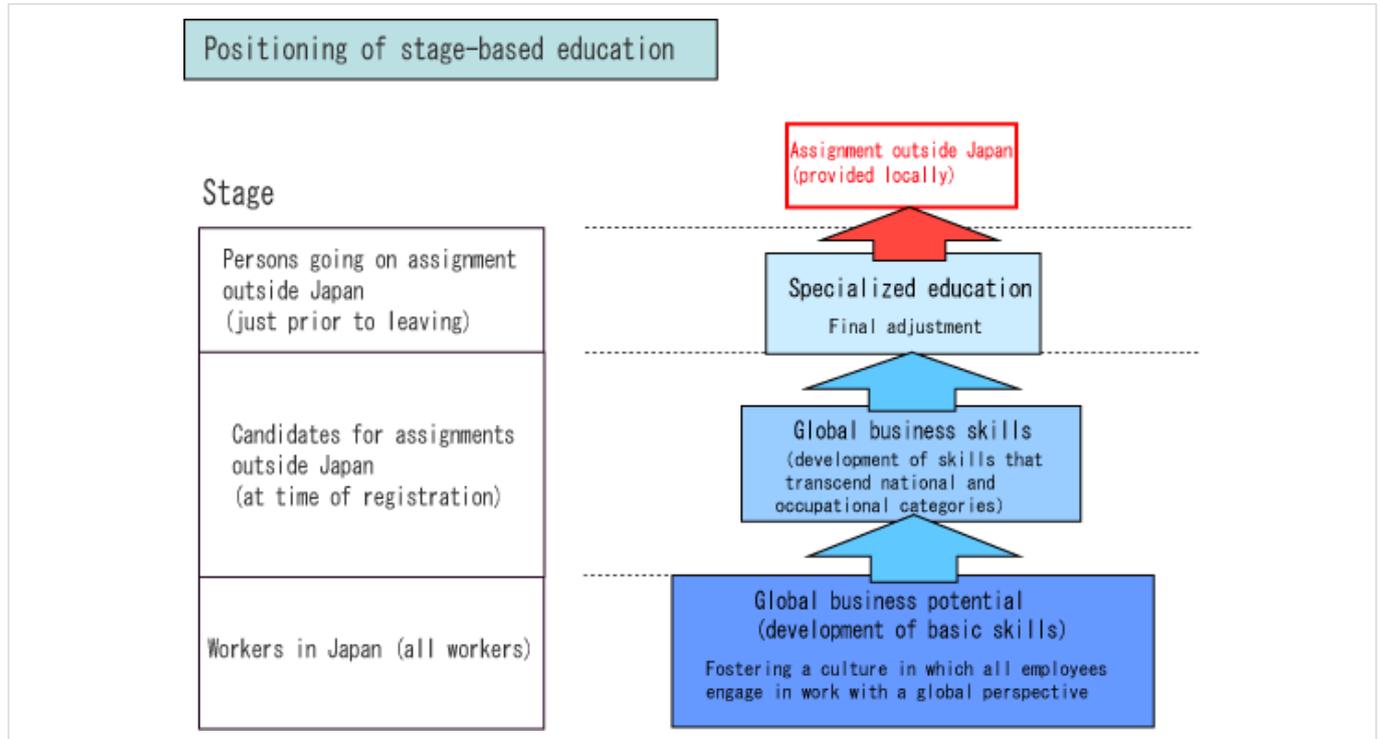


Establishment of a structure for developing employees in Japan who can play an active role on the world stage

Casio is committed to accelerating the globalization of employees in Japan in terms of recruitment, placement, and development. In 2013, Casio established the stage-based human resources development system described below.

At present, Casio is enhancing the educational content at each stage and deepening coordination between stages in an effort to create systematic human resources development.

Positioning of stage-based education



Casio implements measures such as the following at each stage in order to achieve this kind of human resources development.

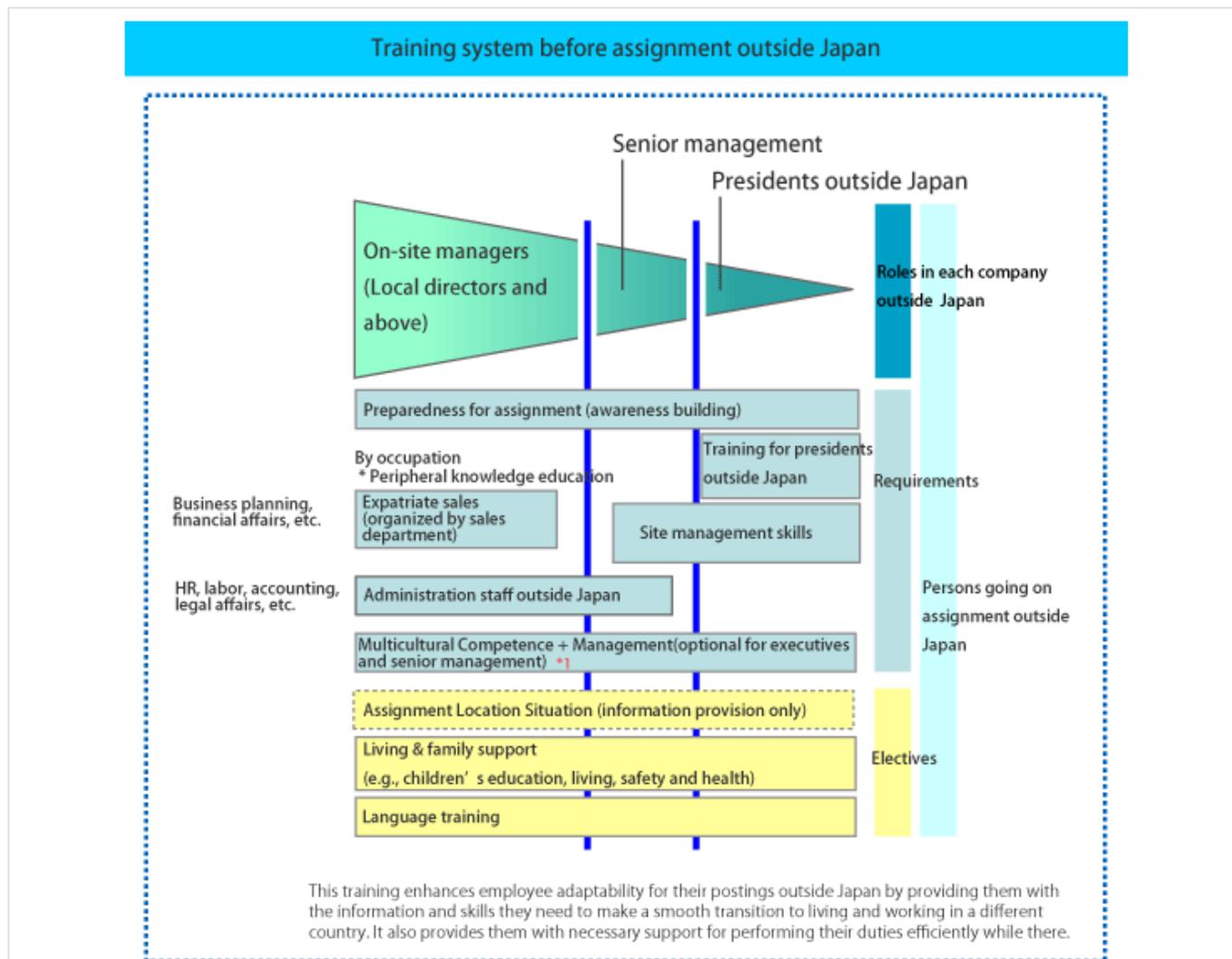
Provision of local information to persons going on assignment outside Japan and development of multicultural management skills

Casio systematically provides grade-based training to persons going on assignment outside Japan according to their mission at the location of assignment.

In fiscal 2014, it added Training for Presidents outside Japan for top management, Site Management Skills Training for senior management, and Multicultural Management Skills Training and Assignment Location Situation for all persons going on assignment outside Japan.

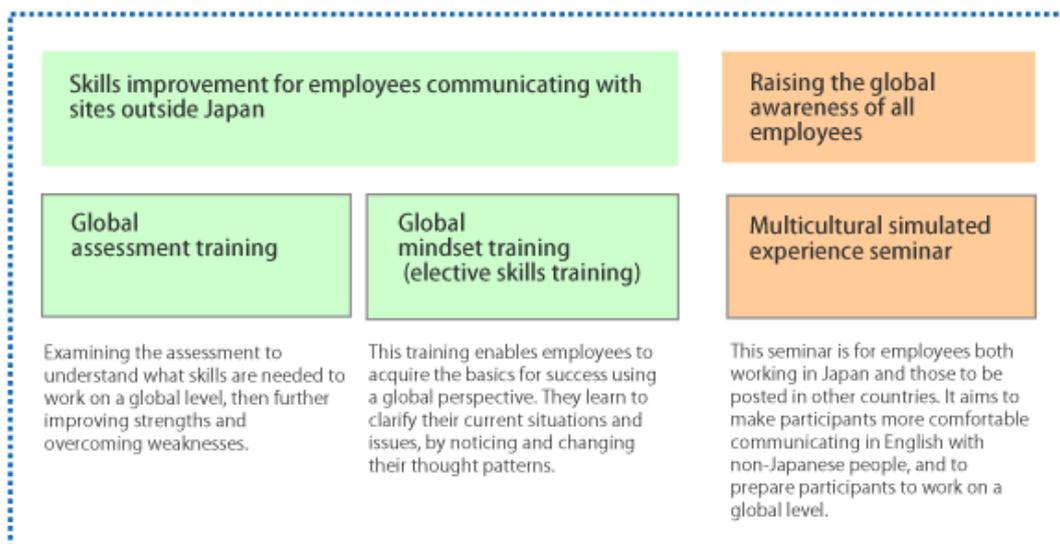
Additionally, in 2014 Casio stepped up safety measures, the provision of educational information for accompanying children, and other efforts to strengthen on-location living support.

Training system before assignment outside Japan



*1 Learning multicultural communication skills and practical points for managing highly diverse teams

Fostering a global mindset among employees in Japan



In the Multicultural Management Skills Training, members of completely different ages and assignment locations engaged in heated debate, revealing their enthusiasm for going on assignment outside Japan. The educational content was made more practical by engaging participants in discussions of issues that seem likely to actually occur and by learning the specific stories of the instructors' experiences.

Training for Presidents outside Japan provided education to candidates for positions as future presidents of companies outside Japan. The training was held twice in 2014 for six persons. Nearly all the participants were extremely satisfied with the training, which included systematic lectures covering not only management but also the roles of presidents outside Japan and the thinking of business managers as well as case studies based on real-life examples. Casio will continue to enhance the education it provides to persons who will be appointed as presidents to raise their awareness as business managers and convey the importance of management.

Improvement of global business skills in candidates for assignments outside Japan (registered candidates)

Casio is registering candidates for assignments outside Japan more systematically than ever before and will put into effect systematic education, including global aptitude checks and acquisition of necessary skills, with a view to sending candidates on assignments a few years later.

Encouraging all employees working in Japan to adopt a global mindset

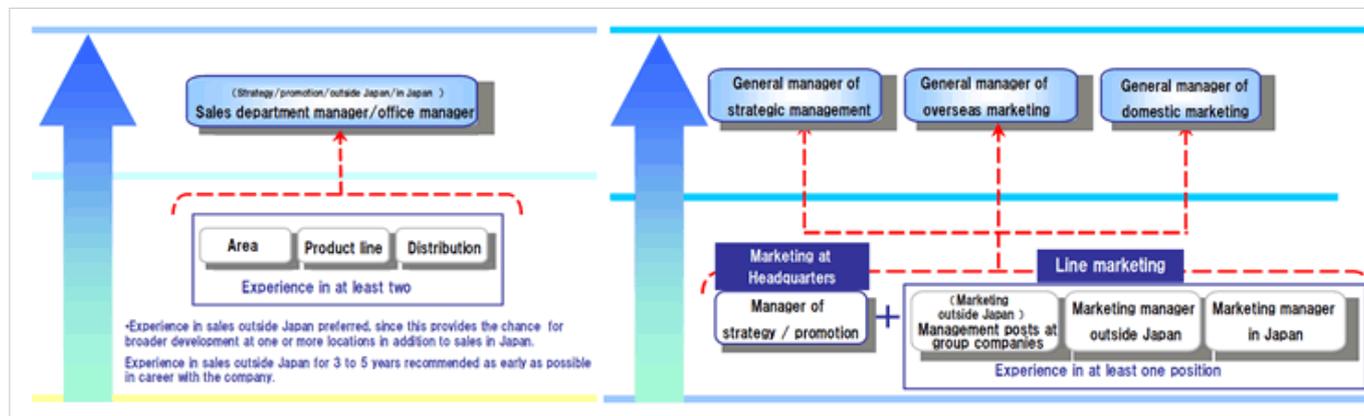
Casio holds seminars to help employees working in Japan to become more comfortable communicating in English with non-Japanese people. The goal is for all employees, whether in Japan or outside Japan, to conduct business with global standards in mind.

In order to promote more systematic development of human resources prepared to work outside Japan, Casio will continue to implement screening and personnel development measures. This includes checking employees for global adaptability, as well as helping them to improve strengths and overcome weaknesses through training and to learn the necessary skills.

Global career path

In order to continuously develop global human resources, it is not enough to use a direct approach from the human resources department to employees; people who can develop global human resources must be developed and promoted as managers so that employees can grow through their work in the field. Accordingly, Casio has developed its conventional career path into a global career path. So that employees in addition to those involved in sales outside Japan will have even a broader perspective, the company has enhanced personnel placement to give employees wide-ranging experience before they become section chiefs, department managers, and division managers. This approach will be used in future human resources development and placement planning.

Example: Company intranet C's ☆ CAFÉ Global career path (sales)

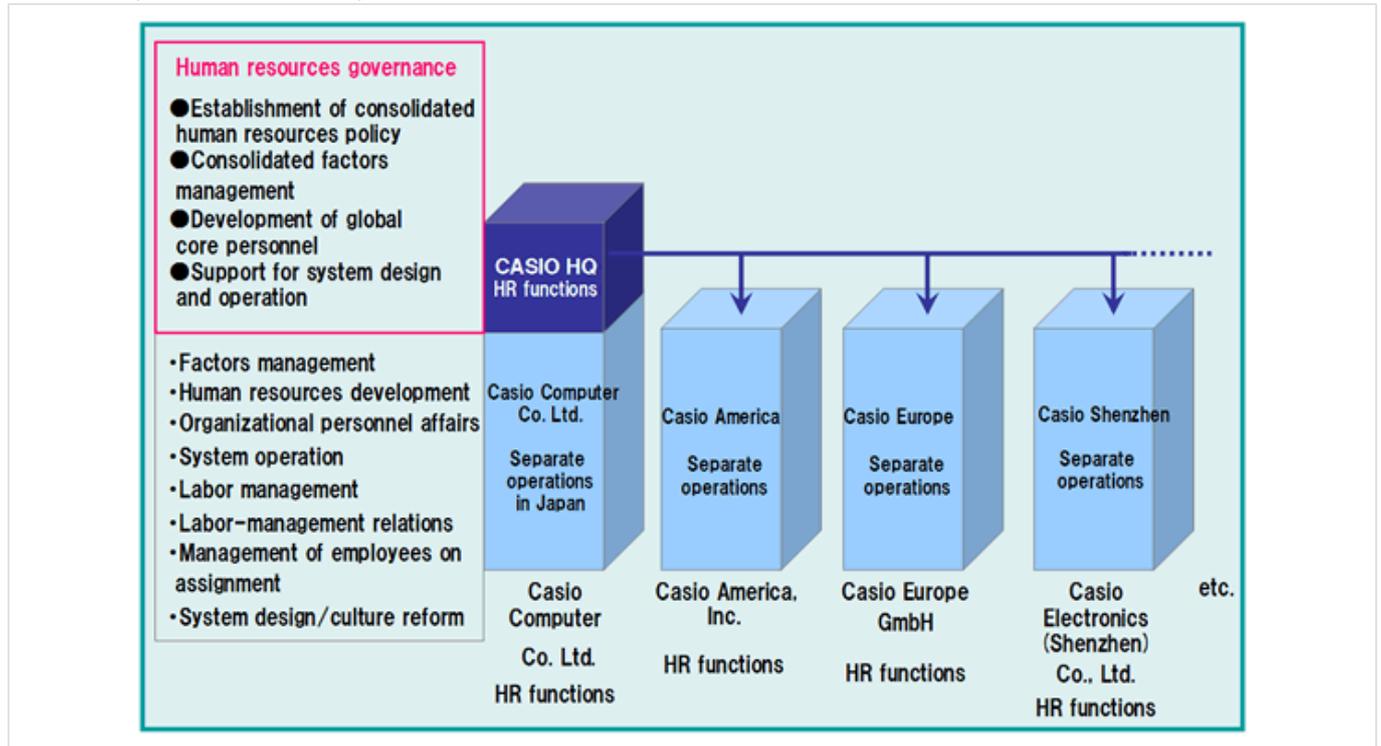


Strengthening human resources functions at group companies outside Japan

The strengthening of human resources functions is becoming an increasingly important issue at group companies outside Japan, which are increasing in number and growing in size rapidly around the world with the continued expansion of Casio's business outside Japan. In this environment, Casio is working at enhancing human resources functions throughout the group, ensuring that they reflect the shared Casio corporate creed, by sharing its global human resources philosophy and know-how. This effort includes restructuring human resources systems to make them suitable to each company, taking into consideration each country's values, laws, and other characteristics.

Global human resources governance system

Casio actively engages in exchanges of opinions on what the Casio Group perspective should be about local problems and circumstances. The headquarters human resource division also directly dialogues with and provides advice on system design to members of human resources departments at local companies.



Global human resources meeting

In fiscal 2015, Casio held a global human resources meeting to foster discussion with HR managers from group companies outside Japan. The aim was to share Casio's global HR approach, ensure further penetration of the Casio philosophy, and ascertain HR issues at sites outside Japan. The participants were very satisfied with the meeting and provided feedback such as, "I'd like to put into practice all the things I have learned here," and "We were able to strengthen communication among HR managers, and a sense of group-wide unity has been created." This initial meeting was held for managers from group sales companies outside Japan, and the next meeting in fiscal 2016 will be for managers from group production companies overseas.

Building Workplaces for a Diverse Workforce

Some progress has been attained through various activities led by the Working Group for Female Employee Advancement as the first step in promoting diversity. Casio has now launched a Diversity Project that, starting in fiscal 2014, is focusing on enabling all employees—including seniors, persons with disabilities, and non-Japanese employees, not just women—to perform at their full potential and reach even greater heights.

Launch of the Diversity Project

Casio has launched a Diversity Project in which employees participate. The goal of the project is to create conditions where all employees can work enthusiastically and enjoy job satisfaction, regardless of gender, nationality, age, or level of ability. Working groups on women, seniors, persons with disabilities, and non-Japanese employees are promoting positive actions.

Supporting advancement of female employees

Casio actively and continuously carries out a variety of measures with the aim of supporting all female employees so that they can fully demonstrate their abilities. Casio actively promotes ambitious and talented employees, and the number of women in senior staff positions increased from four in fiscal 2011 to 20 in fiscal 2014. In fiscal 2015, a career forum for female employees was held as part of the Diversity Project's focus on women. About 40 women attended the event.

The forum was planned as an opportunity for female employees to meet women in management at Casio and other companies in the same industry. Since there are fewer women who can serve as manager role models within each workplace than men, the aim was to introduce female role models as a reference for possible future work styles and career development. An external instructor was invited to give the keynote speech and spoke on the topic of career design. The panel discussion that followed featured three female manager panelists including one from another company. They spoke candidly about their careers and work methods, as well as their struggles to balance work and family responsibilities, and then enthusiastically answered questions from the audience. Finally, everyone broke into smaller group discussions headed by the lecturer or a panelist. It was a valuable opportunity for some women at Casio who have few female associates in their workplace to share their questions and concerns.

Additionally, Casio also adopted a mentor program with the aim of easing anxiety and supporting career development by offering advice for balancing work and family life and for career advancement. The company has heard back from female employees that these initiatives have eased the anxiety that they had few role models and that it is difficult to sketch a career plan.

Female employees in senior staff positions (Casio Computer Co., Ltd.)

(FY)	FY2011	FY2012	FY2013	FY2014	FY2015
Number of female employees in senior staff positions (number of managers)	4(3)	13(5)	16(8)	20(10)	20(9)
Percentage of female employees in senior staff positions (percentage of managers)	0.4%(0.9%)	1.3%(1.5%)	1.7%(2.1%)	2.0%(2.0%)	2.1%(1.9%)

* Casio regards senior staff as professional staff and classifies them as: managers, or professionals who control an organization; and specialists, or professionals that belong to an organization.

* A manager means a person at the department manager level or higher.

Hiring and encouraging non-Japanese employees to play active roles

Aiming to stimulate and internationalize the company, Casio is actively hiring foreign students studying in Japan who wish to work at Casio.

During the selection process, Casio makes careful efforts to prevent disadvantages at the time of selection resulting from insufficient understanding of information due to differences in language, culture, and customs. (The company has hired foreign students studying in Japan every year since 2012.)

In fiscal 2014, Casio established a Diversity Project working group including non-Japanese employees who are already playing active roles and sought to improve the company's systems from their point of view. Casio is working hard to build an environment in which non-Japanese employees can feel secure about continuing to work for a long time after joining the company. At present, Casio's non-Japanese employees are playing active roles while displaying their individuality in many kinds of workplaces.

Improved menu signage in the cafeteria

Even for non-Japanese employees who are proficient in Japanese, it can be difficult to understand the names of food ingredients and cooking methods. Accordingly, Casio now displays cafeteria menus in both Japanese and English. This has also enabled employees of group companies and suppliers outside Japan who are visiting Japan on business, as well, to use the cafeteria more freely. Additionally, for the benefit of people with dietary restrictions due to religious precepts, menu displays now also include illustrations making it clear what kind of meat is used in each dish.



Pork mark



English menu descriptions (bottom); chicken and fish marks (upper right)

New system of leave for returning to one's home country

Casio grants special leave to non-Japanese employees in Japan so that they can participate from time to time in important events in their home countries and to create opportunities for them to see their family and relatives in their home countries once every several years. Until now it was possible for non-Japanese employee to use paid vacation to return home, but establishing a system has made it easier for them to take leave by clarifying the purpose.

Establishment of a prayer room

Casio has prepared a room with space for Muslim employees to put down a prayer rug and pray.



Description of applications to update one's status of residence in Japan

Non-Japanese employees must apply to update their status of residence in Japan every five years. Employees had to collect all the necessary documents and make a request to the company, and sometimes the procedures were difficult to understand. Accordingly, Casio has put up a description of the procedures on its company intranet.

Working together with persons with disabilities

Casio hires people who display creativity and have the desire to work and take on challenges, regardless of any disabilities they may have. The company is creating workplace environments that allow every individual to display their full abilities and aptitudes.

Upon request, it provides hands-on training in the workplace before hiring in an effort to dispel anxiety about actually working there and to eliminate gaps between expectations and reality.

Casio has also adopted and uses a follow-up system for persons with disabilities throughout the group. This system is intended to constantly aim for the most suitable environment in light of the opinions of both the workplace and persons with disabilities by conducting periodic interviews after a person with disabilities joins the company so they are not left alone to face any anxieties or problems. The interviews help to quickly resolve any problems, check aptitude for work duties based on actual performance of those duties, and facilitate the provision of care if a disability has changed with the passage of time. This also helps to relieve the anxieties of the families and former schools of employees with disabilities. These kinds of initiatives have been commended by public institutions and featured in a DVD produced by the Tokyo Metropolitan Government introducing superior companies that it endorses. The system has led to the resolution of many problems, and employees with disabilities themselves have said it is comforting to have such a system in place. Casio also invites sign language interpreters to company events to help convey information to the hearing impaired and makes active use of job-related assistive tools from public institutions.

A working group in the Diversity Project is advancing community development for persons with disabilities. It is carrying out initiatives aimed at making Casio an easier place to keep working by incorporating the opinions of persons with disabilities regarding issues such as environmental retrofitting focused on ensuring safety, measures to increase awareness in workplaces where persons with disabilities work, and measures to further establish their position in the workplace.

Furthermore, Casio introduced commuting support measures for employees with disabilities, thereby allowing them to work staggered hours. The aim was to reduce obstacles and secure safety during commuting, according to the nature of the employee's disability. This move was in response to requests from employees with disabilities, and also addressed legal requirements to prevent discrimination against people with disabilities by providing reasonable accommodation of their needs.

The company aims to create an environment in which all Casio employees can work enthusiastically and enjoy job satisfaction, regardless of level of ability. In this way, Casio actively hires people who display creativity and have the desire to work and take on challenges, and gives them a stage on which to play an active role.

Percent of workforce with disabilities

	As of April 1, 2013	As of April 1, 2014	As of April 1, 2015
Average for consolidated group companies in Japan	1.84%	1.95%	1.95%

Encouraging the hiring of seniors / supporting the lives and employment of seniors

Casio has a Senior Employee Program to provide retirement-age employees with employment opportunities, and to effectively utilize the skills and know-how that these individuals have accumulated over the course of their careers. It revised this program following amendment of the Act for Stabilization of Employment of Older Persons in fiscal 2014. Under the post-revision program, Casio offers continued employment with reasonable treatment according to past performance and the roles and responsibilities assumed after retirement age. The system creates workplaces where seniors can continue using their career skills and expertise within the Casio group.

In fiscal 2015, Casio launched the Second Career Working Group as part of its Diversity Project. Together with members of the working group, which includes senior employees, the company has been incorporating opinions from the perspective of the persons concerned into discussions. In fiscal 2015, mechanism improvements were made as part of efforts to create systems and an environment where employees can work with enthusiasm regardless of age.

Clarifying roles when hiring senior employees

Casio decided to clarify the procedure for re-hiring employees reaching retirement. The aim is further strengthen the potential of senior employees and to ensure job satisfaction after re-employment at a new compensation level. The company must now describe the skills and experience of each individual concerned, along with the corresponding job description, role, and expectations. These must be clearly documented and presented with the compensation conditions at time of re-employment.

Raising awareness of the need for career planning when looking ahead to retirement and re-employment

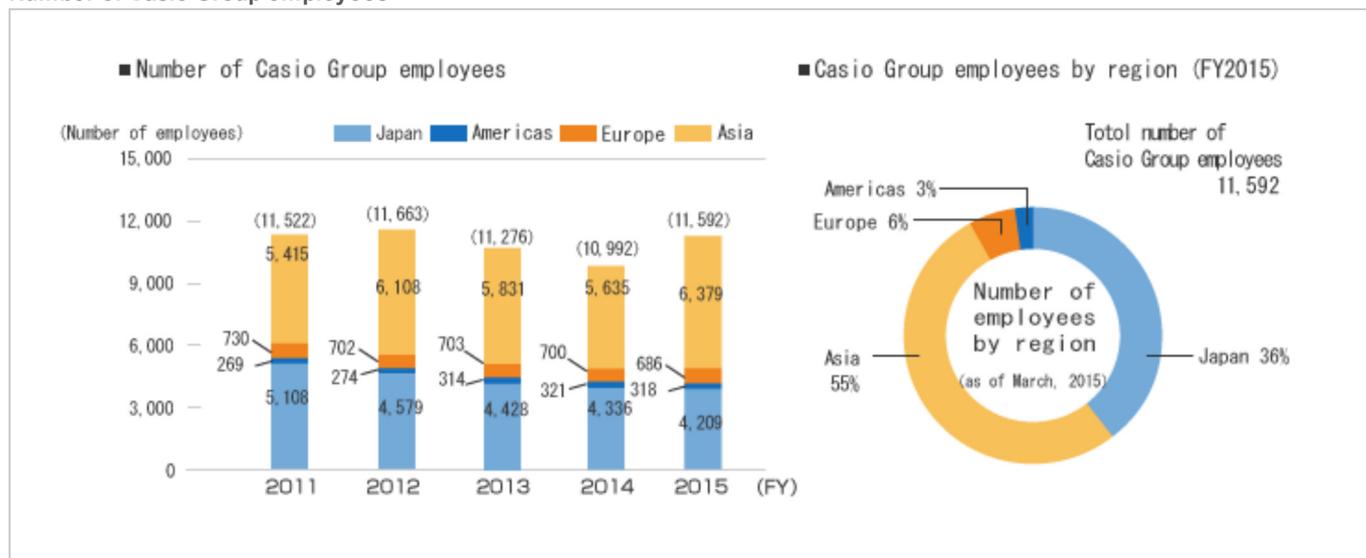
When employees reach mandatory retirement age and become eligible for re-employment as a senior employee, their roles and compensation levels will change. Therefore, Casio believes that it is necessary for employees to prepare in advance a forward-looking career plan, in order to continue working enthusiastically during the retirement transition from a regular position to re-employment as a

senior employee. Senior Life Seminars are held each year for employees who have reached the ages of 53 and 58, in order to raise awareness of retirement life planning at an early stage. For employees aged 53, an external instructor provides a lecture on personal finance planning covering things such as the pension system, post-retirement living expenses, taxes, and healthcare costs. Now, information on career development planning is also provided with a view to re-employment at Casio once the mandatory retirement age is reached. The seminar has been well received by employees, one of whom indicated it helped him to clarify his goals for the coming seven years through retirement.

Prioritizing local hiring and promotion at subsidiaries outside Japan

Along with the globalization of its operations, Casio is actively pursuing local hiring at its sites outside Japan. The aim is to promote management that is responsive to local conditions in each country, as a truly global company. This is being done not just in manufacturing, but also in various other fields.

Number of Casio Group employees



* This includes only regular employees

Initiatives in hiring

The Casio Group Code of Conduct states that "we will respect all fundamental human rights, and will not engage in any form of discrimination." Casio provides equal employment opportunities to anyone with the desire to work.

Casio also endorses the Japan Business Federation's charter of hiring ethics. The company strives to avoid early hiring of undergraduate university students to minimize any impact on their studies. It also conducts voluntary explanation meetings at universities around the country and holds hiring events at different times during the day and week, splitting up selection periods into four or five different times. In this way, Casio is striving to provide hiring opportunities to as many students as possible.

Human resources data

Number of employees in Japan

(As of end of March 2015)

	Casio Computer Co., Ltd.	Group companies in Japan	Total
Male	2,289	1,274	3,563 (85%)
Female	388	258	646 (15%)
Total	2,677	1,532	4,209

Number of employees hired in FY 2013 in Japan

(April 1, 2015)

	Casio Computer Co., Ltd.	Group companies in Japan	Total
Male	34	4	38(75%)
Female	13	0	13(25%)
Total	47	4	51

Average years of service in Japan

(As of end of March 2015)

	Casio Computer Co., Ltd.	Group companies in Japan	Total
Male	20.5	17.5	19.4
Female	14.2	18.3	15.8
Total	19.6	17.6	18.9

Average employee age in Japan

(As of end of March 2015)

	Casio Computer Co., Ltd.	Group companies in Japan	Total
Male	47.1	47.3	47.2
Female	40.0	43.7	41.5
Total	46.0	46.6	46.2

Creating Supportive Workplaces

Casio regards it as crucial to create workplaces where employees can work enthusiastically with job satisfaction and in a state of physical and mental health. It has prepared a number of support programs and strives to foster a corporate culture that accepts diverse working styles. Recognizing its initiatives to date, in 2009 the Japanese Ministry of Health, Labour and Welfare granted Casio the Kurumin mark for helping to foster the next generation. This certification recognizes Casio as a company that actively supports employees' efforts to balance work and family life.

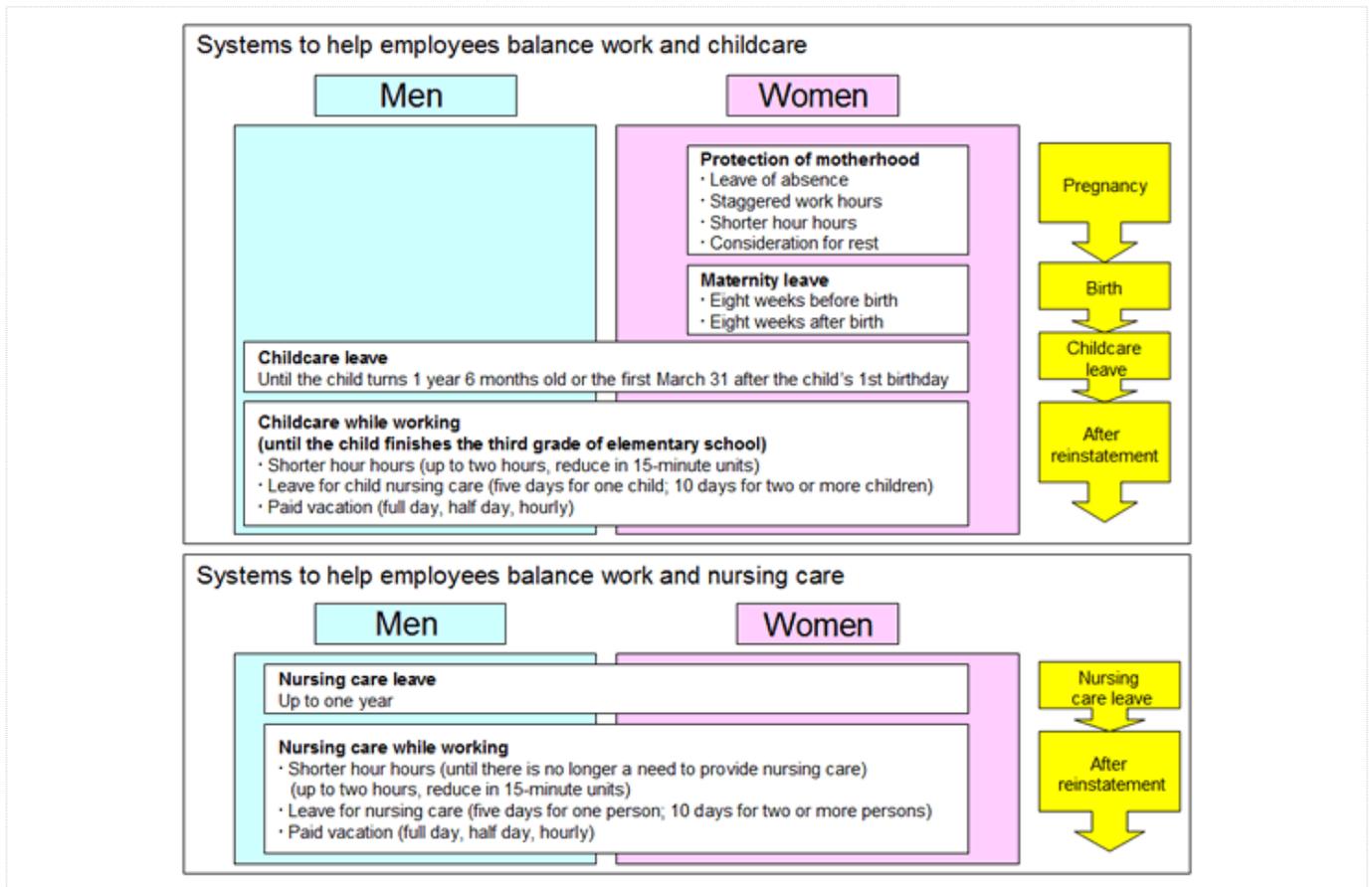


Kurumin mark for helping to foster the next generation

Helping employees balance work and family life

Casio has introduced programs that enable employees under restrictions caused by childbirth, parenting, and family nursing care to feel at ease and to demonstrate their full potential on the job. The company has developed programs that help employees balance work and family life, such as a shorter working hours system for childcare and nursing care and an hourly paid leave system.

Childcare and nursing care leave programs (Casio Computer Co., Ltd.)



	Period	Number of employees taking leave (figure in parentheses is men)			
		FY2012	FY2013	FY2014	FY2015
Childcare leave and return program	Until the day before the child turns 18 months old or until the end of the first March after the child turns one year old	34(0)	28(0)	35(1)	49(2)
Nursing care leave program	Up to one year per family member	3(1)	4(1)	2(2)	2(2)
Shorter working hours system for childcare and nursing care	Childcare: Until the child finishes grade three of elementary school Nursing care: Until the reason to provide nursing care to the family member requiring such care disappears	66(2)	75(3)	68(3)	79(0)
Child nursing care leave	Up to five days per year for an employee with a child that has not yet completed grade three of elementary school	5(1)	16(5)	9(2)	10(3)
Nursing care leave	Up to five days per year for an employee with a family member in a state requiring nursing care (as mandated by law)	2(1)	4(2)	3(2)	4(3)

Hourly paid leave system

In June 2010, Casio adopted a system that permits employees to take annual paid vacation in hourly increments. The system is available to all employees and can be combined with half-day leave so that it is used effectively and flexibly.

Employee Comments

Left an hour early for lunch to renew a drivers license

"Previously, one had to take a half day off in order to attend to a personal matter during the work day. Now, one can take time off on an hourly basis, which is a more efficient way to use holiday time."

Took hours off to take her two-year-old daughter for vaccinations and to meet with daycare staff

"It is handy to take time off by the hour, since I also want to save my holiday time in case my daughter gets sick."

Wanted to leave a couple of hours early to catch a ball game

"A great way to break up my work routine. I felt very energized when I returned to work the next day."

Rate of taking paid vacation (Casio Computer Co., Ltd.)

	FY2012	FY2013	FY2014	FY2015
	Jan. 2011 - Dec. 2011	Jan. 2012 - Dec. 2012	Jan. 2013 - Dec. 2013	Apr. 2014 - Mar. 2015
Rate of taking paid vacation	68.3%	70.9%	67.9%	68.6%

* Calculation period was changed in fiscal 2015

Other vacation and leave programs

Program	Description
Vacation Day Accumulation	The annual paid vacation expires in two years. However, employees can accumulate a maximum of 30 unused vacation days to carry over up to four days per year. The leave days can be used if the employee gets sick or injured, in order to care for a family member, safe motherhood measures, or volunteering.
Refresh Leave	This program grants five days of leave at the 10-year, 20-year, and 30-year milestones of work.

Initiatives to improve productivity

Casio Computer Co., Ltd., is working to reduce annual work hours, and is carrying out the "Daily Improvement: Zero Overtime Movement" with an eye to changing work styles and improving productivity. This is part of a larger work-style reform initiative that aims to achieve zero overtime with no decline in the quality of work. The aim is to comprehensively raise the quality of work, which in turn will drive improvement in Casio's business performance. In fiscal 2015, company-wide efforts were made, aiming for a 10% reduction from the previous year. Managers and supervisors use a Web-based system that enables them to track and manage the working hours of their subordinates.

Average monthly overtime work (Casio Computer Co., Ltd., and group companies in Japan)

	FY2012	FY2013	FY2014	FY2015
Overtime hours	14.76	15.09	16.20	16.10

Communication between labor and management

Through regular communication between management and the labor union, Casio hopes to raise the awareness of employees about their participation in the management of the company. Casio values close communication between labor and management.

At the core of this labor-management communication is the Group Workers' Labor-Management Conference, which is held four times a year (February, May, September, and November). At these conferences, management and labor, together representing the entire group, exchange opinions about current conditions at the company. In addition, close communication is maintained at various other levels, including the Central Labor-Management Meeting, the Division Labor-Management Meeting, and the Sales Chapter Labor-Management Meeting. Casio operates on a union-shop basis; as a rule, all employees except for managers are members of the union.

In fiscal 2015, a Consolidated Employee Welfare Committee was set up with members from both labor and management. After investigating ways to create an optimal employee welfare system, a decision was made to completely rebuild Casio's entire system (to be implemented starting in fiscal 2016).

Purpose

To create an environment where employees can work enthusiastically, and to help employees achieve their top performance.

Priority areas for strengthening

Health promotion

Enhancing health self-management by employees, while maintaining job performance and controlling healthcare costs

Supporting employees with nursing care or childcare responsibilities

Enabling employees to balance nursing care or childcare and job responsibilities, by creating an environment that lets employees focus on their work

Main measures

- 1) Health: The mobile health check clinic is to be replaced with a new vehicle equipped with digital high-resolution X-ray equipment. Employees 35 and older will have their checkups at a hospital rather than in the mobile clinic, and the gastric examination will be improved with a choice of high-resolution X-ray or endoscope. Employees 40 and older can opt to receive a full medical checkup, partially paid by the employee.
- 2) Health: Introducing a health promotion incentive system
- 3) Nursing care: Establishing a consultation service for employees with nursing care responsibilities, holding nursing care seminars, providing financial support to employees who work while performing nursing care at home, and allowing nursing care leave and accumulated leave (for nursing care reasons) to be taken in half-day units
- 4) Childcare: Introducing a childcare subsidy program for when an employee's child is sick or needs a babysitter
- 5) Recreation/retreat: Introducing a subsidy program for travel and accommodation expenses

Effectively appointing and deploying employees

Casio works to maintain a healthy corporate culture where fairness and impartiality are valued in all promotion decisions. The company uses a merit-driven system combined with a performance-based approach to evaluate employees and determine compensation.

Policy for fair evaluation and compensation

Based firmly on a foundation of fairness, Casio aims to continuously improve its human resource system in light of changes in the social environment. Within that system, the present basic human resources policy combines a role-based system that grades individual employees based on the extent of their roles with a performance-based approach to evaluation and compensation based mainly on outcomes of job performance within their roles.

Additionally, the company puts a premium on the following points of view:

- Respect of will: Grant significance to the individual's will and intentions
- Human resources development: Create opportunities for the acquisition of knowledge and skills needed in work
- Significance of abilities: Grant significance to abilities demonstrated through work
- Right person for the right job: Reflect individual wishes in job requests
- Priority distribution: Distribute limited management resources as efficiently as possible
- Stable employment: Strive to create workplaces where employees can work according to their abilities

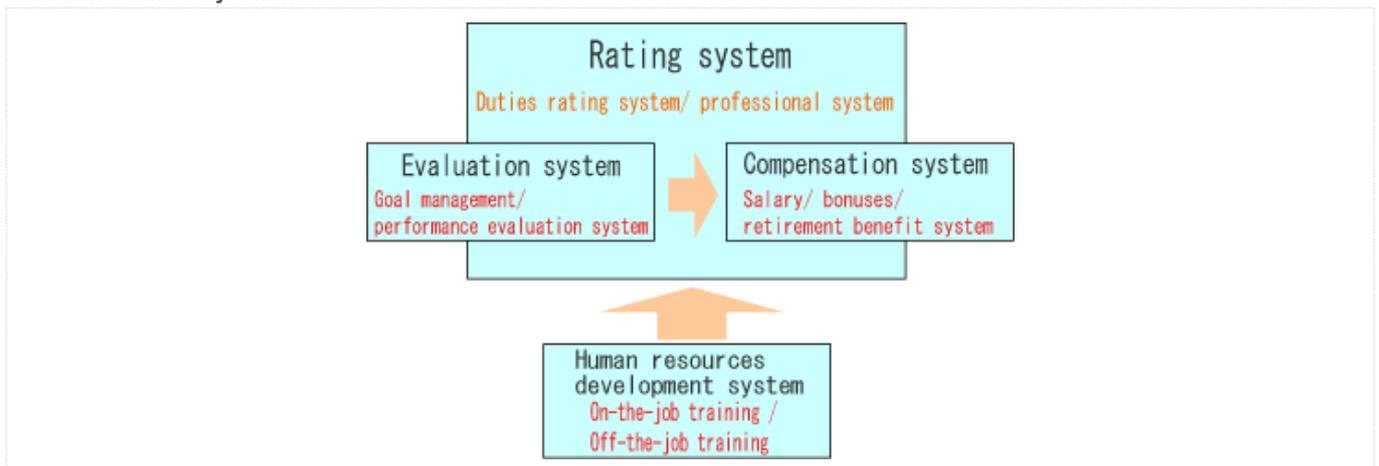
In addition to the above policy, Casio will place a premium on these points of view as it pushes ahead with innovative personnel measures. By taking this approach, Casio aims to strike the optimal balance between the growth and revitalization of society and the expansion and growth of the company.

Casio's design and application of an impartial personnel system ensures fair rating, evaluation, and compensation according to the level of duties, regardless of academic background, years of service, or gender.

Casio feels that goal management is important in its evaluation system and so it has supervisors and their subordinates share goal information via the intranet. Starting in fiscal 2015, goals are also being shared among colleagues in addition superiors and subordinates, which is useful for promoting innovation and synergy.

The company evaluates each employee at an interview twice a year. Casio uses evaluation sheets based on goal management to notify employees about the results of evaluations, a mechanism designed to improve transparency and ensure that evaluation of employees is highly credible.

Human resources system overview



Education for fair evaluation and compensation

Casio requires managers to take evaluator training in an effort to improve their evaluation, leadership, and interviewing skills, in order to operate its human resources system fairly and appropriately. Additionally, all managers are evaluated by their colleagues and subordinates about once every three years. The results are fed back to managers during training sessions to encourage continual improvement. An overview of the evaluation and compensation system is posted on the company intranet to keep all employees thoroughly informed about this system. The company not only works with evaluators, but has also cooperated with the labor union to produce a Goal Setting and Evaluation Interview Handbook to help deepen understanding between supervisors and their subordinates and ensure fairness in operations.

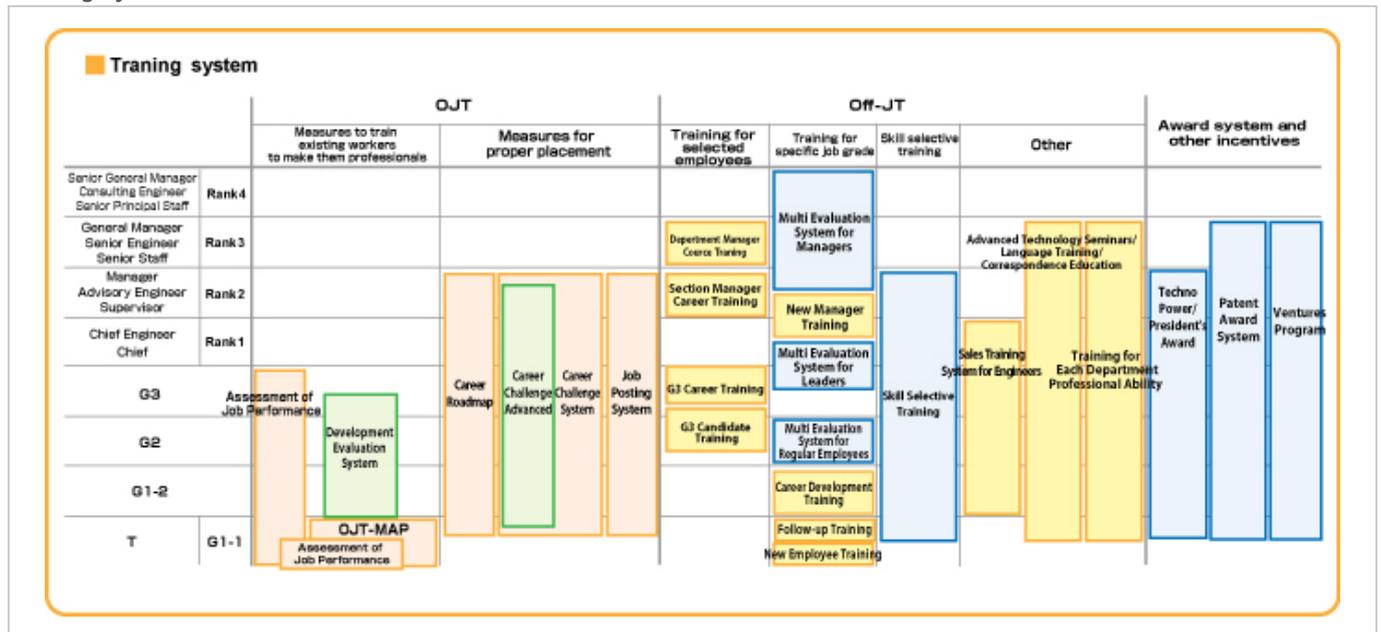
Overview of human resource development

Casio has various human resource development programs designed to develop creative employees who are eager to take on challenges and to train professionals with early tracking into specialized fields.

Casio aims to develop professionals in the form of strategic generalists who pass on the company's corporate culture, and technical specialists who pass on the company's unique technology and know-how. For this purpose, based on the convictions that people grow through their work and that the source of growth is personal motivation, Casio helps employees improve their skills by providing environments that enable them to overcome challenges through personal determination and effort.

Accordingly, the company emphasizes on-the-job (OJT) training to improve practical skills, complemented by off-the-job (off-JT) training to provide theoretical knowledge. In recent years, the training system has been improved to ensure even more effective, efficient skill development via a broader choice of training courses.

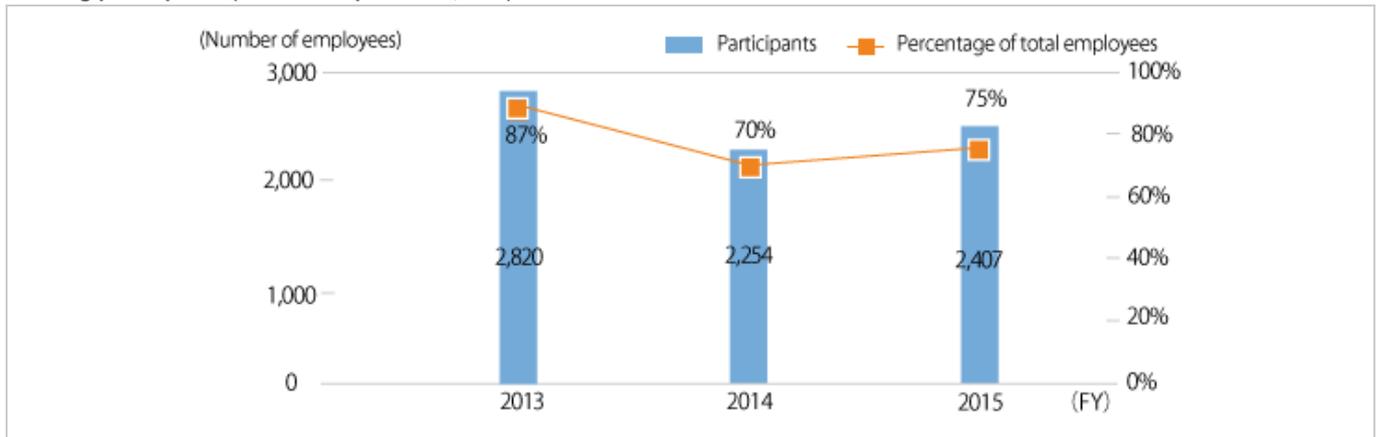
Training System



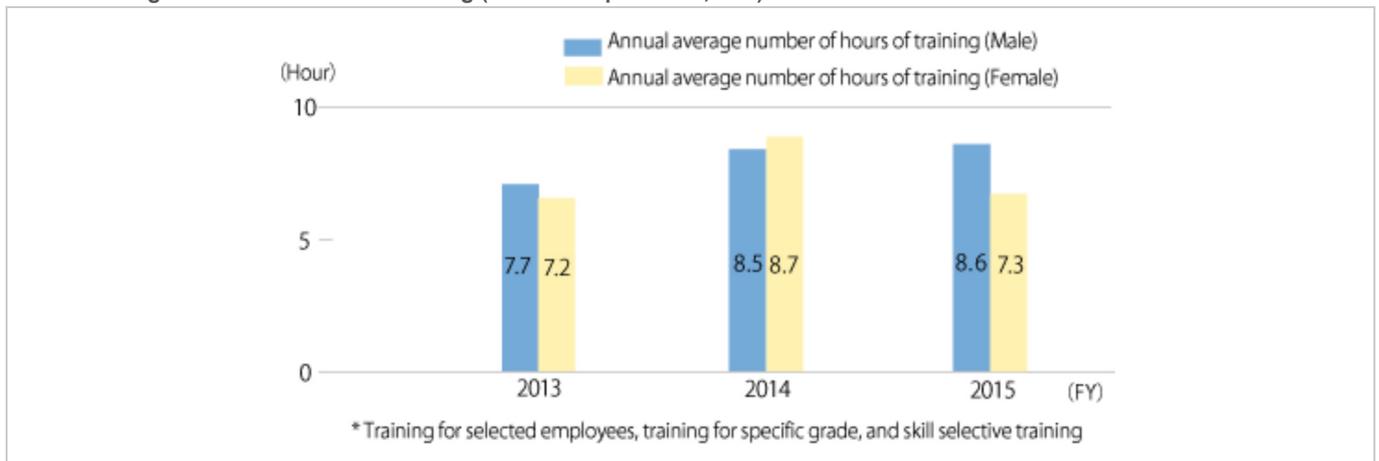
Casio conducts the necessary training for all the job grades in its in-house ranking system, and the company is working constantly to upgrade and enhance its human resource development system. As part of this system, Casio offers measures to train existing workers to make them professionals and training for specific job grades to all eligible employees. The human resource training page on the company's intranet explains each system of training as well as showing comments from employees who have used the system. Casio endeavors to encourage utilization of the system and support employee education by presenting success stories and good news.

In addition to the system above, Casio holds Senior Life Seminars for employees when they reach the ages of 53 and 58. The seminars help employees to plan their lives after the company retirement age of 60, with information on areas such as retirement career planning, skills development, retirement benefits, and the pension system.

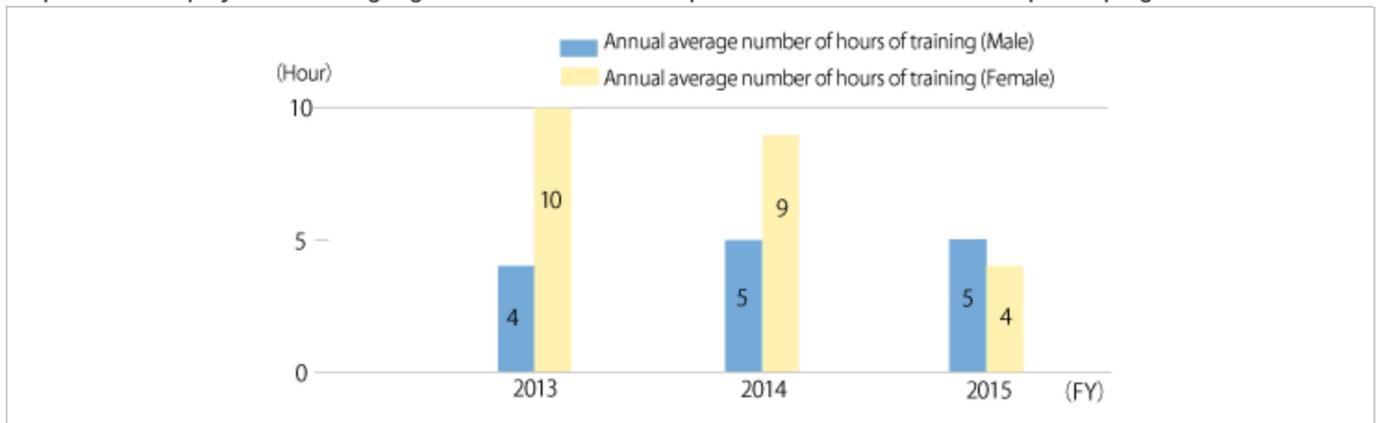
Training participants (Casio Computer Co., Ltd.)



Annual average number of hours of training (Casio Computer Co., Ltd.)



Proportion of employees receiving regular assessment of their performance and career development progress



Surveys and verification relating to utilization and development of human resources

In off-the-job training, questionnaires are given to employees every time they attend a training session, and their requests and opinions are used to help make improvements in the following fiscal year and beyond. In on-the-job training, when employees register for the Career Challenge System (described below), they can register their opinions about the system itself. Furthermore, when the company establishes new systems, it verifies the system through prior interviews and trial runs with the aim of achieving more effective operation.

Fiscal 2015 summary and future issues

In fiscal 2015, Casio mainly focused on selection training, global mindset, and improvement of technical skills. Training course content was enhanced, achieving a satisfaction rate of 90%. In fiscal 2016, Casio intends to make continued progress by improving its conventional training content, developing global human resources, and promoting employee innovation.

Main human resource development programs

Career Challenge System

This system lets employees periodically register their careers, skills, and personal challenges with the company, and serves as an important reference for assisting managers to determine policies on developing their subordinates and future placement planning. Participants can also register challenges they would like to undertake in their current jobs. By allowing employees to share their goals with superiors, the system helps to create an energetic work environment.

Career Challenge: Advanced

This program preferentially places employees who have been in their current career position for a rather long time and hope to challenge themselves to pursue work environments and careers that require new skills, for the objective of self-improvement and making further contributions to the company, in their desired divisions, if their desires meet the needs of the new department.

This program has been gradually extended to group companies and the number of employees wishing to take the challenge is growing every year. Casio will continue to facilitate revitalization within the group through this system.

Job Posting System

This system seeks to satisfy both the company's business needs and employees' career paths, and is a program for priority placement of suitable people, based on selection of candidates for jobs which the company offers. It is operated jointly with other Casio group companies.

New Employee Training, Follow-up Training, Career Development Training

Training for young employees becomes a place for learning the basics of being a Casio employee, and offers opportunities for employees to consider their own career paths, with training for new entrants as well as first-year, second-year and third-year employees.

Skill Selective Training

The training targets all regular employees, for the objective of effectively and efficiently acquiring diverse skills required for work operations, in a training program that allows employees to select from a large variety of training courses. It also functions as an opportunity for network building within the company, as employees from different occupational categories attend the same training.

Techno Power

This is a technology exhibition held annually for the objective of stimulating engineers, and of sharing and accumulating technology, serving as a place for recognizing technology superiority, patentability, completeness, and other in-house advanced technology.

The exhibit heightens motivation to embrace the challenge of new technologies and enhances engineer's sense of pride and satisfaction in their profession.

In-house specialist seminars

These are in-house seminars mainly targeting engineers, using case studies of innovators at other companies who were able to develop revolutionary new manufacturing methods and create new businesses, for the objective of understanding advanced technology trends and of fostering a development mindset and the will to take on challenges.

The themes of the seminars have been expanded to include such topics as market and product trends in regions where future market expansion is expected, especially in emerging countries.

Language training

The purpose of this training program is to increase employees' language skills. The company provides diverse language training suited to employee needs.

Intrapreneurship Program

Casio established its Intrapreneurship Program to identify and foster talented human resources who can motivate employees and develop businesses and to quickly launch new businesses by providing an opportunity for employees to make business proposals beyond organizational boundaries. The program allows individual employees to make their own business proposals directly to top management.

Those employees whose proposals are approved as promising themes become the project leaders, and then work to realize the goals they proposed. So far 96 proposals have been made, some of which led to business development. Casio intends to make use of this program as an ongoing business proposal tool in the future.

Right person for the right job

The Career Challenge System, Career Challenge: Advanced System, and Job Posting System are offered every year, and the company strives to place the right people in the right jobs by valuing employees' intentions. Additionally, career interviews are conducted with those who desire one and support provided as appropriate when employees consider their career direction. Casio also makes its intranet and database available to the managers of each department to allow them to conduct comprehensive assessment of the human resource development information on their subordinates, which they then utilize for training within the department.

Promoting health and safety initiatives for employees

Each and every employee must be able to work safely and in good health in order to perform at his or her full potential. Based on various laws and work regulations such as Japan's Industrial Safety and Health Act, Casio makes group-wide efforts to create workplace environments where all employees can work with peace of mind, in order to maintain and enhance the health of employees and prevent occupational injuries or their reoccurrence. Group companies outside Japan comply with their local laws and regulations and also implement similar measures.

Occupational health and safety activities

Casio has established Occupational Safety and Health Committees in all of its business locations. The committees independently design and implement policies tailored to each workplace, doing all they can to keep employees physically and mentally healthy and to ensure occupational safety. Committee activities are reported to employees via the intranet. Casio also runs campaigns to raise employee awareness about occupational safety and health.

Initiatives for managing and promoting employee health

Casio goes beyond employee health management. It also seeks, by taking active measures to promote better health, to improve employee motivation and raise productivity. It also supports the advancement of health by providing various types of health guidance and raising health awareness, working in cooperation with the Casio Health Insurance Association.

Regular health checks

Regular health checks for employees at Casio are more thorough than legally mandated: they include many additional items intended to help employees maintain their health and to prevent lifestyle-related diseases. Nearly 100% of employees come for the health checks every year. In fiscal 2016, the mobile health check clinic will be replaced with a new vehicle equipped with digital high-resolution X-ray equipment. Employees 35 and older will have their regular health checks at a hospital rather than in the mobile clinic, and for the gastric examination, employees can choose between high-resolution X-ray and endoscope. Employees 40 and older can opt to receive a full medical checkup, partially paid by the employee. The rules for follow-up are also being standardized, and Casio aims to improve the follow-up implementation rate for those whose health check revealed any concerns. In fiscal 2015, H. pylori testing was carried out for all employees, and support was provided to affected individuals by the industrial physician and through health insurance.

Initiatives to counter lifestyle-related diseases

In the effort to prevent lifestyle-related illnesses, Casio, together with the Casio Health Insurance Association, is promoting initiatives that focus on exercise and healthy eating. From September to November and from March to May every year, Casio holds a Walking Campaign at sites across Japan to encourage the habit of getting moderate exercise. In fiscal 2015, 2,295 people participated in the campaign. Participants can check their progress and ranking on a special website.



Healthy menu

The employee cafeterias provide healthy menu choices featuring a balance of calories and nutrition. Wellness Fairs are also held at all Casio cafeterias.

Initiative to prevent working long hours

Casio is carrying out an initiative to prevent the damaging health effects to the brain or heart which can be caused by accumulated fatigue due to long working hours. In order to ensure proper work schedules, all employees that work 80 hours or more of overtime in a month must be interviewed by an industrial physician. The physician then checks the employee's health condition, and provides the person with advice and guidance. In this way, Casio is working to prevent health problems from overwork, and to ensure employees observe appropriate working hours.

Mental health care initiatives

Casio has established a mental health education system to support the mental health of its employees.

As part of this system, Casio Computer Co., Ltd., has initiated an e-Learning Program, a Self-Checkup, and a Stress Test by Organization for all its employees. A Stress Management Program for younger employees, a separate e-Learning Program and a Program for Managers have also been created for those in leadership positions. All of these programs are designed to improve awareness of mental health issues.

In addition, Casio has an in-house mental health physician and an external Physical and Mental Health Hotline in place to offer counseling in and outside the company.

Similar support systems are in place at group companies in Japan, and they are providing support so that employees can work with energy and satisfaction.

Quit smoking campaign

Smoking is prohibited on the premises of all group companies in Japan and also prohibited during working hours, whether in or outside the company. Since fiscal 2011, Casio and its Health Insurance Association have been cooperating in the implementation of a practical Quit Smoking Encouragement Program that provides smoking-cessation aids. In fiscal 2014, Casio Computer Co., Ltd., held a quit smoking seminar at its head office in Hatsudai, which was attended by nearly 200 people.

Preventing occupational accidents

Casio is committed to the goal of zero occupational injuries and operates regular safety programs with the aim of maintaining an accident-free record at all Casio work sites. In addition, each site and group company conducts fire and disaster prevention/evacuation drills.



Disaster prevention drill at the head office

Occupational injuries at Casio Computer Co., Ltd. (in the last five years)

(FY)	Injury frequency rate*1		Injury severity rate*2	
	Casio	Manufacturers	Casio	Manufacturers
FY2011 (Jan.–Dec. 2010)	0.20	0.98	0.001	0.090
FY2012 (Jan.–Dec. 2011)	0.00	1.05	0.000	0.080
FY2013 (Jan.–Dec. 2012)	0.19	1.05	0.001	0.080
FY2014 (Jan.–Dec. 2013)	0.40	0.94	0.001	0.100
FY2015 (Jan.–Dec. 2014)	0.79	1.06	0.007	0.090

*1 Number of deaths and injuries, per 1 million actual cumulative working hours, resulting from occupational accidents.

*2 Work days lost per 1,000 actual cumulative working hours; indicates accident severity

* The term "occupational injuries" here includes injuries or illnesses (requiring at least 1 day off work) and deaths of workers in connection with the performance of their jobs.

Initiatives for lifesaving activities by employees

Casio has placed automated external defibrillators (AEDs), which are used in cardiopulmonary resuscitation (CPR) during a cardiac arrest, in all its facilities nationwide. Additionally, the company provides lifesaving classes and supports initiatives for lifesaving activities by employees, in order to be prepared for any eventuality.

So far, AEDs at Casio facilities have been used three times to save the lives of people who had a heart attack, and in each case the person fully recovered.



Example commendations

Responsibilities to Society

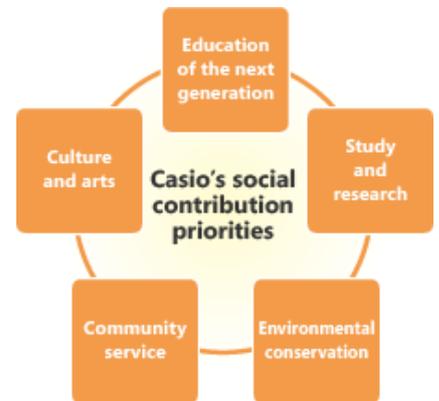


Striving to be a model corporate citizen, Casio makes the most of its unique know-how and management resources to fulfill its various social responsibilities.

Philosophy on social contribution

Casio's social contribution initiatives aim to help build a healthy, spiritually rich society. The five priority areas are education of the next generation, study and research, environmental conservation, community service, and culture and arts.

Casio takes a proactive approach to these initiatives, seeking to communicate with various stakeholders in order to determine how it can be most helpful as a good corporate citizen. In this process, Casio seeks to make innovative social contributions, leveraging its unique expertise and management resources as well as the broad range of knowledge and experience possessed by its employees.



Raising up the next generation

Classes in the company, and school visits

Casio offers a diverse array of products used in schools and other educational settings, such as calculators, electronic dictionaries, musical instruments, and projectors. Seeking to make educational contributions to the next generation, Casio strives to understand the challenges faced in various educational settings in different countries and regions. It then works to provide suitable products that can help to resolve challenges in the classroom. Thus, this Casio business seeks to improve the very way education is approached.

Beyond its main business, Casio is also actively engaged in other efforts befitting a good corporate citizen to contribute to the education of the next generation. Since 2007, Casio Computer Co., Ltd., has been offering original educational programs, primarily for elementary and junior high school students. These include school visits and classes offered at company facilities. In these programs, Casio aims to make a broader and more profound contribution to education.

The school visit program is roughly divided into a three sections, on “connectedness, creativity and emotional growth,” “connection with life,” and “today’s world.” The first section seeks to make children aware of the value of life by facilitating dialogue among them. The second section of the program, on connection with life, seeks to give children opportunities to feel a connection with life and experience living through the senses, by using equipment to listen to the beating of the heart. The final segment, on today’s world, provides a forum for children to share and discuss their ideas about the global environment that supports human life and on the various problems children face around the world. This helps to encourage awareness and action on such issues as life, peace, poverty, and the environment. Since 2007, the school visit program has been conducted for over 47,000 children at a total of 470 schools (as of 2015.3.31).

The classes offered at the Hachioji R&D Center, one of the Casio Group’s most advanced eco-friendly business sites, focus mostly on environmental initiatives. The program includes activities such as a tour of the thermal storage tank and rooftop garden as well as hands-on experience with taking apart and then reassembling environmentally friendly products.

At other facilities, engineers lead classes in which they convey to children the fun of making things and the value of craftsmanship.

* For more information on Casio school visits, see "[Class on Life](#)" in the Feature Story section of the 2013 report.

* For more information on the classes offered at the Hachioji R&D Center, see the [Environmental Communication](#) section.



School visit



Developer tells the story of the creation of G-SHOCK

Exhibition and workshop held in the Science Center for Children Hachilabo

From November 23, 2014, to January 23, 2015, Casio Computer Co., Ltd. held an exhibition entitled "The Changing and Advancing Digital World," in the Science Center for Children Hachilabo run by Shibuya Ward in Tokyo. The exhibit showcased mechanisms and advancements in digital technology, through familiar products such as calculators, digital cameras, timepieces, and electronic dictionaries.

On January 18, 2015, Casio employees taught technology workshops for children. Many children participated in the activity where they experienced taking apart calculators and reassembling them.



Discovering digital technology first hand



Calculator disassembly and reassembly workshop

Participation in a science event

Casio participated in a science event, which was held in November 2014 at Hawks Town Mall in Fukuoka.

Through science shows and scientific experiments, this event aims to discover and develop Japan's talented human resources of the future. Many companies and schools participate in the event. Casio set up a booth featuring cameras that can bend time. Using high-speed movie cameras, the children were able to shoot slow-motion video of water balloons bursting. They also took time-lapse images of origami folding. This resulted in videos of paper cranes and boats being completed in just a few seconds, just like a fast-forwarded movie.

The children's eyes shone with amazement as they made and watched their own time-bending videos not seen every day.



Children enthralled in capturing the moment a water balloon bursts



Checking photos taken

Calculator disassembly and reassembly workshops at kid's events

Casio Computer Co., Ltd. participated in kid's events held in August and March. These events are sponsored by the Mainichi Shimbun, Mainichi Media Cafe, and Mainichi Elementary School Newspaper. At the events, a Casio employee held a calculator disassembly and reassembly workshop under the theme of "Secrets of the Calculator."

In this workshop, the children took apart actual calculators with their own hands. Then they learned to how to reassemble them, how a calculator works, and what kind of environmentally friendly features it has.



Workshop

Cooperating in the private sector training of schoolteachers

Casio Computer Co., Ltd., has cooperated in the private sector training of schoolteachers, organized by the Keizai Koho Center, every year since 2004. The purpose of this training is to deepen teachers' understanding of the business world so they can then convey that experience to children and also make use of it in school administration.

In 2014, the eleventh year of its involvement, Casio welcomed twelve teachers for training over three days on July 22, 24 and 25. The teachers were given a tour of the head office facilities and the Toshio Kashio Memorial Museum of Invention and listened to lectures by employees from different departments about such topics as Casio's product development and marketing and its environmental and CSR initiatives.

The teachers provided feedback comments such as, "I came to realize that Casio employees have a common understanding of the company's corporate creed and code of conduct, and are always working with them in mind," and "Since we learned a lot of things that will also be helpful in our own jobs, I would like to use this opportunity to create classes and promote student comprehension from a wider variety of angles." Another teacher added, "I think it would be wonderful if we could convey the Casio corporate creed of "Creativity and Contribution" and "daily improvement" from our perspective to the students.

Casio will continue accepting schoolteachers for training in the private sector in the future, in order to contribute to the education of the children who will be the torchbearers of the future.



Observing a demonstration of the 14-A in operation at the Toshio Kashio Memorial Museum of Invention



Group work activity using watches and creating store displays

My Dream Backpack program

Casio (China) Co., Ltd. began a charitable activity called “My Dream Backpack” in order to support the education of impoverished children in rural areas.

The activity involves providing each child with a school backpack they can use every day, filled with stationery and learning materials. Useful educational equipment is also donated to each school, according to its needs. These classroom tools include Casio digital pianos, calculators, printers, short-focus data projectors, and digital cameras.

- First donation: Shuanghe Elementary School, Suqian, Jiangsu Province (Sept. 2014)
- Second donation: Central Elementary School, Longtoushan town, Ludian, Yunnan Province (Dec. 2014)
- Third donation: Lianting Elementary School, Yanzihe town, Jinzhai, Anhui Province (May 2015)

Casio (China) intends to continue supporting the growth and education of children through programs like My Dream Backpack, while demonstrating the corporate creed of “Creativity and Contribution.”



Children received backpacks (first donation)



School children (third donation)

Teaming up with China’s Teaching Materials Institute on an experimental education program

Casio (China) signed a three-year partnership agreement with the Teaching Materials Institute of China’s Ministry of Education, for an experimental education program in January 2013. As of March 31, 2015, the company provided electronic dictionaries, graphing scientific calculators, digital pianos, and projectors to 26 well-known foreign-language schools in China, and carried out an experimental teaching program. Use of these teaching materials will broaden education and learning, and the educational effectiveness of these schools is expected to increase as a result.



Ceremony at No. 8 Middle School in Heifei

CASIO Education Scholarship Foundation

Casio (Shanghai) Co., Ltd., set up the CASIO Scholarship Foundation at Peking University, Shanghai International Studies University, Fudan University, East China University of Politics and Law, Beijing Foreign Studies University, Tianjin Foreign Studies University, and East China Normal University. The foundation provides scholarships for outstanding students and teachers who have produced high quality research.

Through the establishment of the scholarship foundation, Casio aims to support the long-term development of these universities, which have a key role as institutions for the development of human resources.

Looking to the future, Casio will provide support for scholarship across a diverse array of subject areas including languages, international finance and trade, international business administration, the mass media, law, and international education as it contributes to the development and revitalization of academic research.



Award ceremony at Shanghai International Studies University



Award ceremony at Beijing Foreign Studies University

Educational contribution activities at /Casio Singapore

Aiming to contribute to local mathematics education, Casio Singapore Pte., Ltd. has launched two social contribution programs involving scientific calculators. The first is the Casio Cares Initiative. Children from Singapore-residing families with a monthly income of less than 2,500 Singapore dollars are offered the loan of FX-9860GII's Casio scientific calculators until they graduate. The returned scientific calculators are then lent to new eligible students the following year. The next plan is to donate calculators to underprivileged children in other parts of Southeast Asia. The second activity is a Buy-Back Program. Students who purchase a FX-9860GII's calculator at the time of school enrollment are eligible to return their calculators upon graduation for a refund of 60 Singapore dollars.



Official site

▶ <http://www.casiocalculatorsea.com/>

Study and research

Support for the Casio Science Promotion Foundation

Casio is contributing to the development of science and technology by supporting the Casio Science Promotion Foundation.

About the Foundation

The Casio Science Promotion Foundation was established in 1982 by the four Kashio brothers and the former chairman, Shigeru Kashio.

The Foundation provides research grants with the principle objective of fostering pioneering and creative research in the early stages by young researchers who are persevering with challenging research on limited funding. This is based on the philosophy that advanced R&D should be promoted in various fields, in order to fulfill the Foundation's mission of helping Japan contribute to the world as a nation of advanced technology.

The Foundation provides grants in a wide range of scientific fields—from electronic and mechanical engineering, to natural sciences related to health, to energy saving—as well as in the cultural sciences including human resources development and human behavior.

Over the last 32 years, the Foundation has provided a total of about ¥1,531.10 million in 1,200 grants.

Grants in fiscal 2015

In addition to its 21 basic categories in 5 fields, in fiscal 2015 the Foundation continued to support a special topic considered to be important based on recent social trends: New technology research that could form the core of the next industrial revolution.

After asking 202 universities to submit research topic proposals, 281 proposals were received from 91 universities. Based on a rigorous selection process, a total of 49.96 million yen in grants was awarded to 38 different proposals.

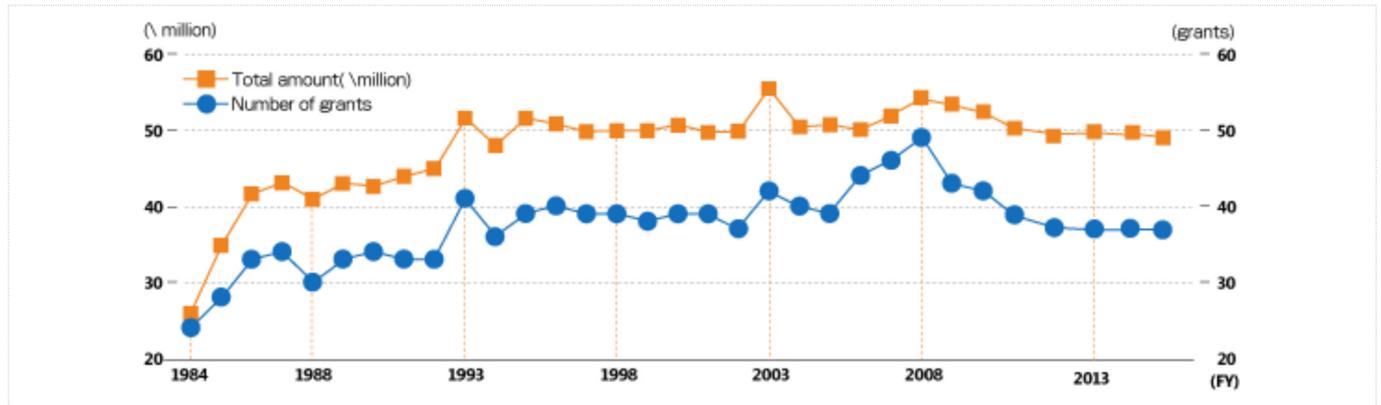
Most of the grant recipients are in their thirties or forties, and many young researchers representing the promise of the next generation attended the grant presentation ceremony held in December 2014.

Special topic	3 grants	¥15 million
Group A (Electronics and Mechanical Engineering)	21 grants	¥22 million
Group B (Medicine and Physiology)	9 grants	¥7.96 million
Group C (Humanities)	5 grants	¥5 million



The 32th grant presentation ceremony (fiscal 2015)

Grants from the Casio Science Promotion Foundation



Message from a grant recipient

I would like to express my appreciation for this very prestigious research grant. My research project entails the development of a balloon-VLBI-equipped high-speed data recording device for black hole imaging. A gondola system for astronomical observation using a 1.5-meter radio telescope in the stratosphere (at an altitude of 32 kilometers) using a balloon is being developed. This valuable grant will be effectively applied to the development of a recording device that can function in an environment that approximates outer space and bring large amounts of data back to earth. I will devote myself to the advancement of this project while contributing to space science development. I look forward to your continued guidance and support in the future.



Akihiro Doi,
Assistant Professor,
The Graduate University for
Advanced Studies,
School of Physical Sciences,
Space and Astronautical Science

Environmental conservation

Casio continuously and enthusiastically engages in social contribution efforts in the area of environmental conservation, including supporting environmental organizations through the sale of special collaboration G-SHOCK and Baby-G models, planting trees in China, and adopting tulips and Ohga lotus plants.

* For more information, see the [Environmental Communication](#) section.

Local community initiatives

Establishment of Casio Technology Course and Acceptance of Trainees

Casio Electronic Technology (Zhongshan) Co., Ltd., which manufactures Casio electronic dictionaries, musical instruments and watches, established a Casio Technology Course through an agreement with a manufacturing technical school in Hunan province in 2009 and a municipal vocational school in Guangxi province in 2011. The purpose of the courses is to train engineers and technicians in a developing region of China's interior, and to give students who wish to work at Casio an opportunity to join the company.

An internship at the plant is provided to interested candidates. From December 2014 to March 2015, 150 interns from the municipal vocational school in Hunan and 100 interns from the manufacturing technical school in Hunan were accepted. Looking ahead, Casio hopes to keep helping the community's next generation to acquire skills and participate in the training of human resources utilizing the Casio Technology Course in cooperation with local schools.



Classroom



Communication with students

Support for Cherry Marathon in Higashine City

Yamagata Casio has been supporting the Cherry Marathon in Higashine City since 2004. The company's intention is to become an enterprise that is appreciated by the local residents not only for its corporate activities, but also for its contribution to the local community and Higashine City. At the 13th annual marathon held in 2014, about 60 Yamagata Casio employees participated in the event as runners or volunteers at water stations.

In order to forge even deeper relationships of cooperation and trust with local residents, the company will continue to actively promote this kind of community contribution activity.



Casio employees volunteering at a water station

Culture and the arts

By sponsoring symphony orchestras and cultural facilities, Casio provides people with opportunities to feel delight and deep emotion and promotes the development of culture and the arts.

- Sponsorship of the NHK Symphony Orchestra
- Sponsorship of the Tokyo Philharmonic Orchestra
- Sponsorship of the Maison de la culture du Japon á Paris (Institute of Japanese Culture in Paris), and more

Product disassembly and separation work contracted to a welfare workspace

Aiming to be a company that is good for people and environmentally friendly, Casio Business Service Co., Ltd., has contracted disassembly and separation work of Casio products to a welfare workspace operated by a social welfare corporation as part of its recycling initiatives in product disposal since 2000. Recently, the workspace has been disassembling and separating mainly used tape cartridges and ink ribbon cassettes collected at Casio Eco Stations. At the welfare workspace, which enrolls persons with disabilities, most of the work is light work such as making bags and presentation boxes and folding leaflets. Work such as disassembly and separation increases their concentration and ability to keep going on a task, which also gives the workers a high sense of fulfillment on the job. This initiative is considered to support the independence of workers through social education and the acquisition of morals and rules. As part of its CSR initiatives, Casio Business Service will continue contracting out this work to help support the independence of workers.



Disassembly and separation of tape cartridges and ink ribbon cassettes



Dismantling electronic stationery and sorting materials

Supporting bread and cakes sales by Hope Employment Center Shibuya's Shibuya Marufuku

Since October 2014, staff from Hope Employment Center Shibuya's Shibuya Marufuku, which is located in Shibuya-ku Tokyo, have been regularly visiting the headquarters of Casio Computer Co., Ltd. to sell bread and cakes. The proceeds help support the independence of people with disabilities. Hope Employment Center Shibuya's Shibuya Marufuku is a support site for steady employment run by the non-profit Hope Worldwide Japan, which provides vocational training opportunities and employment to people with disabilities. Under the philosophy of "happy workers create happy customers," the center makes and sells delicious and heartwarming traditional Japanese snacks (imagawayaki), as well as handmade breads and cakes. The people participating at the center are working towards their respective goals.

The visiting bake sales are very popular with Casio employees, and the company plans to keep supporting the center.



Bake sale table



Donating wall clocks and calculators to health centers in Southeast Asia

Casio endorses the activities of People's Hope Japan, and has been a corporate supporting member of this NGO for international cooperation since 2006. The organization carries out support activities with a focus on healthcare education while aiming to help make people in developing Asian countries self-sufficient.

Recently, the organization relocated sites to new districts in Indonesia and Cambodia to start support activities in those locations. It also opened a local office in Myanmar to initiate support work in that country. Consequently, in March 2015, Casio donated wall clocks and calculators needed for time management and calculation work at the organization's new sites and health centers.



Donation to a health center in Tirtayasa Autonomous District, Selang District, Banten Province, Indonesia



Donation to the Orm Leu Health Center, Kampong Cham Province, Cambodia (at left, the health center director)

Assistance for disaster victims

When a major natural disaster strikes, Casio provides relief to disaster victims, as well as support for rapid post-disaster reconstruction.

•Supporting victims of the Great East Japan Earthquake

School visits

In January 2015, Casio visited Magome Elementary School in Kesenuma, Miyagi, and delivered a session of the "Class on Life" to the students. This was the fourth session at this school, following sessions delivered in February 2012.

In fiscal 2015, Casio also delivered a second set of sessions of the "Class on Life" to the students at Nagamachi Junior High School in Miyagi.



Class on Life

Donation to Tsunami Orphans

In order to assist orphans who lost their parents in the 2011 Great East Japan Earthquake, Casio has been donating to the Ashinaga Great East Japan Earthquake & Tsunami Orphans Fundraising Campaign since fiscal 2012. In fiscal 2015, Casio donated 2 million yen, as it did the previous year. As part of the same cause, the company also began supporting the non-profit Children's Village Tohoku, and donated 500,000 yen in fiscal 2015.

Casio will continue to donate to the campaign in the future.

•Earthquake relief activities in Yunnan Province, China

A devastating earthquake hit China's Yunnan Province in August 2014. In order to help provide relief to the victims and promote post-disaster reconstruction, Casio donated 500,000 yuan (about 8 million yen) to the China Youth Development Foundation. The company also donated two mercury-free projectors, which are being used to show movies and entertain children in the disaster region.

•Disaster relief for landslide victims in Hiroshima

After major landslides occurred in Hiroshima Prefecture in Japan in August 2014, Casio donated 2 million yen to the non-profit Japan

Platform for disaster victim relief and reconstruction efforts.

● **Supporting earthquake victims in Nepal**

A devastating earthquake also struck Nepal in April 2015. Casio donated 2 million yen to the Japan Platform to support victim relief and post-disaster reconstruction.

Environmental Vision



In April 2012, Casio established the **Casio Environmental Vision 2050**, a long-term environmental management policy with a target year of 2050. At the same time, the company also issued the **Casio Environmental Declaration 2020**, which is its medium-term action guideline. Casio's determination to become a leading environmental company is demonstrated by its commitment to visionary global initiatives to help build a more sustainable world.

Basic Environmental Policies

Casio's goal is to help build a more sustainable world while contributing to the creation of new markets and cultural phenomenon by developing compact, lightweight, slim, and energy-efficient products.

In its Environmental Vision 2050, Casio articulates objectives for environmental management, looking ahead to the year 2050. Serving as a milestone on the road to 2050, the Casio Environmental Declaration 2020 sets out action guidelines with a target year of 2020. Both the Vision and the Declaration share three priorities:

(1) realizing a low-carbon society; (2) building a recycling society; and (3) living in harmony with nature and preserving biodiversity. By working toward these goals, Casio will ensure legal and regulatory compliance, improve the strength of the Casio brand and highlight the advantages of Casio products—all of which help to meet the expectations of various stakeholders, including customers and suppliers.

● Realizing a low-carbon society

In April 2014, the current Japanese government administration approved a resolution on a new Basic Energy Plan. In preparation for the COP21 conference to be held in Paris, France at the end of 2015, the plan includes consideration of new goals for climate change policies beyond the year 2020 as well as international frameworks for achieving those goals.

As one of the leading efforts in Japan in this area, Keidanren (Japan Business Federation) issued its Commitment to a Low Carbon Society in April 2013. Casio has announced that it will participate in the Commitment. The company is working hard in the area of energy conservation, seeking to reduce average annual per-unit energy consumption by 1% by 2020. In 2014, Casio began calculating and disclosing its Scope 3 emissions in all categories applicable to Casio's business. The company plans to improve calculation accuracy and set effective goals for CO₂ emissions reduction.

● Building a recycling society

As part of efforts to make compact, lightweight, slim, and energy-efficient products, Casio designates products that fulfill its own higher eco product standards as Casio Green Star Products. The company achieved its goal to see these products account for 50% of total fiscal 2015 sales.

Now six years since it set certification criteria for Casio Green Star Products in 2009, Casio plans to revise the criteria, taking into consideration environmental priorities that were not contemplated at that time. Meanwhile, Casio will keep working to provide products with even better environmental performance, doing its part to help build a recycling society.

Casio will continue to recycle personal computers and rechargeable batteries in compliance with Japan's Act on the Promotion of Effective Utilization of Resources, while also making voluntary efforts to collect page printer toner and drum sets and NAME LAND cartridges. Casio will also keep developing and designing products that offer greater recyclability, as required under the Small Electronic Appliance Recycling Act.

● Living in harmony with nature and preserving biodiversity

In March 2011, Casio issued the Casio Group Biodiversity Guidelines. Under these guidelines, the company established a target for implementing impact assessments, aiming to preserve biodiversity.

However, group-wide initiatives for the use of sustainable paper did not begin until more recently, so this issue was given greater priority. In

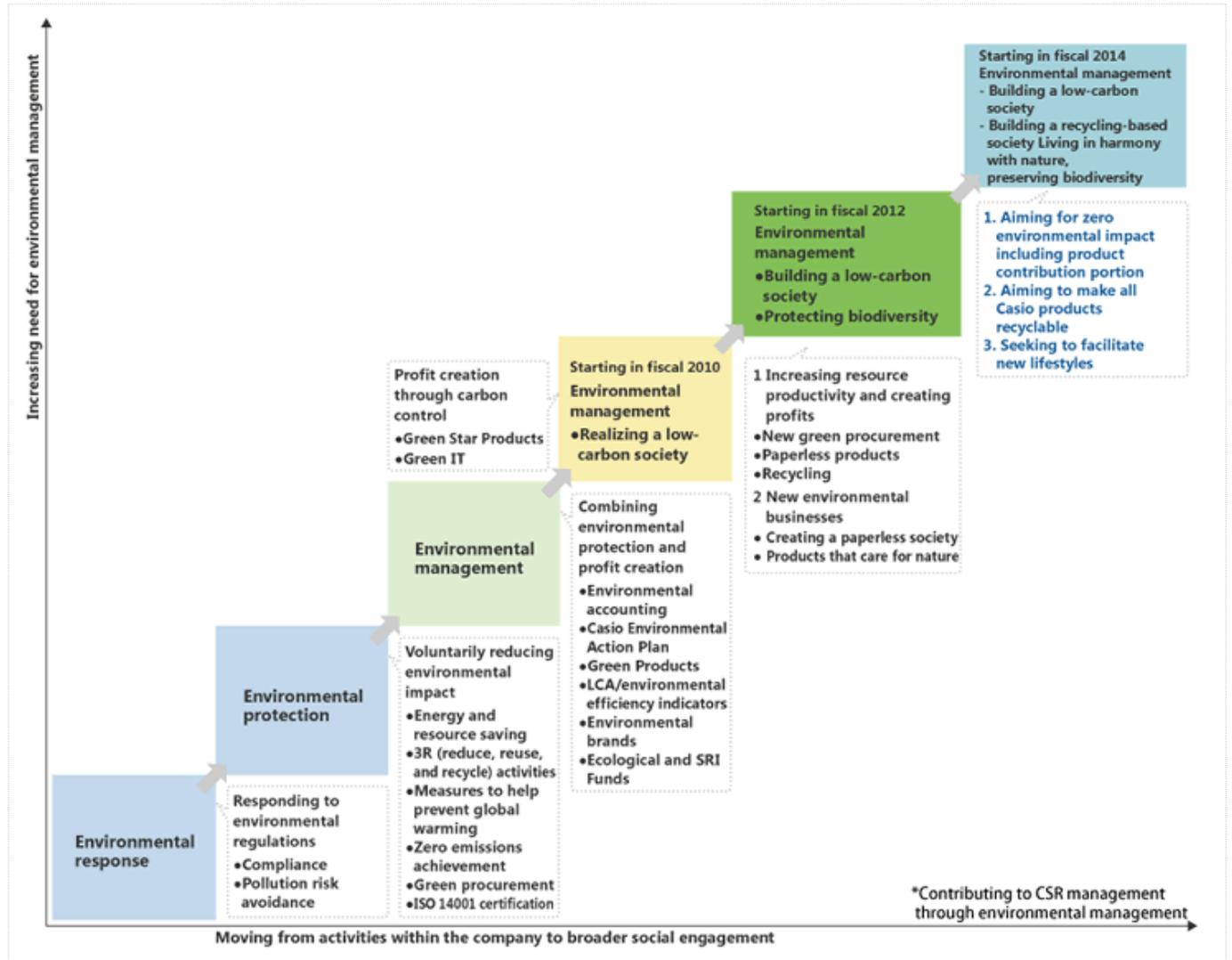
fiscal 2013, preliminary investigations began into Casio's paper procurement situation, and in June 2015, a Paper Procurement Policy for the Casio Group was established.

All the companies of the Casio Group intend to promote activities based on this Paper Procurement Policy, while ensuring that suppliers and other stakeholders are also well aware of it. Through these efforts, Casio will continue to help preserve biodiversity.

● Conclusion

Casio is developing its business globally. Casio is determined to implement its own environmental management policies as it continues to create products that are compact, lightweight, slim, and energy efficient, as well as products which help to realize a paperless society. Casio believes that these activities will further improve the strength of the Casio brand, presenting Casio as a leading environmental company.

New Environmental Management Initiatives and Policies



Casio's fiscal 2016 environmental management policy for the realization of a sustainable society

1. Realizing a low-carbon society
 - Continue CO2 reduction activities group-wide
2. Building a recycling society
 - Actively launch eco products (Green Star Products)
 - Continue activities to reduce group-wide paper and water consumption as well as waste generation
3. Living in harmony with nature
 - Strengthen proper paper procurement based on the newly established Paper Procurement Policy

Casio Environmental Vision 2050

With a target year of 2050, the Casio Group will create and implement its own visionary initiatives to promote the sustainable use of energy and resources and facilitate the healthy coexistence of all living things, the planet's greatest assets.

Casio's aim is to become a leading environmental company that contributes not only to a sound and sustainable global environment but also to the spiritual richness of people's lives. Casio's unique way of achieving this is by creating new value and lifestyle possibilities that give rise to markets and cultural phenomena never seen before.

To become a leading environmental company, Casio will apply its spirit of going from "0" to "1," or creating "something" from "nothing," to develop unique environmental initiatives and create products and services that make the most of its innovative ideas and leading technologies, focusing in particular on the following areas:

- Realizing a low-carbon society
- Building a recycling society
- Living in harmony with nature

Casio Environmental Declaration 2020

Action guidelines for 2020

1. Realizing a low-carbon society

The Casio Group will provide products and services that make an even greater contribution to the reduction and absorption of CO2 emissions. In addition to expanding products and services that use energy sources that are friendly to people and the planet, including solar, wind, and hydro power, Casio will incorporate these renewable energy sources into its own business operations.

2. Building a recycling society

The Casio Group intends to further enhance resource productivity through the efficient use of water and other precious resources of the planet, including the reuse of resources and the utilization of alternate materials.

3. Living in harmony with nature

The Casio Group is promoting awareness of the need to take care of the planet through biodiversity preservation activities, while working to achieve harmony between business activities and the cycles of nature.

Casio Green Star Plan

Positioning of the Casio Green Star Plan

The Casio Green Star Plan is the title of the Casio group's environmental action guidelines formulated based on the Casio Green Star concept under the Casio Environmental Vision 2050 and the Casio Environmental Declaration 2020. The Casio Environmental Action Plan sets numerical targets and implementation deadlines based on the Casio Green Star Plan.



► Environmental Action Plan (Targets and Performance)

Casio Green Star Concept

The Casio Green Star concept establishes high numerical targets for each stage of the product lifecycle including design, procurement, manufacturing, packaging, logistics and recycling, to promote environmental action. Moreover, Casio will continue to manage each of these stages across its circular platform for environmental management for the entire lifecycle. New Green Star products will be created through these activities.

Image: The Casio Green Star Concept



Objectives, Environmental Management Guidelines and Specific Details for Each Lifecycle Stage

• Green Star Design

Area		Policies
Next-generation environmental technology	1. Pursuing development of environmental technology	1-1. Develop technology for next-generation, energy-saving devices 1-2. Develop alternative materials technology for rare metals, etc.
Next-generation eco-products and services	2. Planning and developing next-generation Green Star products	2-1. Plan and develop next-generation Green Star products 2-2. Be conscious of 100% reutilization in planning and developing products with top class resource productivity and consciousness
New businesses	3. Creating environmental businesses	3-1. Take initiatives in research and development of new energy (renewable energy)
Energy conservation	4. Developing products with low power consumption	4-1. Develop products with best energy consumption efficiency compared to competitors' products in same category
Resource conservation	5. Creating compact, slim, lightweight products with standardized components and durability	5-1. Promote development of the most compact, lightweight products compared to competitors' products in the same category without compromising function and operability
Environmental labels	6. Promoting acquisition of Type I, II and III environmental labels	6-1. Work to develop Green Star products 6-2. Aim to expand acquisition of Type I and Type III environmental labels
Reduce, reuse, recycle	7. Increasing the usage rate of plant-derived resources (non-fossil materials)	7-1. Increase the usage rate of green plastic (biodegradable plastic) 7-2. Consider introduction of bioplastic
	8. Promoting reduce, reuse, recycle design	8-1. Aim to formulate and adopt 3R design standards
Safety	9. Prohibiting and reducing use of specified toxic substances in purchased goods (finished goods, components, materials, paint, ink)	9-1. Consider vinyl chloride-less and look into introducing alternative materials
Product performance	10. Evaluating product performance data and indirect CO ₂ emissions volume (Scope 3)	10-1. Expand scope of collection for product environmental performance data
Eco-design	11. Improving environmental compatibility	11-1. Carry out investigation aimed at group-wide adoption of eco-efficiency assessment methods using life cycle assessment (LCA) 11-2. Make preparations toward introduction of carbon footprint 11-3. Expand carbon offsets with the aim of reducing environmental impact of product lifecycle
	12. Assessing environmental impact on water	12-1. Make preparations with the aim of introducing water footprint
Information disclosure	13. Disclosing environmental specifications	13-1. Describe environmentally-friendly specifications in catalogues, instruction manuals, packing boxes, etc.

• Green Star Procurement

Area		Policies
SCM/Supplier Support	1. Supporting CSR provisions at suppliers and business partners, including environmental policy	1-1. Provide personnel, technical and financial assistance when suppliers and business partners carry out technical support and capital investment connected to environmental conservation related to goods delivered to and manufacturing for Casio
Green procurement	2. Promoting green procurement	2-1. Promote procurement of green components from green suppliers based on the Casio Group Green Procurement Standards 2-2. Conduct on-site surveys and inspections concerning the usage of toxic substances in accordance with Casio standards

• Green Star Factory

Area		Policies
Preventing - Destruction of the ozone layer - Atmospheric pollution - Water contamination - Soil contamination - Climate change, etc.	1. Phase out use of alternative CFCs, chlorine-based solvents and greenhouse gases	1-1. Reduce use of CO ₂ , methane, dinitrogen monoxide, HFC, PFC and SF ₆ 1-2. Replace HFC-134a used in dust blowers, etc., with products that use chemicals with a lower global warming potential (GWP) 1-3. Take care with handling of volatile organic compounds (VOCs) to prevent dispersal into the atmosphere
	2. Adopting renewable energy	2-1. Introduce renewable energy sources such as wind power and solar power

• Green Star Packaging

Area		Policies
Reduction in total mass of packaging	1. Reducing total mass of packaging and packing materials in logistics process	1-1. Design packaging with consideration for shock resistance and reducing volume and weight of product packaging, taking into account loading efficiency in logistics 1-2. Promote reduction in total mass of delivery packaging materials for procured components and materials 1-3. Promote reduction in total mass of packaging materials for transfer of materials and semi-finished goods between plants 1-4. Promote reduction in total volume of valuable materials such as packaging as a proportion of total waste volume 1-5. Create cooperation framework for reducing mass of packing and packaging in partnership with suppliers, etc.
Safety	2. Safety of materials	2-1. Comply with regulation of toxic substances in packaging materials based on Green Procurement Standards

• Green Star Logistics

Area		Policies
Environmental impact management in logistics	1. Managing environmental impact in logistics, taking measures against climate change (CO2 reduction) and assess indirect CO2 emissions (Scope 3)	1-1. Promote management of environmental impact across the entire logistics process in and outside Japan (procured materials logistics, production logistics, product logistics, sales logistics and collection logistics) 1-2. Identify moving mass (ton-km) for each process in the Group on a consolidated basis and aim to reduce total amount of CO2 emissions 1-3. Promote benchmark for measurement of CO2 emissions volume and standardization of conversion values
	2. Conserving energy in logistics and measures to prevent climate change	2-1. Improve innovation in transport systems - Switch to transport by rail and shipping, which offer good transport efficiency and low CO2 emissions - Improve innovation in loading methods and delivery routes to enhance transport efficiency 2-2. Introduce fuel-efficient company cars, commercial vehicles and delivery vehicles
	3. Increasing rate of modal shift * Rate of modal shift: ratio of total transport volume accounted for by rail and shipping	3-1. Increase the rate of modal shift in order to reduce environmental impact of logistics taking product characteristics into account

• Green Star Recycling

Area		Policies
Collection and recycling	1. Promoting collection and recycling of small appliances	1-1. Pursue ease of dismantling and expand use of recycled material aimed at introducing the collection and recycling system for small appliances being promoted by the Ministry of the Environment and the Ministry of Economy, Trade and Industry
	2. Promoting the collection, recycling and reuse of used goods and consumables	2-1. Promote collection and recycling of equipment for corporates and expand the range of products covered by programs 2-2. Promote collection and recycling of consumables and expand the range of products covered by programs

Climate Change Action

In order to ensure that the next generation inherits this irreplaceable planet, Casio has established and is implementing Climate Change Action with medium- and long-term targets to be achieved by fiscal 2051.

Medium- and long-term targets

The medium- and long-term reduction targets for the Casio Group's greenhouse gas emissions, which were set based on the Casio Environmental Vision 2050 and the Casio Environmental Declaration 2020, are shown below.

Casio group's medium- and long-term targets for greenhouse gas emissions reduction

- **Medium-term target:** To reduce the total volume of global greenhouse gas emissions from business activities by **30%** compared to fiscal 2006, by fiscal 2021
- **Long-term target:** To reduce the total volume of global greenhouse gas emissions from business activities by **80%** compared to fiscal 2006, by fiscal 2051.

* Business activities: This indicates activities of production sites and offices in Japan and overseas, and does not include CO₂ emissions from logistics, product usage, or employee travel.

Managing risks and opportunities

As a result of the March 2011 Great East Japan Earthquake and the ensuing accident at the Fukushima nuclear power station, virtually all nuclear power stations across Japan have suspended operations. Japan is faced with such risks as rising electricity tariffs and power shortages in summer and winter. Moreover, the greenhouse gas emission coefficient for electricity has risen as a result of the decline in the utilization of nuclear power generation, resulting in an increase in real CO₂ emissions. This translates into greater risk of incurring emissions trading costs under the Ordinance on Environmental Preservation to Secure the Health and Safety of the Tokyo Metropolitan Area (Environmental Preservation Ordinance). Also in 2011, there was major flooding in Thailand, which may be partially attributable to global warming and upstream deforestation. Consequently, global risks have become apparent including threats to the value chain for production and parts.

In order to avoid these risks, Casio plans to expand the introduction of renewable energy, and secure alternatives in the value chain.

On the other hand, the greenhouse gas reduction effect at time of product usage offered by Casio products which promote paperless lifestyles, such as data projectors and electronic dictionaries, has been identified as a significant opportunity to address climate change over the product life cycle. Casio will work to further expand its business in these products.

In order to minimize the various risks mentioned above, and expand opportunities, Casio must contribute to the sustainability of the planet and its human societies. Casio recognizes that this is an extremely important issue for further strengthening its business foundation, and will make even more strenuous efforts in the fight against climate change.

Measures for achieving medium- and long-term targets

Casio has set medium and long-term targets for achievement by 2020 and 2050. Among the three areas that the Casio Environmental Declaration 2020 focuses on, Casio will put the highest priority on realizing a low-carbon society.

Realizing a low-carbon society

The Casio Group will provide products and services that make an even greater contribution to the reduction and absorption of CO₂ emissions. In addition to expanding products and services that use energy sources that are friendly to people and the planet, including solar, wind, and hydro power, Casio will incorporate these renewable energy sources into its own business operations.

Casio Europe has been operating geothermal cooling and heating in its office building since January 2009. In fiscal 2013, Casio will also begin investigating initiatives for the use of renewable energy including solar.

Regarding other indirect CO₂ emissions (GHG Protocol Scope 3 emissions), Casio will work to expand the scope of disclosure of other indirect CO₂ emissions generated during distribution and product usage, which it already discloses, based on the calculation guidelines being considered currently by the electrical and electronics industry associations.

Measures for 2020

Casio is studying the potential of the following initiatives to achieve the medium-term target for 2020. It will also strive to assess as quickly as possible their potential to help meet the 2050 target.

1. **Response to social environment changes after the Great East Japan Earthquake**
 - Responding to energy issues
 - Introducing renewable energy sources
2. **Environmental contribution through product usage**
 - Reducing the amount of electricity used by products
 - Minimizing and optimizing the amount of product packaging
 - Increasing the percentage of products that run on solar cells
3. **Utilizing carbon offsets**
 - CO₂ absorption effect based on the expansion of paperless products (reducing demand for logging, etc.)
 - Purchasing carbon offsets for products
 - Promoting tree planting and greening
 - Emissions trading, Clean Development Mechanism (CDM), and Joint Implementation (JI)
4. **Reduction of CO₂ emissions in various business activity processes**
 - Materials procurement, product manufacturing, transport and distribution, product usage, recycling, and disposal
 - Expansion of the scope of CO₂ emission data gathering on logistics, transport efficiency improvement, and modal shift
 - Making production facilities more energy efficient, and improving production processes
5. **Increasing the percentage of non fossil-fuels used at sites**
 - Installation of LED lighting
 - Installation of solar panels
 - Installation of highly efficient air conditioning equipment

Energy Conservation Targets by Fiscal 2016 (Power, Fuel, etc.)

Starting in fiscal 2014, Casio established the new energy conservation targets described below with a target year of fiscal 2016 in an update of its energy conservation targets up to fiscal 2013.

By fiscal 2016, the Casio group overall will reduce energy usage (crude oil equivalent kL) by 13% per unit of total floor space compared with fiscal 2011.

In setting the new target, Casio changed from establishing targets for production sites in Japan, offices in Japan, production sites outside Japan and offices outside Japan, respectively, as it did in the past, to establishing an overall Group target. Moreover, while the target for production sites was previously expressed per production, Casio has employed per unit of total floor space for the new target, which is as close as possible to an absolute target.

Casio has established energy conservation targets as a crude oil equivalency (kL) for fuel and power usage, and this has made it possible to evaluate actual energy conservation programs without relying on the CO₂ emission coefficient for purchased power.

Fiscal 2015 Performance

In fiscal 2015, output grew at production subsidiaries Yamagata Casio and Casio (Thailand), but the total amount of energy used by the Casio Group fell by 3.3%, crude oil equivalent, compared to fiscal 2014. This was due to energy-saving activities including power saving by the entire group.

Looking at energy saving per unit of total floor space, energy consumption in fiscal 2015 was reduced by 12.7% compared to fiscal 2011. This is close to the target of a 13% reduction in energy consumption by fiscal 2016.

Meanwhile, in fiscal 2015, CO₂ emissions for the entire group increased by 0.3% compared to fiscal 2014. This was due to an approximately 17% deterioration in the CO₂ emission coefficient for electricity in Japan, which is used to calculate the amount of CO₂ emissions generated per unit of electricity consumed.

Compared to fiscal 2006, the base year for the medium-term targets, emissions have been reduced by 70.9%, thereby achieving the goal for fiscal 2021. (The reduction would be 31.6%, if the base year were set according to the GHG Protocol.)

For more information, see [“Reducing CO₂ emissions”](#), [“Fiscal 2015 Casio Environmental Action Plan Performance”](#).  (PDF / 48KB)

Biodiversity



This page introduces Casio's initiatives for preserving biodiversity.

Casio's approach to biodiversity preservation

The 10th Conference of Parties (COP10) to the Convention on Biological Diversity (CBD) was held in Nagoya, Japan in October 2010, and it adopted a new Strategic Plan for Biodiversity (2020), and the Aichi Biodiversity Targets (2050). Following up, business corporations have become more active in their efforts to preserve biodiversity.

Casio Group Biodiversity Guidelines

Basic Policy

The Casio Group recognizes that its existence and business activities depend on the benefits afforded by biodiversity, and that these activities also have an impact on biodiversity. Casio emphasizes biodiversity preservation activities as well as efforts to fight climate change. By including biodiversity preservation in environmental management and creating a system for implementation, the Casio Group is working to build a more sustainable world.

Specific Initiatives

1. Business Activities: Casio will help to build a more sustainable world by creating and providing products and services that encourage consumers to care more about the environment. This will be done by learning from nature and developing technologies that utilize this wisdom.

- Facilitating a paperless society
- Contributing to resource saving by developing original technology
- Developing products with care for nature

2. Impact Assessment: Casio will survey and analyze its impact on biodiversity through activities including R&D, design, procurement, manufacturing, logistics, sales, product use, disposal, and recycling, and at its office and plant locations. It will establish improvement measures and implement them starting with areas of highest environmental impact and benefit.

- Actively taking initiatives for proper procurement of parts (leather, wood, paper, etc.) and materials (mineral resources, etc.) that depend on ecosystem services.
- Conducting questionnaire surveys across the supply chain in order to check ecosystem protection efforts for parts and materials that make up products.
- Establishing impact assessment methods (checklists and indices) for the Casio Group

3. Information Disclosure: Casio will strive to improve social awareness of biodiversity, by actively disclosing the results of its environmental activities.

4. Community Involvement: Casio will actively support activities that contribute to biodiversity preservation by NPOs and NGOs, government agencies, and local citizens.

5. Full Employee Participation: Casio is aiming for activities that involve the participation of all employees, by increasing understanding of biodiversity preservation, and training employees to act on their own initiative.

March 31, 2011

Yukio Kashio

Chairman, Casio Environmental Conference

While benefit from biodiversity, corporate activities also have a significant impact on it. By fully understanding this relationship, Casio aims to avoid the risks associated with failing to make efforts in the area of biodiversity and, instead, to identify the opportunities that these efforts present.

Example risk:	Problems in the upstream supply chain identified from the perspective of biodiversity preservation could make it impossible to use certain resources, materials, and parts, and Casio could lose customers because it is perceived as having a negative impact on the environment.
	Specifics: <ul style="list-style-type: none"> - Use of carelessly sourced paper contributes to global forest decline. - Due to the toxicity of the mercury used in projector light sources, its use is legally restricted.
Example opportunity:	Casio takes the lead ahead of other companies in implementing policies that allow it to more safely and reliably procure resources, materials, and parts, as well as substitutes for the same, and is therefore able to highlight the environmental friendliness of Casio products when appealing to customers.
	Specifics: <ul style="list-style-type: none"> - Efforts that address environmental impact, such as the formulation of a paper procurement policy, are well received by the general public. - Through original development of a light source that does not use mercury, Casio is able to supply projectors that are legally compliant. - By supporting NGOs and NPOs with Casio products, for instance by issuing collaborative wristwatches that support dolphin and whale conservation, Casio is able to strengthen its product brands.

Paper Procurement Policy established

Based on the Casio Group Biodiversity Guidelines, established in 2011, the company created a medium-term plan. Under the plan, it has launched biodiversity impact studies in its product and site-related activities, and is examining and implementing biodiversity preservation measures to be achieved by fiscal 2016. Progress made up until 2014 is summarized in the table below. One such result is the Paper Procurement Policy shown below, established in June 2015.

Casio Group Paper Procurement Policy

Purpose:

To preserve biodiversity by protecting and sustainably using the forest resources which provide the raw material for paper.

Scope:

All paper products procured by the Casio Group worldwide

Policy:

Casio will procure paper for use in its business activities according to the following standards:

- 1) Paper must be made from trees harvested in accordance with the laws and regulations governing the logging area concerned,
- 2) Products must not come from companies that are destroying any forest with high conservation value or that are a source of serious environmental or social issues,
- 3) Priority must be given to reliable certified paper or recycled paper.

In the Sustainability Report 2014, Casio described its plan to develop a paper procurement policy for operations in Japan in fiscal 2015. However, the company decided to establish a worldwide Paper Procurement Policy, ahead of plan.

Regarding the paper procurement situation in Japan, the preliminary investigation conducted by Casio in 2013 and 2014 confirmed that procurement is being carried out according to the procurement policy already in place. In order to maintain this situation, in 2015 the company explained its procurement policy to suppliers of paper for catalogs and user manuals. It also implemented mechanisms for maintaining paper procurement according to the new policy. Regarding the paper procurement situation outside Japan, Casio applies the policy to newly adopted paper sources and is working to confirm whether existing sources are compliant with the policy.

Through the enactment of this paper procurement policy, Casio seeks to raise the awareness of its direct paper suppliers concerning the importance of biodiversity preservation through the paper supply. Although Casio can only have a limited impact as a single company, it is expected that even more corporations will establish similar policies in the future.

As a company that sells numerous products to consumers, Casio has established and is disclosing its Paper Procurement Policy to the general public, taking advantage of it as an opportunity to raise awareness of the issue of biodiversity protection. Through corporate initiatives and activities such as the Consortium for Sustainable Paper Use, in which Casio has participated since June 2014, the company will continue to raise biodiversity awareness in society.

Participation in the Consortium for Sustainable Paper Use Companies and NGO Collaborating to Achieve Sustainable Paper Use by 2020

In June 2014, Casio joined the Consortium for Sustainable Paper Use, which was established to promote the use of paper in a way that is both environmentally and socially responsible throughout society. Casio has been working hard as a dedicated member of the Consortium. The Consortium was established in November 2013 by five companies that are making progressive efforts related to their use of paper, the WWF Japan, and Response Ability, Inc, which promotes corporate sustainability. By enabling each member to promote uses of paper that are environmentally and socially responsible from their various perspectives, the Consortium hopes to expand the sustainable use of paper throughout the broader society.

Activities of the Consortium

- Dissemination of providing for promoting sustainable paper use
- Reliable information sharing between members
- Information dissemination and outreach activities
- Expansion of efforts to suppliers and vendors

Participating Companies (as of June 2015, in Japanese phonetic order)

Ajinomoto Co., Inc.
Casio Computer Co., Ltd.
Kirin Holdings Co., Ltd.
JSR Corporation
Sony Corporation
Nikon Corporation
Sumitomo Mitsui Trust Bank, Ltd.

Operations Advisor: Response Ability, Inc.



Details regarding the consortium can be found on the WWF Japan website below.

▶ [“Consortium for Sustainable Paper Use” WWF Japan website](#)

Environmental Action Plan relating to biodiversity preservation

In fiscal 2014, the following targets were set for fiscal 2016, and efforts to meet them are underway.

Biodiversity preservation target

Based on the Casio Group Biodiversity Guidelines, commence a biodiversity impact study for products and sites and examine and implement measures, to reduce biodiversity impact by fiscal 2016, which will include procurement.

For Products

Consider details concerning design, procurement, manufacture, packaging, sales, logistics and recycling of products

For Sites

Consider details concerning location and operation of plants and offices

FY2014:	Conduct a pilot study based on the impact survey sheet prepared in cooperation with NPOs/NGOs. Examine strategy and direction for programs in light of the pilot study and its analysis and response to the Action Plan and Guidelines for the Electrical and Electronics Industries.
FY2015:	Based on results in FY2014, make improvements to the impact study sheet and the structure of the study and expand the scope of the impact study, taking priority level into consideration. Examine measures for biodiversity in procurement.
FY2016:	Analyze the results up to FY2015, identify issues and establish and implement action themes to reduce biodiversity impact.

Table: Worldwide trends in biodiversity preservation

Year	Global Trends	Trends in Japan	Trends in Japanese Industry	Casio Response
Up to FY2009	Convention on Biodiversity (1992) Comprehensive treaty for biodiversity preservation adopted COP9 (Bonn) May 2008 Major progress on ocean conservation Issued an interim report on the economic value of biodiversity	Basic Act on Biodiversity Requiring local governments to establish plans for biodiversity preservation, and for companies to take responsibility for promoting self help and cooperating with local governments		
FY2010		August Ministry of the Environment's Guidelines for Private Sector Engagement in Biodiversity March National Strategy for the Conservation and Sustainable Use of Biological Diversity 2010	April (Nippon Keidanren) Declaration of Biodiversity by Nippon Keidanren, Action Policies, and Guide to Action Policies	Environmental Action Plan relating to biodiversity preservation established
FY2011	COP10 (Nagoya): October Aichi Biodiversity Targets: Medium and long-term targets relating to ecosystem services Nagoya Protocol: Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization to the Convention on Biological Diversity		October Japan Business and Biodiversity Partnership started	Casio Group Biodiversity Guidelines established
FY2012			Biodiversity working group activities began in the electrical and electronics industry	Casio started the education of relevant divisions and checklist surveys for biodiversity preservation impact assessment

Year	Global Trends	Trends in Japan	Trends in Japanese Industry	Casio Response
FY2013	COP11 (Hyderabad, India): October Rio +20 (United Nations Conference on Sustainable Development): June Consensus on the establishment of sustainable development goals (SDGs). http://www.uncsd2012.org/			Prepare a checklist for biodiversity preservation for both business sites and products, and begin a pilot study
FY2014			November Launch of the Consortium for the Sustainable Use of Paper, driven primarily by WWF Japan	Conducted a pilot study on Casio businesses in Japan (user manuals and pamphlets associated with products; copy paper and drawing paper associated with business offices), and the results revealed no major problems
FY2015	COP12 (Pyeongchang, Republic of Korea): October Theme: Biodiversity for Sustainable Development		May 2014 Four electrical and electronics organizations published Let's Study Biodiversity a biodiversity education and outreach tool March 2015 Code of Conduct Relating to Biodiversity released	Expanded the pilot study focusing on Casio in Japan, formulate a domestic paper procurement policy to be adopted within the fiscal year Participated in the Consortium for Sustainable Paper Use
FY2016				June Paper Procurement Policy for the Casio Group established

For more information on Casio's activities to preserve biodiversity, see the [\[Environmental Communication\]](#).

Green Star Products

Casio's Green Star Products offer even greater environmental performance than Casio's conventional products.

Green Star Product concept

In order to minimize the environmental impact of its products, Casio is promoting the development of environmentally friendly products in every aspect of planning and design.

In 1993, Casio began product assessment in order to systematize and promote its development of eco products. New products had to undergo a preliminary assessment for their environmental impact and meet certain criteria in order to be certified as Casio Green Products. Prior to FY2008, Casio worked towards an initial Green Product sales target of 80% of total sales, and in that year the company achieved 84%. Now the company promotes to continue target of 80%.

With the achievement of this target, Casio decided to create even stricter criteria and implement more specific, detailed assessments. Qualifying products are certified as Green Star Products, representing the best of Casio Green Products. This ensures that Casio's products continue to set the bar higher and drive the realization of a sustainable society.

For Green Star certified products, the environmental features are listed in catalogues and on the product packages.

Casio Green Star Products

See the product lineups that were certified as Casio Green Star Products by FY2015 (photos show product examples).

Calculator



JS-20WK-N



Environmental Features

- Solar battery powered
- Contains at least 40% recycled plastic (gross weight ratio of plastic)

Electronic dictionary



XD-K6500



Environmental Features

- Transport efficiency increased by 54% by reduced packaging (compared to Casio's XD-SP6600)

Digital camera



EX-ZR1600



Environmental Features

- Transport efficiency increased by 114% by reduced packaging (compared to Casio's EX-Z1200)

Data projector



XJ-V1



Environmental Features

- We do not use a mercury light source
- Weight reduced by 28% (compared to Casio's XJ-M141)

Electronic musical instrument



AP-60



Environmental Features

- Energy consumption during use reduced by 44% (compared to Casio's AP-500)

Watch



OCW-G1000 SHW-1700SG



Environmental Features

- Solar battery powered

Page printer



GE6000



Environmental Features

- Energy consumption during use reduced by 67% (TEC value in compared to Casio's N6100)

Handheld terminal



DT-970



Environmental Features

- Energy consumption during use reduced by 33%
- Size reduced by 18% (compared to Casio's DT-930)

Label printer



KL-V460



Environmental Features

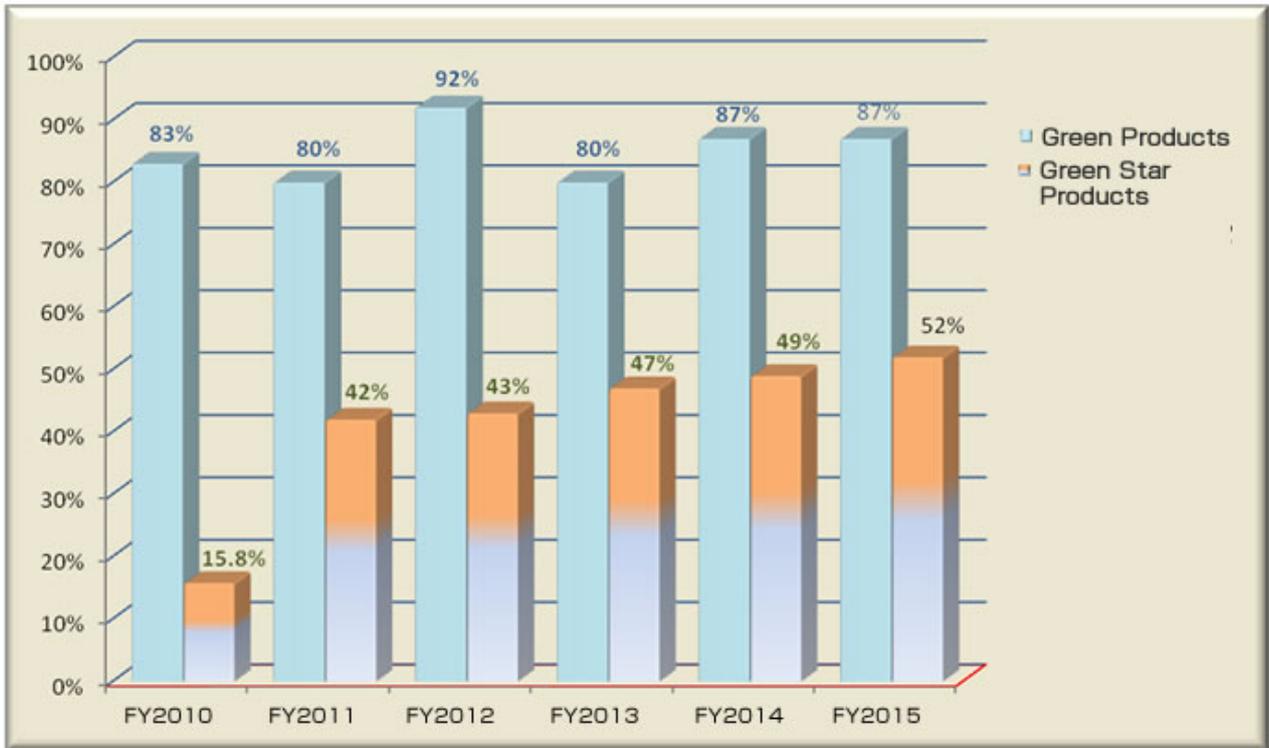
- Energy consumption during use reduced by 28% (compared to Casio's KL-V450)

Sales Ratio Achievement, Targets, and Setting Standards for Casio Green Star Products

In FY2010, Casio set a target of a 30% sales ratio of Casio Green Star Products to be achieved by FY2013. The result in FY2011 was 42%, hitting the target two years ahead of schedule.

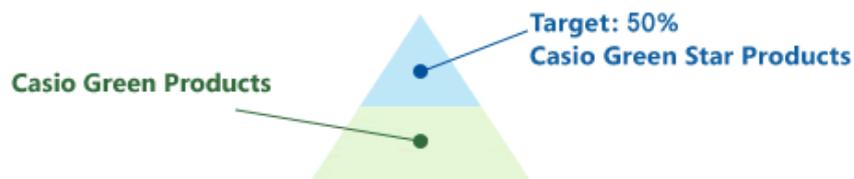
In fiscal 2012, a new target was set to reach a sales ratio of 50% for Casio Green Star Products. The target was achieved in fiscal 2015 with a ratio of 52%. The target ratio will remain at 50% for fiscal 2016, and a new target will be set for fiscal 2017.

Casio Green Products and Casio Green Star Products



Assessment categories

Assessment categories



• Assessment criteria for each product

Green Product Assessment
1. Promotes recycling (labeling of materials contained)
2. Designed for recycling
3. Components of products can be separated, disassembled
4. Improved recyclability
5. Reduced resource volume
6. Reduced resource weight
7. Improved energy efficiency
8. Regulated use of chemical substances
9. Recyclability of batteries
10. Recycling label on batteries
11. Regulatory compliance
12. Components of packaging can be separated, disassembled
13. Regulated use of packaging materials
14. Preserves the natural environment
90 points or more, out of a total 100 points possible

Casio Green Star Product Assessment
1. Power consumption during use reduced by 20%
2. Solar batteries used and Eco Mark acquired (Calculator)
3. Use of solar batteries and long-life structure (Watch)
4. Comes with a 10-year battery and long-life structure (Watch)
5. Body volume reduced by 20% or more
6. Weight reduced by 20% or more
7. Load ratio reduced by 20% or more due to more compact packaging
8. Uses recycled plastic 30% or greater by weight
9. Uses bioplastics 25% or greater by weight
10. Contains no specific hazardous chemical substances (polyvinyl chloride)
11. Improvement of 10% or more based on an LCA environmental assessment
12. Improvement of 10% or more based on product environmental efficiency
13. Has functions or services that make considerable contributions to environment performance other than listed above

When products meet the Green Product standards and also fulfill a criterion above.

*Casio Green Star Product certification standards may vary for some products.

*These standards will be periodically revised to keep pace with environmental advances.

Environmental Action Plan (Targets and Performance)



Under its Environmental Vision 2050, Casio has established Environmental Action Plan targets from a global perspective, and is carrying out environmental activities accordingly. Here are the targets and performance for FY2015, along with the targets for FY2016 based on the current results.

Environmental Management Policy for Building a Low-Carbon Society

Casio approaches Environmental Management based on its Environmental Vision and Environmental Management Policy for Building a sustainable Society. Please click the following link to see how Casio's efforts fit within the larger global context and to see the full text of the Environmental Vision and Environmental Management Policy.

[▶ Environmental Vision](#)

Fiscal 2016 Casio Environmental Action Plan

Product Targets

1. Development target for eco-products

Increase Casio Green Star product sales to **50** % of total sales by FY2016.

Maintain Green Product sales at **80** % of total sales.

Plant and Business-site Targets

1. Medium- and long-term targets for greenhouse gas emissions reduction

Medium-term target

To reduce the total volume of global greenhouse gas emissions from business activities by **30** % compared to FY2006, by FY2021

Long-term target

To reduce the total volume of global greenhouse gas emissions from business activities by **80** % compared to FY2006, by FY2051.

* Business activities: This indicates activities of production sites and offices in Japan and overseas, and does not include CO2 emissions from logistics, product usage, or employee travel.

2. Energy conservation targets (electrical power, fuel etc.)

Reduce energy usage (crude oil equivalent kL) by **13** % per unit of total floor space compared to FY2011, by FY2016.

3. Resource conservation targets (water, paper)

Japan production sites

Reduce water usage by **5** % compared to FY2011, by FY2016

Production sites outside Japan

Reduce water usage by **5** % compared to FY2011, by FY2016

Japan sites

Reduce volume of office paper used by **12** % compared to FY2011, by FY2016

4. Waste reduction targets

Japan sites

Reduce volume of waste by **4** % compared to FY2011, by FY2016

Production sites outside Japan

Reduce volume of waste by **48** % compared to FY2011, by FY2016

5. Logistics target for the fight against climate change

Distribution in Japan

Reduce CO₂ emissions volume* per unit of sales by **20** % compared to FY2011, by FY2016

* Scope covers processes relating to product sales, not including processes relating to materials procurement and recycling

Overall business activity targets

1. Biodiversity preservation target

Based on the Casio Group Biodiversity Guidelines, commence a biodiversity impact study for products and sites and examine and implement measures, to reduce biodiversity impact by fiscal 2016, which will include procurement.

For Products

Consider details concerning design, procurement, manufacture, packaging, sales, logistics and recycling of products

For Sites

Consider details concerning location and operation of plants and offices

FY2014: Conduct a pilot study based on the impact survey sheet prepared in cooperation with NPOs/NGOs. Examine strategy and direction for programs in light of the pilot study and its analysis and response to the Action Plan and Guidelines for the Electrical and Electronics Industries.

FY2015: Based on results in FY2014, make improvements to the impact study sheet and the structure of the study and expand the scope of the impact study, taking priority level into consideration. Examine measures for biodiversity in procurement.

FY2016: Analyze the results up to FY2015, identify issues and establish and implement action themes to reduce biodiversity impact.

Fiscal 2015 Casio Environmental Action Plan performance

See the next page.

Fiscal 2015 Casio Environmental Action Plan Performance

Progress assessment key	
①	Target was achieved and a new, higher target was established.
②	Target was achieved.
③	Target not achieved, but steady improvement made over previous fiscal year.
④	Making progress toward achieving target and expect results next fiscal year and beyond.
⑤	Same as or worse than base value.

Fiscal 2015 Casio Environmental Action Plan Performance

	Theme	Target	Base value	Target value	FY2015 actual value	Target achievement progress in FY2015	Progress assessment
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Product targets

1 : Eco-products	Raise share of Green Star Product sales in total sales.	Increase Casio Green Star product sales to 50% of total sales by FY2015.	-	50%	52%	Target was achieved.	☆☆☆
		[Maintain Green Product sales at 80% of total sales or more.]	-	[80% or more]	[87%]	[Target was achieved.]	☆☆☆

Plant and business-site targets

1 : Reduction of greenhouse gas emissions over the medium and long term	Reduce greenhouse gas emissions over the medium term.	Reduce the total volume of global greenhouse gas emissions from business activities by 30% by FY2021 compared to FY2006.	132,213	92,549	38,483	Reduced by 70.9%	☆	
			56,238 (*1)	39,367 (*2)		Reduced by 31.6% (*4)		
				(Tons-CO2)	(Tons-CO2)	(Tons-CO2)		
	Reduce greenhouse gas emissions over the long term.	Reduce the total volume of global greenhouse gas emissions from business activities by 80% by FY2051 compared to FY2006.		132,213	26,443	38,483	Reduced by 70.9%	☆
56,238 (*1)				11,248 (*3)	Reduced by 31.6% (*4)			
			(Tons-CO2)	(Tons-CO2)	(Tons-CO2)			
Figures in blue show adjusted values (*1) for emissions in the base year, taking into account contributions from changes in business structure (including transfers of group companies, etc.), fiscal 2021 target values (*2), fiscal 2051 target values (*3), and actual values (*4), based on the GHG Protocol								
2 : Energy conservation (electrical power, fuel, etc.)	Reduce energy usage (All sites).	Reduce energy usage (crude oil equivalent kL) by 13 % per unit of total floor space compared to FY2011, by FY2016.	0.0428	0.0373	0.0374	Reduced by 12.7%	☆	
			(crude oil equivalent kL/m2)	(crude oil equivalent kL/m2)	(crude oil equivalent kL/m2)			
3 : Resource conservation (water, paper)	Reduce water usage (Japan production sites).	Reduce water usage by 5% compared to FY2011, by FY2016	65	61	53	Reduced by 18.1%	☆☆☆	
				(Thousand m3)	(Thousand m3)	(Thousand m3)		
	Reduce water usage (production sites outside Japan).	Reduce water usage by 5% compared to FY2011, by FY2016	428	407	147	Reduced by 65.6%	☆☆☆	
			(Thousand m3)	(Thousand m3)	(Thousand m3)			
4 : Waste reduction	Reduce office paper usage (Japan sites).	Reduce volume of office paper used by 12% compared to FY2011, by FY2016	71	63	64	Reduced by 10.4%	☆☆	
				(Tons)	(Tons)	(Tons)		
5 : Reduction of volatile organic compounds (*5) (VOCs)	Reduce emissions of VOCs at atmosphere (Japan production site).	Reduce emissions by 45% by FY2016 compared to FY2001.	47	26	0.280	Reduced by 99.4%	☆☆☆	
			(Tons)	(Tons)	(Tons)			
6 : Hazardous substance phase-out (*6)	Detoxify PCB-containing equipment now in storage as Japan Environmental Safety Corporation starts.	Detoxify all PCBs stored at the Casio Group company in Chuo City, Yamanashi Prefecture by FY2015.	-	-	Completed detoxification of all PCBs stored at a group company in Chuo City, Yamanashi Prefecture	-	☆☆☆	
7 : Logistics-related global warming countermeasures (*7)	Reduce CO2 emissions (distribution in Japan).	Reduce CO2 emissions volume* per unit of sales by 20% compared to FY2011, by FY2016	-	Reduce by 20% by FY2016	61.5% compared to FY2011	Reduced by 38.5% compared to FY2011	☆	

(*5) Achieved targets for three consecutive years (FY2013 to FY2015). Since the input and output amounts are under a ton, it will be excluded from the Environmental Action Plan starting in fiscal 2016.

(*6) PCB detoxification at a group company in Chuo City, Yamanashi Prefecture was completed, and PCB-containing equipment stored at the Hachioji R&D Center is under appropriate storage and being reported based on the PCB Measures Act. Thus, it will be excluded from the Environmental Action Plan starting in fiscal 2016.

(*7) The scope of target for logistics-related global warming countermeasures is distribution for product sales.

Overall business activity targets

1 : Biodiversity preservation target	Preserve biodiversity and ecosystem services.	Based on the Casio Group Biodiversity Guidelines, commence a biodiversity impact study for products and sites and examine and implement measures, to reduce biodiversity impact by fiscal 2016, which will include procurement.	-	-	-	Performed a preliminary investigation of paper procurement in Japan, and enacted a worldwide Paper Procurement Policy for the Casio Group.	☆
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Material Balance

This page provides an overall picture of the environmental impact of the Casio Group's business activities.

What is a material balance?

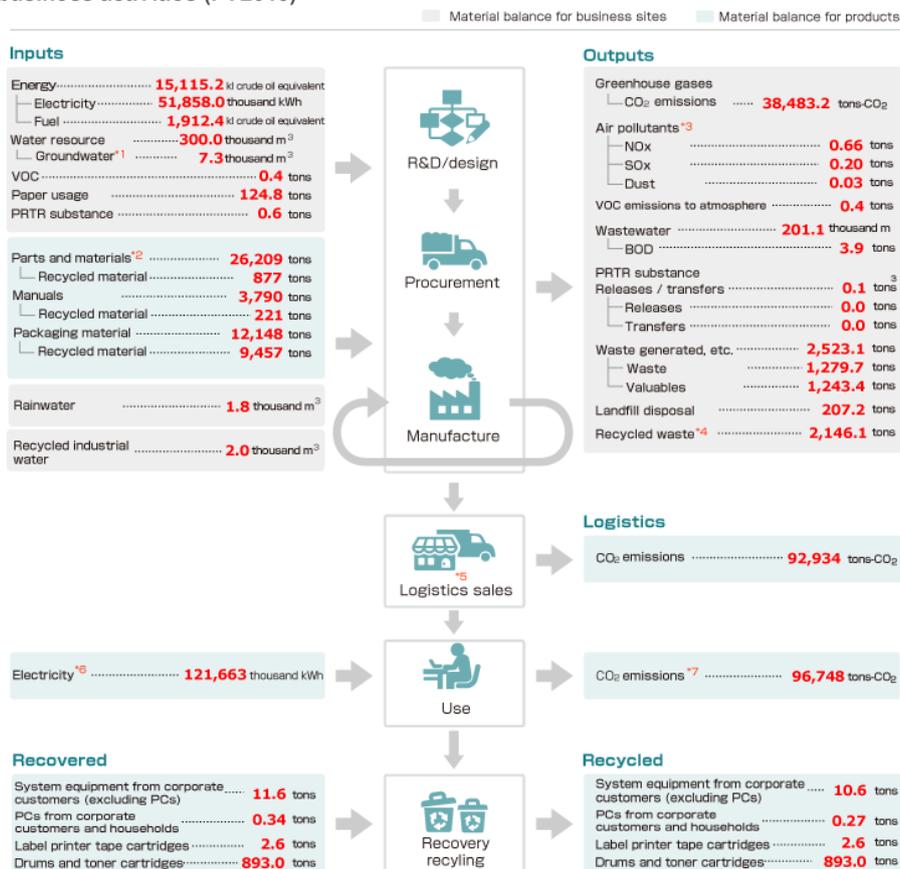
A material balance shows the amount of resources used and the amount of materials with environmental impact that are produced (outputs) in business activities from R&D to after-sales collection and recycling (inputs).

Fiscal 2015 performance

Despite expanded production at Yamagata Casio in Japan and at Casio (Thailand) in fiscal 2015, energy use was reduced for the entire group. Meanwhile, CO₂ emissions increased slightly from the previous year, due to the deterioration of the CO₂ emission coefficient for electricity in Japan.

Offices and production sites in Japan continued to engage in energy conservation activities throughout the year, including summer and winter, which were stepped up after the Great East Japan Earthquake in March 2011. The power usage and CO₂ emissions resulting from customers' use of Casio products is calculated on the assumption of five years of use based on Scope 3 assessment standards adopted in fiscal 2014. Casio will continue to strive to improve its production equipment and business processes, to make the products it sells in such a way that they conserve energy and resources, and to reduce its environmental impact.

Material balance in business activities (FY2015)



*1 Groundwater is included in the water resource inputs.

*2 Parts and materials include consumables, such as toner cartridges.

*3 Ozone depleting substances have been fully phased out.

*4 Recycled waste includes thermally recycled material.

*5 Product distribution is consigned to transportation companies.

*6 Electricity is calculated based on five years of use in accordance with the Scope 3 standards.

*7 CO₂ emissions are calculated based on five years of use in accordance with the Scope 3 standards.

The exchangeable battery amounts used for these calculations are based on general market prices.

Environmental Performance

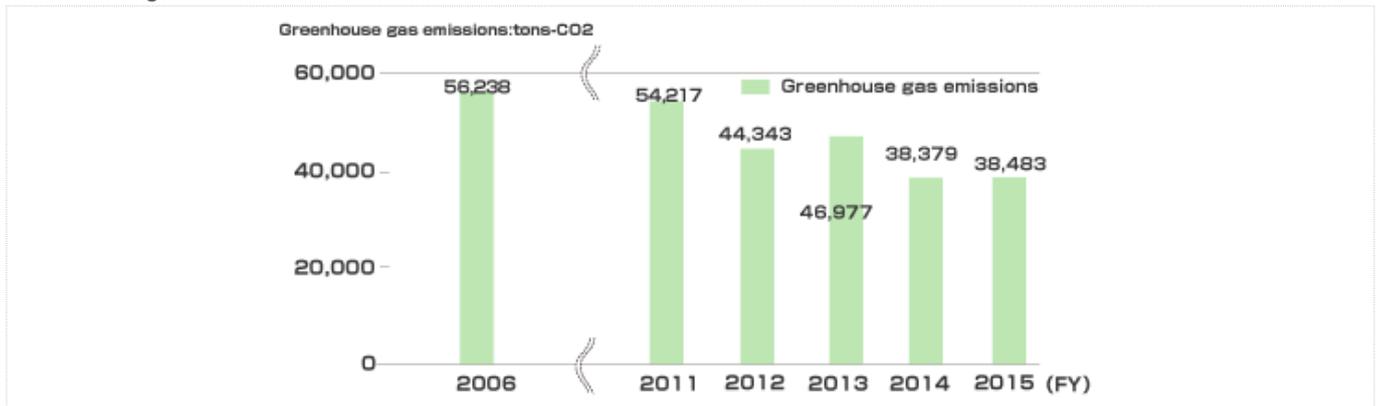
In order to comply with environmental laws and regulations, Casio's main sites have acquired ISO14001 certification and operate an environmental management system. Under the environmental management system, Casio plans and executes environmental protection activities based on a range of environmental legislation and the Casio Group Environmental Action Plan as well as various voluntary action plans established by Keidanren and the industry association. Moreover, Casio applies and operates its own unique environmental management system to relatively small office sites, which takes into account the extent of their environmental impact.

■ CO2

Medium-and long-term greenhouse gas reductions

Casio has established medium-term (2020) and long-term (2050) objectives on reducing its total greenhouse gas emissions. Efforts are being made to reduce total greenhouse gas emissions from business activities by 30% by fiscal 2021 and 80% by fiscal 2051 (compared to fiscal 2006). In the fiscal 2015 results, emissions were reduced by about 32% compared to the base year, and the medium-term plan has already been achieved. However, activities will be carried out for emissions reduction to achieve long-term targets. Furthermore, total CO2 emissions for the entire group in fiscal 2015 increased by 0.3% compared to fiscal 2014. However, this was due to an approximately 17% deterioration in the CO2 emission coefficient for electricity in Japan, which is used to calculate the amount of CO2 emissions generated per unit of electricity consumed.

Greenhouse gas emissions



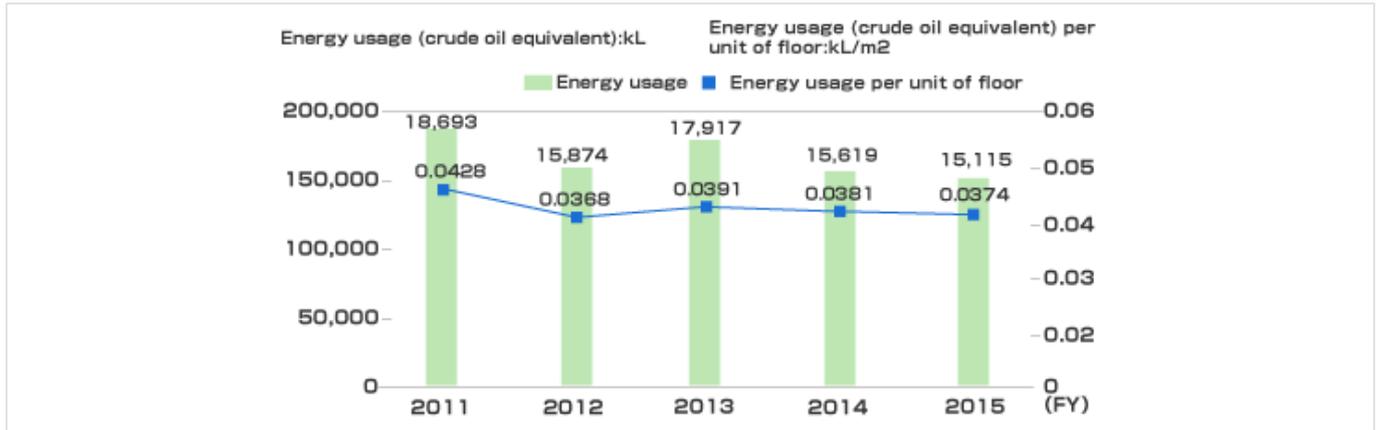
Starting in fiscal 2015, the base year (fiscal 2006) will be adjusted to a level that conforms to the GHG Gas Protocol.

Energy Conservation

Casio revised its Environmental Action Plan in fiscal 2014 and established an energy conservation goal that covers all of its sites. This goal is to reduce energy usage (crude oil equivalent kL) by 13 % per unit of total floor space compared to FY2011, by FY2016. Since fiscal 2015 was an interim year, and since there was an approximately 12.7% reduction for the fiscal 2015 result of 0.0374 kL/m² compared to the fiscal 2011 base year level of 0.0428 kL/m², the target is now in sight. With an awareness that this target is close to the total reduction amount, further efforts will be made in the future.

Casio is continuing to strive to conserve energy at its production facilities and to improve production processes at all production sites in Japan and abroad. At offices in and outside Japan, Casio is promoting energy conservation efforts in its lighting, heating, and cooling equipment, and is striving to reduce CO₂ emissions.

Energy Conservation



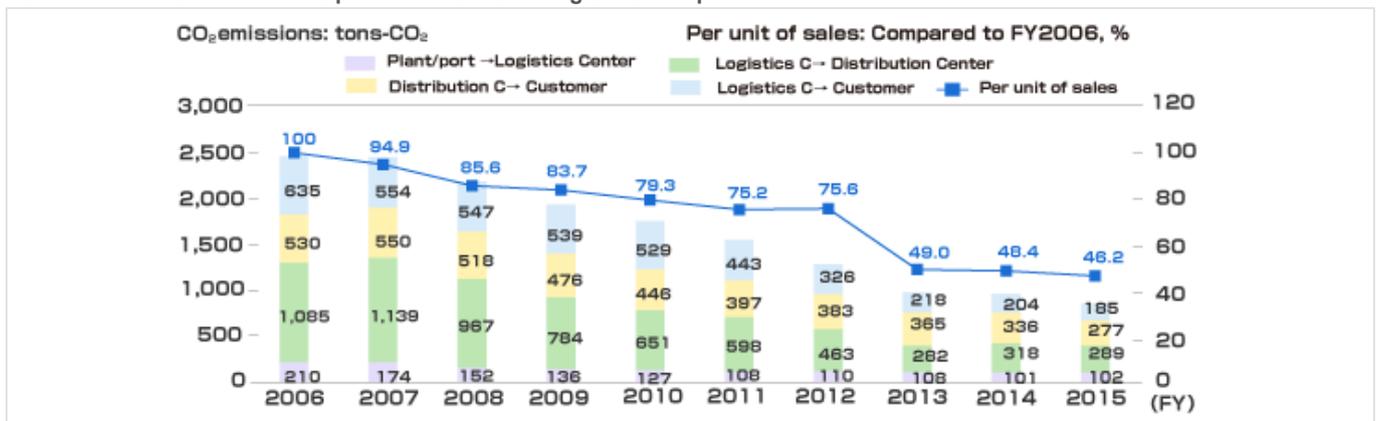
Since there was a change in total floor space at some sites, the energy consumption per unit of floor space figures have been revised going back to the previous year.

Reducing CO₂ Emissions in Logistics

The target for CO₂ emissions from logistics activities in Japan is a 20% reduction per unit of domestic sales in fiscal 2016 compared to fiscal 2011. In fiscal 2015, emissions were 38.5% lower than in fiscal 2011, already achieving the target. Nevertheless, Casio will keep working to further reduce CO₂ emissions. In August 2011, the logistics center was relocated from Suzuka City, Mie Prefecture to Toda City, Saitama Prefecture. In January 2012, the Eastern Distribution Center in Koto-ku, Tokyo was amalgamated with the logistics center. Through this staged effort, Casio reduced the number of consumer distribution centers in Japan from five to four. This transition not only shortened transportation distances, but also facilitated a modal shift from truck to rail, helping to further reduce CO₂ emissions.

In fiscal 2013, Casio began an initiative to send products manufactured overseas directly to the Western Distribution Center in Osaka. This allows transport distances to be shortened significantly by cutting out transit through the Toda Logistics Center.

CO₂ emissions and emissions per unit of sales for logistics in Japan



■ Waste

Reducing waste

Casio revised its Environmental Action Plan in fiscal 2014, and transitioned to absolute volume goals that are not dependent on production volumes.

[All sites in Japan]

The target is to reduce waste from sites in Japan by 4% in fiscal 2016 compared to fiscal 2012.

In fiscal 2015, waste was reduced by about 122 tons, a decrease of approximately 8% compared to fiscal 2012.

Although the target has been achieved, further efforts will be made in the future.

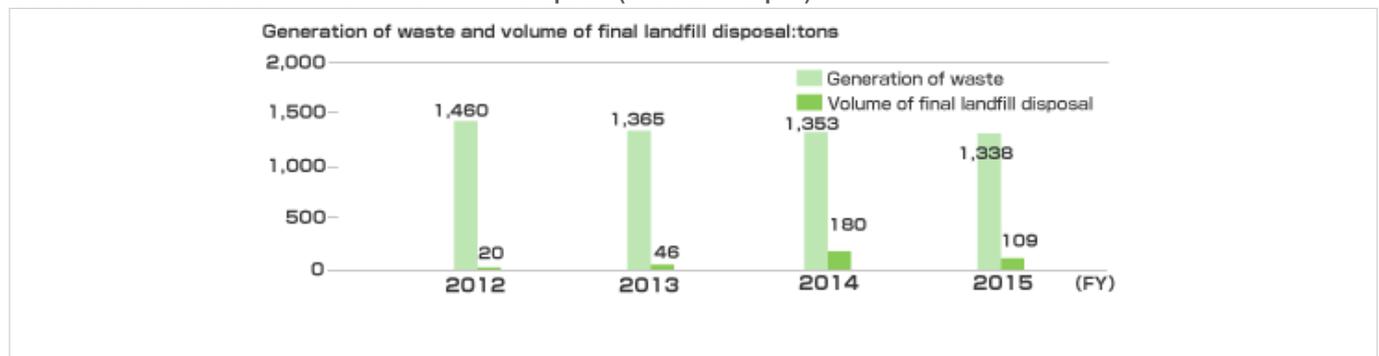
Moreover, landfill disposal volume was reduced by approximately 71 tons compared to fiscal 2014.

[Production sites outside Japan]

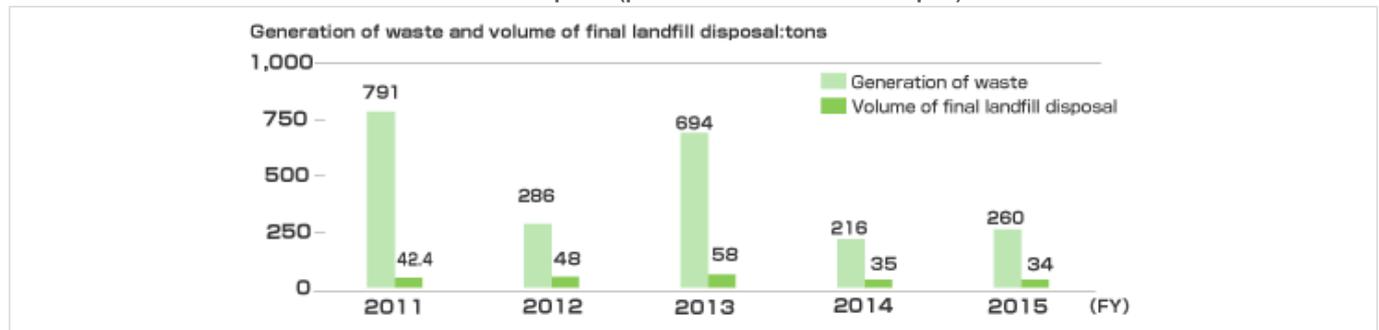
The target is to reduce waste at production sites outside Japan by 48% in fiscal 2016 compared to fiscal 2011.

In fiscal 2015, the waste reduction was about 67% compared to fiscal 2011, and the target was achieved. One reason for the substantial reduction was the closure of the Panyu Factory of Casio Computer (Hong Kong) in fiscal 2014. Casio will continue to work to achieve further reductions.

Generation of waste and volume of final landfill disposal (all sites in Japan)



Generation of waste and volume of final landfill disposal (production sites outside Japan)



■ Water resources

Reducing input of water resources

Casio revised the parts of its Environmental Action Plan related to water resources in fiscal 2014, and transitioned to absolute volume goals that are not dependent on production volumes.

[Production sites in Japan]

Casio's goal is to reduce water usage at production sites in Japan by 5% in fiscal 2016 compared to fiscal 2011.

In fiscal 2015, the reduction was about 18% compared to fiscal 2011, and the target was achieved. Along with increased production at Yamagata Casio, water usage has risen since fiscal 2014. Casio will continue to pursue further reductions.

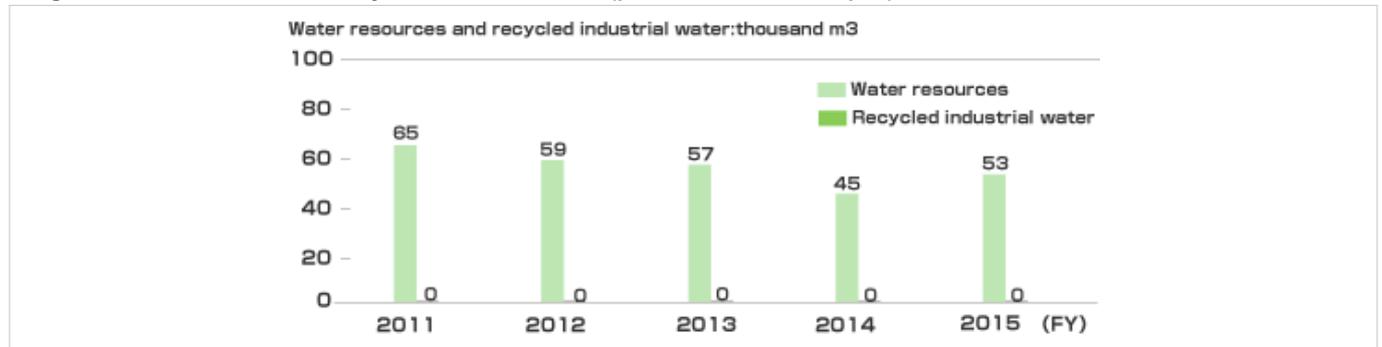
Although data from Yamanashi Plant of Yamagata Casio was not included in the base year level, it has been incorporated into the actual figures starting in fiscal 2014.

[Production sites outside Japan]

Casio's goal is to reduce water usage at production sites outside Japan by 5% in fiscal 2016 compared to fiscal 2011.

In fiscal 2015, the reduction was about 66% compared to fiscal 2011, and the target was achieved. The reasons for this were the closure of the Panyu Factory of Casio Computer (Hong Kong) in fiscal 2014 and lower production at some sites in fiscal 2015. Casio will continue to strive to achieve further reductions.

Usage of water resources and recycled industrial water (production sites in Japan)



Usage of water resources and recycled industrial water (production sites outside Japan)



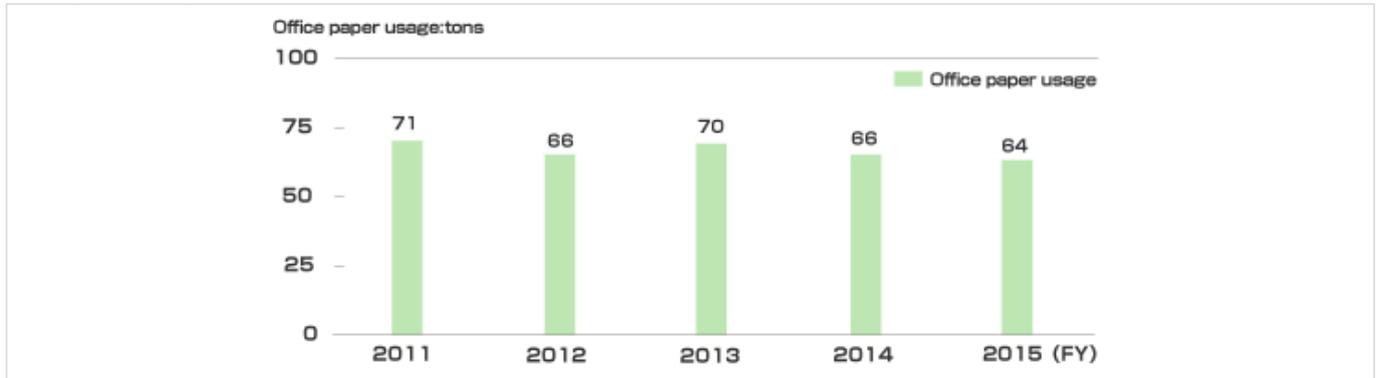
■ Paper resources

Reducing usage of paper resources

Casio revised the part of its Environmental Action Plan related to office paper at sites in Japan in fiscal 2014, and transitioned to absolute volume goals that are not dependent on production volumes. The goal is to reduce the volume of office paper used by 12% in fiscal 2016 compared to fiscal 2011. In fiscal 2015, the reduction was about 10% compared to fiscal 2011, and steady progress was made. Efforts will continue to be made.

Figures were not calculated for Yamagata Casio (Yamanashi Office) in the base year, but results from this site are included in the actual figures for fiscal 2014.

Office paper usage (all sites in Japan)

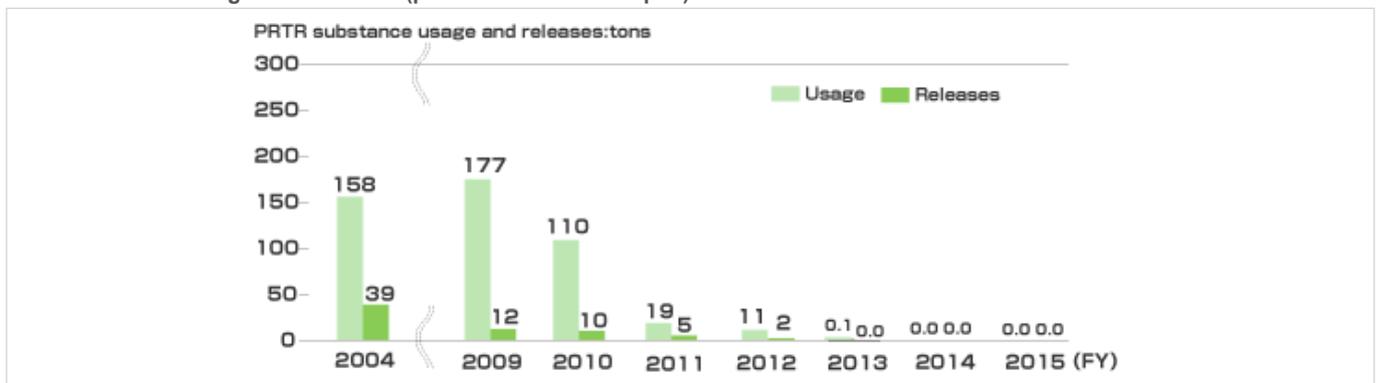


■ PRTR

Reducing PRTR substances

Since goals for reducing PRTR substances were met in fiscal 2013, these have been left out of current targets. Later changes over time are shown in the graph, but input amounts are less than one ton.

PRTR substance usage and releases (production sites in Japan)



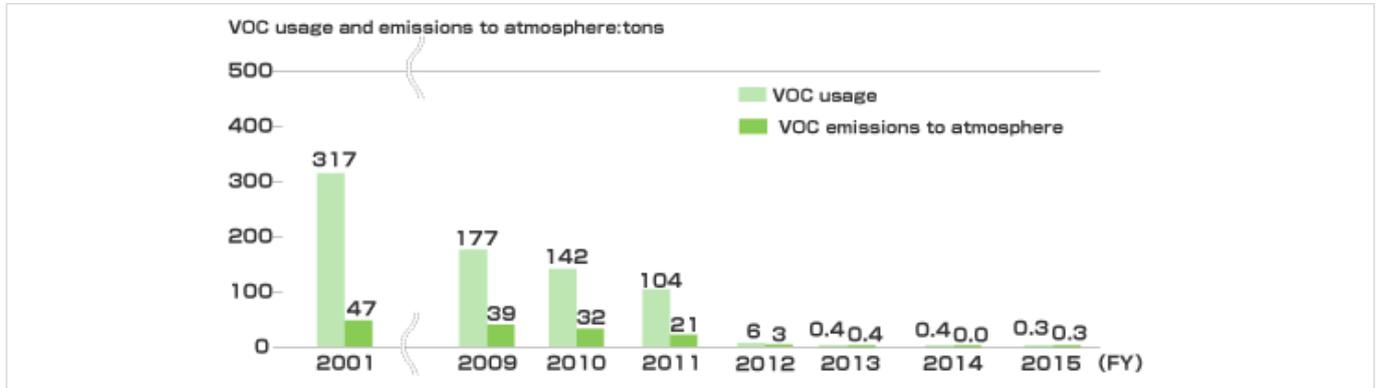
■ VOC, NOx, SOx, dust

Reducing VOCs

[Production sites in Japan]

Casio's goal is to reduce emissions of VOCs by 45% in fiscal 2016, compared to fiscal 2001, and it reached that goal fiscal 2013. Later changes over time are shown in the graph, but input amounts are less than one ton.

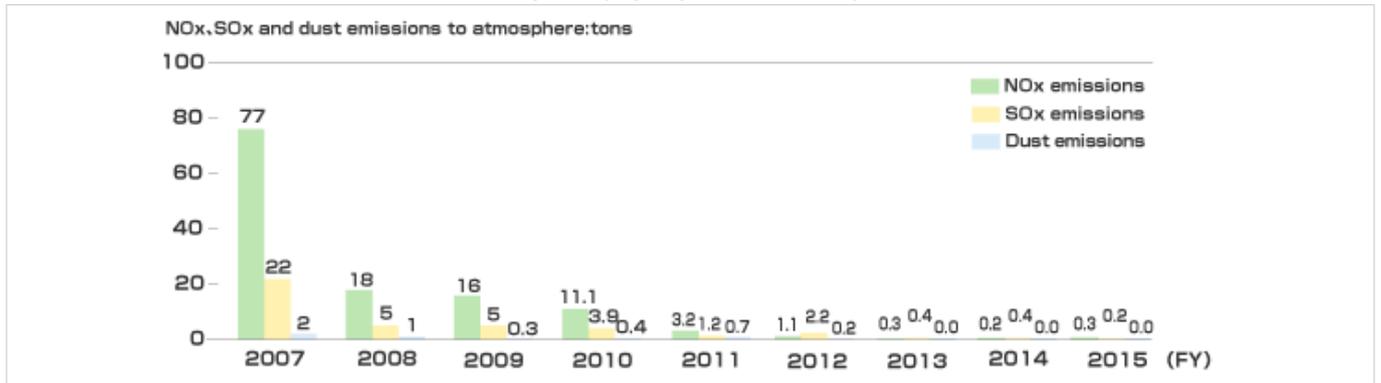
VOC usage and emissions to atmosphere (production sites in Japan)



Reducing Nox, SOx, Dust

Casio is taking measures to minimize NOx, SOx, and dust in a rational way by introducing and using appropriate equipment, and some changes have been achieved through changes in the way the equipment is operated. Changes over time are shown in the graph below.

Trends in NOx, SOx and dust emissions to atmosphere (Japan production sites)



■ Scope of Data

For the calculation of environmental performance figures including material balances, data was gathered from the following 42 sites for the period of April 1 2014 to March 31, 2015 (fiscal 2015).

Sites marked with a dot “●” include all production sites and main offices for environmental performance. Data for these sites is also listed separately.

Production sites in Japan (3 sites)	<ul style="list-style-type: none"> ●Yamagata Casio Co., Ltd. ●Yamagata Casio Co., Ltd. (Yamanashi) 	<ul style="list-style-type: none"> ●Casio Electronic Manufacturing Co., Ltd.
Office sites in Japan (15 sites)	<ul style="list-style-type: none"> ●Casio Computer Co., Ltd. (Headquarters) ●Casio Computer Co., Ltd. (Hamura R&D Center) ●Casio Computer Co., Ltd. (Hachioji R&D Center) ·Casio Computer Co., Ltd. (7 sales sites) <p>(Kudan, Osaka, Sendai, Saitama, Nagoya, Hiroshima, Fukuoka)</p> <ul style="list-style-type: none"> ·Casio Techno Co., Ltd. (Headquarters) ·Casio Marketing Advance Co., Ltd. <p>* Data for Casio Human Systems Co., Ltd., Casio Communication Brains Inc., and Casio Information Service Co., Ltd. have been included in the data for the sites where they are located.</p>	<ul style="list-style-type: none"> ●Casio Business Service Co., Ltd. (Headquarters and Kofu) ·Casio Information Service Co., Ltd ·CXD Next Co., Ltd.
Production sites outside Japan (2 sites)	<p>Asia (2 sites)</p> <ul style="list-style-type: none"> ●Casio (Thailand) Co., Ltd. 	<ul style="list-style-type: none"> ●Casio Electronic Technology (Zhongshan) Co., Ltd.
Office sites outside Japan (22sites)	<p>Asia (9 sites)</p> <ul style="list-style-type: none"> ●Casio Electronics (Shenzhen) Co., Ltd. ·Casio Computer (Hong Kong) Ltd. ·Casio (Guangzhou) Co., Ltd. ·Casio India Co., Pvt. Ltd. ·Casio (China) Co., Ltd. 	<ul style="list-style-type: none"> ·Casio Taiwan Co., Ltd. ·Casio Soft (Shanghai) Co., Ltd. ·Casio Singapore Pte., Ltd. ·Guangzhou Casio Techno Co., Ltd.
	<p>Europe (8 sites)</p> <ul style="list-style-type: none"> ●Casio Europe GmbH ●Casio Electronics Co., Ltd. ●Casio France S.A. ·Casio Espana S.L. 	<ul style="list-style-type: none"> ·Casio Scandinavia AS ·Casio Benelux B.V. ·Casio Italia S.r.l. ·Limited Liability Company Casio
	<p>Middle East (1 site)</p> <ul style="list-style-type: none"> ·Casio Middle East FZE 	
	<p>Americas (4 sites)</p> <ul style="list-style-type: none"> ●Casio America, Inc. ·Casio Canada Ltd. 	<ul style="list-style-type: none"> ·Casio Brasil Comercio De Produtos Eletronicos Ltda. ·Casio Mexico Marketing, S. de R. L. de C.V.

■ Calculation Standards

1. Overall

1. Items with no input, usage, handling or discharge performance have been left blank.
2. Figures are rounded off to the second decimal point, in the specified units (figures shown as “0.0” are less than “0.05”).
3. When total Casio Group values for VOC inputs/emissions and PRTR are 1 ton or more, data is shown separately for the individual site.

2. Inputs

1. Energy input amount

- All fossil fuels and power used in business activities are totaled for sites indicated in the Scope of Data.
- Includes fuel usage by company vehicles, but does not include energy used for contracted logistics services, commuting, and business trips.
- Crude oil equivalents are calculated based on Japan's Energy Conservation Act. Energy used at sites outside Japan is calculated on a crude oil equivalent by applying coefficients pursuant to Japan's Energy Conservation Act.

2. Water resource input amount
 - Usage amounts of tap water and industrial water are combined.
3. VOC input amount
 - For substances subject to follow-up surveys related to VOC emission controls by the four main electrical and electronics industry associations, those whose annual usage at each site exceeds 50 kg are included in the tabulations.
4. Paper usage amount
 - Managed and tabulated based on the purchased amounts of paper used in printers, fax machines, and copy machines each year.
 - The weight of one sheet is determined for each paper size, and weights are calculated based on the amounts purchased.
5. PRTR substance input amount
 - Calculated for chemical substances subject to Japan's PRTR Act whose annual amount handled per substance is 0.05 tons or more at each site.

3. Outputs

1. CO₂ emissions
 - The CO₂ conversion factors for electricity used to calculate output amounts are as follows.
For emissions in Japan, Casio used the fiscal 2014 emission coefficient of 0.00057 (t-CO₂/kWh), as announced by the Federation of Electric Power Companies in September 2014 to reflect an adjustment for depreciation credit.
For emissions in sites outside Japan, the “emissions factor adjusted for the CO₂ emissions from CHP (combined heat and power) generated electricity” was used. It is taken from the latest year value (2003 estimate) in the Japan Electrical Manufacturers' Association (JEMA) estimate survey (June 2006).
 - Regarding CO₂ equivalent for fuel, CO₂ conversion coefficients were calculated using the emission coefficients and unit calorific values by fuel type based on Japan's Global Warming Act, and then applied to different fuel types and totaled.
2. Air pollutants
 - Calculated at sites that have smoke generating facilities based on the concentration measurements and gas emissions at each facility.
 - Concentrations of dust emissions, NO_x, and SO_x, which must be managed by law, are measured at target sites, to confirm that they are below regulation levels.
 - The following substances are not used at any Casio site: dichloromethane, trichlorethylene, tetrachlorethylene, chloroform, vinyl chloride monomer, 1,3-butadiene, benzene, acrylonitrile, 1,2-dichloroethane, formaldehyde, trinickel disulfide, nickel nitrate, and acetaldehyde.
3. Wastewater
 - Calculated from values at sites that measure wastewater amounts. Sites that do not measure wastewater amounts but can ascertain tap water use treat the amount of tap water used as their wastewater amount.
 - At sites with special facilities that fall under the Water Pollution Prevention Act and/or the Sewer Act, water quality surveys are conducted based on applicable laws, and confirmation is made that emissions are below regulatory limits. Since fiscal 2014, the applicable facilities have not been operating.
 - In the case of discharge into public sewer systems, BOD is left blank, but figures are shown if voluntary measurements are taken.
4. PRTR
 - Release and transfer quantities are calculated for each chemical substance subject to Japan's PRTR Act whose annual usage is 0.05 tons or more.
5. Waste
 - Waste is tabulated as the total amount of industrial waste generated when product is transferred from a Casio site to the processor, general waste derived from sites, and the quantity of valuables.
 - Because sales sites are small in size and mixed waste is handled by a contractor, it is difficult to get accurate figures for recycling quantities and landfill waste quantities. Thus, all waste from these sites is conservatively treated as landfill waste for calculation purposes.
6. Base year figures
 - For evaluation of medium and long-term targets, starting in fiscal 2015, base year (fiscal 2006) figures are adjusted according to the GHG Protocol.

Scope3

Building a low-carbon society is one of the medium- to long-term goals of the Casio Environmental Vision 2050 and the Casio Environmental Declaration 2020. This will require not only efforts from within the Casio Group, but also a commitment to reducing CO2 emissions both upstream and downstream in the supply chain. For this reason, Casio has calculated emissions for each category in an effort to help everyone involved "visualize CO2."

CO2 emissions for the entire Casio Group supply chain in fiscal 2015 were 814,582 t-CO2.

- Scope 1 direct emissions (e.g., fossil fuels, natural gas) were calculated at 4,721 t-CO2.
- Scope 2 indirect emissions (e.g., electricity) were calculated at 33,762 t-CO2.
- Scope 3 other emissions (e.g., use of sold products and end-of-life treatment of sold products, transportation and distribution, employee commuting, lease assets, and investments) were calculated for 12 of 15 categories (with the three lowest-impact categories excluded). When CO2 emissions were calculated pursuant to the GHG Protocol that serves as the international standard, emissions for fiscal 2014 stood at 776,099 t-CO2.

As a result, Scope 3 accounted for more than 95% of entire supply chain emissions.

Within Scope 3, purchased goods and services accounted for the greatest share, about 65%.

The reason that emissions have increased compared to fiscal 2014 is that tap water, industrial water and advertising expenses were also added in order to improve the calculation system.

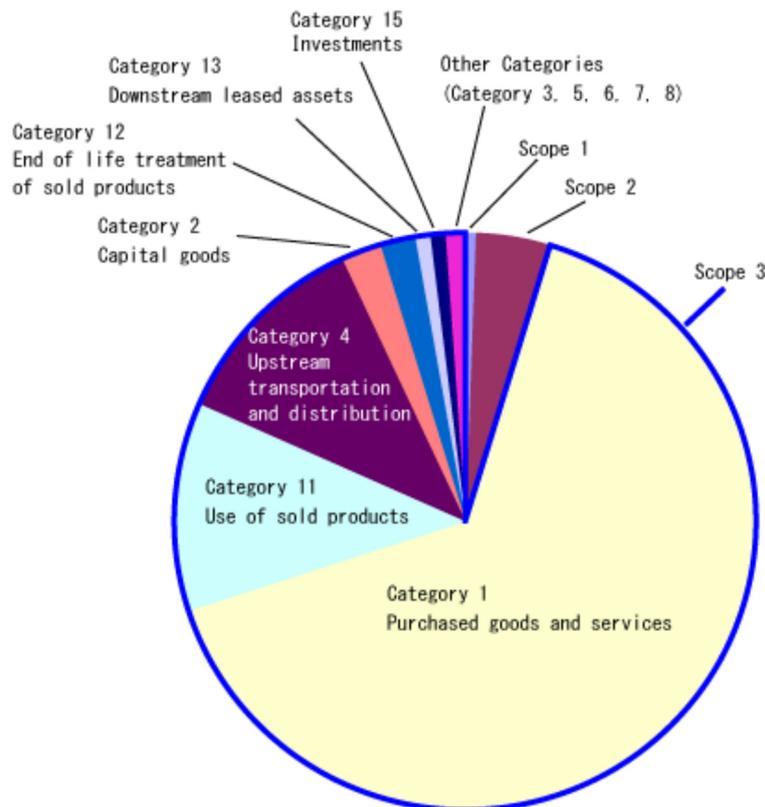
Also, along with increased sales, there was an increase in emissions relating to upstream transportation and distribution, and use of sold products.

In the future, the following issues will be addressed:

- Improve calculation accuracy in each category
- Propose and implement emission reduction measures for each category within Scope 3
- Develop measures for reducing emissions both upstream and downstream in the supply chain

GHG Protocol: International standards for calculating and reporting greenhouse gas emissions

CO2 emissions for the entire Casio Group supply chain



Efforts to Ascertain Scope 3

Category		CO2 emissions in fiscal 2015	
		tCO2	ratio
Scope 1		4,721	0.6%
Scope 2		33,762	4.1%
Scope 3		Scope 3 accounted 95.3% of entire emissions.	
1	Purchased goods and services	531,867	65.3%
2	Capital goods	18,311	2.2%
3	Fuel- and energy-related activities not included in Scope 1 or Scope 2	2,215	0.3%
4	Upstream transportation and distribution	92,934	11.4%
5	Waste generated in operations	467	0.1%
6	Business travel	1,264	0.2%
7	Employee commuting	1,378	0.2%
8	Upstream leased assets	2,064	0.3%
9	Downstream transportation and distribution	—	—
10	Processing of sold products	—	—
11	Use of sold products	96,748	11.9%
12	End of life treatment of sold products	14,316	1.8%
13	Downstream leased assets	6,821	0.8%
14	Franchises	—	—
15	Investments	7,714	0.9%
Total		814,582	100%

Category 4: The breakdown for transportation and shipping (upstream) is shown below. (Unit: t-CO₂)

Japan: Truck: 772, Railway: 82

Overseas: Railway: 1,145 Airplane: 74,143 Ship: 16,793

Scope 3 calculation methods

Category 1	Purchased goods and services	Amount of activity: Amount of purchased consumables, raw materials, and packaging materials, salaries of temporary staff, purchased tap water, industrial water, and advertising expenses Unit: Calculated by multiplying each item by the emissions unit of the purchased amount and adding together the total. (Emissions output unit DB ver2.0 and CFP COMMUNICATION PROGRAM DB ver1.01)
Category 2	Capital goods	Amount of activity: Amount of capital investment by all consolidated subsidiaries Unit: Calculated by multiplying the emissions unit corresponding to the amount of capital investment. (Emissions unit DB ver2.0)

Category 3	Fuel-and-energy-related activities (not included in Scope 1 or 2)	Amount of activity: Amount of purchased electricity and fuels Unit: Calculated by multiplying the emissions unit of each type and adding together the total. (CFP COMMUNICATION PROGRAM DB ver1.01)
Category 4	Upstream transportation and distribution	Amount of activity: Amount of domestic and overseas shipment Unit: Calculated by multiplying the weight and transportation distance by the emissions unit of each transportation type and adding together the total. (Trucks: Specific fuel consumption using the improved ton/kilo method. Trains, ships and airplanes: CO2 emissions output level using the conventional ton/kilo method)
Category 5	Waste generated in operations	Amount of activity: Emissions of each type of waste Unit: Calculated by multiplying the emissions unit of each type and adding together the total (Emissions unit DB ver2.0).
Category 6	Business travel	Amount of activity: Number of domestic and overseas employees Unit: Emissions unit per employee (Emissions unit DB ver2.0)
Category 7	Employee commuting	Amount of activity: Transportation expenses paid to employees Unit: Calculated by estimating the train/car ratio from employee commuting style, multiplied by the emissions unit of the amount of transportation expenses for each style and adding together the total (Emissions unit DB ver2.0).
Category 8	Upstream leased assets	Amount of activity: Domestic G-SHOCK stores, sales area for digital paintings and other and number of business days Unit: Calculated by determining the total sales area, and multiplying the emissions unit of the sales area. The number of business days is calculated on a pro-rate basis (Emissions unit DB ver2.0).
Category 9	Downstream transportation and distribution	Transportation to retailers from the distribution hubs of regular sales companies is outside the scope of Casio's expense payment. Since this is difficult to ascertain and the CO2 emissions are deemed to be fairly small compared to Category 4 upstream transportation and distribution, it is not included in calculations.
Category 10	Processing of sold products	Although one of our group companies provides name printing and other services, emissions of CO2 and other substances from this business activity is included in Scopes 1 and 2.
Category 11	Use of sold products	Amount of activity: Number of products by category Unit: Use of products is calculated by multiplying the emissions unit of each product for the supported period (five years). Regarding the use period, any industrial standards are followed. In cases such industrial standard does not exist, the use period is defined by CASIO. Regarding electricity, the fiscal 2012 end-user CO2 emissions unit of the Federation of Electric Power Companies of Japan is used. Regarding products that require battery replacement, CO2 emissions to manufacture the battery are also included in the calculation.
Category 12	End of life treatment of sold products	Amount of activity: Emissions from the product itself and container packaging materials Unit: Calculated by multiplying the emissions unit of each type and adding together the total (Emissions unit DB ver2.0)
Category 13	Downstream leased assets	Amount of activity: Emissions from assets (buildings) leased to other business entities Unit: Emissions from renters
Category 14	Franchises	The franchise formula is not used.
Category 15	Investments	Amount of activity: Emissions from equity method affiliates and companies which hold specific annual stocks and constructive stocks Unit: Calculated by multiplying the emissions from investment destinations by the equity method ratio or the share holding ratio.

Environmental Accounting

Overview of fiscal 2015 performance

In fiscal 2015, environmental accounting showed that investment in environmental conservation increased, and the economic benefits associated with costs and environmental conservation measures were virtually the same level as the previous year.

Investments in environmental conservation, such as energy-saving equipment and LED lighting, were valued at ¥108 million, while the cost of environmental conservation including recycling products, parts, and toner cartridges and other consumables was ¥1,227 million.

Meanwhile, the economic benefits from environmental conservation included real effects, like business profits due to recycling activities of ¥816 million. They also include estimated effects valued at ¥437 million related to reducing environmental impact through the use of, for example, paperless products and non-mercury lamp projectors.

Total economic benefits for the fiscal year were ¥1,253 million. Moving forward, Casio will accurately ascertain and inform people about the effects of its environmental management activities from an economic perspective and will strive to engage in efficient and effective environmental conservation efforts.

Environmental conservation costs (April 2014 - March 2015)

Category by business activity		Environmental investment (¥ million)	Environmental expenses (¥ million)*1
		Main initiatives	
Business area costs (costs arising in the main areas of business activity (manufacturing, processing, sales, distribution etc.))		108	302
(1) Pollution prevention cost	Preventing air and noise pollution	12	31
(2) Global environmental conservation cost	Maintenance of energy-saving systems	93	179
(3) Resource circulation cost	Processing, reducing in volume, and recycling of general and industrial waste	3	92
Upstream/downstream cost*2	Collection and recycling of products, parts, supplies	-	637
Administration cost	Secretariat operation costs, environmental information disclosure	-	257
R&D cost	R&D for reduction of environmental impact	-	18
Social activity cost	Participation in, donations to, and support for environmental conservation organizations	-	13
Total		108	1,227

*1 Depreciation costs are included in the expenses. *2 Costs arising before and after the processes of the main business activities.

Economic benefits of environmental conservation (April 2014 - March 2015)

Economic benefit		Amount (¥ million)
Type of benefit		
Actual benefit (benefit that contributes to profits as a result of the promotion of environmental conservation measures)		816
Profits	Business revenue from recycling of used products, etc.	782
Cost reduction	Cost reduction through energy saving activities	20
	Reduction of waste processing costs arising from resource saving or recycling	14
Estimated benefit *	Reduction of distribution costs through environmental conservation initiatives	437
	Reduction of power consumption during product use by customers, etc.	
Total		1,253

*The estimated benefit is calculated as the CO₂ reduction amount from business activities plus the reduction from power savings during product use by customers. It also includes the environmental benefit of paperless products such as electronic dictionaries, data projectors, non-mercury lamp projectors and smaller printers, efforts to increase the longevity of the parts in these devices that require regular replacement, and distribution cost reductions achieved through packaging reduction.

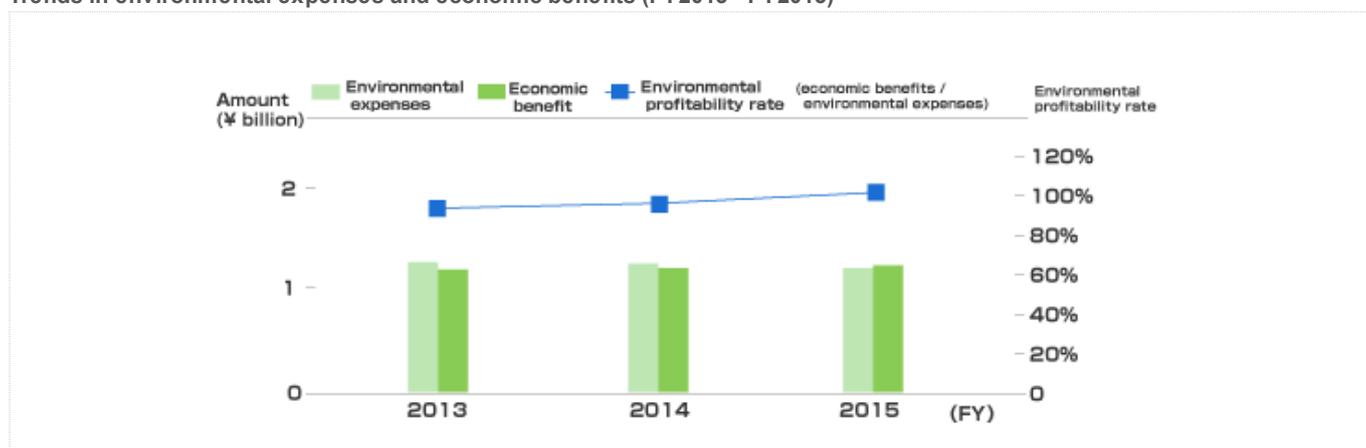
Regarding the reduction of power consumption during product use by customers, the monetary value of the environmental impact reduction effect is calculated as follows:

Reduction of power consumption during product use by customers = (Annual power consumption of the previous model – Annual power consumption of the new model) x Number of units sold in the year x Electric power unit price.

When calculating the estimated effects, the following coefficients are used:

CO₂ unit prices are the average full-year value for fiscal 2015 based on the EU emissions trading price (¥859.07/t). The electric power unit prices are fiscal 2014 electricity costs from the Fiscal 2014 Energy White Paper issued by Japan's Agency for Natural Resources and Energy (¥17.53/kWh).

Trends in environmental expenses and economic benefits (FY2013 - FY2015)



Environmental conservation effect

Types of environmental conservation effects	Environmental performance indicator	Unit	FY2014	FY2015	Environmental conservation effect
Environmental conservation effect relating to resources used in business activities	Water resources	Thousand m ³	475	300	+175
Environmental conservation effect relating to environment impact and waste generated by business activities	CO ₂ emissions	Tons-CO ₂	38,379	38,483	-104
	Waste emissions	Tons	2,269	2,523	-254

Scope of data compilation for environmental accounting: Casio Computer Co., Ltd., and consolidated subsidiaries in and outside Japan.

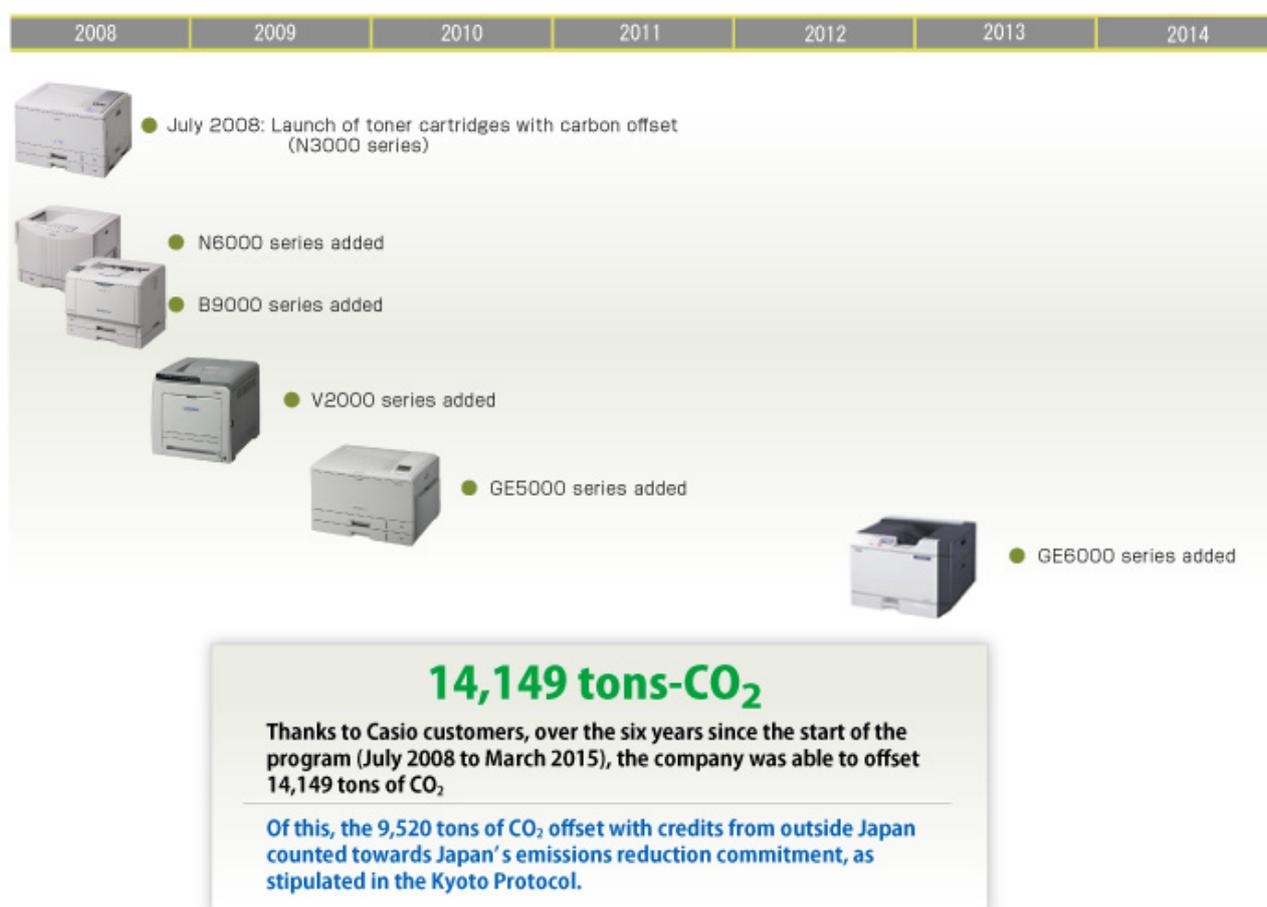
Reference guideline: Environmental Accounting Guidelines 2005, Ministry of the Environment, Japan.

Printer Initiatives

Carbon offset initiative

As an initiative to help combat climate change, Casio began selling toner cartridges featuring a carbon offset in July 2008. In general, carbon offset works like this: an organization purchases a credit equivalent to a reduction of emissions of certain gases thought to contribute to climate change in order to “cancel out” its own emissions. Even though Casio’s products are compact and energy-efficient, which in itself reduces emissions, Casio’s toner initiative seeks to offset CO₂ emissions equivalent to the amount generated to produce the electric power the printer uses during the life of the toner cartridge with credits in and outside In the first year of the program, the offset was implemented with credits from Clean Development Mechanism (CDM) projects outside Japan, registered with the CDM Executive Board at the United Nations. Starting in fiscal 2010, the offset has also been provided using domestic credit in Japan.

By 2012, the final year of the first commitment period as defined in the Kyoto Protocol, Casio had offset 9,520 tons of CO₂ using overseas CDM credit. This counted towards Japan’s reduction portion, and contributed towards the achievement of Japan’s commitment to reduce its greenhouse gas emissions by 6%.



Offset quantities

Unit: tons of CO₂

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	Total
Overseas credit	906	1,854	2,092	2,280	2,388	0	0	9,520
Domestic credit	0	2	3	4	4	2,120	2,496	4,629
Subtotal	906	1,856	2,095	2,284	2,392	2,120	2,496	14,149
Total	906	2,762	4,857	7,141	9,533	11,652	14,149	

Carbon offset report (fiscal 2015)

The following is a report on the carbon offsetting from the sale of Casio toner cartridges offering a carbon offset.

Period: April 1, 2014 to March 31, 2015
 Product: GE5000 Series Return Toner Cartridges
 GE6000 Series Return Toner Cartridges
 N3000 Series Return Toner Cartridges
 N6000 Series Return Toner Cartridges
 V2000 Series Return Toner Cartridges
 B9000 Series Return Toner Cartridges

Total offset amount: 2,496t-CO₂

Allowance credit

Project		Credit ID Number	Invalidation provider
Type	Number *1		
Domestic Credit System	0769	Hokkaido: Introduction of a natural gas boiler for a water cooler and heater in a hotel	Carbontrade inc.
Domestic Credit System	0874	Hokkaido: Heat recovery and reuse in greenhouse agriculture	
Domestic Credit System	1096	Hokkaido: Introduction of a heat pump and LED lighting in a building	
Domestic Credit System	1108	Iwate Prefecture: Updating a boiler at a hot spring facility	
Domestic Credit System	1071	Saitama Prefecture: Conversion to a natural gas boiler at a dye works	
Domestic Credit System	0446	Tokyo, Shiga, and Kyoto: Updating of air conditioning equipment at a toy retailer	
Domestic Credit System	1056	Shizuoka Prefecture: Boiler renewal and LED lighting introduction at a plating factory	
Domestic Credit System	0878	Aichi Prefecture: Introduction of a natural gas boiler at a chemical product plant	
Domestic Credit System	1182	Fukui Prefecture: Introduction of a heat pump at a hot spring facility	
Domestic Credit System	1081	Osaka: Boiler update at a chemical factory	
Domestic Credit System	0895	Osaka: Boiler update at a metal processing plant	
Domestic Credit System	1073	Hiroshima Prefecture: Introduction of a heat pump for the hot water equipment at a hotel	
Domestic Credit System	1025	Ehime Prefecture: Conversion to a natural gas boiler at a paper manufacturing plant	
Domestic Credit System	1047	Kagoshima Prefecture: Conversion to a natural gas drying facility boiler at a food plant	
J-VER system	0001005	Kochi Prefecture: Wood resources energy use project B	Kochi Prefecture

*1 Under the Japanese credit system, this is the Emission Reduction Project Number, while under the J-VER system, it is the Credit ID Number.

Information on toner cartridges featuring carbon offsetting (in Japanese only): <http://casio.jp/ppr/green/>

Packaging

This section describes Casio's environmental protection initiatives in the area of general packaging.

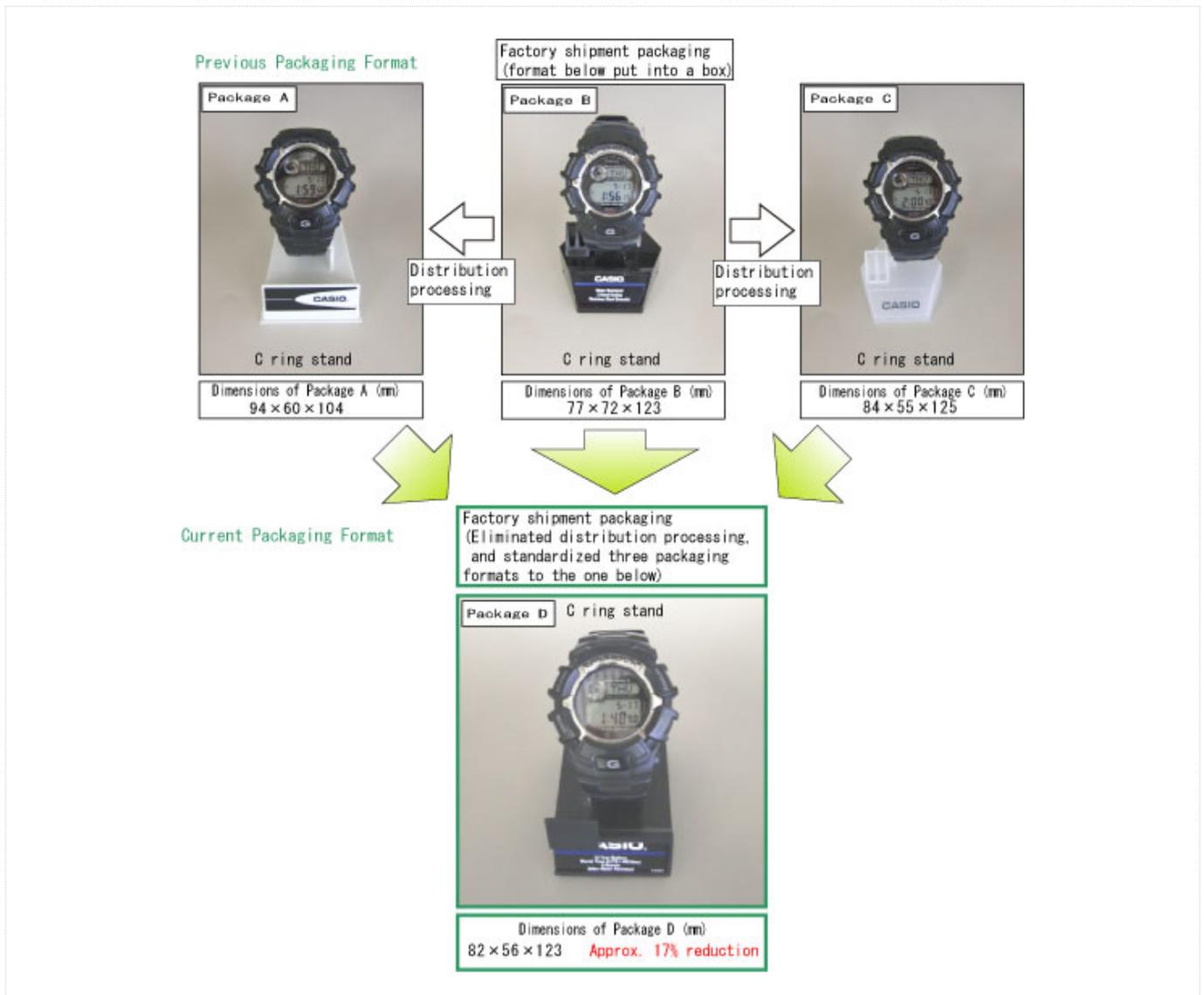
Casio's Special Committee on Packaging spearheads the company's effort to revise and improve general packaging. Specifically, the committee promotes efforts to improve transport efficiency, reduce CO2 emissions during transportation, and reduce the amount of material used in packaging by making packages more compact and lightweight for all products.

Here are three examples of these activities.

1. Watch packaging: Eliminated an extra step of distribution processing by standardizing packaging that had been different for each customer, and further reduced the packaging size.
2. Electronic dictionary packaging: Realized more compact packaging with fewer package components by improving the shock resistance of the products themselves.
3. Digital camera packaging: In consideration of actual customer usage, eliminated some included items (accessories) and revised specifications of others, thereby reducing packaging weight.

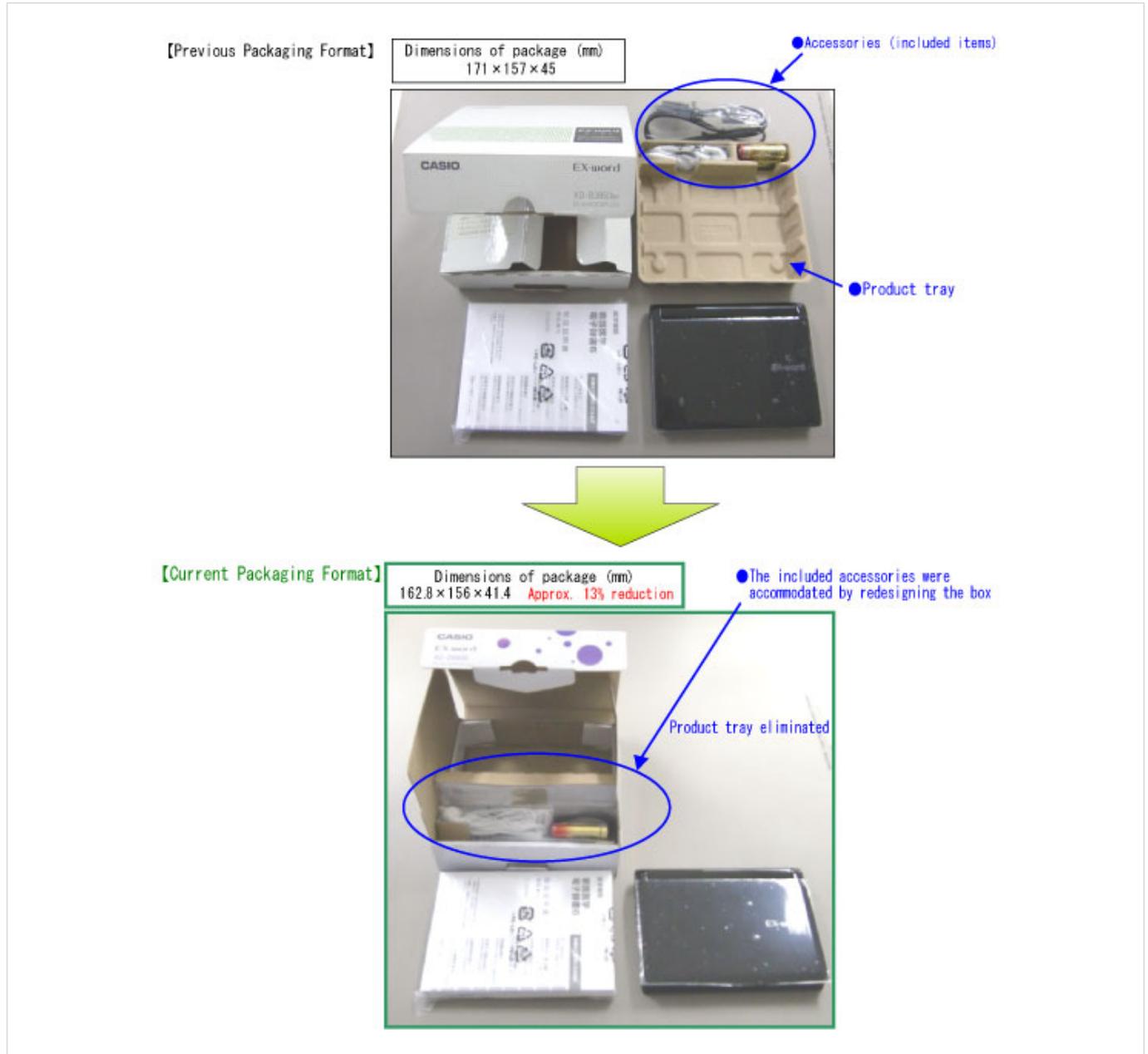
Watch Packaging

Casio redesigned three different packaging formats (C ring stands) that had been used for North American customers. By standardizing the packaging format, the packaging volume was reduced by about 17%. In addition, a step of distribution processing was eliminated.



Electronic Dictionary Packaging

One of the packaging components, the product tray, was eliminated by improving the shock resistance of the products themselves. Also, by redesigning the box construction, a place for putting the included product accessories was created. In total, the box volume was reduced by about **13%**.



Digital Camera Packaging

In consideration of actual customer usage, some included items (accessories) were eliminated and the specifications of others were revised to reduce packaging weight. For instance:

- Simplified user manual content, with further details provided online
- Changed the manual from CD size to A7 size
- Eliminated the CD-ROM

Changes to Included Accessories

	CD-size booklet		A7-size booklet		A7-size insert
User manual		⇒	Eliminated	⇒	Eliminated
CD-ROM	●		Eliminated		Eliminated
AV cable	●		Eliminated		Eliminated
AC cord	●		●		Eliminated
AC adapter (charger)	●		●		Eliminated
Strap	●		●		●
Rechargeable battery	●		●		●
USB cable	●		●		●



【 Comparison of Box Dimensions 】



【Previous packaging】

【Current packaging】

【Current packaging】

--Models for worldwide sale--

--Special model--
for sale in Japan

Dimensions
of package (mm)

135 × 134 × 74

Dimensions
of package (mm)

164 × 120 × 60

Approx. 12% reduction

Dimensions
of package (mm)

127 × 90 × 63

Approx. 46% reduction

Logistics

Casio is working to ensure its logistical operations have as low an environmental impact as possible by improving its inter-site parts-shipment routes and switching to more efficient modes of product transportation.

Logistics process initiatives

Casio is actively reducing its environmental impact by striving to reduce CO2 and waste emissions arising from logistics.

In order to reduce CO2 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

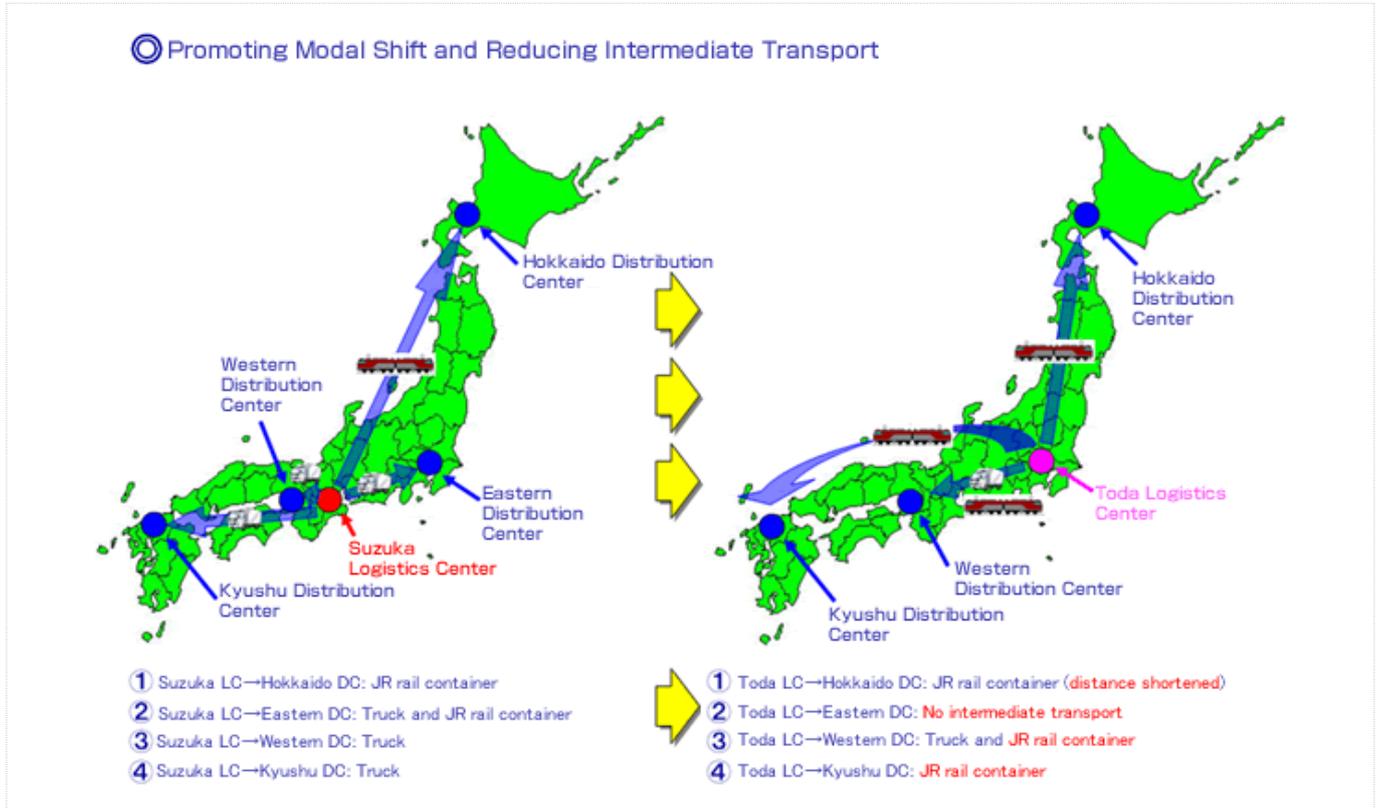
Relocation and Consolidation of Logistics Centers in Japan

Casio's logistics center in Mie Prefecture was moved to Saitama Prefecture, and then its distribution center in Tokyo was ultimately consolidated with the logistics center, a transition that was achieved in stages.

In August 2011, the logistics center was moved from Suzuka City, Mie Prefecture, to Toda City, Saitama Prefecture. Then in January 2012, the company's Eastern Distribution Center in Koto-ku, Tokyo, was consolidated with the logistics center.

With this change, Casio reduced the number of consumer product distribution sites in Japan from five to four. This transition not only shortened transport distances, but also promoted a significant shift from truck to rail shipment, and has contributed greatly to CO2 emissions reduction.

Promoting Modal Shift and Reducing Intermediate Transport



■Results of the Transfer and Consolidation

1. Elimination of intermediate transport

Shortened the distance from the logistics center to the Hokkaido Distribution Center in Sapporo
Intermediate transport no longer required from the logistics center to the Eastern Distribution Center in Tokyo

2. Promotion of modal shift

Partial shift to rail between the logistics center and the Western Distribution Center in Osaka
Switch to rail between the logistics center and the Kyushu Distribution Center in Fukuoka

3. Transport distance shortened

Shortened the transport distance in the Kanto (Tokyo) region which accounts for about 46% of direct shipments from the logistics center (delivery direct to customers without going through a distribution center)

* As a result of the efforts above, annual CO2 emissions were reduced by about 300 tons.

In fiscal 2013, Casio began an initiative to send products manufactured outside Japan directly to the Western Distribution Center in Osaka.

This allows transport distances to be shortened significantly by cutting out transit through the Toda Logistics Center.

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.

Casio has now begun to introduce even larger shipping cartons. The large shipping cartons are mainly used for ocean transport. Packaging damage can be avoided through the use of LCL shipping (freight from different companies in one ocean shipping container), which also eliminates the need to use air transport when the shipping volume is small.

Casio has been using these large shipping cartons to ship products since fiscal 2012, and in fiscal 2014 new shipping cartons with even greater strength were added to the lineup of shipping supplies.



A reusable shipping carton employed for distribution in Asia



Shipping carton receives Chairman of Japan External Trade Organization (JETRO) Award

On October 4, 2012, the large shipping carton shown here received the Chairman of Japan External Trade Organization (JETRO) Award at the Japan Packaging Contest 2012, one of Japan's biggest packaging competitions, which is organized by Japan Packaging Institute.

Four products obtain Eco Rail Mark certification

On February 28, 2013, Casio obtained Eco Rail Mark certification from the Railway Freight Association for four products: clocks, digital pianos, electronic keyboards and electronic cash registers.

The Eco Rail Mark indicates that a product or company is proactively addressing global environmental issues by using rail freight transport. Rail transport produces about one sixth of the CO2 emissions of commercial trucking, making it an environmentally friendly method of transport with a low environmental impact.

The criteria for certification are utilization of rail for at least 30% of land freight transport for distances of 500km or more for a product, and

utilization of rail for at least 15% of land freight transport for distances of 500km or more for a company.

Casio obtained Eco Rail Mark certification as a company in October 2009 and successfully obtained product certification as a result of further expanding rail transport due to the relocation, amalgamation and closure of business sites.

Casio now actively uses rail for transport from its logistics center in Saitama Prefecture to distribution centers in Hokkaido, Osaka and Fukuoka. Going forward, Casio will make active efforts to reduce environmental impact by pursuing environmentally friendly transport.



Eco Rail Mark



Promoting a modal shift to rail transport



Environmentally friendly rail containers

▶ CO2 emissions for logistics (Environmental Data)

Design and Procurement

In compliance with global laws and standards, Casio is striving to achieve environmentally compliant product design and green procurement.

Environmental laws and regulations relating to Casio products and green procurement

As a company with operations around the world, Casio must comply with the laws and standards of many different countries.

This is why Casio starts with the design and procurement stages to ensure that its products comply with restrictions on specified chemical substances in parts and materials, while complying with obligations for labeling, information provision and energy-saving standards for finished products.

Covering the procurement stage, Casio has formulated Casio Green Procurement Standards to cover the legal regulations for the chemical substances contained in Casio products, and is procuring its parts and materials in accordance with those standards. To ensure that Casio products comply with the latest laws and standards around the world, the Casio Green Procurement Standards are constantly reviewed and updated. Thus, by procuring parts and materials that meet its own strict standards, Casio can be confident that its product development meets legal requirements worldwide. Casio also ensures the compliance of its products by scientifically verifying and analyzing the content of chemical substances in parts and materials used.

In the design stage, the company confirms that all parts and materials that will go into a completed Casio product meet the Casio Green Procurement Standards. Products are approved for production only after confirmation using a database of the chemical substances contained in procured materials.

Casio selects recyclable materials and provides symbol marks and the necessary information to ensure separate collection, complying with the relevant laws and standards worldwide on product recovery and recycling as well as on chemical substances contained in products.

In response to laws and regulations requiring more energy-saving designs (such as the ErP Ecodesign Directive), Casio is creating technical documents and other internal standards.

The table below shows the principal environmental laws relating to the distribution of Casio products in countries around the world.

Major environmental laws and regulations related to Casio products

(as of May 2015)

	Product			Packaging		Battery	
	Collection and Recycling	Hazardous Substances	Energy conservation	Collection and Recycling	Hazardous Substances	Collection and Recycling	Hazardous Substances
EU	WEEE	RoHS REACH Biocidal Products Regulations	ErP	EU Directive on Packaging and Packaging Waste		Batteries directive	
Norway		Chemical substance regulations					
Turkey	Turkey WEEE & RoHS		Turkey ErP	Turkey packaging regulations		Turkey batteries regulations	
Serbia	Serbia WEEE & RoHS					Serbia batteries directive	
Ukraine		Ukraine RoHS					
Customs Union (Eurasian Economic Commission)		Customs Union: RoHS (draft)	Customs Union: ErP (draft)				

US	Each state's TV/PC recycling laws	Each state's mercury regulations, California Proposition 65, California SB50, California regulations on formaldehyde, safer consumer product regulations	US federal law, and external power supply efficiency regulations in each state	California's Rigid Plastic Packaging Container recycling program, and rigid plastic container labeling regulations in each state	Each state's packaging and heavy metal regulations	Each state's rechargeable battery recycling regulations	
Canada	Each state's electric appliance recycling regulations	Products Containing Mercury Regulations	External power energy efficiency regulations	Each state's packaging material collection programs			Products Containing Mercury Regulations
Mexico			Energy consumption labeling regulations				
Brazil	Brazil's Solid Waste Law			Brazil's Solid Waste Law		Brazil's Solid Waste Law	Brazil batteries regulation
Argentina	Argentina WEEE (draft)					Argentina WEEE (draft)	Argentina batteries regulation
Peru	Peru WEEE						
Paraguay							Paraguay batteries regulations
Columbia						Columbia batteries regulations	Columbia batteries regulations
Israel	Israel WEEE (draft)			Israel packaging regulations			
Jordan	Jordan WEEE (draft)	Jordan RoHS (draft)	Jordan ErP				
UAE		UAE RoHS (draft)					
China	China WEEE	China RoHS		China RoHS			Dry-Cell Battery Mercury Regulations
South Korea	South Korea RoHS/WEEE/ELV		South Korea Energy Conservation Law	South Korea Recycling Law		South Korea Recycling Law	South Korea batteries regulations
Taiwan						Battery recycling regulations	Regulations on heavy metal in batteries

Australia			External power energy efficiency regulations				
India	India's e-waste law						
Viet Nam	Viet Nam WEEE	Viet Nam RoHS				Viet Nam WEEE	
Indonesia	Household waste regulations						
Singapore		Singapore RoHS (draft)					
Japan	Recycling Law	Recycling Law (J-Moss)	Energy Conservation Law	Container and Packaging Recycling Law		Recycling Law	
Global conventions		Convention on Persistent Organic Pollutants (POPs), Mercury Convention			Convention on POPs		Mercury Convention

As an initiative to help prevent climate change in the procurement stage, Casio requests suppliers not to use greenhouse gases in the manufacturing process, and also to ascertain and reduce their emissions of CO₂. In the development and design stages, Casio promotes product development by setting targets that surpass its competitors' products with the best energy consumption efficiency in the same category.

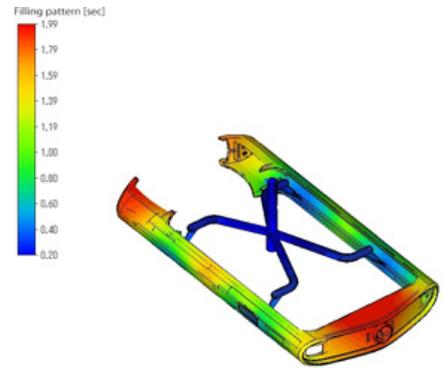
Production

This section describes Casio's environmental protection initiatives in the area of general production.

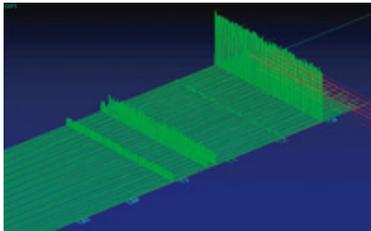
Saving resources by eliminating defects

At Yamagata Casio, which boasts the most advanced manufacturing technologies of any Casio facility, a computer-simulated system is adopted for the design process in an effort to eliminate the creation of defective products even before the trial production stage.

They calculate the flow of resin inside a mold, and try to predict and resolve any problems that might occur in the manufacturing process. This enables production to begin without a test production phase, thereby minimizing the waste of resources.



Simulation display



Mold diagnostic system using AE

In the mass production stage, the condition of the molds used to form components is analyzed digitally using acoustic emission (AE) technologies that Yamagata Casio developed itself. This technology detects even slight deformations or cracks that appear in the mold over the course of manufacturing many tens of thousands of parts, sounding an alarm before such problems can have an impact on product quality. This prevents the generation of defective products

As an indication of the success of these initiatives, the factory is now using parts per million (PPM) rather than a percentage (%) as the index to manage its defective product production rate.

Winter Eco-style challenge

On August 7, 2014, Yamagata Casio was recognized as an outstanding business establishment for its efforts in the Winter Eco-Style Challenge campaign coordinated by Yamagata Prefecture.

This annual activity, which began in fiscal 2009, is promoted to raise energy-saving awareness in the homes and businesses of the prefecture. In 2014, 862 establishments in Yamagata submitted details of their energy-saving activities carried out between November 1, 2013 and March 31, 2014. Just five were recognized as particularly outstanding business sites.

Yamagata Casio reduced the amount of compressed air it uses to drive machine tools and automated machines as well as to blow dust off components, while also constructing a power monitoring system. The company was recognized for these and other efforts, resulting in the outstanding business establishment award. Yamagata Casio will continue to actively promote energy saving initiatives in the future.



Measuring air leaks at points marked with arrows



Energy-saving training by the compressed-air equipment manufacturer

Offices

All Casio office sites are engaged in efforts to reduce CO2 emissions and cut resource use by upgrading office equipment and improving work processes.

Reducing power consumption through server integration

Casio has vastly reduced its energy consumption by integrating the servers that had once been disparately located across the group.

Server integration results

A total of 1,020 servers had been integrated by March 2015.

Effects of reducing power consumption through server integration

This server integration effort resulted in a total reduction in power consumption of 1,530,000 kWh, yielding a reduction in CO2 emissions of 555 tons.

Contributing to Green IT Through Server Integration

	Through Mar. 2014	Apr. 2014 - Mar. 2015	Cumulative total
Number of servers integrated (machines)	970	50	1,020
Annual power consumption reduction (kWh)*1	1,455,000	75,000	1,530,000
Annual CO2 reduction (tons-CO2)*2	528.2	27.2	555.4
Number of Japanese cedars needed to absorb this amount (trees)*3	37,700	1,900	39,600

*1: Calculated based on a 1,500 kWh reduction per server per year.

*2: Calculated based on CO2 emissions of 0.363 kg/kWh. From Japan's Ministry of Internal Affairs and Communications, "Report by the Study Group on ICT Policy for Addressing Global Warming," April 2008.

*3: Based on a document published by the Forest Agency of Japan's Ministry of the Environment, "Absorption Source Countermeasures for Greenery to Prevent Global Warming," indicating that a single Japanese cedar tree absorbs about 14 kg of CO2 annually.

Initiatives at Casio America

Casio America has been carrying out various environmental initiatives over many years. These include sorted collection of bottles and cans, collecting and taking out used paper and cardboard for recycling, using recycled materials for individual watch packaging and display stands, replacing old energy-inefficient personal computers, and providing employees with reusable drink bottles to reduce the need for paper cups.

These activities have been recognized by the Morris County Municipal Utilities Authority (MCMUA), which promotes environmental protection by presenting awards to companies for their green endeavors.



Individual watch package and display stand made from recycled materials

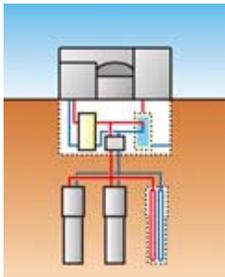


Casio Europe's energy-efficient building

Casio's office sites have shifted from focusing on reducing CO2 per unit of production to cutting the total volume of CO2 emitted across the entire Casio Group. In January 2009, Casio Europe integrated its offices, distribution center, and service center, which had previously been separately located around Germany, into a new energy-efficient building.



CASIO Europe



Geothermal heat usage model

This building has an innovative air conditioning system that uses Geothermal heat collecting equipment 130m below ground to pump water through pipes embedded in the concrete ceiling and floor of the building. The system pumps cool water in the summer and hot water in the winter to either cool or heat the building. Energy consumption in the building is further reduced by controlling room temperatures using blinds that open and close automatically according to the weather as well as proper ventilation.

Hachioji R&D Center takes on the challenge of climate change and environmental preservation

The Hachioji R&D Center was designed and constructed to reduce CO2 emissions in order to contribute to the fight against climate change. The center continues to take on the challenge of environment protection. Some of its innovations are highlighted below.

Ongoing power-saving activities

The Hachioji R&D Center completed in November 2003 is a research and development facility that incorporated environmentally friendly equipment from the initial design stage. It has been running efficiently for approximately 12 years since it opened, boasting energy-saving features such as high-efficiency vertical thermal storage tanks, a natural ventilation system, automatic blinds, lighting control and equipment control based on weather forecasting. Thus, instead of just relying on its hardware, the center has been enthusiastically pursuing other improvements such as finely tuned temperature control adjustments, and the revision of operation methods based on actual daily data. In fiscal 2013, interior lighting fixtures started being converted from fluorescent to LED, as part of effort to reduce energy consumption.

As a result of these efforts, in fiscal 2010, five years after the base year of fiscal 2005, the center was able to reduce CO2 emissions by 27.5%. Subsequently, the organization and the number of employees at the center underwent significant changes in fiscal 2011 and fiscal 2012, and substantial changes in singular values were also observed in the amount of CO2 emissions. However, in fiscal 2015, CO2 emissions were less than half of what they were in the base year of fiscal 2005.

	Base year emissions (FY2005)	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Emissions (tons)	2,952	2,140	705	961	1,319	1,272	1,306
Reduction rate compared to the base year		28%	76%	67%	55%	57%	56%

Figures reported up to fiscal 2010 differ due to a change in the CO2 emissions calculation method

In fiscal 2015, CO2 emissions rose slightly over the previous year despite a reduction in energy consumption. This was due to a deterioration of the power conversion coefficient used to calculate CO2 emissions.

Natural ventilation system maximizes use of outside weather conditions

No heating equipment is needed at the Hachioji R&D Center. This is because the building has comprehensive thermal insulation, which prevents interior heat from escaping to improve thermal efficiency. Since room temperatures increase even in winter, due to body heat and

heat from equipment such as computers, the interior is cooled by letting outside air in as needed through ducts on each floor. This provides ventilation through natural airflow using the chimney effect to lower room temperatures. Thus, the temperature is adjusted using hardly any electric power.

Making the most of sunlight with automatic blinds

The opening and closing of the blinds is controlled automatically by calculating the position of the sun and using sensors to detect its intensity at the same time. Thanks to this technology, a comfortable interior environment is maintained. In addition to this, the system reduces unnecessary usage of electricity by regulating air conditioning to match the number of people in the center obtained by using building entry data and automatically control interior lighting, switching it on and off and adjusting brightness with sensors that detect room brightness and human movement. The building also has a green wall of vegetation to prevent it from heating up. The center has developed educational tours for local elementary school students and others to explain the use of its features.

Related materials: See the “Environmental Communication” section for information about educational tours of the facility

<http://world.casio.com/csr/env/communication/>

Through these measures, the Hachioji R&D Center is contributing greatly to the reduction of CO₂ emissions, thereby helping in the fight against climate change and protecting the environment. While fully utilizing the environmentally friendly functions of this energy-saving building, the center is implementing cycles of improvement, operation, results, verification, and evaluation in order to achieve even more power savings in the future.



Automatic blinds

The automatic blinds help to maintain optimal interior temperatures and lighting through automatic control of natural light. They block the intense summer sun. In addition, employees came up with the idea of saving more electricity by opening the blinds at lunchtime to let light in and turning off the lights.



Every spring since 2012, a green wall of vegetation has been grown on part of the building exterior. In the summer it partially shields the surface of the building and the interior from direct sunlight to prevent increases in temperature.



In 2014, bitter melon, melon, and Ryukyu morning glory were planted for the green wall. The climbing plants reached and covered the second-floor windows of the Hachioji General Affairs Section.

Installation of LED lighting

Through the active adoption of LED technology within the Casio Group, energy consumption for lighting has been greatly reduced. As of March 2015, about 4,000 LED fixtures have been installed, saving about 80 kWh per year compared to conventional fluorescent lamps.



LED lighting in the lobby of the Hatsudai headquarters



LED lighting in the Hamura R&D Center lobby

Participation in Light Down Japan 2014

In support of the global warming prevention efforts being implemented by the Ministry of the Environment, Casio has been participating in the Team Minus 6% initiative, Challenge 25 Campaign and Fun to Share Campaign.

In fiscal 2015, five Casio sites also participated in Light Down Japan 2014, which calls for lights to be turned off on the day of the summer solstice and the day of the Tanabata (Star) Festival.

(Casio Computer Co., Ltd.: Headquarters, Hamura R&D Center, Hachioji R&D Center, Yamagata Casio, and Casio Electronics Manufacturing)

Lights were turned off for a total of six hours on each of two days at five sites, reducing electricity consumption by 1,140.8 kWh.

Environmental Management



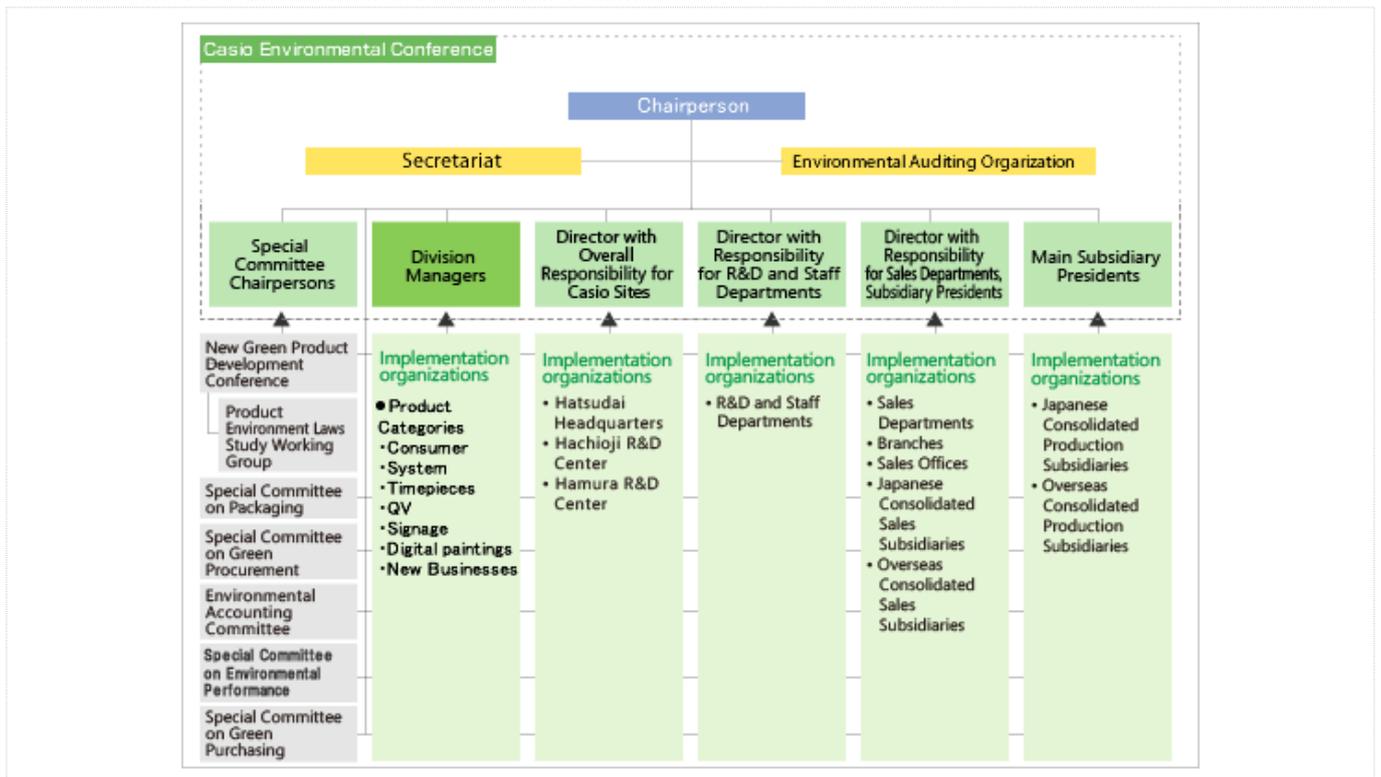
Casio's environmental management system is driven by the annual Casio Environmental Conferences. The company makes the most of this system to implement its environmental management strategy.

Implementation framework

The annual Casio Environmental Conferences decide on the company's specific environmental plans, including its environmental policies and action plan targets. Positioned within the conference are special committees that deal with environmental issues shared by all group companies. Each business site and group company then implements the policies and plans.

An environmental management system based on environmental management tools such as ISO 14001 has been adopted at each site and group company, and since fiscal 2012, 100% of group company employees have been working at sites with ISO 14001 certification.

Structure of the Casio Environmental Conservation Committee



(July 2015)

List of ISO 14001 Certified Sites

Certified and registered site	Date acquired
Yamagata Casio Co., Ltd.	November 1997
Casio Electronic Manufacturing Co., Ltd.	September 1999
Casio Business Service Co., Ltd.	January 2000
Hamura R&D Center, Casio Computer Co., Ltd.	October 2000
Hachioji R&D Center, Casio Computer Co., Ltd.	October 2000
Headquarters, Casio Computer Co., Ltd. (including seven sales sites)	December 2000
Casio Human Systems Co., Ltd.	December 2001
Casio Techno Co., Ltd.	May 2002
Casio Computer (Hong Kong) Ltd.	December 1999
Casio (Thailand) Co., Ltd.	July 2012
Casio Taiwan Co., Ltd.	December 2001
Casio Electronics (Shenzhen) Co., Ltd.	February 2002
Casio Electronics (Zhongshan) Co., Ltd.	April 2002

Compliance with Environmental Laws

In fiscal 2015, Casio was not subject to any legal violations, penalties, fines, or lawsuits relating to the environment.

Environmental Compliance

Worldwide, environmental regulations are being strengthened to preserve the beauty of the Earth. Whether global or local, compliance with environmental regulations has become an integral part of the corporate mission. Companies today recognize the need to address issues such as risk management and environmental information disclosure, while complying with greenhouse gas emissions regulations, the prohibition of products containing harmful chemical substances and ISO 14001 legal requirements. Here is an overview of Casio's environmental compliance initiatives.

Standards management and audits: Regular internal audits and third-party audits

There are 14 Casio sites which have obtained ISO 14001 certification.

Each of these sites regularly implements conditions management and improvement activities by measuring concentrations of dust, SOx, and NOx in exhaust emissions, based on voluntary standards and standards established by national and local governments. They also measure wastewater quality (water containing harmful substances). Moreover, the sites measure and report usage conditions for harmful atmospheric pollutants, as well as handling quantities and atmospheric emissions of volatile organic compounds (VOCs).

Each site trains internal environmental auditors and environmental provisional auditors. In addition to carrying out internal audits, third-party audits by external organizations are also regularly performed, and improvement activities are carried out.

Going forward, Casio will work to improve the environmental risk detection skills of its internal environmental auditors, as a way to improve its overall environmental audit capability. Casio will also seek to improve auditors' understanding of various environmental laws, and provide training in worldwide laws relating to chemical substance control and information management. Casio intends these auditors to lead the way in environment compliance, starting at the local site, by discovering issues and proposing ways to improve.

Compliance Audits in the Phases of Product Development, Design, and Manufacturing

In recent years, laws and regulations on the environmental performance of products have become stricter. In addition to stricter regulations in EU nations and US states, stronger laws are also being discussed and enacted in the newly emerging economies of Asia and Latin America, referencing those already established by developed countries. In some cases, the newer laws are based on the established ones, but they often have small differences in the specific requirements. It is vital for Casio to interpret these regulations properly, and make whatever product adjustments are needed.

Accordingly, Casio always obtains the latest news from each region and specialized information services, while also exchanging information with other companies in the same industry. The information is used to check that Casio products meet legal requirements. The company analyzes the text of laws including those under deliberation, and establishes specific product response policies immediately after new laws are officially announced, ensuring that all Casio products are legally compliant.

Casio has established a Product Environment Law Study Working Group within its New Green Product Development Council. The working group includes representatives from the environmental management, technology, development/design, and sales departments, and investigates measures for product compliance. The group members share information, establish reasonable response policies, and confirm response progress, for efforts relating to both current and future laws. They also offer support to the development, design, manufacturing and sales departments.

The working group performs the following.

1. Gathering and sharing legal information from and with sources such as industrial associations, sales companies in each region, information services, and other companies in the same industry
2. Analyzing and interpreting legal information
3. Ensuring obligations are met by manufacturing, import, export, and sales entities
4. Creating development and design standards, and conducting inspections
5. Improving the usage efficiency for design support tools (database of chemical substances contained in products, etc.)

With the enactment of some regulations carrying severe penalties, Casio also recognizes the need to keep strengthening risk management.

Furthermore, Casio conducts environmental audits before shipping new products in the development and design departments to check for environmental design that conforms not only to laws and regulations but also to the Casio Voluntary Plan for the Environment. The group also conducts audits of chemical substances to check whether products comply with laws and regulations on chemical substances in various overseas markets. Products are cleared for shipment on confirmation that all parts and materials satisfy standards on chemical substances.

Compliance Relating to Chemical Substances Contained in Products

Countries around the world have implemented new laws pertaining to chemical substances contained in electrical and electronics products, while existing laws continue to be strengthened each year. Individual laws and regulations vary in terms of the applicable chemical substances, regulated applications, exempt applications, threshold values, scope, and requirements (content restrictions, labeling, and information provision, etc.).

Casio has consolidated the requirements of various laws on chemical substances contained in products and has incorporated them into the Casio Green Procurement Standards. The development and design departments are then able to comply with regulations worldwide by checking a database to see whether a part or material to be included in a product meets the Casio Green Procurement Standards.

Compliance Relating to the Proper Collection, Recycling, and Disposal of Used Products

Countries around the world also have regulations for the collection and recycling of used electrical and electronics products, packaging materials, and batteries. Companies must comply with the requirements of each law including product design to save resources and facilitate recycling, labeling and information provision to promote user participation in the sorted collection of products for recycling, as well as information provision for proper product disposal.

Through audits at the end of the product design process, Casio evaluates each product design in terms of resource savings, ease of dismantling, recycling potential, and recycled material content. Confirmation is also made to see whether the recycling symbols and displayed information meet legal requirements worldwide.

In response to the enactment of the Small Appliance Recycling Act in April 2013, Casio has pulled together a project team that includes employees involved in each product category (such as designers and others) to develop products that are easily recyclable. As part of this project, Casio is asking intermediate processors and metal smelters who recycle used small household appliances to participate in interviews regarding dismantling methods and other issues. The lessons learned are being incorporated into internal design manuals, helping Casio to create products that are easy to recycle.

Compliance Relating to Power Consumption

There are also regulations on power consumption and efficiency for electrical and electronics products including external power supplies and chargers, based on product categories and power source types. Companies must also meet various requirements relating to power consumption and efficiency, including regulations that require the meeting of minimum standards and those that mandate the display of power consumption information. Casio confirms the applicable regulations for each of its products, and carries out product development and design to meet the requirements. Approval applications and reports are made to the relevant agencies as necessary.

Compliance Relating to Energy Saving and the Prevention of Global Warming

Casio is committed to investigating and strengthening its voluntary efforts, such as those included in its Environmental Action Plan, based on laws and regulations related to energy conservation and the fight against global warming. Casio has measures addressing regulations around the globe, but this section focuses on the steps Casio is taking to comply with the laws and regulations in Japan that apply to its relatively large business facilities.

1. Act on the Rational Use of Energy

Pursuant to the requirements of the Energy Conservation Law, Casio is separately evaluating the rational use of energy at the business level. Casio Computer Co., Ltd. and Yamagata Casio are both currently designated as specified businesses. Since fiscal 2010, Casio has been regularly submitting reports and medium and long-term plans on this issue, and in accordance with the determination standards relating to the rational use of energy at plants and facilities, has been promoting the development of management systems, such as creating

the new position of energy management supervisor.

2. Act on the Promotion of Global Warming Countermeasures

Casio does not exceed the standards for emissions of greenhouse gases other than CO₂ arising from energy use set by Japan's Act on the Promotion of Global Warming Countermeasures. It is complying with requirements for the reporting of greenhouse gas emissions, by regularly submitting reports under the Act on the Rational Use of Energy

3. Environmental Regulations in Tokyo

As a site with energy usage of 1,500 kl/year or more on a crude oil equivalent basis, the Hamura R&D Center was initially considered as a large-scale business facility. However, after three years of energy reduction activities that began in fiscal 2012, the center's designation was changed to a small and medium-sized facility, as its energy consumption dropped below 1,500 kl/year.

Since it is no longer considered to be a large-scale business facility, the center is no longer obligated to reduce its total greenhouse gas emissions. However, now that the Casio Group has at least two other small and medium-sized business facilities in Tokyo (i.e., the head office and Hachioji R&D Center, etc.), with the total energy use of the three exceeding 3,000 kl per year, it is obligated to submit reports under the Global Warming Countermeasures Reporting Program. Therefore the group will continue to promote further energy saving measures.

Compliance relating to environmental information disclosure

There is a growing international movement calling for the creation of information disclosure standards for companies.

Along with the need for Japanese standards to coincide with the International Financial Reporting Standards (IFRS), there is a movement calling for the provision of Management Commentaries (MC) as a form of disclosure of non-financial and corporate forecast information. In other words, companies will need to disclose non-financial data which describes the connections between the company's current situation, business strategy, risks, and financial performance, and other relevant information.

In order to provide its stakeholders with the proper environmental information in a way that it is easy to understand, Casio has the following aims.

1. To adopt more accurate indices relating to environmental impact, and to provide comparable information
2. To provide non-financial information including environmental information that indicates the connections with corporate strategy
3. To explain the capability of environmental information to improve corporate performance

Along with working to disclose environmental information, Casio will promote international disclosure standards for non-financial information, and work towards standardization.

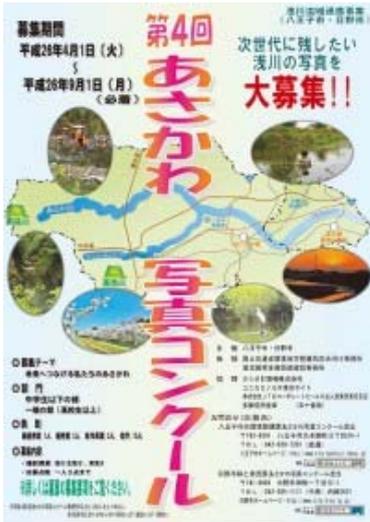
Environmental Communication

Casio understands the importance of communicating with all of its stakeholders about environmental issues.

Asakawa Photo Contest

In cooperation with the cities of Hachioji and Hino, Casio has been sponsoring the Asakawa Photo Contest in order to raise the profile of Asakawa, the home of the Hachioji R&D Center.

The recent fourth year of the contest invited photo submissions on the theme, "Our Asakawa Connects to the Future." In the general category 275 entries were received, along with 73 entries from elementary and junior high school students. Casio Computer Co., Ltd. has sponsored the event every year since its inception, and a general affairs section chief presented the awards at a special ceremony.



Contest poster



Awards ceremony

Elementary school students visit the Hachioji R&D Center

The Hachioji R&D Center at Casio Computer Co., Ltd., has developed an educational program for elementary school students in Japan. In August 2007, it began to offer learning opportunities that include site tours and school visit programs. In addition to three schools in Hokkaido, the program has so far provided learning opportunities to students at 17 schools in Tokyo.

The Hachioji R&D Center, the home of the program, is one of the most advanced environmentally friendly buildings in the Casio Group. Visitors can see the actual facilities the company is using and understand methods used to reduce environmental impact.

The students not only learn about Casio, but also the history of calculators, while also getting to take apart and reassemble these devices. Through this activity, Casio is sharing the fun of product creation while creating new Casio fans.



Touring the facilities at the Hachioji R&D Center



Actual operation of the 14-A relay calculator



Calculator disassembly and reassembly

Adopting tulips and Ohga lotus plants

Hamura City, located in Tokyo, is promoting tulip cultivation as an effort to preserve fallow rice fields and to make effective use of rice fields after their crops have been harvested. Casio has been a foster-sponsor of these tulips since 2004. Every year, many tourists visit these tulip fields, the largest in the Kanto region. Since 2006, Casio has also been a foster-sponsor involved in the preservation and cultivation of Ohga lotus plants, an ancient form of lotus flower excavated from ruins dating back to ancient times (c. 400 BC~300 AD).



Fields containing 400,000 tulips of 33 varieties

As part of its social contribution activities, Casio became the owner of about 500 square meters of paddy field, half of the Ohga lotus field at the Negaramimae Paddy Field in Hamura city. Casio is helping to preserve and cultivate the historically significant Ohga lotus. At a special early-morning lotus viewing event held on August 2, 2014, participants were able to drink sake from lotus leaves. Poured into a cut lotus leaf, the sake traveled down the stem to the mouths of participants. In Japan, drinking sake this way is traditionally believed to promote long life. Many people came out early to participate in the event. The Ohga lotus is an ancient lotus variety from the Yayoi period (about 2,000 years ago). Under the direction of the late Dr. Ichiro Ohga, it was discovered in the Kemigawa ruins of Chiba Prefecture in 1951. The descendants of local farmers in Hamura city have cultivated the Ohga lotus every year since then in their paddy fields, and the flowers bloom from late July until early August.



Sign indicating Casio's sponsorship of this Ohga lotus paddy field. Some non-Japanese guests also attended the lotus viewing event.



The Ohga lotus was reintroduced in modern times from a 2,000-year old seed discovered in an archeological dig. Tulips can be viewed at the Negaramimae Paddy Field in spring, and other flowers bloom there through the seasons.

Exhibiting at Eco-Products 2014

Every year Casio exhibits at Eco-Products, the largest environmental trade show in Japan. Held at Tokyo Big Sight from December 11 to 13, 2014, Eco-Products marked its 16th year with more than 160,000 visitors in attendance and about 750 companies and organizations setting up exhibits to display their environmentally friendly products and services.

Casio has been an exhibitor at the event since its inception, and in 2014, it introduced its initiatives under the theme of harmony between technology and ecology. With an exhibit entitled, "Conveying the Ecological Mind of Casio," various environmental activities of the group were highlighted.

The stage featured presentations that focused on Casio Green Star products, and included audience participation such as a TV-style quiz show concerning environmental activities. In the Casio booth, the company highlighted the environmentally friendly parts of its products in ways that are more easily understood, using memorable slogans and stamp rally-inspired quizzes. In addition to the calculator assembly class, which is popular every year, Casio also hosted a pomrie stamp-making experience for adults. The exhibit attracted a large number of visitors over the course of the event, including children and students.

With the cooperation of the Hamura Tourism Association, Casio also showcased its biodiversity preservation and community support efforts in that city. This includes participation in Hamura's tulip field sponsorship program, as a local employer.

By continuing to participate in this exhibition, Casio can widely publicize its environmental activities and propose new concepts and strategies for taking care of the environment.



Eco Hunter quiz show



Stamp-making class



Environmental panel exhibit



Ice sculpture

Local elementary school students visit Hamura R&D Center

On February 17, 2015, Casio Computer Co., Ltd. once again welcomed students from a social studies class at Hamura Sakae Elementary School, located in the same community as the Hamura R&D Center.

This year's visit, the fourth to date, was made by 77 people, including 73 fifth-grade students and 4 teachers. Staff from the environmental affairs department talked to the students about the initiatives Casio is taking to create products with minimal environmental impact. To further enhance their understanding, after the lesson they had a chance to see actual product models and environmental exhibits, organized by various topics such as solar power and recycling.



Calculator assembly class offered at the Hamura City Industrial Fair

On November 1, 2014, at the 45th Hamura City Industrial Fair, Casio offered a calculator assembly lesson for elementary school students. The event is held every fall in Hamura City, home of the Hamura R&D Center.

The industrial fair introduces visitors to various industries and consumer group activities in the city, and allows them to experience these enterprises by seeing, listening and touching. The main theme of this year's fair was "challenge," which was perfect for encouraging elementary school students to take on the challenge of calculator assembly.

On the day of the fair, about 60 elementary school students, broken up into five groups, enjoyed learning how to assemble a calculator.



Supporting activities of the International Cetacean Education Research Center (ICERC) Japan

Ever since the International Dolphin and Whale Conference was held in Japan in 1994, Casio's G-Shock and Baby-G brands have been working with the International Cetacean Education Research Center (ICERC) Japan*1 in supporting education and research activities involving dolphins and whales in Japan and around the world.

To convey the natural wonder and beauty of dolphins and whales to as many people as possible, Casio has produced watches imprinted with the "All as One" slogan and logo, and supports the activities of ICERC Japan.

*1: ICERC Japan (International Cetacean Education Research Center)

▶ [Go to website](#)

Casio supports the ICERC Ocean Environmental Classroom Project. Support is provided for environmental lessons on dolphins, whales, and the sea, where people of all ages, children to adults, can have fun learning by seeing, touching, and creating things. Casio will continue to work to realize the sustainable coexistence of people, the ocean, and its dolphin and whale population.



Photo provided by ICERC Japan

Supporting activities of Earth Watch Japan

Based on the slogan of "Love the Sea and the Earth," Casio's G-SHOCK and Baby-G watch brands are partnering with Earth Watch Japan, which supports research and engages in a wide range of environmental protection activities. These include activities to help protect endangered ecosystems, conserve marine environments, preserve biodiversity, and prevent climate change.

In August 2014, Casio employees participated as volunteer researchers in the East Japan Green Restoration Monitoring Project of Earth Watch Japan. The project involves surveying butterfly populations in the region devastated by the 2011 earthquake and tsunami.



Activities Receiving Ongoing Support

WWF Japan

Casio endorses the mission and action principles of the World Wide Fund for Nature Japan (WWF Japan), which is striving to build a future where people and nature can live in harmony. Casio also supports the organization as a corporate member.

Tree planting

In an effort to promote harmonious co-existence and mutual prosperity with the global environment and its local community, Casio Electronics (Shenzhen) has been participating in tree-planting activities for the past nine years.

On April 19, 2015, the company once again participated in an annual tree-planting activity sponsored by the Shenzhen City government and other local government agencies. Although the planting site was far from the city center, as many as 20 employees took part. Working in dusty conditions, they planted 20 trees.

The participants also visited the location of last year's tree planting, which had become a lush green space, unrecognizable from the plot of muddy red soil they had seen before planting in 2014. The employees realized that they were making a difference with their small but steady planting efforts. This shared experience is helping to motivate employees to take on more activities.



Tree planting in 2015



Nursery tree planted in 2014

Initiative to Save Otoguro Cherry Trees

Otoguro cherry trees (scientific name: *Cerasus serrulata*, or "Komatsunagi") are a type of wild cherry that comes into full bloom in mid April. They have white blossoms measuring 5 to 6 cm, and the leaves emerge at the same time as the blooms.

In the late 19th century and early 20th century, this cherry tree variety was growing along the banks of the Fuefuki River, which flows through present-day Chuo City in Yamanashi Prefecture. The Otoguro cherry gets its name from the Otoguro Embankment in the Otoguro District, where the trees used to bloom. This variety of cherry tree has long been a favorite of the people in that region.

However, with the improvement of the Fuefuki River in 1932, the Otoguro cherry trees were cut down. Mr. Matsuhiko Tanaka of Otoguro District grew grafted seedlings from a few remaining descendent trees, in order to bring back the historic Otoguro cherry. His activities eventually came to fruition, and a volunteer group for saving the Otoguro cherry was established in 2002. The Tamaho-cho (now Chuo City) Board of Education lifelong learning center led the whole community in efforts to save and cultivate Otoguro cherry trees. This was achieved through cutting and grafting methods using a few remaining descendents of the original trees.

As part of Kofu Casio's environmental activities, the company offered to participate in the cultivating of this endangered type of cherry tree, for the purpose of preserving the variety and beautifying the landscape around the plant. Kofu Casio received a donation of trees from Tamaho-cho (now Chuo City) in 2004, and over the three subsequent years, the company planted more than 30 Otoguro cherry trees. All the transplanted trees took root, and every spring they provide a beautiful display of blossoms for people to enjoy on the grounds of the Kofu plant.

The Otoguro cherry serves as a symbol of the connection between Casio and the people of Chuo City. The company is proud of its early participation in helping to preserve the tree variety, as part of its biodiversity protection efforts on the local level. This is just one example of Casio's vision of harmony among people, businesses, and living things.

Since fiscal 2013, the Kofu Office of Casio Business Service Co., Ltd., has managed the trees.



Otoguro cherry trees on the grounds

Employee efforts to preserve biodiversity by protecting endangered species

May 21, 2015

I work on environmental preservation activities, and I am also a photographer who holds regular photo exhibits featuring photos of wild animals.

In recent years, as greater attention has been paid to climate change and biodiversity preservation, I have held regular photo exhibits to share information about endangered species, and I make donations to relevant environmental organizations based on the number of people who visit.

In March 2015, I made a donation to Zamami Whale Watching Association. The donation will be used to cover expenses for surveys involving the identification of individual whales.

I hope to continue contributing to the protection of endangered species through these kinds of activities.

Recent photo exhibits

Oct. 2012 Exhibit Title: "Swan Migration: Lake Hyoko in Winter" Donation recipient: Wild Bird Society of Japan

Nov. 2014 Exhibit Title: "Humpback Whales: Journey to Kalama" Donation recipient: Zamami Whale Watching Association

2016(planned) Exhibit Title: "Japanese Cranes: Life in the Great Northern Expanse" Donation recipient: Crane Community

Toshihiro Osawa, Environmental Planning Section

Photos by Toshihiro Osawa



Donation presented to Chairman Nakamura (right) of the Zamami Whale Watching Association



Breaching humpback whale



Juvenile swallow waiting to be fed



Dancing Japanese cranes

Verification Statement

June 29 2015

CASIO COMPUTER CO., LTD.

Objective

SGS Japan Inc. (hereinafter referred to as "SGS") was commissioned by CASIO COMPUTER CO., LTD. (hereinafter referred to as "the Organization") to conduct independent verification based on ISO14064-3:2006 and the SGS verification protocol regarding the data prepared by the Organization on performance data of GHG emissions and water intake (hereinafter referred to as "the assertion"). The objective of this verification is to confirm that the assertion in the Organization's applicable scope have been correctly calculated and reported in the assertion in conformance with the criteria, and to express our views as a third party.

Scope

The scope of verification is limited to performance data of GHG emissions and water intake in the Sustainability Report 2015. GHG emissions included in this performance data are Scope 1 and 2: GHG emissions from energy consumption and Scope 3: Category1, 4 and 11. The period subject to report is from Apr 1, 2014 to Mar 31, 2015.

Procedure of Verification

The assertion was verified in accordance with ISO14064-3: 2006 and the SGS verification protocol, and the following processes were implemented at a limited level of assurance:

- Verification of the calculation system: interviews on the measurement, tabulation, calculation and reporting methods employed by the Organization as well as review of related documents and records
- Verification of the assertion: On-site verification, review of vouchers at Yamagata Casio Co., Ltd., CASIO COMPUTER CO., LTD. head office, Hamura R&D Center, and analytical procedures and interviews carried out at all works included in the scope of verification at Hamura R&D Center

The criteria for this review is based on "The Calculating and Reporting Manual for Greenhouse Gas Emissions Ver.3.4" of the Ministry of the Environment and the protocol specified by the Organization.

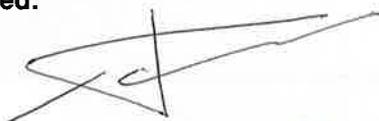
Conclusion

Within the scope of the verification activities employing the methodologies mentioned above, nothing has come to our attention that caused us to believe that the Organization's assertion (Scope1:4.7Kt-CO₂, Scope2:33.8Kt-CO₂, Scope3:Category1:531.9 Kt-CO₂, Category4:92.9Kt-CO₂ Category11:96.7Kt-CO₂, Water intake:300Km³) was not calculated and reported in conformance with the criteria.

For and on behalf of SGS Japan Inc
Senior Executive & Business Manager
Certification Services Division

Yuji Takeuchi

Signed:




Independent Opinion on the Sustainability Report 2015

The opinion presented here was written based on the content of this report (website version) and interviews with Casio personnel responsible for environmental, procurement, human resources, and CSR initiatives. Casio is now at a stage where the plan-do-check-act (PDCA) management cycle, with a focus on reducing the company's environmental impact and ensuring socially responsible procurement, should be used to expand CSR initiatives group-wide.

Commendable efforts by Casio

- Under its medium- to long-term [environmental management policy](#), Casio has set greenhouse gas targets for fiscal 2021 and 2051 and has expanded its efforts to reduce environmental impact into the areas of packaging and distribution. This is in line with its three commitments of “realizing a low-carbon society,” “building a recycling society,” and “living in harmony with nature and preserving biodiversity.” [For paper used in user manuals and brochures in particular, Casio has established new procurement policies](#) and is complying with local laws and regulations. I am very glad to see that Casio has implemented a procurement policy that gives priority to certified or recycled paper, while avoiding purchases from companies that are associated with deforestation or other serious environmental and social issues. In addition to efforts within the group and supply chain, I have strong expectations that Casio will develop initiatives that cover the entire product lifecycle including the customer stage—such as providing instructions on optimal product usage and improving the recycling rate at the time of disposal—and also disclose information on the progress of those initiatives.
- As [an initiative to improve supplier CSR](#), Casio continued its questionnaire using a five-point scale on issues such as reducing environmental impact, avoiding conflict minerals, and protecting the human rights of workers. Responses were received from 223 suppliers in Japan, 250 suppliers in China, and 30 suppliers in Thailand. By providing feedback based on the results to suppliers, making inspection visits at 15 suppliers in China and Thailand, presenting awards and providing case studies at meetings, Casio continued to ascertain and appraise its suppliers' commitment to social responsibility. In the future, I recommend that Casio ask suppliers to provide data and other verifiable proof in their self-assessment of initiatives, and work to make the specific measures and issues even more readily visible and understandable. I also hope that Casio will further improve its system of interaction with suppliers with a view to making continual improvements.
- Concerning efforts to [create more supportive workplaces for employees](#), it is laudable that 5.29% of employees at Casio Computer Co., Ltd. made use of the company's leave and reduced working hours programs for childcare or nursing care. It is also highly commendable that support for employee health as well as nursing care and childcare leave was improved through labor-management consultation. In the future, I hope that Casio will actively create opportunities for its employees to hear from users of the nursing care support program and ask questions about any topic.

Points for improvement while commending progress to date

- With regard to [the group-wide CSR promotion system](#), it is admirable that Casio established a Basic Policy on Respect for Human Rights, created its own tool for checking the status of human rights, compiled responses from group companies concerning their human rights issues, and provided the results as feedback to the companies. It is also noteworthy that Casio prepared the Guidance on the Prohibition of Bribery, based on the Casio Group Code of Conduct, revised in fiscal 2014, issued a more detailed anti-corruption manual to provide further guidance, as well as disclosed the number of times its whistle-blowing system has been used. I have strong expectations that Casio will develop an implementation framework that ensures these guidelines and tools are actually put to effective use in everyday management.
Looking at [the fostering of a culture of social responsibility across the entire group](#), I am gratified to learn that Casio is preparing to appoint CSR Leaders at major group companies in and outside Japan. In the future, Casio should also translate messages from top management into languages read by employees and send them to Casio Group workplaces worldwide, to encourage the initiatives by CSR Leaders on the frontlines. I strongly hope that Casio will increase opportunities for frontline employees to quickly and thoroughly understand CSR developments at the head office and sites worldwide.
- Turning to [group-wide efforts to enhance and make the most of employee diversity](#), it is nice to see that diversity preparations are being made. This includes a human resources registration system and assessment training, based on future policy aiming for a worldwide HR governance system for the entire group. Going forward, I hope that Casio will envision in detail a global personnel portfolio that transcends departmental and corporate boundaries, establish a comprehensive system for recruitment, development, exchange, and evaluation of human resources, and expand its human resources database to bring local staff members in each country into the picture. In developing such strategies and systems for making active use of employee diversity, Casio should aim for a target year in the near future, say 2020.

Points for improvement

- In the area of [employing persons with disabilities](#), Casio's average consolidated performance in Japan dipped below the legally mandated rate of employment. However, improvements have been made by holding employee interviews each quarter, and introducing a staggered working hours system. I continue to have strong expectations that Casio will promote community creation efforts based on disability and job types and continue making workplaces more supportive in the future. I hope to see improvement as soon as possible
- Regarding the environmental impact reduction data in this report, it is commendable that details are provided on the principal sites in and outside Japan including group companies. My hope, however, would be that Casio will continue to increase the level of accuracy of group reporting, not only for environmental data, but also for personnel and procurement initiatives and data.

Hideto DeDe Kawakita, Chief Executive Officer International Institute for Human, Organization and the Earth (IIHOE)

Profile of IIHOE: International Institute for Human, Organization and the Earth (IIHOE) is a nonprofit organization (NPO) that has been supporting NPO management and CSR capacity building since 1994.

<http://blog.canpan.info/iihoe/> (in Japanese)



川北 秀人 敬

G3.1 GRI Content Index

By self-declaration, Casio's CSR information disclosure corresponds to GRI Application Level B.

G3.1 Disclosure	Description	Related Page
1 Strategy and Analysis		
1.1	Statement from the most senior decisionmaker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.	Message from the President
1.2	Description of key impacts, risks, and opportunities.	Message from the President Risk management Social Initiatives: Action Plans and Performance Basic Environmental Policies New environmental management initiatives and Policies Casio's fiscal 2016 environmental management policy for the realization of a sustainable society Casio Environmental Vision 2050 and Casio Environmental Declaration 2020 Casio Green Star Plan Climate Change Action Biodiversity Green Star Products Environmental Action Plan (Targets and Performance)
2 Organizational Profile		
2.1	Name of the organization.	Corporate Overview
2.2	Primary brands, products, and/or services.	Corporate Overview Corporate Report
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Corporate Overview
2.4	Location of organization's headquarters.	Corporate Overview
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Corporate Overview
2.6	Nature of ownership and legal form.	Corporate Overview
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Corporate Overview
2.8	Scale of the reporting organization, including: <ul style="list-style-type: none"> • Number of employees; • Number of operations; • Net sales (for private sector organizations) or net revenues (for public sector organizations); • Total capitalization broken down in terms of debt and equity (for private sector organizations); and • Quantity of products or services provided. 	Corporate Overview Prioritizing local hiring and promotion at subsidiaries outside Japan

2.9	Significant changes during the reporting period regarding size, structure, or ownership including: <ul style="list-style-type: none"> • The location of, or changes in operations, including facility openings, closings, and expansions; and • Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations). 	None
2.10	Awards received in the reporting period.	Production Offices Public Recognition / Ranking
3 Report Parameters		
Report Profile		
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Scope of the report
3.2	Date of most recent previous report (if any).	Scope of the report
3.3	Reporting cycle (annual, biennial, etc.)	Scope of the report
3.4	Contact point for questions regarding the report or its contents.	Inquiries
Report Scope and Boundary		
3.5	Process for defining report content, including: <ul style="list-style-type: none"> • Determining materiality; • Prioritizing topics within the report; and • Identifying stakeholders the organization expects to use the report. 	Editorial Policy Identifying materiality (important CSR issues)
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	Scope of the report
3.7	State any specific limitations on the scope or boundary of the report.	Scope of the report Material Balance
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	None
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	Promoting health and safety initiatives for employees Climate Change Action Environmental Data Environmental Accounting Scope3
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Environmental Performance
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	None
GRI content index		
3.12	Table identifying the location of the Standard Disclosures in the report.	G3.1 GRI Content Index
Assurance		
3.13	Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).	Third-party verification

4 Governance, Commitments, and Engagement

Governance

4.1		Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Corporate Governance
4.2		Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement).	Corporate Governance
4.3		For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	Corporate Governance
4.4		Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Corporate Governance
4.5		Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	Annual Securities Report Corporate Governance Report ※
4.6		Processes in place for the highest governance body to ensure conflicts of interest are avoided.	In the event that a Casio director engages in a conflict-of-interest transaction, measures are to be taken based on the law, including measures requiring a resolution of the board of directors.
4.7		Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	As part of its efforts to appoint the best people to corporate officer positions, Casio ascertains whether an individual has the qualities required, selecting from a list of candidates who have demonstrated outstanding performance and character. Furthermore, human resources with officer candidate potential are developed through the right work experience, including management of affiliated companies and management in different fields.
4.8		Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	Casio's Corporate Creed and Approach to CSR Environmental Vision Casio Green Star Plan Green Star Products Biodiversity Casio Group Code of Conduct
4.9		Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	CSR Implementation System Corporate Governance Environmental Management
4.10		Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	CSR Implementation System

Commitments to External Initiatives			
4.11		Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Compliance and Risk Management Environmental Compliance
4.12		Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	United Nations Global Compact
4.13		Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: <ul style="list-style-type: none"> • Has positions in governance bodies; • Participates in projects or committees; • Provides substantive funding beyond routine membership dues; or • Views membership as strategic. 	United Nations Global Compact
Stakeholder Engagement			
4.14		List of stakeholder groups engaged by the organization.	Main stakeholders of the Casio Group
4.15		Basis for identification and selection of stakeholders with whom to engage.	Welcoming the challenge of helping to build a more sustainable global society Main stakeholders of the Casio Group
4.16		Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Feature Story: Where Should Casio Focus Its CSR Efforts to Help Build a Sustainable Global Society? Product Development and Design Initiative Ensuring customer satisfaction Responsibilities to Suppliers Responsibilities to Society Environmental Communication
4.17		Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Feature Story: Where Should Casio Focus Its CSR Efforts to Help Build a Sustainable Global Society? Product development incorporates insights from the classroom Ensuring customer satisfaction
5 Management Approach and Performance Indicators			
Economic			
		Disclosure on Management Approach	Investor Relations
aspect: Economic Performance			
EC1	CORE	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Annual Securities Report
EC2	CORE	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Climate Change Action
EC3	CORE	Coverage of the organization's defined benefit plan obligations.	Annual Securities Report
EC4	CORE	Significant financial assistance received from government.	None

aspect: Market Presence			
EC5	ADD	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	
EC6	CORE	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Responsibilities to Suppliers
EC7	CORE	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	
aspect: Indirect Economic Impacts			
EC8	CORE	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Responsibilities to Society
EC9	ADD	Understanding and describing significant indirect economic impacts, including the extent of impacts.	
Environmental			
		Disclosure on Management Approach	Environmental Vision Casio Green Star Plan Climate Change Action Environmental Action Plan (Targets and Performance)
aspect: Materials			
EN1	CORE	Materials used by weight or volume.	Material Balance
EN2	CORE	Percentage of materials used that are recycled input materials.	Material Balance
aspect: Energy			
EN3	CORE	Direct energy consumption by primary energy source.	Material Balance
EN4	CORE	Indirect energy consumption by primary source.	Business Processes Material Balance
EN5	ADD	Energy saved due to conservation and efficiency improvements.	Business Processes
EN6	ADD	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Climate Change Action
EN7	ADD	Initiatives to reduce indirect energy consumption and reductions achieved.	Business Processes
aspect: Water			
EN8	CORE	Total water withdrawal by source.	Material Balance Environmental Performance
EN9	ADD	Water sources significantly affected by withdrawal of water.	
EN10	ADD	Percentage and total volume of water recycled and reused.	Environmental Performance
aspect: Biodiversity			
EN11	CORE	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	
EN12	CORE	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	
EN13	ADD	Habitats protected or restored.	Environmental Communication

EN14	ADD	Strategies, current actions, and future plans for managing impacts on biodiversity.	Biodiversity
EN15	ADD	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	
aspect: Emissions, Effluents, and Waste			
EN16	CORE	Total direct and indirect greenhouse gas emissions by weight.	Climate Change Action Material Balance Environmental Performance Scope3
EN17	CORE	Other relevant indirect greenhouse gas emissions by weight.	Climate Change Action Material Balance Environmental Performance Scope3
EN18	ADD	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Environmental Vision Casio Green Star Plan Climate Change Action Business Processes Scope3
EN19	CORE	Emissions of ozone-depleting substances by weight.	
EN20	CORE	NO, SO, and other significant air emissions by type and weight.	Material Balance Environmental Performance
EN21	CORE	Total water discharge by quality and destination.	Material Balance
EN22	CORE	Total weight of waste by type and disposal method.	Material Balance Environmental Performance
EN23	CORE	Total number and volume of significant spills.	
EN24	ADD	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	
EN25	ADD	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	
aspect: Products and Services			
EN26	CORE	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Casio Green Star Plan Climate Change Action Material Balance Products Scope3
EN27	CORE	Percentage of products sold and their packaging materials that are reclaimed by category.	Material Balance
aspect: Compliance			
EN28	ADD	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	Environmental Management
aspect: Transport			
EN29	ADD	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Material Balance Scope3
aspect: Overall			
EN30	ADD	Total environmental protection expenditures and investments by type.	Environmental Accounting

Labor Practices and Decent Work

		Disclosure on Management Approach	Charter of Creativity for Casio and Casio Common Commitment Effectively appointing and deploying employees Occupational health and safety activities Casio Group Code of Conduct Social Initiatives: Action Plans and Performance
aspect: Employment			
LA1	CORE	Total workforce by employment type, employment contract, and region, broken down by gender.	Prioritizing local hiring and promotion at subsidiaries outside Japan
LA2	CORE	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	
LA3	ADD	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	Building Workplaces for a Diverse Workforce
LA15	CORE	Return to work and retention rates after parental leave, by gender.	Building Workplaces for a Diverse Workforce
aspect: Labor/Management Relations			
LA4	CORE	Percentage of employees covered by collective bargaining agreements.	Annual Securities Report
LA5	CORE	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	
aspect: Occupational Health and Safety			
LA6	ADD	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	
LA7	CORE	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities, by region and by gender.	Promoting health and safety initiatives for employees
LA8	CORE	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Promoting health and safety initiatives for employees
LA9	ADD	Health and safety topics covered in formal agreements with trade unions.	Promoting health and safety initiatives for employees
aspect: Training and Education			
LA10	CORE	Average hours of training per year per employee by gender, and by employee category.	Effectively appointing and deploying employees
LA11	ADD	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Effectively appointing and deploying employees
LA12	ADD	Percentage of employees receiving regular performance and career development reviews, by gender.	Effectively appointing and deploying employees
aspect: Diversity and Equal Opportunity			
LA13	CORE	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	Building Workplaces for a Diverse Workforce

aspect: Equal Remuneration for Women and Men			
LA14	CORE	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	Effectively appointing and deploying employees
Human Rights			
		Disclosure on Management Approach	Socially responsible procurement at Casio Respect for Human Rights Casio Group Code of Conduct
aspect: Investment and Procurement Practices			
HR1	CORE	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	
HR2	CORE	Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken.	Responsibilities to Suppliers
HR3	CORE	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Respect for Human Rights
aspect: Non-Discrimination			
HR4	CORE	Total number of incidents of discrimination and corrective actions taken.	
aspect: Freedom of Association and Collective Bargaining			
HR5	CORE	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	
aspect: Child Labor			
HR6	CORE	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	Responsibilities to Suppliers Respect for Human Rights
aspect: Forced and Compulsory Labor			
HR7	CORE	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	Responsibilities to Suppliers Respect for Human Rights
aspect: Security Practices			
HR8	ADD	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	
aspect: Indigenous Rights			
HR9	ADD	Total number of incidents of violations involving rights of indigenous people and actions taken.	
aspect: Assessment			
HR10	CORE	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	Respect for Human Rights
aspect: Remediation			
HR11	CORE	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	Whistleblower Hotline

Society			
		Disclosure on Management Approach	Philosophy on Social Contribution Casio Group Code of Conduct Social Initiatives: Action Plans and Performance
aspect: Local Communities			
SO1	CORE	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	
SO9	CORE	Operations with significant potential or actual negative impacts on local communities.	
SO10	CORE	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	
aspect: Corruption			
SO2	CORE	Percentage and total number of business units analyzed for risks related to corruption.	Compliance and Risk Management
SO3	CORE	Percentage of employees trained in organization's anti-corruption policies and procedures.	Casio Group Code of Conduct
SO4	CORE	Actions taken in response to incidents of corruption.	
aspect: Public Policy			
SO5	CORE	Public policy positions and participation in public policy development and lobbying.	
SO6	ADD	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	
aspect: Anti-Competitive Behavior			
SO7	ADD	Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.	
aspect: Compliance			
SO8	CORE	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	
Product Responsibility			
		Disclosure on Management Approach	Quality Assurance Casio Group Code of Conduct Social Initiatives: Action Plans and Performance
aspect: Customer Health and Safety			
PR1	CORE	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Offering Users Peace of Mind
PR2	ADD	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Offering Users Peace of Mind
aspect: Customer Health and Safety			
PR3	CORE	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Green Star Products

PR4	ADD	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	
PR5	ADD	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Activities to Improve Customer Satisfaction Customer Support Center/ Ensuring customer satisfaction
aspect: Marketing Communications			
PR6	CORE	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Initiatives for compliance with fair trade and advertising laws
PR7	ADD	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	
aspect: Customer Privacy			
PR8	ADD	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	
aspect: Compliance			
PR9	CORE	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.	

※For Casio's Corporate Governance Report, visit [the Tokyo Stock Exchange website](#) (in Japanese only)