

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 create something from nothing, or go from “0” to “1,” continue to make a consistent contribution to a more sustainable global society.

Approach to CSR

The Charter of Creativity for Casio outlines the basic principles concerning the attitudes and conduct expected of Casio employees in order for the company to continue realizing its corporate creed. The company’s 60th anniversary last year provided momentum for a review of the Charter of Creativity for Casio. The president feels strongly that the Charter should serve as a compass for each employee when the way forward is unclear, and that its content needs to reflect this purpose. A project team is now working on revising the Charter to ensure that the spirit of the current

charter is maintained while creating something that is more practical and inspiring.

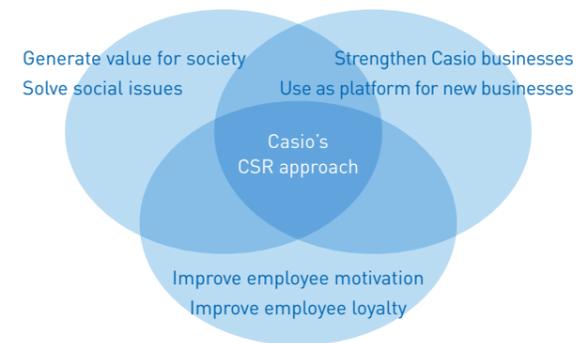
The Casio Group Code of Conduct is also used as a guide for all officers and employees of the Group, ensuring compliance with applicable laws and internal regulations, and appropriate conduct from an ethical point of view. Based on changes in and outside the Casio Group, the Code of Conduct was revised 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’s CSR Approach

Casio’s CSR approach is one where the group works to meet the expectations of society by helping to solve environmental and social issues through business operations, while achieving sustainable growth. Casio must continue to be useful to society, while also maintaining the respect of its employees.

Promoting CSR that Increases Our Corporate Value



Charter of Creativity for Casio and the Casio Common Commitment

In 2003, Casio adopted the Charter of Creativity for Casio and the Casio Common Commitment, a promise from everyone working at Casio. They are designed to ensure that Casio employees will be aware of our 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 also of every other part of our business.

Medium-Term CSR Policy (FY2018 – 2019)

The Sustainable Development Goals (SDGs) were adopted at the United Nations in September 2015, while the Paris Agreement, the result of the 2015 United Nations Climate Change Conference (COP 21), took effect in November of the same year. Given this background, along with the global trend toward investment based on economic, social, and governance (ESG) factors, Casio has formulated the following medium-term CSR policies for the next two years.

- Promoting concrete initiatives associated with the SDGs to solve social and environmental issues based on materiality linked with business management
- Establishing achievement scenarios linked to long-term environmental targets, and continually improving environmental performance through implementation of environmental management systems (EMS)
- Strengthening its business foundation by gathering compliance and ESG information from Casio Group companies and continuing to improve performance levels
- Raising the awareness of all Casio Group employees, and promoting behavioral changes

In line with these medium-term policies, Casio will specifically address the following three issues as the top priority issues. Casio will establish KPIs for each policy and will promote and manage initiatives using plan-do-check-act (PDCA) cycles.

- 1 Initiatives based on SDGs
- 2 Initiatives to achieve medium-and long-term environmental targets
- 3 Initiatives for disclosure of corporate ESG information

SDG-Based Initiatives

The SDGs have made it easier for Casio to establish targets for its contribution to the world, as part of its corporate creed, “Creativity and Contribution.”

Currently, Casio is looking for SDG collaboration opportunities for each of its business areas and is working with experts to determine the relevance of each SDG to its business activities. The SDG opportunities and risks for Casio business activities will be released together with materiality information in the 2019 Casio Sustainability Report.

SUSTAINABLE DEVELOPMENT GOALS 17 GOALS TO TRANSFORM OUR WORLD



CSR Committee and CSR Promotion Subcommittee

In fiscal 2018, Casio revised its CSR Committee system. Under the new system, the CSR Committee is chaired by Casio’s president, and its members include all the company

directors, audit & supervisory board members and executive officers. It has become the body that discusses and approves Casio's CSR activities, including the medium-term CSR policy, annual policy, and previous years' performance reports. In addition, the former CSR Committee was re-named the CSR Promotion Subcommittee.

In order to respond to the expectations of society, the CSR Promotion Subcommittee identifies social issues to be addressed, and implements measures to help resolve them. As the core CSR organization, the subcommittee is composed of CSR chiefs and managers from back office departments at Casio Computer Co., Ltd., and all Casio group companies worldwide, and is administrated by a Secretariat. A regular meeting is held every six months, and the subcommittee activities are promoted throughout the year based on the management cycle of the fiscal year.

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.

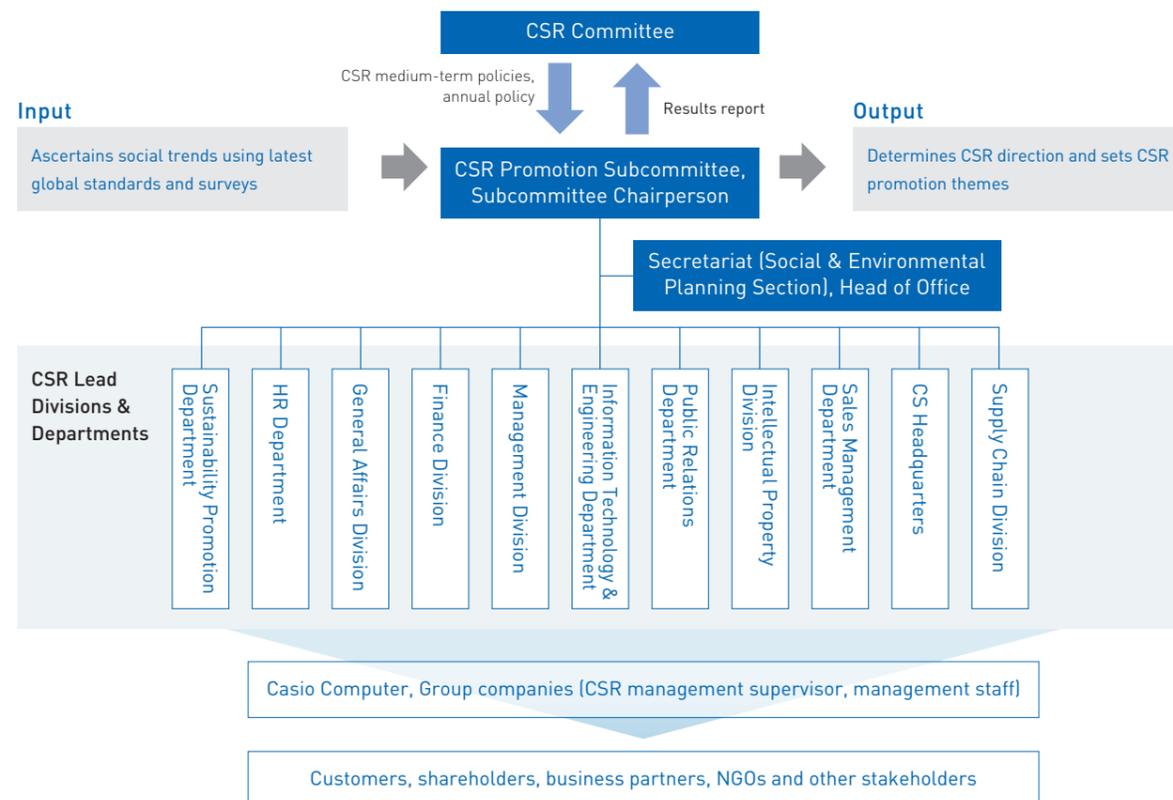
The CSR-related departments promote theme initiatives through programs formulated based on the original objectives and the plan for the year concerned. They also evaluate progress made on the initiatives at the end of the fiscal year, identify issues based on the results and achievements, and use them when planning improvements for the next fiscal year.

Casio Approach to Materiality

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, or go from 0 to 1," 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.

CSR Committee / CSR Promotion Subcommittee structure



Materiality and KPI

Casio and Materiality	Approach	FY2018 Goals and KPI
Realizing a low-carbon society	Casio contributes to the international framework for achieving a low-carbon society by providing products and services that further promote CO ₂ reductions and absorption. We also work to increase the number of products and services using energy that is friendly to people and the environment, such as solar power, wind power, and hydro-power. Additionally, we are incorporating these types of renewable energy into our business activities.	Reduce overall Casio Group FY2018 CO ₂ emissions by 7.95% compared to FY2013 levels Creating a CO ₂ reduction scenario aimed at achieving our medium-and long-term goals
Realization of a resource recycling-based society	As a manufacturing company, Casio strives for the effective use, substitution, and reuse of precious natural resources such as raw materials and water. We believe it vital that we further improve resource productivity and are implementing initiatives towards this cause.	Casio Green Star product composition of 70% and higher Operating site waste product recycling rate of 92% and higher
Coexisting with nature	Casio is keenly aware of the fact that our business is made possible through the blessings of our natural environment. With this in mind, we engage in biodiversity conservation activities to help foster environmental consciousness and strive for harmony between natural cycles and our business activities.	FSC® certified paper utilization rate of 65% and higher for our domestic product catalogs. Creating a scenario for achieving medium-term goals for sustainable paper utilization rates.
CSR procurement promotion	Casio procures various materials from numerous domestic and overseas business partners. Grounded in a focus on long-term, constructive relationships, we will enhance CSR activities along our entire supply chain and enhance initiatives promoting fair transactions.	<ul style="list-style-type: none"> Plant and vendor CSR education Continued educational activities during vendor meetings Held once in China Follow-up through annual audits Continued customer requirement audits at manufacturing plants Records checks at manufacturing plants Continued on-site inspections of vendors
Providing a comfortable work environment and promoting diversity	Casio believes it is vital that we create energetic and motivating work environments that are good for the mental and physical health of our employees. With this in mind, we have established various systems and work to create a work culture that recognizes diverse workstyles. We strive for the realization of a workplace environment and are promoting diversity to ensure all employees, including women, elderly persons, persons with disabilities, and foreign citizens, to greater maximize their potential.	<ul style="list-style-type: none"> Childcare support Childcare leave utilization rate – Maintain at 90% and higher Childcare leave return rate – Maintain at 90% and higher Regular health exam follow-up action rate – 80% and higher Increase health exam notices to employees who fail to take exam Adopt health improvement rewards system that assigns points to healthy employees, employees whose health exam results have improved, and employees under observation who undergo reexaminations, and gives out health-related products based on the employee's points total Stress management Ascertain percentage of employees experiencing mental fatigue (analyze together with stress check) Conduct e-learning for new hires and executives Conduct work skill level-up training (including self-management) for young employees Conduct stress checks Ascertain rate of high stress Arrange visits with industry physician for high-stress employees and other employees requesting consultation Ascertain department-specific health risk ratios Conduct workplace analysis and provide feedback Use stress checks to implement improvements Rate of female employees: 20% and higher females who majored in sciences Implement measures that contribute to increased hiring of female engineers Mandated rate of hiring of persons with disabilities (2.2% and higher (consolidated)) Proactive hiring of persons with disabilities, achieve mandated hiring rates Amid growing diversity in the types of disabilities, implement policies that lead to higher retention rates
Respecting human rights	As a corporation citizen engaged in business on a global scale, Casio is strongly aware of the importance of human rights. We respect the basic human rights of all employees and stakeholders. Furthermore, we continue to build a framework for human rights due diligence in accordance with the Casio Group Basic Policy on Respect for Human Rights.	<ul style="list-style-type: none"> Conduct human rights issues check and provide feedback: All production-related Group companies (100%) Provide dedicated human rights training for CSR leaders: Align with CSR leader transfers, all Casio Group domestic companies (100%) Build complaint processing framework: Framework established and fully operational
Anti-corruption initiatives	Casio recognizes that bribes and corruption are acts that inhibit the development of a sustainable society. We promote the creation of local rules and manuals at all our business sites to further enhance bribery and corruption prevention responses for the entire Casio Group.	<ul style="list-style-type: none"> Corruption risk management on global scale Create, disseminate, utilize, and evaluate manual