

---

# Independent Opinion on the Sustainability Report 2017

The opinion presented here was written based on the content of this report and interviews with Casio personnel responsible for procurement, human resources, environmental 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 by top management and all employees to expand CSR initiatives group-wide.

## Commendable efforts by Casio

---

- In 2012, the Environmental Vision 2050 and the Environmental Declaration 2020 were established to support Casio's medium to long-term environmental management policy and environmental management promotion system. They address Casio's three material issues of realizing a low carbon society, building a recycling society, and living in harmony with nature by preserving biodiversity. In addition to promoting initiatives by setting annual, medium-term, and long-term targets in the three areas of products, company sites, and biodiversity, the implementation system has been reorganized in order to link it to the three material issues. Going forward, when a new site is established, I hope Casio will strive to compensate for the increased environmental impact through emission reductions at other sites, and will steadily increase the ratio of FSC®-certified paper used in its catalogs. Furthermore, through use of its Super Green Star Products system, I would like to see the company help customers navigate the optimum product usage methods, while promoting information sharing among customers through social media, and other means. The company should continue to involve customers in its initiatives, for instance by working to improve the recycling rate at the time of product disposal. I continue to have great expectations for all these efforts and the achieving of the medium and long-term targets including reduction of environmental impact in the usage stage.
- Looking at the group-wide CSR implementation structure, Casio has established a Basic Policy on Respect for Human Rights and has its own tool for checking the status of human rights, and it continues to provide feedback to group companies concerning the overall survey results. In addition, the Guidance on the Prohibition of Bribery and the Manual on the Prohibition of Bribery have been established, and the company has started to ascertain the actual status of efforts against corruption at group companies outside Japan, and has disclosed the number of reports to its whistleblower hotlines. Going forward, in order to make the guidelines and tools more effective on the frontlines, I recommend that they be incorporated into the targets for managers and into evaluation criteria, and also that they be linked with the CSR Leader system. I look forward to seeing the company build a compliance promotion system that is part of daily management.

- 
- Regarding CSR initiatives at its suppliers, Casio is continuing to use questionnaires with a five-point scale to ascertain supplier situations for reduction of environmental impact and measures to protect the human rights of workers. The company received responses from all 555 suppliers worldwide, provided feedback based on the overall results, and visited 13 companies in China and Thailand. It has continued to ascertain the situation and make it transparent, while introducing awards and case presentations at meetings to explain material procurement policy to suppliers. 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.

## Points for improvement while commending progress to date

---

- It is admirable that Casio is making preparations to appoint CSR Leaders at major group companies worldwide in order to create a CSR implementation infrastructure for the entire group. Going forward, in order to encourage initiatives on the front lines by the CSR Leaders, I recommend that messages from top management be translated into multiple languages and delivered to workplaces around the world. This will increase opportunities for front line employees to get a more immediate and deeper understanding of CSR trends at the head office and at sites in various countries. I also strongly recommend the creation of ongoing opportunities for executive managers to learn about the necessity and effectiveness of CSR promotion.
- Casio has conducted surveys at major sites in Japan regarding the preservation of biodiversity. Going forward, based on the results of the surveys, I hope it will promote initiatives to actively encourage employee participation. I also strongly recommend the setting of KPIs for each item of the guidelines formulated in 2011, so that they can be put into practice as part of daily management on the front lines.

## Points for improvement

---

- In the area of promoting employee diversity across the entire Casio Group, I am concerned that policies, targets, plans, and persons responsible have not been established, and no global HR meetings have been held. Going forward, I recommend concrete planning for portfolio-based global human resources management that crosses departmental and company boundaries, to be achieved within the 2020s. Casio needs an integrated system to promote the development, exchange and evaluation of human resources recruited worldwide, and to expand its human resource database to enable access to information on staff hired in each country. I hope that Casio will develop strategies and systems for the proactive utilization of human resource diversity.
- In the area of employing persons with disabilities, I am glad to see that Casio finally exceeded the legally mandated rate of employment. I hope that Casio will continue to make improvements by holding employee interviews each quarter and introducing a staggered working hours system. I also continue to have strong expectations that Casio will pursue community-building efforts based on disability and job types and continue making workplaces more supportive in the future.

- 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, by proactively disclosing not only environmental data, but also governance, 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)

