

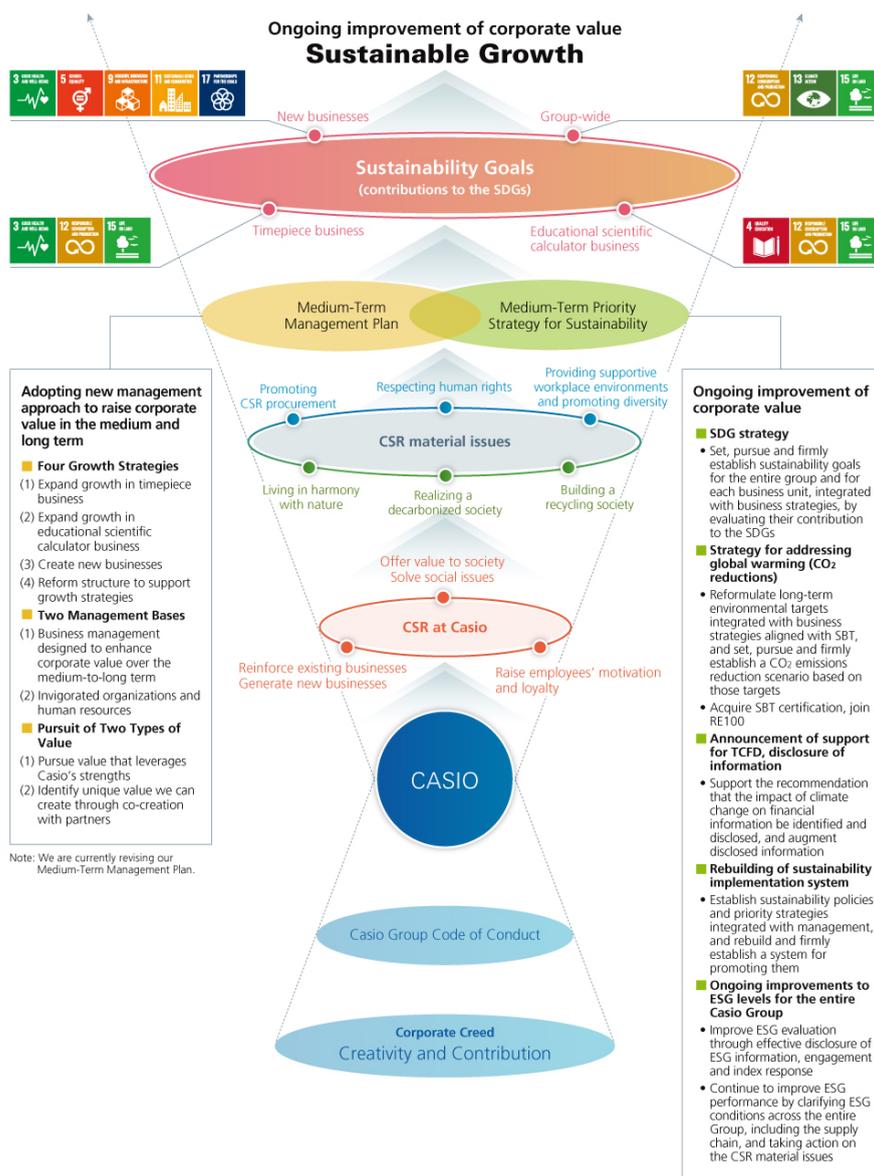
# Casio's Sustainability Concept

## Pursue Sustainable Growth for Both Company and Society

The Casio corporate creed, "Creativity and Contribution," reflects our founders' aspiration to give back to society by offering truly innovative products that never existed before.

At Casio, we believe that continuing to put this creed into practice will deliver long-term sustainable growth for both our company and society. Founded on this philosophy and code of conduct, Casio got its start by developing a groundbreaking electronic calculator. Since the beginning, we have always considered what our social responsibilities are as a manufacturer that provides useful inventions to the world. This is how we define CSR at Casio, and to make it specific, we have identified several issues with large social impact as material issues for Casio.

As part of our management strategy, we established the Casio Medium-Term Priority Strategy for Sustainability, and we are moving ahead by linking those initiatives with our Medium-Term Management Plan. Each business sets specific targets for these plans and strategies and implements them, seeking to achieve sustainable growth for both the company and society.



## Corporate Creed and Sustainability Management

Casio believes that part of its social responsibility is to pass down the corporate creed, "Creativity and Contribution," 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.

Learn more about the Casio corporate creed and its participation in the United Nations Global Compact.

## Environmental and Social Material Issues

For Casio, as a corporate group pursuing business development globally, it is extremely important to advance initiatives that are responsive to the expectations of the international community. In accordance with this understanding, Casio has identified material issues in need of prioritization in response to the Global Reporting Initiative (GRI) G4 guidelines issued in May 2013. Learn more about Environmental and Social Material Issues.

## Medium-Term Priority Strategies for Sustainability

In pursuing sustainability, Casio is building a system, devising strategies and targets, and using the PDCA cycle.

Read about policy and progress made on sustainability initiatives over the past two years and the medium-term priority strategy.

Also review a schematic diagram of sustainability management.

## Sustainability Goals

In 2019, Casio set sustainability goals for each business to address, in line with its Medium-Term Management Plan, and identified which SDGs Casio will seek to contribute to. Casio is determined to reflect the SDGs in how it does business.

Read more about SDG initiatives in each business.

# Casio's Corporate Creed and Sustainability Management

## The Corporate Creed of “Creativity and Contribution”

Since its establishment, Casio has placed value on the concept of “Creativity and Contribution,” which is its corporate philosophy.

This refers to our commitment to benefiting society by maximizing the unique strengths of the Casio Group to create new culture according to the changing times.

Through “Creativity for Contribution,” we aim to be a corporation that continuously creates new value, the type of value that blends seamlessly into the lifestyles of our customers.

## 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). In recent years, investment in enterprises based on environmental, social and governance (ESG) criteria has grown exponentially worldwide. Given this trend, companies that neglect their CSR initiatives and fail to fulfill their social responsibilities no longer hold any appeal for investors, and the continued existence of such companies holds no value for society.

Casio's corporate creed of “Creativity and Contribution” expresses the company's concept of using creativity in order to contribute—in other words, creating innovative products and services with original Casio technology to give back to society. 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.

The Casio Group Code of Conduct is used as a guide for all officers and employees of the Group, ensuring compliance with applicable laws and internal regulations and appropriate conduct from an ethical point of view. Based on changes in and outside the Casio Group, the Code of Conduct was revised in June 2013 and again in November 2016 to meet new standards in areas where the international community has high expectations and demands, such as human rights, supply chain management, and anti-corruption measures.

Casio has identified six material issues, 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.

## | 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

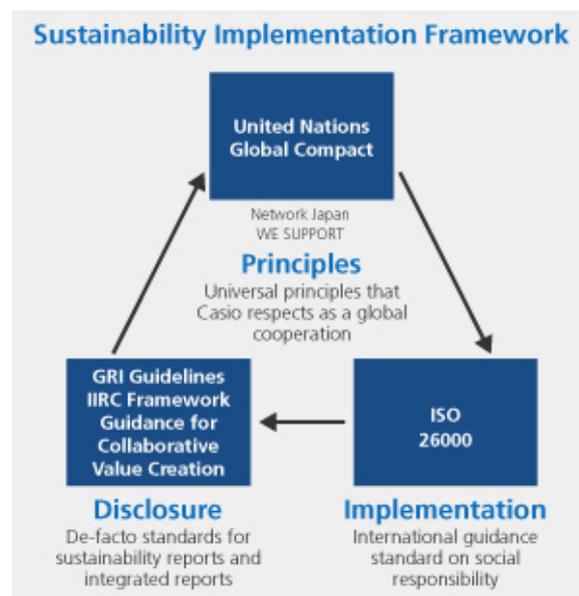
## | Assessing Internal Familiarity with Casio's Sustainability Approach

Every two years, all employees of group companies in Japan are given a comprehensive questionnaire on the Charter of Creativity for Casio and Casio Common Commitment, the Casio Group Code of Conduct, and the Whistleblower Hotline. The results are used to analyze employees' familiarity with these principles and resources. The results of the questionnaire are also used to develop various measures to ensure that employees have a good understanding.

## Sustainability 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.

The company draws on the ISO 26000 guidance standard on social responsibility in implementing CSR. Casio has been working to enhance its CSR programs to meet the requirements of the international community by, for example, using the Global Reporting Initiative (GRI) Guidelines, which are international standards, for its sustainability reports. For its integrated report, Casio uses the IIRC Framework and the Japanese Ministry of Economy, Trade and Industry's Guidance for Collaborative Value Creation to select the topics to cover.



## 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 (GCNJ).

## | 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.

## | FY2021 Participation in Global Compact Network Japan (GCNJ) Subcommittees

GC Internal Education and Research Subcommittee

SDG Subcommittee

ESG Subcommittee

Reporting Research Subcommittee

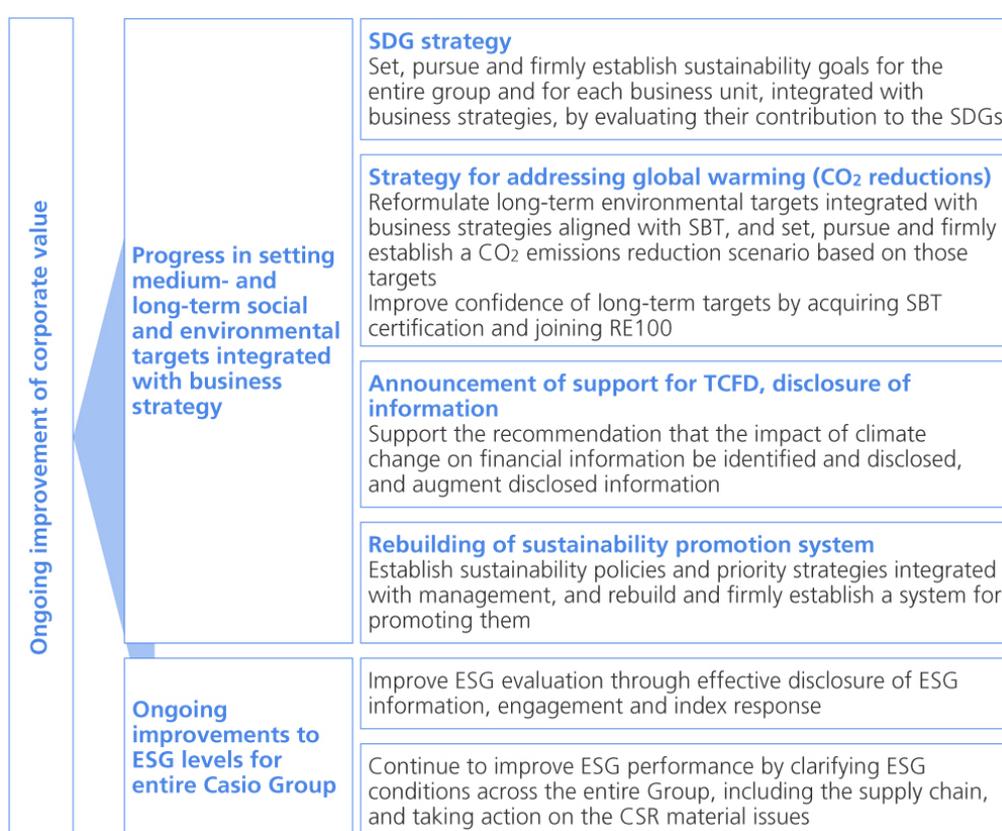
Related Links: [United Nations Global Compact](#)

# Medium-Term Priority Strategies for Sustainability

## Medium-term priority strategies for sustainability (fiscal 2021-2022)

In fiscal 2021, in light of progress made during the preceding fiscal years, Casio decided to place particular emphasis on the material issues toward the realization of a decarbonized society and the rebuilding of the sustainability promotion system in its medium-term priority strategies for E (environment) and S (society) for fiscal 2021 and fiscal 2022. These were laid out and advanced as described below.

### | Medium-term priority strategies (fiscal 2021-2022)



Progress made in fiscal 2021 toward reaching the above-described medium-term priority strategies' goals for fiscal 2022 is as shown below.

Priority	Issues to pursue	KPI (FY2022 goals)	Progress made in FY2021
<p><b>Progress in setting medium- and long-term social and environmental targets integrated with business strategy</b></p>	<p>SDG strategy Set, pursue and firmly establish sustainability goals for the entire group and for each business unit, integrated with business strategies, by evaluating their contribution to the SDGs</p>	<p>Sustainability goals for the entire group and for each BU that are integrated with the business strategy established, and the first phase completed Results evaluated based on the KPI and used to set targets for the next phase</p>	<p>Reviewed the mid-term business plans for each business and functional headquarters, upon which the medium-term sustainability goals are based. Also arranged SDGs embraced by Casio in the following areas: contributing to social issues through business; and reducing the environmental impact through business.</p> <p><u>Sustainability Goals</u></p>
	<p>Strategy for addressing global warming (CO<sub>2</sub> reductions) Reformulate long-term environmental targets integrated with business strategies aligned with SBT, and set, pursue and firmly establish a CO<sub>2</sub> emissions reduction scenario based on those targets Improve confidence of long-term targets by acquiring SBT certification and joining RE100</p>	<p>Long-term environmental targets based on new SBT standards set, and a CO<sub>2</sub> reduction scenario based on this devised SBT certification completed, RE100 initiative joined and renewable energy adoption policies established for entire Group</p>	<p>Enhanced Casio's medium- and long-term greenhouse gas reduction targets to conform with SBT's new standards in October 2020, as shown below, and submitted them to the SBTi to request validation that these targets are based on scientific evidence.</p> <p>As a result, received validation from SBTi that the Casio fiscal 2030 targets are aligned with the scientific evidence-based goal of limiting global warming to well below 2°C.</p> <p>Casio Greenhouse Gas Reduction Targets Validated by SBTi</p> <p>New Enhanced Greenhouse Gas Reduction Targets:</p> <ul style="list-style-type: none"> <li>■ Scopes 1 &amp; 2 <ul style="list-style-type: none"> <li>• 38% reduction by FY2031, compared to FY2019</li> <li>• Net zero emissions by FY2050</li> </ul> </li> <li>■ Scope 3 <ul style="list-style-type: none"> <li>• 30% reduction of greenhouse gas emissions from the use of purchased goods and services (category 1) and use of sold products (category 11) by FY2031, compared to FY2019</li> </ul> </li> </ul> <p>In addition, Casio formulated a concrete greenhouse gas (scopes 1 &amp; 2) emissions reduction scenario for FY2031 aimed at achieving these targets and put it into practice.</p>

Priority	Issues to pursue	KPI (FY2022 goals)	Progress made in FY2021
	<p>Announcement of support for TCFD, disclosure of information</p> <p>Support the recommendation that the impact of climate change on financial information be identified and disclosed, and augment disclosed information</p>	<p>Support for TCFD announced and disclosure in line with its requirements augmented</p>	<p>In addition to enhancing greenhouse gas reduction targets to conform with the new SBTi standards, also announced support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and disclosed relevant financial information.</p> <p>Casio will continue to work to strengthen its governance relating to climate change, formulate strategies based on climate-change risk and opportunity analysis, and disclose climate-related financial risk information.</p> <p><u><a href="#">Information Disclosure Based on TCFD Recommendations</a></u></p>
	<p>Rebuilding of sustainability promotion system</p> <p>Establish sustainability policies and priority strategies integrated with management, and rebuild and firmly establish a system for promoting them</p>	<p>A Sustainability Committee under the board of directors formed to discuss policies and strategies; in addition, by meeting in line with the PDCA cycle, measures reliably promoted</p>	<p>The Sustainability Committee is positioned between the board of directors and the Management Committee. It is chaired by the director in charge of ESG strategy, and its members include the CFO, CHRO, leaders of each business, and officers in charge of staff divisions. The committee began making concrete deliberations in FY2021. Key issues relating to sustainability are discussed by officers in the committee, the results of deliberations are reported to the board of directors and are then put into practice following necessary procedures.</p>
Ongoing improvements to ESG levels for entire Casio Group	<p>Improve ESG evaluation through effective disclosure of ESG information, engagement and index response</p>	<p>Effective response to key indices such as FTSE, MSCI and DJSI continued, reselected for DJSI WORLD index, stayed on FTSE and MSCI and remained in a position to be selected for ESG investment</p>	<p>A considerably updated integrated report was issued in FY2021 and was selected as one of the "most-improved integrated reports" by the GPIF.</p> <p>In addition, Casio is continuing to update its sustainability report with the improvement of access to published information. Casio will continue to review aspects such as the report structure, with the aim of creating reports that are even more easily understandable. For details on the adoption of ESG indices, refer to <u><a href="#">External Evaluation</a></u>.</p>
	<p>Continue to improve ESG performance by clarifying ESG conditions across the entire Group, including the supply chain, and taking action on the CSR material issues</p>	<p>In light of progress with materiality through fiscal 2021, the next materiality promotion plan established, and results evaluated based on KPI</p>	<p>Regarding the clarification of ESG conditions in the supply chain, the Production Headquarters responsible for procurement plans to enhance the contents of the annually-conducted supplier CSR surveys. With regard to FY2021, Casio began conducting surveys concerning greenhouse gas emissions and the setting of greenhouse gas emissions reduction targets in particular, beginning with suppliers in Japan.</p>

# Environmental and Social Material Issues

## Environmental and Social Material Issues

### | Approach

As a company with a global reach, it is extremely important for Casio to pursue initiatives that meet the expectations of the international community. The worldwide movement to build more sustainable societies continues to evolve, year by year. Companies today are expected to carry out strategic initiatives as part of their core business activities. Casio is no exception. Even more so, as a company known for “creating something from nothing,” Casio must strategically implement social contribution measures that are integrated with its business activities. Responding to these trends, Casio has specified the issues with the greatest significance (materiality) to its practice of social responsibility, in accordance with the G4 Sustainability Reporting Guidelines issued by GRI in May 2013. Going forward, the company will take action on each of the specified issues, and will apply the plan-do-check-act (PDCA) cycle to these efforts to ensure the highest level of socially responsible management.

## KPI and Performance (Items marked ★ are environmental action targets as well)

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

Material Issues for Casio	FY2021 Targets and KPI	FY2021 Performance	Evaluation	FY2022 Targets and KPI
Realizing a low-carbon society	Reduce the greenhouse gas emissions (Scopes 1 and 2) of group companies by 6.3% compared to FY2019, based on a market-based standard	Reduced 20.3% compared to FY2019	○	Reduce the greenhouse gas emissions (Scopes 1 and 2) of Casio Group by 9.5% compared to FY2019, based on a market-based standard
Building a recycling society	Maintain the Casio Green Star product sales ratio at 76% or more	Casio Green Star Product sales ratio: 78%	◎	Maintain the Casio Green Star product sales ratio at 80% or more
	Reduce the amount of waste generated by entire Casio Group by at least 1% compared to the previous fiscal year Achieve a recycling rate for Casio Group site waste of at least 95%	Reduced waste generated by Casio Group by 13.7% compared to the previous fiscal year Recycling rate for Casio Group: 87.1%	△	Reduce the amount of waste generated by entire Casio Group by at least 1% compared to FY2020 Achieve a recycling rate for Casio Group site waste of at least 95%
	Reduce water usage for Casio Group by at least 1% compared to FY2019	Reduced water usage for Casio Group by 16.7%	◎	Reduce water usage for Casio Group by at least 2% compared to FY2020
Living in harmony with nature	Ensure that 80% of product catalog paper used in Japan is paper from certified forests	74%	△	Ensure that 80% of product catalog paper used in Japan is paper from certified forests
	Re-examine medium and long-term targets, including the definition of sustainable paper	Collected and analyzed world trends	△	Continue to re-examine medium and long-term targets, including the definition of sustainable paper
Promoting CSR procurement	(1) Implement CSR education at Casio sites and at suppliers, and implement onsite audits in China	Implemented CSR education at Casio sites and at suppliers, and implemented onsite audits at 8 suppliers in China	○	(1) Implement CSR education at Casio sites and at suppliers, and implement onsite audits at a total of 10 suppliers in China and Thailand
	(2) Conduct CSR surveys	Conducted CSR surveys of 455 suppliers worldwide Surveys collected from 454 of 455 companies	○	(2) Conduct CSR surveys Conduct CSR surveys of all suppliers, and collect surveys from all of them

Material Issues for Casio	FY2021 Targets and KPI	FY2021 Performance	Evaluation	FY2022 Targets and KPI
Providing supportive workplace environments and promoting diversity	<ul style="list-style-type: none"> <li>Maintain childcare leave usage rate for eligible employees of 90% or more</li> <li>Maintain a rate of employee return after childcare leave of 90% or more (including contract employees)</li> </ul>	<ul style="list-style-type: none"> <li>Achieved childcare leave usage rate for eligible employees of 100%</li> <li>Achieved a rate of employee return after childcare leave of 100% (including contract employees)</li> </ul>	◎	<ul style="list-style-type: none"> <li>Maintain childcare leave usage rate for eligible employees of 90% or more</li> <li>Maintain a rate of employee return after childcare leave of 90% or more (including contract employees)</li> </ul>
	Achieve a female employee recruitment rate of 25% or more	5 of the 30 employees who joined the company in April 2021 were women (16.7%)	△	Achieve a female employee recruitment rate of 25% or more
	Maintain legally mandated employment rate of people with disabilities at 2.3% or more	Employment rate of people with disabilities: 2.29% (as of April 1, 2021)	○	Maintain legally mandated employment rate of people with disabilities at 2.3% or more
	Follow-up measure implementation rate for annual checkups: 80% or more	<ul style="list-style-type: none"> <li>Follow-up measure implementation rate: 74.3%</li> <li>Reason 1 The implementation of follow-up measures was delayed due to COVID-19-influenced delays to regular checkup visits</li> <li>Reason 2 There were employees who rejected the offer of visits to medical institutions for follow-up measures due to COVID-19 pandemic</li> </ul>	△	Follow-up measure implementation rate for annual checkups: 80% or more
	<ul style="list-style-type: none"> <li>Ascertain the actual mental illness rate</li> <li>Implement e-learning training for new employees</li> <li>Implement training for new managers</li> <li>Implement skill improvement training by job type for young employees</li> </ul>	<ul style="list-style-type: none"> <li>Mental illness rate on a consolidated basis (fiscal year end): 0.5%</li> <li>Implement e-learning training for new employees (October)</li> <li>Implement training for new managers (September, January)</li> <li>Implement skill improvement training by job type for young employees (November)</li> </ul>	○	<ul style="list-style-type: none"> <li>Ascertain the actual mental illness rate</li> <li>Implement e-learning training for new employees</li> <li>Implement training for new managers</li> <li>Implement skill improvement training by job type for young employees</li> </ul>
	<ul style="list-style-type: none"> <li>Ascertain the rate of employees with high stress (February)</li> <li>Consultations provide by industrial physicians to interested employees (February to April)</li> <li>Ascertain health risk rates by department (April)</li> <li>Implement workplace analysis and feedback (May)</li> </ul>	<ul style="list-style-type: none"> <li>Ascertained the rate of employees with high stress (February)</li> <li>Consultations provided by industrial physicians to interested employees (February to March)</li> <li>Ascertained health risk rates by department (March)</li> <li>Implemented workplace analysis and feedback (March)</li> </ul>	○	<ul style="list-style-type: none"> <li>Ascertained the rate of employees with high stress (February)</li> <li>Consultations provided by industrial physicians to interested employees (February to March)</li> <li>Ascertained health risk rates by department (March)</li> <li>Implemented workplace analysis and feedback (March)</li> </ul>
Respecting human rights	(1) Check human rights issue and implement feedback: All sales group companies (100%)	Implemented survey for 27 sales sites in and outside Japan in June 2020, and responses received from all. Feedback given as well. (100%)	○	(1) Review checks for human rights issues implemented in the past and formulate a promotion policy for fiscal 2023 and beyond.
	(2) Implement human rights education for Sustainability leaders:	Implementation postponed due to major internal organizational reform and the impact of COVID-19.	×	(2) Implement human rights education for Sustainability leaders:
	(3) Develop a grievance mechanism; establish the mechanism and put into full operation	Re-examined the move to an operational structure capable of a more suitable response.	—	—

\* Performance was not evaluated due to revision of the criteria for calculation during the fiscal year

# Materiality specification process

## **Step 1: Specification of issues with significance to the company**

In fiscal 2015, Casio made a detailed list of CSR issues with reference to its business areas, and prioritized them based on relevance to its own activities.

## **Step 2: Specification of issues with significance to stakeholders**

In fiscal 2016, Casio sent a questionnaire to its stakeholders and conducted interviews in order to organize the issues by their significance to stakeholders.

## **Step 3: Summarization and finalization**

Based on the results of the processes in steps 1 and 2, in fiscal 2016 Casio formally specified its material issues with the approval of the director in charge of CSR.

## **Step 4: KPI formulation and implementation**

Casio formulated key performance indicators (KPI) with reference to the specified material issues, thereby enabling each responsible department to evaluate its CSR initiatives quantitatively. In fiscal 2017, Casio is implementing related activities using the plan-do-check-act (PDCA) cycle.

### | Step 1: Specification of issues with significance to the company

Regarding the 46 "aspects" indicated in the G4 Sustainability Reporting Guidelines from GRI, Casio analyzed the risks to the company for each aspect and the degree of impact that they would have on Casio. The aspects were used to evaluate matters at various levels, including business segments, value chains for each segment, and regions of operation. This shaped the identification of the most significant aspects. The departments charged with CSR responsibilities also examined the identified aspects, and finalized them for use in their own processes.

### | Step 2: Specification of issues with significance to stakeholders

Based on the G4 Sustainability Reporting Guidelines, the 46 aspects were divided into six areas: economic, environment, labor practices, human rights, society, and product responsibility. The importance of each area was then identified through dialogue with stakeholders closely related to Casio. Questionnaires were also given to customers and employees, and aspects with high significance to stakeholders were identified. In addition, questionnaires and interviews with experts were carried out on the respective topics. These processes enabled Casio to identify society's expectations, resulting in a list of issues with significance to Casio stakeholders.

Economic

Takeshi Mizuguchi, Professor

Takasaki City University of Economics

More detail

Environment

Sadayoshi Tobai

Conservation Director, WWF Japan

More detail

Labor Practices

Hiroki Sato, Professor

Chuo Graduate School of Strategic Management

More detail

Human Rights

Makoto Teranaka, Visiting Professor

Tokyo Keizai University

More detail

Society

Kaori Kuroda, Executive Director

CSO Network Japan

More detail

Product Responsibility

Kikuko Tatsumi, Executive Advisor

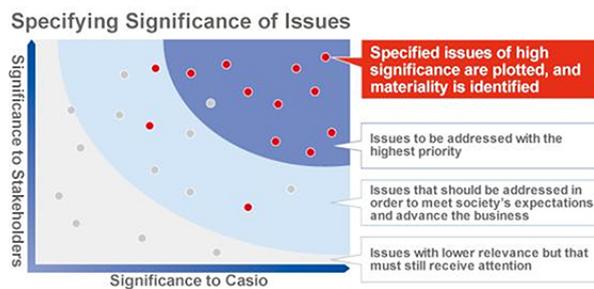
Nippon Association of Consumer Specialists

More detail

### | Step 3: Summarization and finalization

By mapping the aspects identified in steps 1 and 2, Casio specified eight material issues, with a focus on aspects given a high priority. Finally, with the approval of the director in charge of CSR, the issues with medium-term materiality to the Casio Group were defined.

#### Material Issues for Casio



Material Issues for Casio	Material Aspects	Boundary	
		Internal	External
Building a recycling society	Products and services	●	●
Realizing a low-carbon society	Energy	●	●
	Emissions	●	●
Living in harmony with nature	Biodiversity	●	●
Promoting CSR procurement	Supplier environmental assessment	●	●
	Supplier assessment for labor practices	●	●
	Supplier human rights assessment	●	●
	Supplier assessment for impacts on society	●	●
Providing supportive workplace environments and promoting diversity	Employment	●	
	Diversity and equal opportunity	●	
Respecting human rights	Investment	●	●
	Non-discrimination	●	●
	Freedom of association and collective bargaining	●	●
	Child labor	●	●
	Forced or compulsory labor	●	●
	Human rights assessment	●	●
	Human rights grievance mechanism	●	●
Preventing corruption	Anti-corruption	●	●
Maximizing economic performance	Economic performance	●	●

## | Step 4: KPI formulation and implementation

### KPI Formulation

Casio investigated key performance indicators (KPI) with reference to the specified material issues, in order to enable the responsible departments to evaluate their initiatives quantitatively. With the approval of the CSR Officer, the KPI were finalized, and efforts are underway in fiscal 2017 to ensure high performance.

\* For more information on KPI, see "KPI and Performance" above.

## Materiality Review

Casio continually worked to improve its efforts to address conventional material issues up through fiscal 2021. Likewise, in fiscal 2021, the company plans to continue addressing its current material issues, as well as reviewing the overall approach it takes to material issues, taking into consideration the shifts occurring in the way materiality is viewed in today's social context.

# Sustainability Goals

## SDG-Based Initiatives

The Sustainable Development Goals (SDGs) were unanimously adopted by world leaders at the United Nations Sustainable Development Summit. The SDGs outline priority global issues to be resolved by 2030 and specify common targets for the world. They indicate specific opportunities to put the planet on a sustainable path, including eliminating poverty and hunger, and pursuing clean energy, climate action, and peaceful societies.

In 2019, Casio incorporated SDG efforts into its business operations by establishing sustainability goals for each business unit to accompany its Medium-Term Management Plan.

In consideration of revisions made to the business operations framework, Casio is currently conducting a review. New goals will be announced via this website as soon as they have been determined.



## | Sustainability Goals

### Timepiece Business

- Promote user health by providing and supporting sporting experiences through watches and wrist devices
- Reduce environmental impact: Reduce resource use in business activities



### Educational Scientific Calculator Business

- Promote even better math education by providing products designed to meet specific educational needs in different countries
- Help improve educational levels by training math teachers to use scientific calculators in their classrooms
- Reduce environmental impact: Reduce resource use in business activities



### New Businesses

- Provide personal health and beauty support to individual customers through digital means
- Create social infrastructure that gives people greater peace of mind in their daily lives
- Use open innovation to create more experiences that offer innovative customer value



### Business Needing Better Profitability

- Provide opportunities to acquire broad knowledge
- Use projectors to develop educational infrastructure and effective learning environments
- Reduce environmental impact: Reduce resource use in business activities



### Company-wide

- Reduce environmental impact: Reduce resource use in business activities
- Reduce environmental impact: Reduce waste



# Information Disclosure Based on TCFD Recommendations

In April 2021, Casio announced its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and disclosed information based on the recommendations as follows. Based on this, Casio is working to strengthen its governance relating to climate change, formulate strategies based on climate-change risk and opportunity analysis, and disclose climate-related financial risk information.



Category	Casio Initiatives
Governance	<p><b>Climate change issues have been included within Casio's governance and management systems addressing sustainability.</b></p> <p>Casio now has a system in place for appropriate oversight of management decision-making and business execution as they relate to important sustainability issues, including climate change. The Sustainability Committee, which reports directly to the Board of Directors, is chaired by a director appointed by the president. The committee discusses and reports on important sustainability issue findings relevant to Casio.</p>
Strategy	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>• Transition risks: Increased energy costs from the adoption of renewable energy, capital investment related to renewable energy and energy saving, and increased business costs due to new regulations such as carbon taxes</li> <li>• Physical risks: Business continuity risk resulting from larger-scale natural disasters caused by climate change, and rising insurance premiums, etc.</li> </ul> <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Greater environmental contribution through business and other activities including the supply of products and services</li> </ul> <p>Using scenario analysis, Casio will continue to analyze climate change-related risks and opportunities, as well as their potential impact, including on business models and value chains, and incorporate this analysis into its business strategies.</p>
Risk Management	<p><b>Casio ascertains and manages risk as follows.</b></p> <p>In addition to collecting and analyzing data on climate change impact for its relevant businesses, Casio evaluates its vulnerability to large-scale natural disasters caused by climate change, and implements necessary measures to ensure business continuity.</p>
Indicators and targets	<p><b>Casio has adopted the following greenhouse gas emission reduction targets.</b></p> <p>Casio aims to reduce its Scope 1 and 2 emissions by 38%* compared to fiscal 2019 levels before the end of 2031 and is aiming for net zero emissions by 2051.</p> <p>For Categories 1 and 11 of Scope 3 emissions, the aim is for a 30% reduction compared to fiscal 2019, by 2031.*</p> <p>To achieve these goals, Casio is actively adopting renewable energy, while working with its business partners to reduce greenhouse gas emissions in the supply chain.</p> <p>* SBT-certified targets</p>