

# Message from the President

## Creating new cultural trends by forging deep and lasting connections with each and every user and providing the value people need in changing times

### | Casio Sustainability Goals

At Casio, we deeply value our corporate creed of “Creativity and Contribution.” All of our growth has come from putting this creed into action. By practicing creativity, we have provided new value to the world, transforming lifestyles and sparking new cultural trends. This is one way we give back to the world. Everything starts with the creed, which declares our ambition to leverage our inventions to make people’s lives more fulfilling—that’s “contribution.” At the very beginning when Casio developed the world’s first compact all-electric calculator, the real value we offered was not just the ability to perform calculations easily and quickly; rather, we made calculation itself accessible and convenient for everyone.

There have been many Casio “firsts”—the personal calculator, the shock-resistant watch, and the slimmest digital camera (at the time of its launch), just to name a few. All of these inventions expanded the circumstances in which our products could be used as well as the diversity of their users. Casio’s products made it so anyone could make calculations at any time, so users could know the precise time even in harsh environments, so people could carry a camera in their shirt pocket and take pictures whenever they wanted to. Countless users around the world have enjoyed the new value we created in these fields.

At Casio, we also understand the advantage of making the new value we offer part of new culture. That is what really cements our contribution to people’s lives and to the broader society. Take scientific calculators, for example. For many years now, we have worked closely with government ministries of education and schools in various countries around the world to develop mathematics curricula. As a result, our scientific calculators are often selected as recommended class supplies. This process enables Casio to support the education of about 23 million students around the world every year, primarily first-year high school students. The virtuous cycle we have promoted has contributed to math education, which helps foster students’ ability to think.

Providing new value to the world in this way transforms lifestyles and sparks new cultural trends. This is how we continue to be of service to each and every user, and it represents the kind of sustainability we pursue at Casio, characterized by growth and progress for both Casio and the world.

As environmental, social and governance (ESG) considerations become ever more important too, we aim to go beyond merely responding to external requests. Simply put, we make “Creativity *for* Contribution” our primary goal. Then, we seek to identify the core problems that must be solved to achieve this goal. Identifying core problems also ensures the effective functioning of our initiatives for solving environmental and social issues, on human resource development, workplace environment improvement, and so on.



## | Reforming Governance and Strengthening Our Management Structure

To meet the demands of the changing times and continue to provide new value, we recognize that it is important for us to strengthen our management infrastructure.

In April 2021, we introduced a management execution system with three c-suite officers (CEO, CHRO, and CFO). This system enables optimal company-wide decision-making. We also adopted a management matrix with business and function dimensions. Under this system, front-line worksites conduct business efficiently and autonomously at their discretion and with responsibility.

Meanwhile, in June 2019, Casio revised standards for selecting outside directors and reduced the number of directors on the Board of Directors, which is responsible for making prompt decisions and fulfilling management oversight functions. With this overhaul of the board, we brought in members with a wealth of experience and knowledge in a range of areas including corporate management. Since then, the directors have been holding lively discussions considering the long-term perspective, and we are seeing the fruits of this governance reform. Going forward, we will continue to reinforce the governance system in light of the Board of Directors' evaluation of effectiveness.

## | Addressing Sustainability Material Issues

One sustainability material issue for Casio at this moment is working to realize a decarbonized society. Casio's greenhouse gas reduction targets have been certified by SBTi as science-based targets. To achieve these targets, in July 2021, we switched the electricity used at our five major sites in Japan to renewable energy, and we are also working to reduce greenhouse gas emissions across the value chain.

It is also essential that we leverage our business activities to help achieve the Sustainable Development Goals (SDGs), a set of targets the international community is working to achieve by 2030. In fiscal 2020, we articulated which of the SDGs Casio will focus on as sustainability goals for each of our businesses. At present, we are using our focus SDGs as the basis for reaffirming our business targets, and working to set new KPIs based on our business plan for the post-COVID-19 world.

This series of measures is positioned between the Board of Directors and the business execution function. By ensuring that the Sustainability Committee, composed of the heads of each business and the heads of each functional headquarters, discusses these measures thoroughly and then reports the results to the Board of Directors, we ensure the right steps are given approval as management issues before taking action.

## | Building a Corporate Culture That Supports "Creativity for Contribution"

Casio has been carrying out various ESG initiatives to achieve its vision of sustainability. We are keenly aware of the importance of taking a long-term point of view. I believe that building a corporate culture that encourages this practice will be the key to making a difference in the world in the long term. This is why we strive for purpose-driven management at Casio and engage in dialogue with employees, aiming to foster an organizational culture in which employees, as stakeholders in the company, work together with management and one another to envision Casio's future and then put that shared vision into action. I am convinced that this will lead to employees working enthusiastically and at peak performance, with the right talent in the right positions, thereby maximizing the value Casio provides to each and every customer.

## | Cooperating with Stakeholders

Dialogue with stakeholders, including sharing strategic direction and progress as well as incorporating outside perspectives, is important for raising corporate value. I personally make a point of participating in dialogues with shareholders and investors. These dialogues yield various suggestions and insights, and they have become indispensable to our management approach.

Going forward, we will continue to enhance Casio's value as a company that is needed by society by achieving "Creativity *for* Contribution" while making the most of dialogue with stakeholders. I invite you to have high hopes for Casio.

**KASHIO Kazuhiro**

Representative Director,

President and CEO