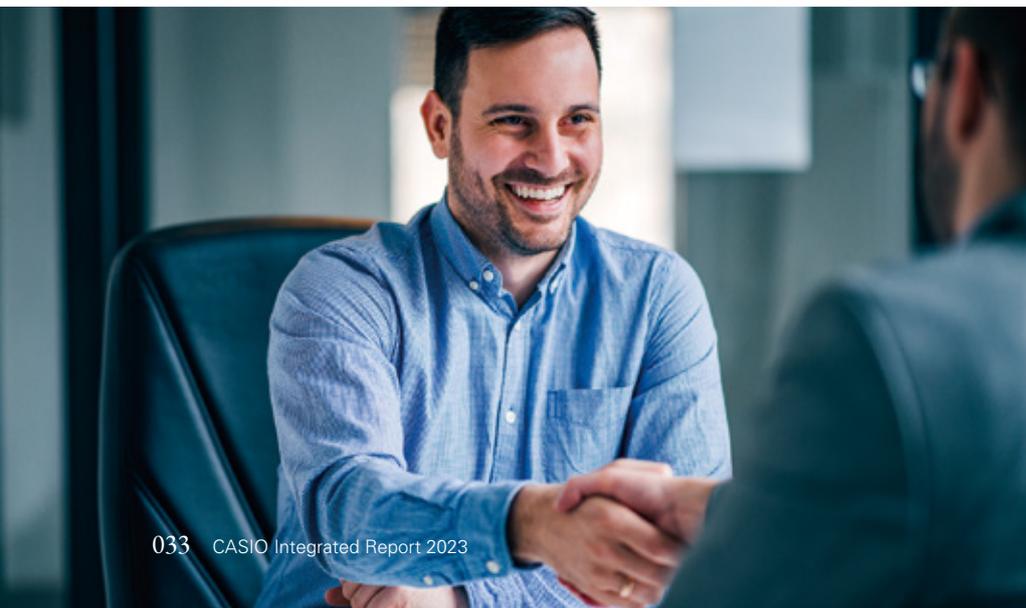
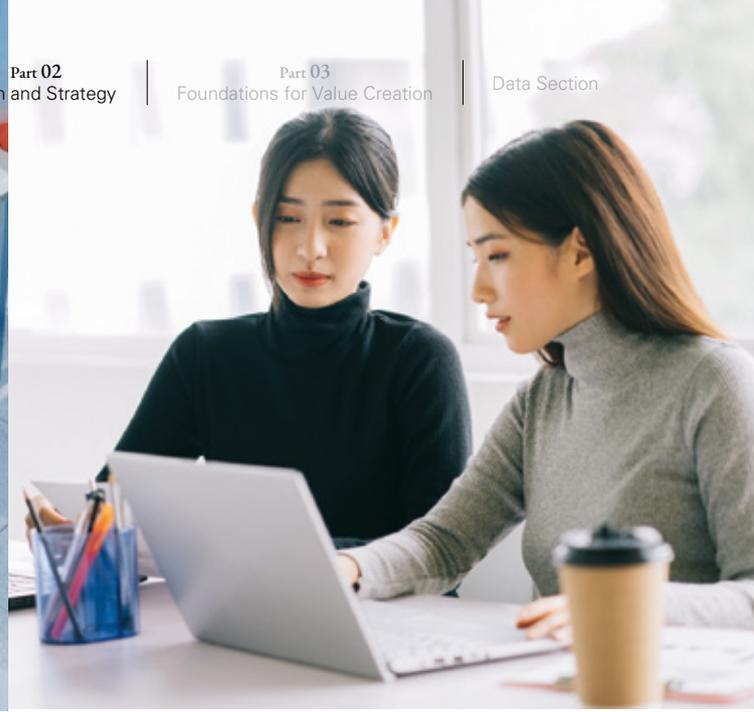


For the future, how does Casio perceive the coming business environment and how its own business will unfold?

What is Casio's vision and strategy for sustainable corporate growth and value creation?





## Part 02

# Vision and Strategy

**Creating new sources of value in the market and growing unrivaled, one-of-a-kind brands by generating innovations that capture the changing and diversifying values of people**

In an environment undergoing dramatic changes, Casio believes that the best course of action is to return to its tradition and essence of value creation as a foundation for generating innovation. To this end, Casio has redefined its material issues to be more in line with its management strategy and identified new material issues to better drive actionable initiatives.

As part of the Basic Policies for 2030, we have formulated our Management Policy and Key Strategies, the latter of which comprises Core Strategies and Infrastructure Strategies. In the first three years in our journey to 2030, we will begin by bringing all businesses and functional divisions together to achieve the goals of the medium-term management plan for this period.



# Identifying Material Issues

With the formulation of Casio's Basic Policies for 2030 and medium-term management plan, we have augmented existing material issues for corporate social responsibility (CSR) with additional issues aimed at achieving sustainable corporate growth. This has resulted in eight material issues organized into three groups: value creation through business, enhancement of management capital, and strengthening of management foundation.

## Objective and process in identifying new material issues

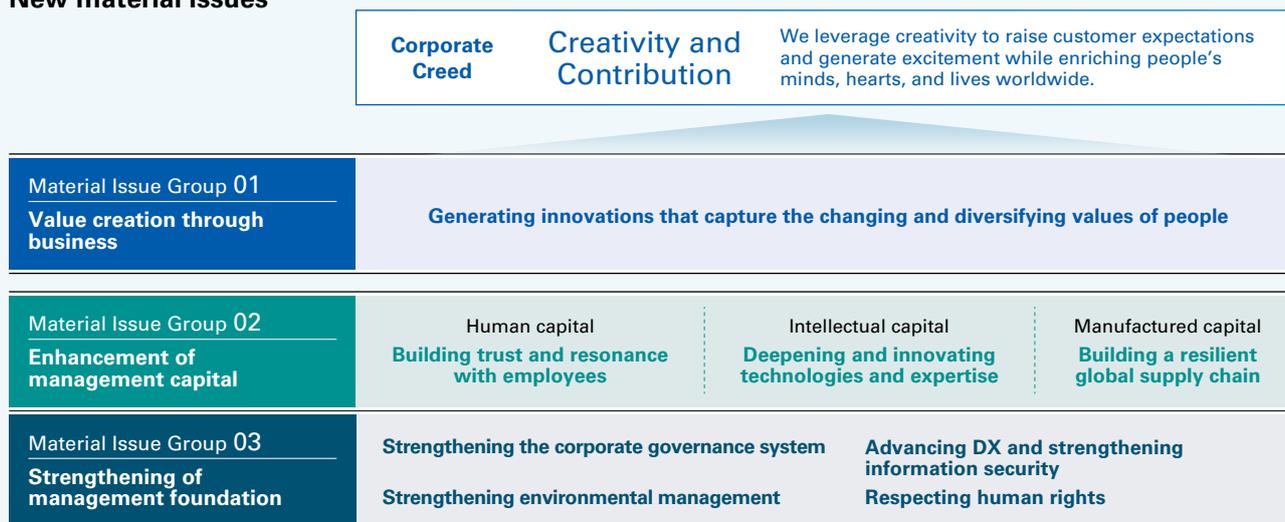
In response to the release of the fourth edition of the Global Reporting Initiative (GRI) Guidelines, Casio identified in 2015 a series of material issues requiring its attention, and has been utilizing the plan-do-check-act (PDCA) cycle within sustainable management to make progress in these areas. Now, in an environment undergoing dramatic changes, Casio believes that the best course of action is to return to its tradition and essence of value creation as a foundation for generating innovation. To this end, Casio has redefined its material issues to be more in line with its management strategy, identifying new issues to better drive actionable initiatives.

These material issues are divided into three groups: value creation through business, enhancement of management capital, and strengthening of management foundation. Within value creation through business, we aim to create new innovations that meet and exceed consumer needs, in line with the core concept of our Basic Policies for 2030. Enhancement of management capital and

strengthening of management foundation are designed to support achievement of value creation through business. With particular emphasis on three kinds of management capital—human capital, intellectual capital, and manufactured capital—we have selected issues under four themes to achieve strengthening of management foundation.

To identify its material issues, Casio first created an issue list using a political, economic, social, and technological (PEST) analysis of environmental changes and social conditions with importance for the Company. We then prepared a list of key environmental and social issues based on various guidelines, and identified risks and opportunities for each. Each issue was then evaluated for its importance level, taking into account the state of its countermeasures. Issues important to Casio and important with respect to the environment and society were integrated, forming three groups and our hypothetical material issue set. This hypothesis was then tested for validity in sessions with our top management and external experts, after which material issues were finalized by approval of the Board of Directors.

## New material issues



## Identification process



## Specific initiatives, targets, and KPIs

Initiatives for each material issue contribute to the achievement of the Sustainable Development Goals (SDGs), and we will proactively advance each with the aim of resolving issues and providing this contribution. To achieve value creation through business, we will generate innovation in our five

businesses and cultivate one-of-a-kind value sources. Each material issue will have established targets and KPIs, including continuation of any existing targets or KPIs. We will manage the progress of these and implement a steady PDCA cycle to realize our Basic Policies for 2030 and the goals of the new medium-term management plan.

Material issues		Specific initiatives	Major related SDGs
Value creation through business	Generating innovations that capture the changing and diversifying values of people	<p><b>Creating a one-of-a-kind market position</b></p> <ul style="list-style-type: none"> <li><b>Timepieces</b> Creating new user lifestyles</li> <li><b>EdTech</b> Providing products, services, and learning materials sparking learner curiosity</li> <li><b>Sound</b> Providing products and services that offer new experiences related to sound</li> <li><b>System Equipment</b> Creating solutions through co-creation with businesses and users</li> <li><b>Next Core</b> <ul style="list-style-type: none"> <li>Eliminating global medical disparities with diagnostic imaging services combining medical cameras with AI technology</li> <li>Providing a human resource data platform that supports sustainable growth of companies and their employees (people)</li> </ul> </li> </ul>	
Enhancement of management capital	Human capital Building trust and resonance with employees*	<ul style="list-style-type: none"> <li>Health and productivity management</li> <li>Ensuring organizational capabilities (Upgrading to skills required for business strategy, developing specialized digital and DX human resources)</li> <li>Cultivating autonomous human resources (Further enhancing needed autonomous human resources and career support systems)</li> <li>Strengthening management (Creating value through diversity, equity, and inclusion [DE&amp;I] management)</li> </ul>	
	Intellectual capital Deepening and innovating technologies and expertise	<ul style="list-style-type: none"> <li>Continuously deepening and innovating owned and proven technologies and expertise (Robustness, compact design, low power consumption, sound source/acoustics, image processing, etc.)</li> <li>Acquiring and implementing new technologies and expertise (AI utilization, sensor application, wireless communication, etc.)</li> <li>Executing a "green recovery"</li> <li>Cultivating new businesses</li> </ul>	
	Manufactured capital Building a resilient global supply chain*	<ul style="list-style-type: none"> <li>Practicing sustainability management in the supply chain (CSR procurement, addressing conflict mineral issues)</li> <li>Rebuilding business continuity management (BCM) for the supply chain</li> </ul>	
Strengthening of management foundation	Strengthening the corporate governance system	<ul style="list-style-type: none"> <li>Ensuring transparency in compensation and nominations</li> <li>Improving effectiveness of the Board of Directors</li> <li>Ensuring diversity of directors</li> <li>Preventing corruption</li> <li>Complying with competition laws</li> <li>Engaging stakeholders in dialogue</li> </ul>	
	Advancing DX and strengthening information security	<ul style="list-style-type: none"> <li>Building a user-centric value chain with DX                             <ul style="list-style-type: none"> <li><b>Business foundation DX</b> <ul style="list-style-type: none"> <li>(1) Sales DX (D2C/digital marketing)</li> <li>(2) Development DX (establishment of PLM)</li> <li>(3) Production DX (supply chain management [SCM] transformation/smart factories)</li> <li>(4) Customer satisfaction (CS) DX</li> </ul> </li> </ul> </li> <li>Information security countermeasures/cybersecurity countermeasures/protection of personal information</li> </ul>	
	Strengthening environmental management*	<ul style="list-style-type: none"> <li>Responding to climate change</li> <li>Living in harmony with nature</li> <li>Supporting a recycling society</li> </ul>	
	Respecting human rights*	<ul style="list-style-type: none"> <li>Conducting initiatives for human rights based on international norms</li> </ul>	

\* These issues have been inherited from the previous six material issues and will continue to be managed as such. Please visit our website for details about our previous material issues. <https://world.casio.com/csr/concept/materiality/>

# Basic Policies for 2030

Casio has established its Management Policy and Key Strategies based on the keywords of “new sources of value” and “core brands.” With our eyes set on the fiscal year ending March 31, 2031, we will make major changes in our product development process and marketing methods, and establish core brands that will serve as new value sources for each of our business lines.

## To build strengths and overcome challenges

To grow over the medium to long term despite future uncertainty in the business environment, it is important to establish a flexible approach method that is capable of agile adaptation to changing times. Meanwhile, we must fully recognize the unique strengths that have been cultivated throughout our history, as well as the challenges we face.

This is the concept that we formulated our new Basic Policies for 2030 in May 2023, consisting of the Management Policy and Key Strategies, and centered on the corporate creed we have shared since our founding, “Creativity and

Contribution.” The keywords for these basic policies are “new value source creation,” which has been a driving force for the Casio Group’s growth, and “cultivating and establishing core brands,” which is positioned as a management issue. Based on the new Management Policy, Casio will pursue Core Strategies (P. 41) for value creation in three steps, and Infrastructure Strategies (P. 57) for strengthening our human resources, organization, and business structure. With this, we will overcome one challenge at a time while demonstrating uniquely Casio qualities, thereby aiming for sustainable growth.

## Basic Policies for 2030



## Medium-Term Management Plan (FYE 3/2024 to FYE 3/2026)

Over the next three years, we will strengthen profitability, reform our business structure, invest heavily in our core businesses, and create innovation in our next core businesses. Based on this, we aim to maximize corporate value toward the fiscal year ending March 31, 2031.

### From strengthening the profit base to implementing reforms and creating innovation

To systematically and steadily implement its Basic Policies for 2030, Casio is engaged in a three-year medium-term management plan that began in the fiscal year ending March 31, 2024.

The first half of this plan is positioned as a term for strengthening our profit base, where we will devote our efforts on focus investments in core businesses

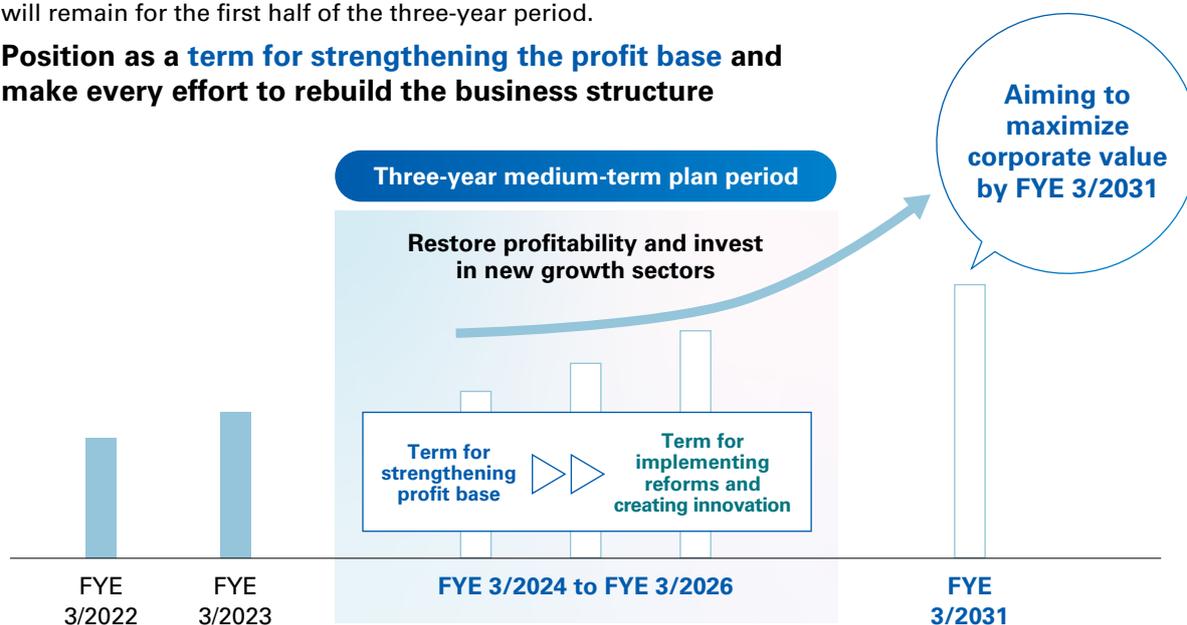
(Timepiece, EdTech, and Sound) and radical structural reforms of unprofitable areas.

At the same time, we will invest in growth in core businesses and next core business areas with higher growth potential, such as expanding sales in China, India, and ASEAN in the Timepiece Business and pivoting the business model of the EdTech Business to a web application business, leading to the next term of implementing reforms and creating innovation.

### Assumptions for Phases within the Medium-Term Plan Period

It is assumed the impact from the global economic slowdown will remain for the first half of the three-year period.

Position as a **term for strengthening the profit base and make every effort to rebuild the business structure**



#### Term for strengthening profit base

- Focus investment in core businesses (Timepiece, EdTech, and Sound)
- Radical structural reform of unprofitable areas

#### Term for implementing reforms and creating innovation

- Develop core businesses with higher growth potential and peripheral areas of core businesses
- Restructure portfolio to include next core business areas

## Message from the CFO

Seeing uncertain environments as opportunities, we aim to maximize our corporate value in 2030 through new business growth and improved capital efficiency.

TAKANO Shin

Director, Member of the Board  
Executive Managing Officer and CFO



### Business environment changes and future growth sources

The global economy in the fiscal year ended March 31, 2023 has experienced drastic changes due to market turmoil driven by the COVID-19 pandemic, as well as heightened geopolitical risks such as from the situation between Russia and Ukraine. Casio is currently taking time to recover its business performance in the face of soaring raw material and logistics costs, supply chain problems including shortages of semiconductors and other materials, and stagnant market conditions after lockdowns in China.

At the same time, in a challenging business environment, we have confirmed that our structural reforms have yielded results, and have reaffirmed the challenges we face ahead. Amid the pandemic of the last few years, we have worked to reduce fixed costs to improve the profitability of existing unprofitable businesses, as well as to strongly promote digital marketing and DX to improve internal operational efficiency. In addition, to more rigorously screen investments in new businesses, we have adopted new management methods, such as setting stage gates according to the achievement of KPIs based on the cost of capital, and multifaceted verification of the path to commercializing these new businesses at Investment Committee meetings. Through these reforms, we have made progress in streamlining sales activities, developing DX infrastructure, and reorganizing some business domains. On the other hand, we have reaffirmed the need for further structural reforms, including in the System Equipment Business, and the need to break away from dependence on specific regions and rapidly develop business models based on fast-paced technological developments and diverse values.

We will continue to respond with flexibility and agility

to uncertain environments and further transform ourselves into a strong and resilient corporate structure capable of turning even difficult changes in the environment into opportunities, thereby restoring profitability and achieving the next stage of growth and value creation.

### Capital allocation policy

To overcome the severe market environment and make further progress, we have formulated our Basic Policies for 2030, which aims to maximize our corporate value through 2030. Furthermore, we have announced a three-year medium-term management plan beginning in the fiscal year ending March 31, 2024 to achieve these policies. In the medium-term management plan, the next three years are positioned as a period for strengthening our profit base. During this period, we have established a financial policy with particular emphasis on capital allocation, aiming to achieve return on equity (ROE) of over 10% and return on invested capital (ROIC) of over 8% in the fiscal year ending March 31, 2026 by maximizing cash generation and optimizing capital allocation with an awareness of the cost of capital.

### Strengthening profitability through business growth

In our capital allocation policy, we place the highest priority on business growth, establishing a business growth investment budget and a strategic investment budget. Separate from the regular capital investment budget of 30 billion yen, 30 billion yen will additionally be allocated for the growth of our core businesses—Timepiece, EdTech, and Sound—strengthening of brands such as G-SHOCK, and environment investment for the next generation. In addition, we will use the strategic investment budget to realize disruptive and dynamic growth. We have set aside 20 billion

yen for investment in areas that will be growth drivers in the future, including alliances with other companies as opportunities arise. We will select appropriate investment targets to create a virtuous cycle in which cash generated by investments leads to further cash generation.

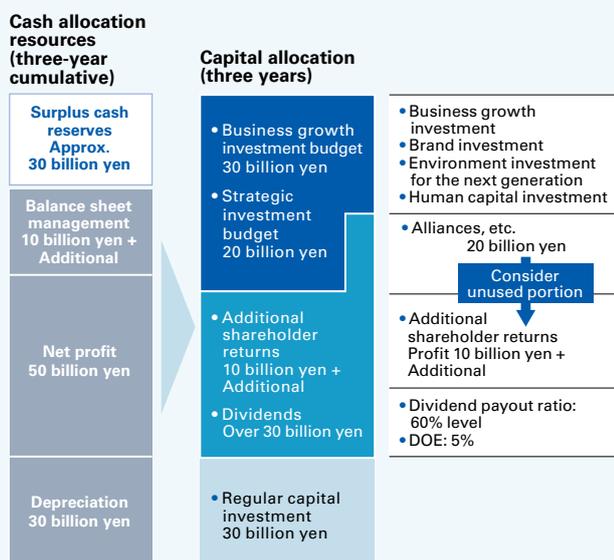
In making business and strategic investments, we seek to maximize return on capital. As CFO, I strive to raise awareness of the cost of capital throughout the Group, including at the upper management level, by presenting details of our analysis and evaluation of the current cost of capital and return on capital at various meetings, including of the Board of Directors, and when internal messages are sent out.

### Improving capital efficiency through balance sheet management and shareholder returns

To maximize corporate value, we believe it is essential to improve capital efficiency in addition to strengthening profitability. Amid the COVID-19 pandemic, we have strategically increased inventory levels in light of material procurement risks and logistics disruptions, but will curb inventory levels in the future while keeping an eye on market conditions. We will also dispose of idle assets, including real estate, as appropriate to generate cash and improve asset efficiency, while aggressively investing funding in growth areas, such as DX investments and R&D environment improvements.

Cash of 10 billion yen plus any additional amount generated by this balance sheet management will be used in our invested capital resources. At the same time, we will add approximately 30 billion yen in cash reserves to operating cash flows for effective utilization and to improve capital efficiency.

### Capital allocation policy



In this capital allocation policy, we will also both expand business growth investment and strategic investment and further strengthen shareholder returns. Our basic policy is to link dividend payments to business performance and maintain stable dividends, and we plan to return more than 40 billion yen to shareholders over the next three years, targeting dividends on equity (DOE) of 5% and a dividend payout ratio of 60%. Furthermore, with regard to the aforementioned strategic investment budget of 20 billion yen, if we determine that there are no appropriate investment projects, we will consider allocating the amount to shareholder returns, taking into consideration our business plan for the fiscal year ending March 31, 2026 and beyond.

### Nonfinancial strategies and corporate value enhancement

Amid increasingly complex social issues and heightened disclosure requirements, the importance of addressing environmental, social, and governance (ESG) issues and disclosing nonfinancial information is growing in order to meet the expectations of and gain strong evaluations from capital markets and other stakeholders. We, too, recognize that achieving growth that helps to resolve social issues and linking off-balance sheet intangible asset values such as brand, technology, and human resources to cash creation are essential to increasing corporate value.

In addition to disclosing nonfinancial information in response to external requests, we will clearly link financial and nonfinancial information and enhance our ability to logically explain the sustainable enhancement of corporate value. Based on this, we will strive to enhance constructive dialogue and engagement with our stakeholders with the goal of maximizing our corporate value in 2030.

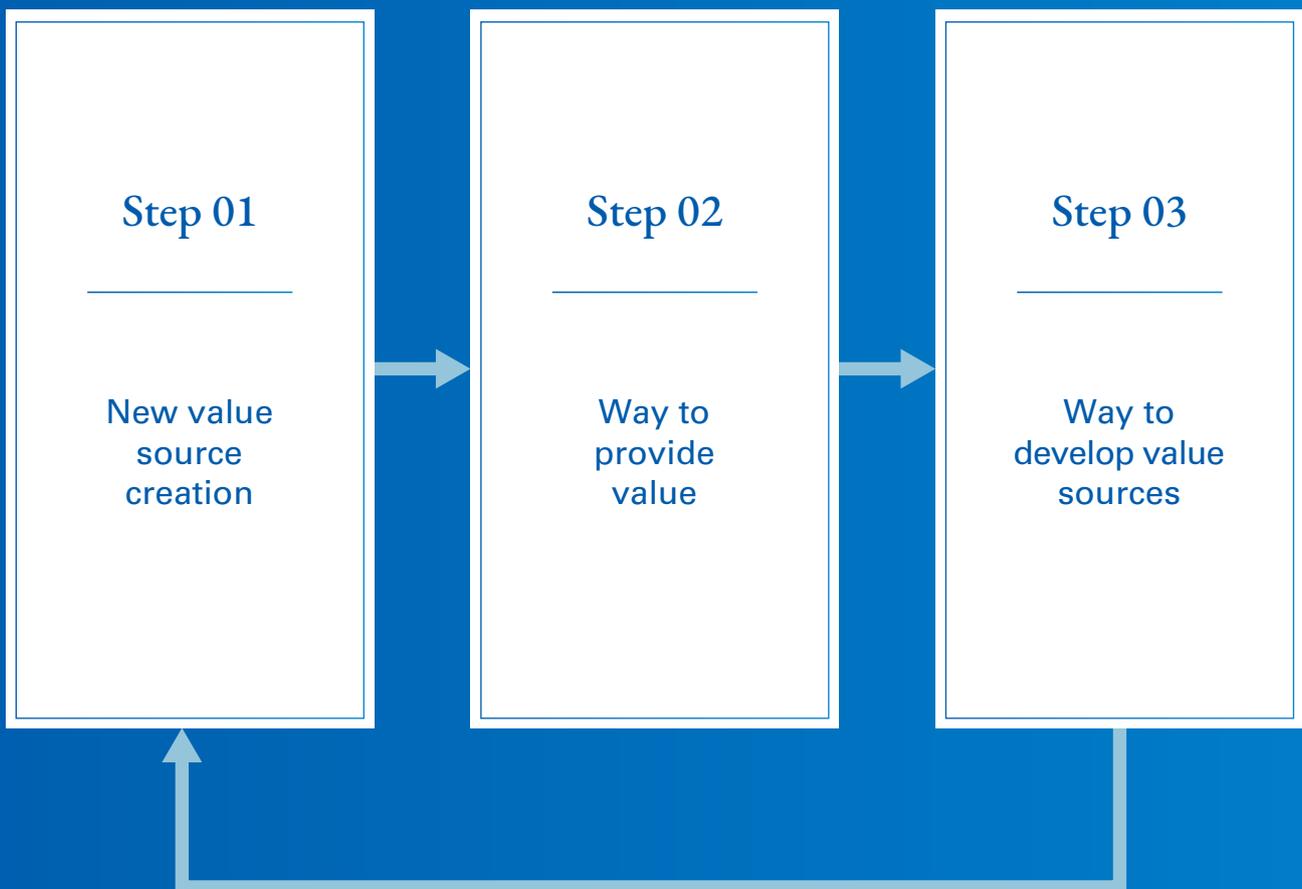
### Target financial indicators

	FYE 3/2023 (previous fiscal year)	FYE 3/2026 (in three years)
ROE	5.9%	Over 10%
ROIC	4.7%	Over 8%
ROIC = Operating profit after tax ÷ Average invested capital at the beginning and end of the period (Interest-bearing debt + Net assets)		
Liquidity on hand	130.7 billion yen	100 billion yen level
Equity ratio	66%	Just over 60%
(Average over next three years)		
Dividend payout ratio	82.3%	60% level
DOE	4.9%	5% level
Total return ratio	99.4%	80–120%

# Establishing Core Brands as New Value Sources

As one of the pillars in our Key Strategies for 2030, Casio is strengthening the process from the creation of new value sources to the nurturing, establishment, and development of core brands. We have established three steps to strengthen our core businesses and take on the challenge of creating our next core businesses.

## Establish a process to develop user-oriented value sources



# Core Strategies

## Three strategies for creating and developing core businesses

Casio is advancing its Core Strategies in three steps, founded in user insights, to create new value sources and establish core brands, which are both the beginnings of growth and particular strengths for Casio.

In new value source creation, the first step, we will probe deeper into user insights, thoroughly exploring concepts until they reach the very heart of our users' needs. After sufficient exploration, we will determine whether that value source can truly be nurtured into a new business. As for our way to provide value, which is the second step, we will focus on developing methods to maximize the product's value by integrating technology, design, and advertising as well as sales promotion. In the third step, the way to develop value sources, we intend to develop a business model that can continuously provide value based on insights.

Initiatives we intend to pursue in our major businesses are as follows.

### ■ Timepiece Business

In the Timepiece Business, we will expand the premium metal line of G-SHOCK watches and also grow the business through the development of a line of fashion models demonstrating individual character. In addition, to expand the brand globally, we will focus on sales promotions in markets such as India and ASEAN, as well as increase brand loyalty and earnings by strengthening sales through directly managed stores and directly managed e-commerce

sites. Furthermore, we will continue to strengthen our product development with an emphasis on sustainability, thereby contributing to the creation of social value.

### ■ EdTech Business

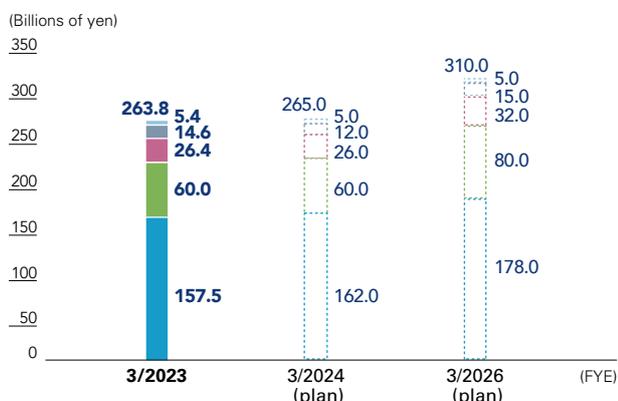
In the EdTech Business, which uses digital technology to innovate learning styles, Casio aims to shift away from its hardware-oriented business of scientific calculators and electronic dictionaries. This will be replaced by ICT education solutions model based on GAKUHAN activities that bring together educators, students, and Casio to enhance the quality of learning. One such service is ClassPad.net, a cloud-based learning service that provides learning content optimized for each student, and we will accelerate sales expansion by strengthening the organization dedicated for this purpose.

### ■ Sound Business

The Sound Business is committed to staying close to user lifestyles and transforming how people relate to musical instruments in their lives. In this business, we operate a product strategy based on a new value source, Slim & Smart, which has been well received in Casio's unique market. Currently, we are focusing on enhancing brand value by expanding the lineup of the Privia series, which is at the core of our efforts. We are also taking on the challenge of pioneering new possibilities as solutions business, where we can contribute to people's lives on a medium- to long-term perspective by solving sound-related problems and bringing joy to people.

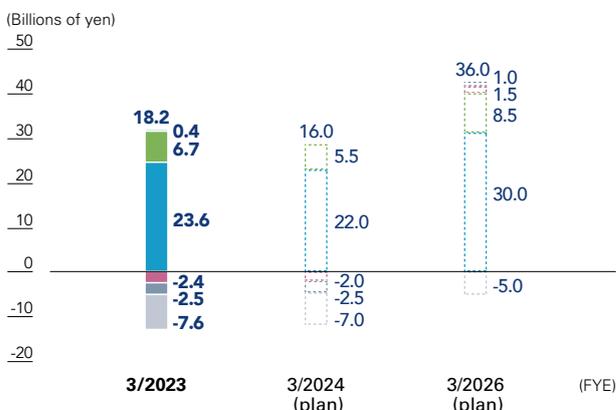
## Net sales by segment

■ Timepieces ■ EdTech (Education) ■ Sound (Electronic Musical Instruments)  
■ System Equipment/Next Core ■ Others



## Operating profit (loss) by segment

■ Timepieces ■ EdTech (Education) ■ Sound (Electronic Musical Instruments)  
■ System Equipment/Next Core ■ Others ■ Adjustments



# Timepiece Business

STATEMENT

## Discover Cues, Make Style

We discover cues for excitement, and by evolving these alongside our users, we create new styles never seen before.



**TAKAHASHI**  
Oh  
Executive Officer  
Senior General  
Manager, Timepiece  
Business Unit

## Basic Policies for 2030 (Long-Term Vision)

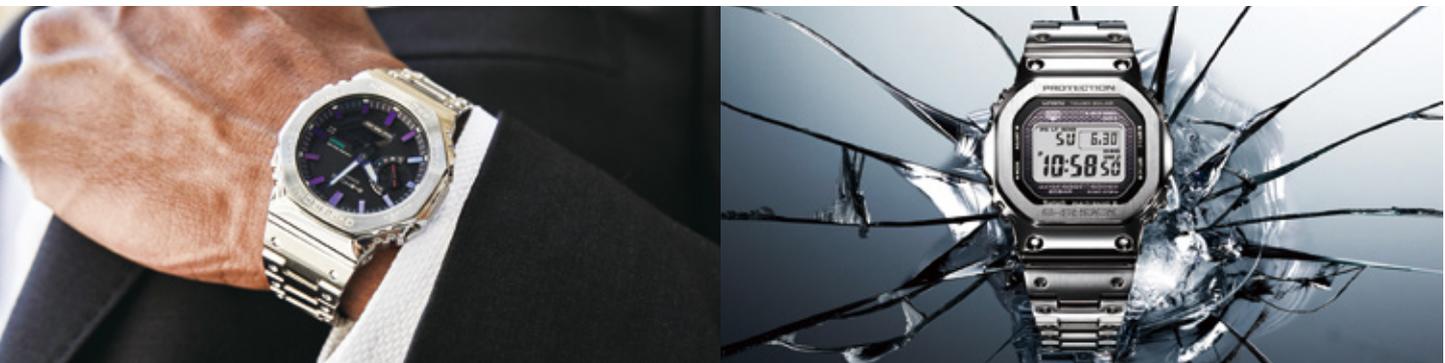
### A history of challenging evolution in digital watches

Since its inception, Casio's Timepiece Business has taken on the challenge of developing various functions while taking advantage of the features offered by digital watches. Starting with the development of Casio's first electronic wristwatch, the Casiotron, in 1974, Casio has maintained a user orientation in developing new functions. This has resulted in front key design, derived from stopwatch use; an octagonal form derived from the pursuit of a shock-resistant structure; and the graphic face for function displays. Through these developments, Casio has

created original design categories that had never before been seen in watches, as well as a range of brands. Among these, the G-SHOCK, launched in 1983, has grown to become the brand most classically associated with Casio. G-SHOCK, with its distinctive form that takes shock resistance to the extreme, has achieved a unique evolution through a fusion of many timely cultural elements, including fashion, sports, and music. Its new style, which provides an accent to the user's individuality, has attracted attention from around the world, and the brand maintains a unique presence even 40 years after its birth.

## Creating new value sources in the Timepiece Business





### The influence wielded by smartwatches

Wristwatches are an integral part of consumers' lifestyles. As lifestyles have transformed with the times, so too have wristwatches evolved.

Today, the environment surrounding wristwatches is undergoing a major transition. Digital technology, which continues to evolve at an accelerating pace, is having a significant impact on the realm of digital watches. A particularly symbolic change is the emergence of the smartwatch. Multifunctional wristwatch wearable devices featuring small touch screens and CPUs are challenging traditional concepts of wristwatches and revolutionizing people's lifestyles as IoT evolves.

### Three guiding principles for G-SHOCK's presence

Against this backdrop, Casio has established a vision and strategy based on a medium- to long-term perspective, looking at lifestyle changes and the future of watches.

Within this, the most important theme for the future of our Timepiece Business is the expansion of our core brand, G-SHOCK. Based on the value of toughness, which is at the root of G-SHOCK, we aim to establish a unique position in the new era in line with market changes.

To this end, we will pursue three guiding principles for the future growth of G-SHOCK. The first is enhancing our premium metal line, which is unaffected by smartwatches. Our premium metal line will target the high-end market to establish a unique position with features not found at our competitors. The second is development and differentiation of smart functions in the G-SHOCK playing field. By

incorporating smart functions into the long-cultivated G-SHOCK brand, we believe that we can attract not only existing fans of the brand, but also new users who seek smart functions even in a consummately watch-like product. In the area of sports, where G-SHOCK has a strong presence, the brand will provide further value in terms of both technology and design by incorporating an optical sensor for heart rate measurement and app integration that allows users to analyze and manage their training via their smartphones. The third and final principle is strengthening our individualistic fashion lineup. We will strengthen our brands by focusing on the development of unique products adapted to changing lifestyles and generating even greater buzz for these products.

### Building watches for the sustainability era

To further establish a unique position, we will continue to evolve the design, functions, and user communication of our watches. For example, lifestyles have been notably changing in the area of sustainability. Traditionally, Casio has used power-saving technology to ensure its products have long lifespans. Some Casio products are even solar powered. In recent years, the approach of ethical consumption has begun to take root in purchasing behavior amid worsening climate change and an accelerating pivot toward a circular economy. Casio intends to stay abreast of this by emphasizing sustainability in a stronger product planning approach, exemplified by using biomass materials in our products. In this way, we will propose watches that fit these evolving lifestyles.

## Timepiece Business

### Medium-Term Management Plan (FYE 3/2024 to FYE 3/2026)

#### Three strategies: Focusing on restoring profitability in the Timepiece Business

Our Timepiece Business finds itself at a major turning point against the backdrop of an economic slowdown in China and rising demand for smartwatches.

Given this perception of the business environment, our medium-term management strategy through March 2026 outlines a path to growing our business through three major strategies as part of our work to strengthen our profit base.

#### (1) Expanding business in the G-Premium product category

We will expand G-SHOCK's high-end metal product category and work to restore profitability through advertising and promotion. Despite its age-agnostic love from fans around the world, G-SHOCK still has great growth potential in the high-end market. To increase the recognition of G-SHOCK metal products in this market, we will make aggressive and effective investments in advertising and promotion, which we had previously limited during the COVID-19 pandemic, thereby increasing the presence of the G-SHOCK brand.

#### (2) Expanding business in India and ASEAN

By strengthening marketing to the fast-growing markets of

India and ASEAN, we intend to amplify our presence in these markets. We will focus on G-SHOCK's appeal to youth culture and expanding touch points between users and our products. Meanwhile, regions that are still growing offer great potential for the relatively inexpensive CASIO brand products. In these areas, we will maximize our business by optimizing marketing and store development to suit the market environment in each country.

#### (3) Strengthening our directly managed stores and e-commerce sites

By strengthening the benefits of purchasing through directly managed channels and guiding customers to these channels, we will increase the ratio of sales through directly managed stores and directly managed e-commerce sites, thereby increasing brand loyalty and pursuing higher profit margins.

In addition, we will create values not found in conventional G-SHOCK watches, such as through the VIRTUAL G-SHOCK project, the G-SHOCK World metaverse, and NFT art, in order to implement reforms and create innovations for the future in the Timepiece Business. Through these efforts, we will offer yet-unseen experiences to new user groups.

<b>Challenges</b>	<ul style="list-style-type: none"> <li>• Economic slowdown in China</li> <li>• Adapting to the smartwatch market</li> </ul>				
<b>Medium-term management strategy</b>	<ul style="list-style-type: none"> <li>• Expanding business in the G-Premium product category</li> <li>• Expanding business in India and ASEAN</li> <li>• Strengthening our directly managed stores and e-commerce sites</li> </ul>				
<b>Management indicator KPIs</b>		G-Premium net sales ratio*1	India/ASEAN net sales ratio	Direct-to-consumer (D2C) net sales ratio*2	Registered CASIO ID users (including via email)
	FYE 3/2023	15%	14%	7%	6.5 million
	FYE 3/2026	30%	18%	12%	12 million

\*1 Ratio to overall G-SHOCK sales

\*2 Sales of our own e-commerce/directly managed stores

### Expanding business in the G-Premium product category

We will make efforts to expand sales of our G-Premium brand, the high-end metal product category within the G-SHOCK brand. In addition to expanding the number of premium category stores that carry G-Premium, we will step up advertising to raise brand awareness. We are working on sustained global advertising and the appointment of highly influential ambassadors in each area.



Large advertisements such as these are placed at major airports and combined with major TV commercials to globally increase awareness of the G-Premium brand

### Expanding business in India and ASEAN

In the global Timepiece Business, India and ASEAN are potential growth drivers for the future, and we will promote business expansion in both markets. In addition to strengthening our sales structure, we will reinforce the development of products in Casio's various brands, centering on G-SHOCK, based on the market characteristics of both regions. We will also aim to establish a brand presence in growing markets by appointing mega-influencers and

strengthening touch points with users through directly managed stores and directly managed e-commerce sites.

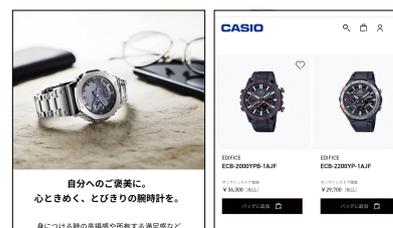


Aiming to expand in the Indian market, we are opening new exclusive Casio stores that create more places for us to connect users to products

### Strengthening our directly managed stores and e-commerce sites

Sales through directly managed stores and directly managed e-commerce sites not only increase brand loyalty, but also improve profit margins. Our target is to strengthen sales through these directly managed channels, and to rapidly establish directly managed exclusive channels, especially in Europe and the United States. Specifically, we will develop a directly managed exclusive e-commerce system, as well as quickly establish an e-commerce management and digital marketing system. In addition, we will strengthen sales of models exclusive to directly managed stores and advance sales of new products, as

well as take target-specific marketing measures, effectively guiding our customers to directly managed stores and directly managed e-commerce sites. Through these, we will further enhance our brand loyalty.



Through target-specific marketing, we will effectively guide customers to directly managed e-commerce sites

# EdTech Business

**STATEMENT**

## Boost Your Curiosity

We support education through boosting your curiosity for learning.



**OTA Shinji**  
Executive Managing Officer  
Senior General Manager,  
EdTech Business Unit

## Basic Policies for 2030 (Long-Term Vision)

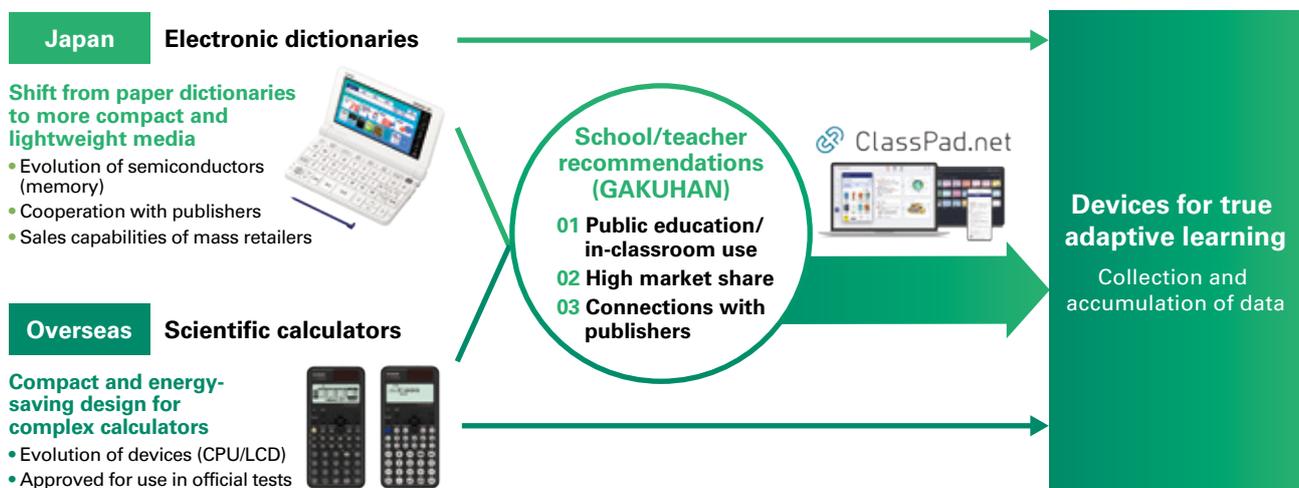
### Leveraging digital technologies to innovate how we learn

In the EdTech Business, we have revolutionized places of learning through the DX of universal concepts of numbers and words.

In 1972, our introduction of Japan’s first scientific calculator, the fx-1, had a major impact on subsequent mathematics education. Casio would go on to develop the world’s first graphing scientific calculator, the fx-7000G, as well as the ClassWiz series of scientific calculators adapted to educational curricula around the world. We have established a unique presence by providing devices

that are recognized by educational administrations all over the world. Casio has also introduced a succession of innovative products in the area of electronic dictionaries, beginning with the TR-2000 in 1981. By making full use of our proprietary technology for thin and compact devices, as well as voice compression and digital display technologies, we have developed electronic dictionaries offering strong user convenience, thereby establishing a solid position in the market. The essence of Casio’s EdTech Business is to innovate how we learn through the use of digital technology.

## Creating new value sources in the EdTech Business





### The joy of creating places of learning alongside those who learn and teach

Casio believes that in order to create places of learning, it is important to have cooperation between three parties: those who learn (children and students), those who teach (schools and teachers), and those who create tools for learning (Casio). Casio develops and provides educational hardware and software based on these ideas.

In addition to these activities, Casio is developing GAKUHAN activities globally to improve places of learning by effectively utilizing the tools it provides. We support the qualitative improvement of places of learning by providing training to teachers and developing teaching materials so that teachers can deepen their knowledge of scientific calculators and utilize them in their classrooms. Our GAKUHAN activities are a slow and steady way for us to build trust with educators, a key element supporting the EdTech Business brands.

### Burgeoning ICT education and emerging adaptive learning

ICT education refers to the DX and adoption of ICT in education traditionally reliant on analog methods. Specifically, this is expected to improve the quality of education through the use of digital hardware such as electronic blackboards, computers, and tablet terminals, as well as learning support tools and software via the internet. ICT education is making global progress, especially in advanced Western countries, and has become a core topic at education administrations in countries around the world.

In Japan, the GIGA School Project by the Ministry of Education, Culture, Sports, Science and Technology was launched in 2019. This project is advancing toward its goal to provide one computer or tablet plus high-speed networks to every student in the country.

Reaching beyond ICT education, the concept of adaptive learning is in its infancy. This concept, which utilizes AI and other technologies to provide learning content optimized for each student, is garnering great expectations worldwide for more efficient and effective learning.

### Fusing hardware and software to provide ICT education solutions

In the EdTech Business, our vision for 2030 is to focus on developing and providing ICT education solutions that contribute to qualitative improvement in the area of public education. We aim to provide high-value-added solutions that combine hardware and software to be used in the classroom.

In Japan, we will focus on ClassPad.net, our cloud-based learning service, and contribute to the achievement of the GIGA School Project's goals, with high school students as the main target. Overseas, meanwhile, we will strengthen our ICT education solutions business, centered on scientific calculators. We will support ICT education, with a particular focus on middle and high schools in emerging countries and the new university market. In addition, we will provide ClassPad.net in a way that supports the emerging concept of adaptive learning. Through these methods, we will contribute to the realization of true adaptive learning.

## Medium-Term Management Plan (FYE 3/2024 to FYE 3/2026)

### Global expansion of ICT education solutions that integrate hardware and software

The EdTech Business is in an environment undergoing major transitions.

As education pivots to ICT around the world, competition is intensifying as numerous players enter this expanding market. On the other hand, the electronic dictionary market in Japan is shrinking in size due to the country's declining birthrate.

Under these circumstances, Casio's medium-term management plan has positioned the global expansion of ICT education solutions that integrate hardware and software as the core strategy for its EdTech Business. Here, we are aiming for business growth based on a dual strategy: globally, we will utilize scientific calculators as a key device, while in Japan, we will utilize electronic dictionaries as a key device.

In the area of scientific calculators, we will expand our lineup to include the New ClassWiz model and integrate it with our software to realize high-value-added

ICT education. We will also focus on GAKUHAN activities to ensure that the introduced hardware and software are firmly established in places of learning. Our aim is to establish a presence in emerging markets by strengthening software and hardware sales and GAKUHAN activities, especially in countries where the use of scientific calculators in classes and exams is approved. However, it is also important for us to focus on combating counterfeit products in the scientific calculator business in emerging countries. We will identify priority areas for countermeasures and strengthen our intellectual property strategy to encourage customers to seek genuine products.

In the domain of electronic dictionaries, we will strengthen our ICT education solutions business by integrating the EX-word electronic dictionary and the ClassPad.net cloud-based learning service in the Japanese market, where the GIGA School Project is progressing. For our sales structure, we will reinforce our dedicated sales team and enhance sales of ClassPad.net.

<b>Challenges</b>	<ul style="list-style-type: none"> <li>• Shrinking electronic dictionary market in Japan</li> <li>• Intensifying competitive environment due to accelerated spread of ICT in education</li> </ul>		
<b>Medium-term management strategy</b>	Japan	App dictionary strategy	<ul style="list-style-type: none"> <li>• Expanding app business sales by synchronizing learning data between electronic dictionaries (EX-word) and apps (ClassPad.net)</li> <li>• Establishing a structure to expand the app business (ClassPad.net) through reorganization of the sales structure</li> </ul>
	Overseas	Scientific calculator strategy	<ul style="list-style-type: none"> <li>• Expanding sales of new, high-margin models (New ClassWiz)</li> <li>• Expanding and solidifying lifting of bans on scientific calculators through GAKUHAN in emerging countries</li> <li>• Identifying regions to combat counterfeit products and taking measures to encourage a shift to genuine products</li> </ul>
<b>Management indicator KPIs</b>	FYE 3/2023	Scientific calculator sales 22.2 million units	Schools using ClassPad.net 245 schools
	FYE 3/2026	27.3 million units	1,750 schools

Japan

App dictionary strategy

**Utilizing the app business, with the cloud-based learning service ClassPad.net at its core, as a growth driver**

The domestic electronic dictionary market has been shrinking over the past three years against the backdrop of reduced opportunities for face-to-face sales meetings at schools due to the COVID-19 pandemic and the adoption of ICT under the GIGA School Project. In light of this business environment, Casio will develop growth strategies to achieve a medium-term recovery in electronic dictionary hardware and to firmly establish the app business.

We will continue to evolve electronic dictionaries from their conventional style to become an educational tool for all class subjects. Meanwhile, the core of our app business strategy is our cloud-based learning service, ClassPad.net. We aim to

establish a new brand in the domestic ICT education market by leveraging the features of ClassPad.net, a comprehensive learning application, to enhance its content and functionality as a tool.



ClassPad.net, our all-in-one ICT learning app

Overseas

Scientific calculator strategy

**Strengthening business with a focus on middle and high schools in emerging countries as well as the new university market**

In the post-pandemic era, the demand for ICT education is increasing in the scientific calculator market. Amid this development, Casio will strengthen its business by focusing its attention on middle and high schools in emerging countries as well as the new university market. We will accelerate our GAKUHAN activities to create new demand, including the acquisition of approval for examination use. Additionally, to continuously secure demand, we will enhance our network of teachers providing recommendations, achieved by digitizing our connections with teachers, while gauging the ripple effect on the surroundings.

For these markets, we will furthermore expand the New ClassWiz lineup and also strengthen our GAKUHAN activities by utilizing e-learning app integration and calculator emulators (support tools) in our software business.



New ClassWiz next-generation scientific calculators with user-friendly UI and enhanced functionality

## STATEMENT

### Sound for Soulful Living

We create new sound experiences to bring joy to people's lives.



**MAEDA Takaki**  
Executive Officer  
Senior General  
Manager, Sound  
Business Unit

## Basic Policies for 2030 (Long-Term Vision)

### Our desire is to create musical instruments that make the fun of music accessible to all

Casio's Sound Business began with the youthful dream of inventor KASHIO Toshio, one of the four KASHIO brothers, to create musical instruments that make the fun of music accessible to all. This dream took shape in 1980 with the development of Casio's first electronic musical instrument, the Casiotone 201. Casio went on to define the genre of electronic musical instruments with such products as electronic keyboards, synthesizers, digital pianos, digital guitars, and digital horns. Casio has been expanding the joy and pleasure of playing music by advancing digital technology related to sound so that everyone can enjoy music in a way that is closer to their lives.

The dreams and aspirations of KASHIO Toshio remain integral to the business philosophy that underlies Casio's Sound Business.

### Transforming the way people interact with musical instruments in their daily lives by tailoring offerings to their lifestyles

We strongly believe that music is an enriching influence that brings color to our lives.

Casio's strategic guiding principle is therefore to transform the way people interact with musical instruments in their daily lives by tailoring offerings to their lifestyles.

To ensure that our customers can enjoy their instruments anytime, anywhere, we will enhance our lineup with designs and colors that integrate well with interior decor and are compact and highly portable. We will also strengthen the development of a wide variety of applications so that anyone can enjoy electronic musical instruments with ease. Casio will bring electronic musical instruments

closer to customers' lives and take on the challenge of creating the enjoyment market, as defined by Casio.

The musical instrument market exists in the context of Japan's declining birthrate, leading to less younger players. Not only that, but there are many dormant players, so to speak, who no longer play the instruments they used to. In light of these demographics, Casio is committed to providing the joy, pleasure, and richness of playing musical instruments while tailoring its offerings to people's lifestyles in its business.

### Slim & Smart as the core of our growth strategy

Casio's product concept, Slim & Smart, is designed to meet the "hobbyist/personal needs" of anyone who wants to enjoy playing musical instruments in a way that is closer to their lives. By proposing a new type of electronic musical instrument that combines a slim and stylish design that harmonizes with one's lifestyle with smart functionality for creating a variety of music, we aim to bring the joy of playing music closer to people once again. This Slim & Smart strategy, launched in 2019, is making steady progress. Today, we enjoy expanding brand presence with the growth of our product line, centered on the core brands of Casiotone and Privia.

In the future, we will continue to propose new ways to enjoy music, not only through the evolution of hardware, but also by incorporating new technologies necessary to connect people, music, and electronic musical instruments. For example, we aim to create a new era of musical pleasure, such as providing a public music virtual space where music lovers can gather and communicate with other users.

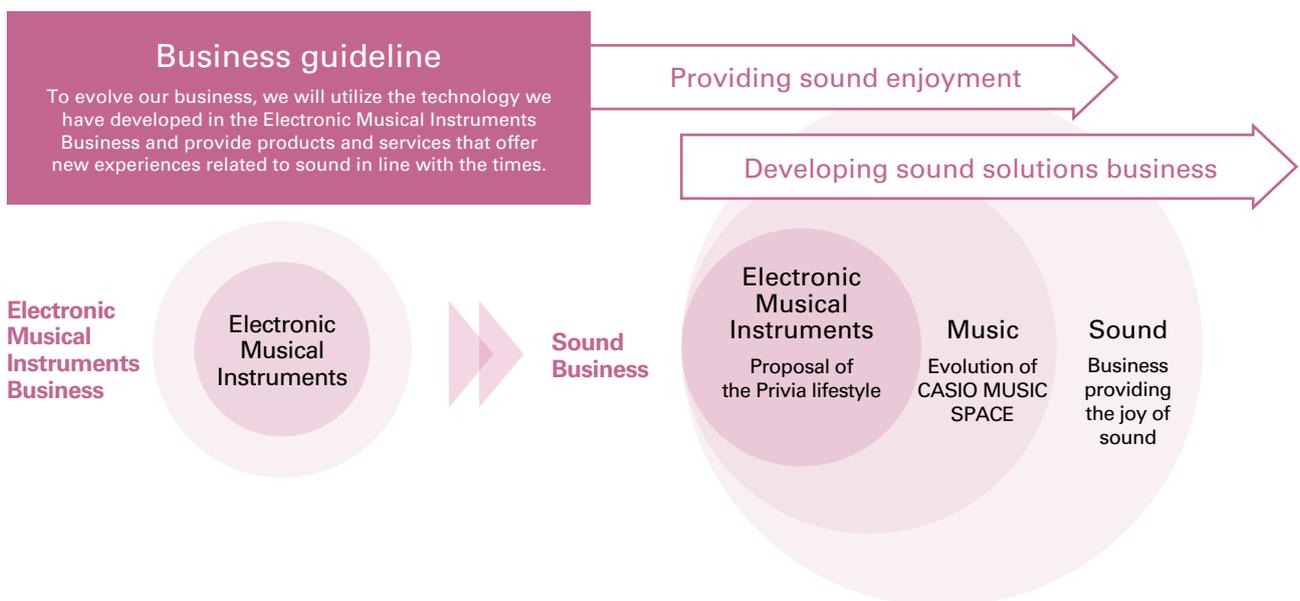


### Providing sound enjoyment and sound solutions

The history of Casio's Sound Business is one of evolving sound-related digital technology and expanding the joy and pleasure of playing music. So, too, will Casio continue to provide products and services that will bring new joy and richness to the coming age by more flexibly utilizing and applying the technology it has cultivated throughout its history. We will expand our business domain from musical instruments to cover music in general and then all sound-related domains.

Specifically, while keeping electronic musical instruments at the core of our business, we will strengthen our music-related app business. Furthermore, through digital control of sound itself, we will challenge ourselves to develop new possibilities in the solutions business that can contribute to people's lives by solving sound-related problems and bringing joy to people. Under the theme of providing sound enjoyment and sound solutions, we aim to establish a uniquely Casio Sound Business called for by this new era.

### Outlook for the Sound Business



## Medium-Term Management Plan (FYE 3/2024 to FYE 3/2026)

### Establish Privia as new value source by ensuring brand recognition and expansion

The Sound Business' environment has been a challenging one in recent years. Profitability has been declining due to a decrease in the population of younger players in Japan as a result of the country's declining birthrate as well as soaring raw material and logistics costs. In addition, demand from the stay-at-home trend, which had been growing during the COVID-19 pandemic, has begun to settle down in the post-pandemic era.

Under these circumstances, Casio has set forth two guiding principles for the Sound Business in its medium-term management strategy. The first is to establish a unique

market position based on lifestyle proposals, with a focus on Privia, and the second is to expand markets and strengthen the business structure based on the Slim & Smart strategy.

Currently, we are strengthening our global promotion of the Privia Upper Grade series of products, centered on the top-of-the-line PX-S7000, in order to enhance the Privia brand. In parallel, we are planning to launch new products for the 20th anniversary of Privia in 2024, as well as to develop various campaigns, collaborate with interior design brands and major distributors, and promote the brand using artists and influencers. We will continue to build on these achievements and expand the "enjoyment" market created by Casio.

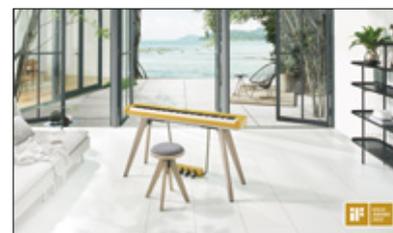
<b>Challenges</b>	<ul style="list-style-type: none"> <li>• Declining profitability due to soaring cost of raw materials and logistics</li> <li>• Deceleration in demand with shrinking stay-at-home demand</li> </ul>			
<b>Medium-term management strategy</b>	<ul style="list-style-type: none"> <li>• Establishing a unique market position based on lifestyle proposals, with a focus on Privia</li> <li>• Expanding markets and strengthening the business structure based on the Slim &amp; Smart strategy</li> </ul>			
<b>Management indicator KPIs</b>		Privia Upper Grade unit sales	Privia Upper Grade net sales ratio	Slim & Smart net sales ratio
	FYE 3/2023	8,000 units	5%	57%
	FYE 3/2026	22,000 units	9%	60%

**Establishing a unique market position based on lifestyle proposals, with a focus on Privia**

The Privia series is a strategic product in our business for us to create and expand the enjoyment market and establish our presence. With the core concept of being a piano that evolves with the times, the Privia series adopts a new kind of digital piano that allows users freedom of style to suit their own lifestyles. The top-of-the-line model in the series, the PX-S7000, is notable not only in its strong musical performance features and its richly expressive sound, but also a styling design that adds color to the user's lifestyle with elegance at every viewing angle and color variations that integrate well with interior design and lifestyles.

On the distribution side, we have also created sales floor designs that embody the design language expressed

in the Privia series. We have also published a stylebook similar to those used in the world of apparel, proposing a lifestyle that includes the Privia series. Through these lifestyle proposals that go beyond the realm of musical instruments, we will provide a variety of enjoyment experiences, thereby opening up new possibilities in the Sound Business.



The Privia digital piano, which combines Casio's unique cutting-edge sound technology with elegant design

**Expanding markets and strengthening the business structure based on the Slim & Smart strategy**

In the Sound Business, in addition to ongoing business in the existing electronic keyboard instrument market, we will focus on the development of products and services that meet the expectations of consumers who want to enjoy playing music alone and with friends. Furthermore, we will focus on promotional activities to popularize these products and services.

The Slim & Smart product line embodies and expands on the "hobbyist/personal needs" of people who want to enjoy playing and music more freely, more easily, and in a way that is closer to their lives.

In addition, we will expand the market and strengthen our business structure by thoroughly expanding our product lineups that create high added value based on the Slim &

Smart strategy in the Privia, Casiotone, and CELVIANO genres. This expansion will focus on the Privia Upper Grade series of products, itself centered on the PX-S7000, Privia's top-of-the-line model.

At the same time, under the Slim & Smart strategy, we will fundamentally strengthen our supply chain as part of our business structure reforms, reduce distribution costs through more compact product designs, reduce raw material costs through model optimization, strengthen our high-value-added product lineup, and improve production efficiency by automating production and converting to smart factories. Through these measures, we will enhance our profitability.

# System Equipment Business

## STATEMENT

We will create customer success by providing solutions that are more attuned to the problems businesses face.



**FUJII**  
Shigenori  
Executive Officer  
Senior General  
Manager, System  
Business Unit

## Basic Policy

### Achieving customer success by providing optimal solutions

The System Equipment Business, which is centered mainly on the Japanese market, is active in a range of sectors, offering its diverse lineup of solutions to large enterprises as well as small businesses and stores. We provide optimal solutions by combining hardware, software, and services in a way that is attuned the business challenges of our customers. By staying close to their operations from implementation through support, we help them boost their efficiency and productivity and otherwise continuously support their business strategies.

To improve profitability, which has been a longstanding issue for us, we have initiated a fundamental reform of our business structure through selection and concentration of business. In particular, we focused on shifting our business model from hardware to software, and from a pay-per-product model to a recurring service model. In parallel, we are improving our business management structure by reviewing cost structures and optimizing locations and personnel. This will allow us to focus resources on growth areas and improve profitability.

Furthermore, based on the customer and distribution assets that we have cultivated over the years, we will establish a recurring business model by developing services that achieve customer success and bring smiles to the faces of business operators and even actual users.

In the handheld terminal field, we are focusing on productivity-enhancing solutions for essential workers in various industries and improving profitability by restructuring and streamlining into a lean account-based sales structure.

In the electronic cash register field, we will accelerate business model transformation by shifting to cashless services and other services that support DX of stores,

taking advantage of the environmental changes caused by the COVID-19 pandemic and the implementation of Japan's invoicing system.

Furthermore, in the area of management support for small businesses, we will ensure stable earnings by harnessing momentum from a recovery in demand due to changes in laws and the social environment. Beyond this, we will leverage our existing customer base to provide new services that streamline order management operations in peripheral fields.



The EZ Net register and cashless service, which supports cashless payment at individual stores

# Business Strategy

## Next Core Businesses



### Basic Policy

#### Devising a series of scenarios from idea generation to exit strategy to create our next core businesses

Utilizing assets such as our technology and expertise, we will devise marketing scenarios to create the businesses that will support Casio's future. We will also set a total budget and strictly screen businesses based on the stage gate system to firmly determine commercial feasibility, nurturing strong candidates to become our next core businesses.

#### Human resource solutions

We have repositioned human resource solutions as a next core business from the fiscal year ending March 31, 2024.

One of these solutions, Hito-Compass, a cloud-based human capital management solution, offers corporate clients a human capital management system that supports their employees' autonomous growth and the utilization of human capital. It is a particularly notable solution in encouraging employee autonomy with a focus on information accumulation that originates from employees themselves. Autonomy is encouraged by establishing a system to indicate the skills possessed, career plans, and other aspects of the human resources required by the organization. This helps to achieve sustainable growth for both the company and its employees, and supports the implementation of human capital management and the development of autonomous human resources. Hito-Compass also integrates with business solutions for human resource units, helping to efficiently establish a comprehensive database of human resources needed by the company. With this system, we intend to establish a position in the high-growth human capital management market.

#### Innovation in healthcare imaging

The medical field has long faced a number of issues, especially in Japan. Despite increasing healthcare demand from aging populations, there are barriers to medical center access in rural areas not found in urban areas. Furthermore, a lack of specialized doctors has led to uneven distribution of physicians.

To help cover these healthcare disparities, Casio has launched D'z IMAGE, an innovation in healthcare imaging that supports the provision of high-quality healthcare and aids in the early detection of disease. By using a special camera for medical examination, this solution helps to identify the potential for skin and cervical cancer. Going forward, we will also expand our AI-based diagnostic imaging support services so that we can increase our presence in the medical field.



Hito-Compass, a human capital data platform for managing up-to-date employee data



The DZ-D100 dermo camera, created by combining physician insights and Casio's unique camera technology

# Enhancing Management Capital and Business Platform to Support the Establishment of Core Brands

To establish core brands as new value sources and thereby maximize corporate value in the period up to 2030, we have positioned as the pillar of our Key Strategies a range of Infrastructure Strategies to restructure the business platform Companywide. On a foundation of sustainability management, we will strengthen infrastructure in terms of DX, technology, and human resources to support our core strategies.

**Focus on strengthening the value chain with technology, human resources, and DX to support the establishment of core brands**



## Infrastructure Strategies 01

# Reform the value chain with digital transformation (DX)

We will realize a user-centered value chain to develop as a business consistently providing high added value.

ABUKAWA Katsuhiko  
Digital Division  
Senior General Manager



### Building a value chain that is user-centered rather than product-oriented

Up until now, Casio had applied a product-oriented approach to development and production based on the idea that customers will actively choose our products if they are of high quality. This was a product-first approach in which the value chain model flowed one-way from upstream to downstream.

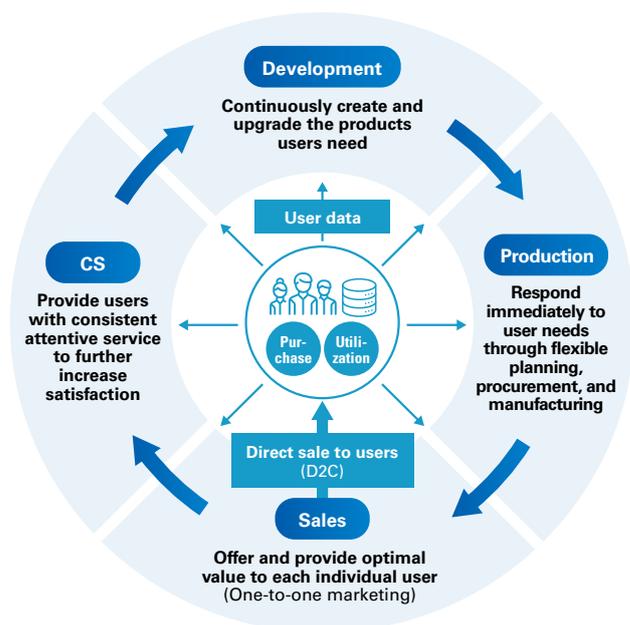
However, with the advent of the digital society, where consumers make daily use of smartphones and other devices that put them in touch with a wide range of constantly updated information and knowledge, it had become difficult to provide value that can satisfy customers using conventional methods. Moreover, in the past, there was not much contact with users once purchase was completed, which meant that initiatives to achieve customer success and improve customer loyalty were not sufficiently

implemented. We regard this as one of the factors in the fall in earnings and profits during the COVID-19 pandemic.

One Companywide initiative launched to bring fundamental change to this situation is reform of the value chain with DX. Our DX vision is designed to realize a user-centered value chain in which all business activity is driven by a user-oriented approach rather than by a product-oriented approach as hitherto. To achieve this, we are currently implementing a reform project to realize seamless connection between the operational processes, data, and information systems that had been compartmentalized in each department—development, production, sales, customer satisfaction (CS), and so on.

Ahead of this reform, we have also put in place an organizational system to deal with digital issues. Previously, there were two separate departments responsible for the

### Casio's DX vision



Build a **user-centered value chain** that connects Casio directly with users so that all business activity is driven by a user-oriented approach

# Reform the value chain with digital transformation (DX)

utilization of digital technology, the Information Technology & Engineering Department and the Digital Marketing Department. To promote business transformation through cross-departmental initiatives embracing the whole of Casio, we consolidated the two departments in April 2021 to establish a new Digital Division responsible for promoting DX strategy. The integration of IT and marketing departments has promoted the formulation of a digital strategy that remains constantly aware of user and customer needs.

### Accelerating digitalization using both proactive and reactive approaches

In infrastructure domains, where the reactive approach applies, we are working to implement DX by introducing cloud-based operations and by actively adopting new digital technology to create cross-departmental infrastructures able to act rapidly to business transformation. One example of this is our establishment of an organization (CCoE\*) that uses cloud functions to promote rapid introduction of systems, strengthening of governance, and sharing of expertise. Another example is our efforts to strengthen IT governance in Japan and overseas by introducing zero trust networks and other measures.

Meanwhile, in activity domains, where the proactive approach applies, we aim to generate innovation for efficient creation of products and services through seamless connection of operational processes across development, production, sales, and CS departments. At the same time, we are engaged in a range of initiatives to promote digitalization across all operations.

Regarding DX in development operations, the organization had up till now been vertically compartmentalized according to product item. This meant that, even within the same design department, different CAD platforms might be used to handle different product items. If this vertical division can be broken through and design systems integrated, it will become possible to share all development data. We are now pursuing initiatives to boost development efficiency by integrating duplicated functions and thereby shortening the development period.

Regarding DX in production operations from sales planning to procurement, manufacturing, and distribution, we will work to implement process and data digitalization so as to build a supply chain infrastructure resilient to the challenging factors in the business environment of recent times, such as procurement difficulties, the sharp rise in cost price, and country risk. We will also optimize lead times by using customer feedback in product development to ensure that product delivery is timed to meet customer needs.

For DX in sales operations, we will strengthen touch points, mainly by enhancing the digital interfaces that connect us directly with users. By making effective purpose-driven use of the valuable data obtained through touch points, while also ensuring strict data protection, we will work to deepen customer insights in order to provide appropriately targeted products and services.

Regarding DX in CS operations, we will analyze and share data on customer inquiries, product utilization, and other matters to improve products and services, and additionally use customer information to increase satisfaction.

These digitalization initiatives and the introduction of DX to connect the entire value chain are still at the trial-and-error stage. Nevertheless, the rollout of MY G-SHOCK as an example of D2C and the launch of the integrated ID authentication platform CASIO ID are beginning to deliver results in terms of improving customer experience. We will continue to implement reform in order to deliver further results.

\* Cloud Center of Excellence

### Training DX human resources and utilizing employee expertise combined with generative AI

A very important factor in promoting DX is training of employees in the optimal use of digital techniques to achieve goals. Going forward, development engineers will receive specialist training in areas such as cloud services, AI, and security. In each department, meanwhile, training in the necessary skills and mindset to act as DX promoters will be provided to cultivate a limited cadre of staff able to take on the challenge of transformation. In this way, we will put in place a human resource infrastructure to promote DX Companywide. We will also introduce basic training Companywide to enable employees to make confident use of data and apps.

Additionally, by redeveloping our communication and collaboration infrastructure, we will establish a platform and a culture that enables employees to share expertise across organizational boundaries. In parallel, we will deploy generative AI to exploit knowledge resources and enhance productivity and added value.

DX means the transformation of business itself. To realize our DX vision, we will therefore need to establish a more clearly outlined DX strategy and work together across the Casio organization to review our business approach and processes. By doing so, we will realize a user-centered value chain enabling us to rise to the challenge of new value creation.

# Topics New Initiatives Based on DX

## Realizing "one-to-one manufacturing" with MY G-SHOCK

MY G-SHOCK is a unique service available through our e-commerce website allowing customers to assemble a personalized G-SHOCK watch by selecting their preferred component parts. The possible parts combinations amount to a total of 10 billion permutations. To handle this custom-made service, we have introduced a range of DX initiatives to support associated tasks, such as the creation of a system for smooth linkage between order and manufacture and the installation of the necessary manufacturing lines. In addition, to maintain right up to the moment of delivery the sense of anticipation that customers experience at the time of purchase, we keep them updated by email at suitable intervals with the progress of their product's manufacture and delivery. We plan to use this service not only to add to the Casio fan base by offering a personalized user experience, but also to benefit from the accumulated data to develop new products and services focused on customer preferences and values.

### MY G-SHOCK process flow

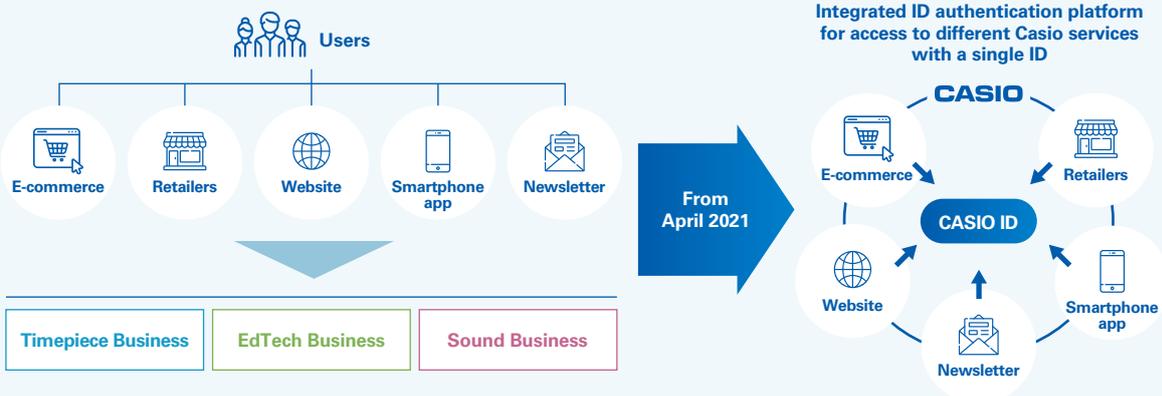


## CASIO ID: A single ID for different services

Up to now, the same customer used a different membership ID for each Casio service. As a result, purchase records and service utilization records were handled separately. To resolve this issue by centralizing all customer information, in April 2021 we launched the new member service CASIO ID. By integrating customer information based on individual consent, this has made it possible to access data on product purchase and the content of customer inquiries at

one location. The convenience of being able to use a single membership ID to access different services has been welcomed. As of August 2023, approximately 2.3 million customers had registered for the service. While ensuring that customer information remains strictly protected, we will use data analysis of customer product purchases to provide useful services such as accurately recommending other products that are likely to interest the customer.

### How we collect customer information



## Reform the value chain with DX



Development

### Developing products of value that excite customers

**KAWAI Tetsuya**  
Executive Managing Officer  
Senior General Manager,  
Development Headquarters

In the development process up to now, each technology was specific to a particular product, resulting in a situation where development depended heavily on particular engineers. Improving resilience to various risks was therefore a major issue.

To remedy this situation, we are introducing product lifecycle management (PLM) to enable design data to be used as a shared asset and taking measures to integrate and update the separate CAD systems used for separate product items. We also make proactive use of CAE, which uses computer-based simulations to replace trial manufacture and experimentation.

Building on these initiatives, we will take steps to create an integrated digital database for the sharing of design data, practice front-loading to improve design accuracy, and utilize AI-based processing. Through these efforts, we aim to create an environment able to generate products of value that excite customers.



CS

### Using digital touch points to improve quality

**KASHIO Tetsuo**  
Executive Managing Officer  
Senior General Manager,  
CS Headquarters

In recent years, the digitalization of society has progressed rapidly. Customers can now gather large volumes of information on the internet and spread and share the information they have collected through a variety of communication methods. To further increase CS in this context, it is essential to gather and analyze internet data to identify customer opinions and values and use them as feedback for product and service development.

Currently, we are engaged in two major initiatives.

One of these is an initiative to minimize the time and effort customers spend in resolving issues. Specifically, this means expanding digital touch points, for instance by introducing real-time chat and AI chatbots on customer advice services and providing remote support through online voice calls.

The other initiative is the creation of platforms to gather and analyze customer feedback. By using customer feedback collected on a database to promote improvement initiatives through speedy coordination with other departments on a global basis, we aim to enhance product and service quality.



Production

## Promoting DX reform of the whole supply chain for a more resilient production infrastructure

**FUKUSHI Takumi**  
Executive Officer  
Senior General Manager,  
Production Headquarters

To realize flexible and speedy supply of personalized products to individual customers, we are working on supply chain reform and reform of production bases centered on smart factory initiatives.

For supply chain reform, by the end of March 2024, we plan to put in place a platform that will connect the whole value chain and enable linking of internal and external data resources. This will facilitate real-time coordination of procurement, production, and distribution with the aim of enhancing shipment accuracy.

For the reform of production bases, the Yamagata mother factory is serving as the lead site for smart factory initiatives at all production bases. By making full use of AI and IoT to link production- and quality-related information from all bases in real time, we will work to enhance the quality of all operational processes and maximize production efficiency.

Additionally, we will work to improve the resilience of the supply chain and the production system to enable flexible response to a range of risks.



Sales

## Utilizing DX to achieve data-driven marketing and sales

**ITOH Shigenori**  
Executive Managing Officer  
Senior General Manager,  
Global Marketing Headquarters

In formulating not only the marketing strategy but also the sales strategy, we will utilize DX to put in place a more accurate data-driven strategy and roll out marketing activities including STP\* planning, branding, and product strategy. We will make rapid progress toward this by setting up an effective and systematic DX-based cycle for target user selection, product evaluation, and feedback.

Casio has specialist expertise and a varied product range in the timepiece, calculator, electronic musical instrument, and other sectors, and has built connections with many distribution partners worldwide, both online and offline. I believe that we need to further strengthen relations with prominent partners who can enhance our brand value. Casio has access not only to wide-ranging user data but also to an integrated body of feedback from a vast number of users through its partner businesses and teacher networks. We are putting in place a DX-based framework for data collection and analysis that will be correspondingly unique in its reach. We will use this framework to strengthen the Casio brand by further enhancing the customer experience and to achieve the transformation into a data-driven marketing and sales operation that will support the mutual growth of Casio and its prominent partners.

\* Segmentation, Targeting, Positioning

## Pursue technologies able to continually generate new value sources

We aim to build a unique position by combining the original technology assets accumulated over time with novel approaches.

**KAWAI Tetsuya**

Executive Managing Officer  
Senior General Manager,  
Development Headquarters



### Aiming for value creation based on user needs

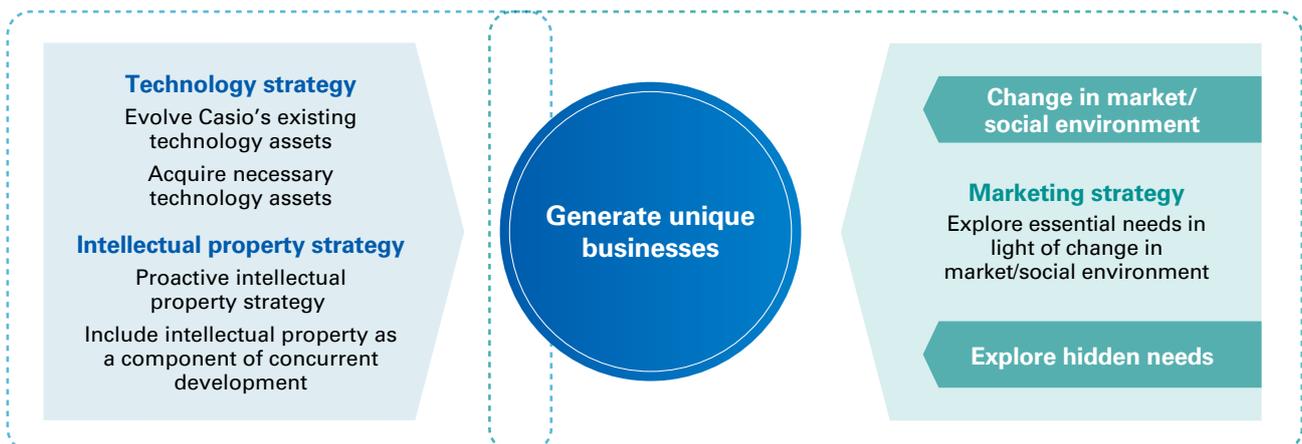
The current era has been called “the age of VUCA,” in which the future is highly unpredictable. VUCA stands for four words: volatility, uncertainty, complexity, and ambiguity.

When it comes to creating value in the age of VUCA, the conventional product-oriented approach based on the idea that quality products will attract customers naturally is becoming outdated. Nowadays, it is essential to take user needs as the starting point, and sometimes it is necessary

to uncover needs that users themselves are unaware of.

Crucial to doing this is a comprehensive approach that combines marketing technology with two other elements: a technology strategy that both evolves existing technologies and develops inventive new technologies, and an intellectual property strategy that is proactive and oriented to frontline practice. Casio aims to build a unique position by leveraging the unique assets that it has accumulated over time and integrating them with new approaches.

### Approach combining technology/intellectual property strategy with marketing strategy



## Technology strategy

### Accelerating development and generating new value sources

We emphasize two specific points in our technology strategy. The first point is accelerating development. Casio needs to respond to recent rapid developments in the world by keeping pace with and overtaking them. Of course, we have always been aware of the need to speed up development, but staying with the traditional manufacturing approach of perfecting each aspect of the product before presenting it to the customer would make it difficult to raise the pace any further. Recent years have seen the spread of an approach that first brings products and services to market quickly and then subjects them to ongoing and flexible upgrading. Casio also intends to proactively adopt this method of operation going forward.

The second point is to generate new value sources at an early stage. Our current core businesses in the areas of timepieces, education, and electronic musical instruments have all reached a certain level of maturity, making it difficult to maintain growth if we continue with these businesses alone. We now need to swiftly deliver new value, which will not emerge from carrying on as we are.

However, to provide new value does not mean that we have to do something completely new. There are likely to still be hidden needs within our existing main businesses that we have not identified. We aim to explore a range of possibilities to identify at an early stage those new business seeds with that have the potential to become the new business pillars of the period after 2030.

### Shifting to providing hardware and continuous software services as a package

One of Casio's technology strengths is hardware development technology with the distinctive features of robustness, compactness, and low power consumption. Another major strength is our development technology for the embedded software that operates the hardware in such

a way that customers can use it with confidence and ease. This is the technology that realizes Casio's unique user experience, which many people rate highly as user-friendly and intuitive.

One of our focus points going forward will be strengthening the necessary technology for the "SaaS plus a box" business model, which offers attractive hardware in combination with subscription services. In the past, Casio has concentrated mainly on hardware businesses with a pay-per product model. However, in light of today's market conditions, we need to shift to offering a package of hardware with continuous software services. As well as strengthening total development to include software services that keep us connected with customers after they buy Casio products, we will also enhance our development capabilities to include smartphone apps and related products.

In addition, we are engaged in research into generative AI, currently the focus of much attention. Rather than generative AI itself, our focus is on technology development from the perspective of how existing generative AI can be exploited quickly and effectively to enhance the appeal of Casio products and services.

We have also launched new initiatives in the development of component technologies to incorporate into our products. In connection, we have designated a process of three steps: "scattering seeds," which concentrates on technology exploration; "raising seedlings," which is when a technology project is judged likely to bear fruit; and commercialization, when the technology can be tied to a specific business project. Information is shared at each stage. Sharing information and clearly designating the three steps in a way that brings focus on the end result works to boost the effectiveness of component technology development in leading to commercialization. If more products and services incorporating our component technology come into general use, developer motivation will be boosted, setting up a virtuous circle.

### **Pursue technologies able to continually generate new value sources**

#### **Integrating the development of existing and new businesses in one organization**

To handle new initiatives, we restructured our development system in the fiscal year starting from April 1, 2023. We set up a new team to explore new businesses based on user needs, and integrated it with the existing team that explores new businesses from the seed stage. This put in place a system for business creation that covers both needs and seeds.

The reform of the development system has three main objectives.

The first is to uncover potential needs in our existing main business areas that we have not yet identified. The new system will realize flexible coordination between organizations driving existing businesses and organizations responsible for creating new businesses. We expect this to generate ideas and synergies in a way that was not possible before.

The second objective is to make available to new businesses the assets for mass production and development that our existing businesses hold. The staff members involved in new business development will benefit from being able to make flexible use of these in-house assets.

The third objective is human resource development. For Casio to continue growing in the future, our employees must become in-house entrepreneurs who start up new

businesses. To allow staff to acquire the necessary skills, we are considering for instance creating opportunities for employees engaged in mass production-related operations at existing businesses to become involved in the generation of new businesses.

We are also implementing a variety of other initiatives for human resource development. In our Basic Policies for 2030, we announced the concept of “engineering based on consumer behavior (engineer education from a marketing perspective)” as part of our declared human resource vision for Casio developers. To become a developer with deep customer insight, what is needed is not the attitude of simply carrying out instructions accurately, but rather the ability to think for oneself, act on initiative, and drive reform autonomously. The necessary technical skills will develop naturally in that process. To foster a practically oriented environment focused on customer needs, we also hold in-house business competitions and other events.

In addition, we are looking into the possibility of creating in-house a lean development platform that enables the hypothesis verification process to be completed at high speed. We believe that putting in place a development process that can quickly translate customer needs into products will be effective in fostering developers with insight into customer needs.

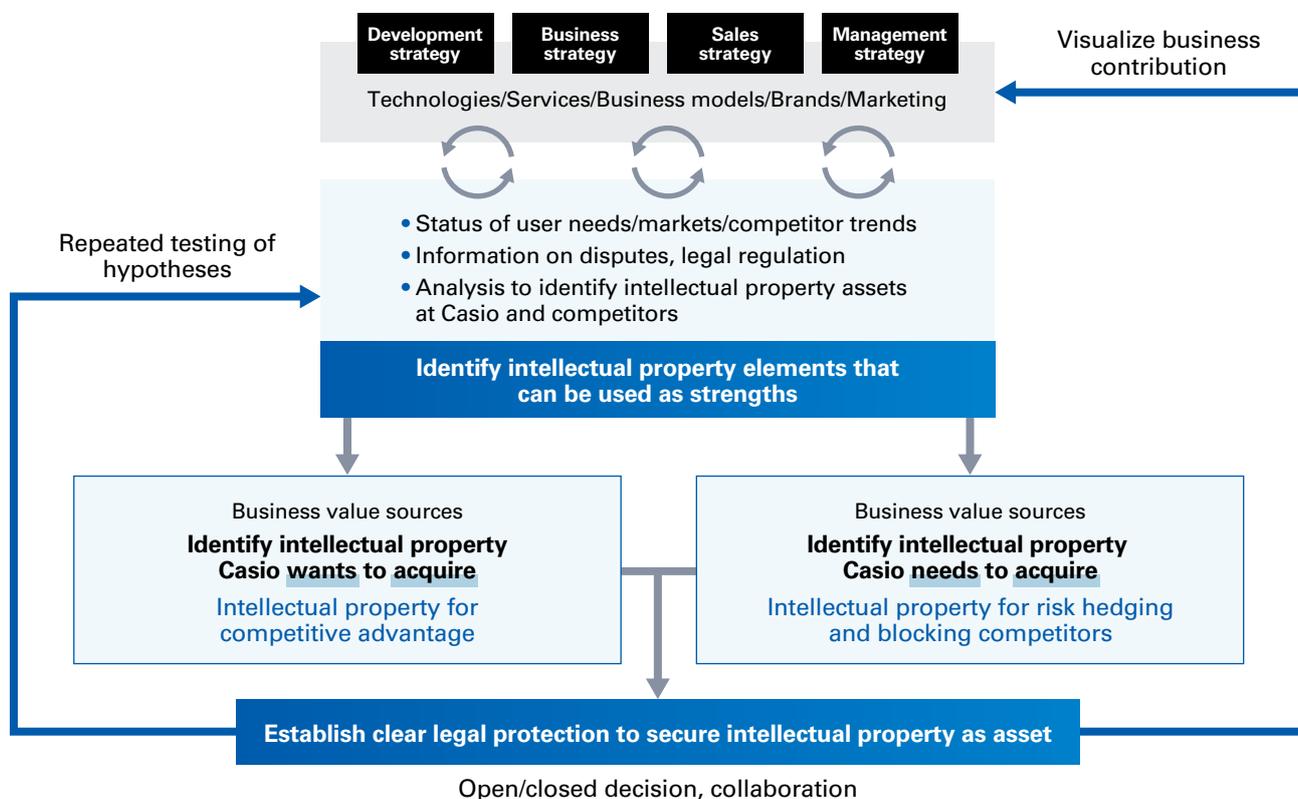
## Intellectual property strategy

#### **Promoting a proactive and frontline-focused approach**

Devising inventive new technologies and products that are original and innovative has been Casio’s approach to development since its foundation. Protecting the resulting intellectual property by securing the relevant rights is an important factor with crucial impact on corporate competitiveness. Equally, securing legal protection for Casio’s brands and designs, and visualizing and protecting their value to help enhance overall brand value is another important corporate concern.

Casio has adopted the slogan “proactive and frontline-focused approach” for its intellectual property strategy. In concrete terms, that means formulating an intellectual property strategy focused on research and development, design, marketing, and other areas of frontline practice from a medium- to long-term perspective, and taking that as the starting point for proactive initiatives. By coordinating the intellectual property strategy with the management and business strategies, we aim to create value that connects to the future for a sustainable increase in corporate value.

### Basic policy on intellectual property strategy



### Visualizing brand value with 3D trademarks and linking to business strategy



**MATSUMURA Satoko**  
General Manager, IP Legal and Licensing Department, Intellectual Property Division, Development Headquarters

The shape of the first G-SHOCK model that was developed more than 40 years ago was registered in June 2023 as a 3D trademark. This shape lives on in the current ORIGIN series. Although the function and material have evolved, the development has been careful to preserve the same case size and design.

Casio will have a semi-permanent monopoly on this shape and will be able to give wide-ranging protection to products that adopt it. The example of this initiative will serve as a guideline for how an important asset value of G-SHOCK, which has evolved continuously without changing its shape, can be visualized as a 3D trademark for future benefit.



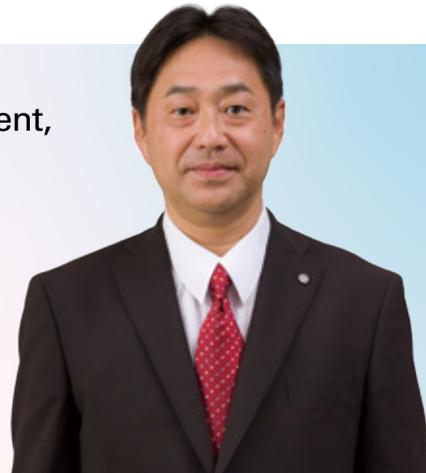
3D trademark (left) and current ORIGIN series (right)

## Energize human resources

In response to change in the external environment, we have put in place a human resource policy to support our Management Policy and Key Strategies and are progressing with related initiatives.

KOBAYASHI Yasuhiro

Executive Officer  
Responsible for Human Resources



### Strengthening human capital management

Casio regards human resources as a form of capital and is strengthening its management of this human capital in order to draw maximum benefit from the associated value and thereby contribute to medium- to long-term corporate value increase.

Fundamental to this effort is recruiting and developing human resources able to think for themselves and act on initiative in line with Management Policy and Key Strategies, and creating a culture that encourages all employees to show autonomous initiative in their work. This will enable us to respond to change in the form of industrial restructuring, advancing technological innovation, and increasing diversity in attitudes to work and forms of employment.

Toward these goals, Casio has set three key initiatives: promoting health and productivity management, which is vital to the day-to-day execution of business operations; securing, developing, and promoting autonomous human resources who can adapt spontaneously and rapidly to changes in the business environment (notably the expanding role of digital technologies); and strengthening human resource management to achieve steady results by bringing together the abilities of diverse human resources.

### Promoting health and productivity management

Casio wants to ensure that the individual employees who are the source of corporate growth can develop their abilities to the maximum. The basis for that is maintaining and improving individual health. That was our objective in setting out the Casio Basic Health Policy, around which the whole of Casio can unite in promoting health and productivity management. The policy was launched along with related initiatives in the fiscal year ended March 31, 2023.

The launch of this policy to improve physical and mental well-being was partly aimed at reducing the phenomena of absenteeism and presenteeism\* in light of the increasing average age of our employees and their median age and age distribution.

Specifically, we have put in place a structure for health and productivity management in collaboration with the CASIO Health Insurance Association. The KPIs applied are the rate of paid leave and childcare leave usage among male employees, the health check follow-up implementation rate, the percentage of employees with a healthy weight, and the smoking rate. We are now implementing a range of measures to improve health according to a yearly schedule with nine designated priorities, including improving health awareness, revitalizing the workplace, and countering lifestyle-related disease.

In a survey conducted by the Ministry of Economy, Trade and Industry to assess the level of health and productivity management in 2022, Casio ranked between 600th and 700th. In light of this ranking and other indicators, including the results of an employee engagement survey to measure motivation and other factors, Casio is committed to pursuing more practice-oriented health and productivity management.

\* "Absenteeism" is a situation where mental and physical health issues result in employees arriving late for work, leaving the workplace early, being unable to come to work, or taking leave time to the extent that they are unable to fulfill their duties. "Presenteeism" is a situation where the effect of mental and physical health issues prevents employees from achieving improved performance.

### Securing, developing, and promoting autonomous human resources

Based on its human resource vision of employees who think and act on their own initiative, contributing to the growth and development of the Company as a result of their actions, Casio supports the development of autonomous human resources who can deliver high performance.

The career support system launched in 2019 centers on career training as an opportunity for employees to reflect on their career and receive feedback. The system also offers a "job challenge" program that supports employees wishing to transfer jobs in-house, and a side-job/second job system and second career system that promote a wide range of career options including transfer out of Casio.

Starting from the fiscal year ended March 31, 2023, we enhanced support for autonomous career development by offering career training to employees aged 55 years in addition to the previously eligible age group of 30, 40, and 49 year-olds. The number of employees in the above age groups who participated in career training in the fiscal year ended March 31, 2023 was 384, bringing the total number of participants since the program was introduced to approximately 1,500. The job challenge system allows roughly 30 employees a year to advance with self-directed career development through internal transfer. Approximately 20 employees a year apply to the second career system, while the side-job/second job system has so far seen around 40 employees engage in work activity outside Casio.

To continue developing autonomous human resources, we will work to further enhance the career support system, applying as KPIs the proportion of regular employees covered by the career training program and the number who have participated in the job challenge program.

## Strengthening human resource management

An important element in maintaining a high level of performance Companywide is considering how to create a workplace environment where diverse human resources are

empowered to play active roles. The key to this lies in the professional ability of managers to develop the abilities and qualities of each individual member of their staff.

Based on this idea, Casio conducts initiatives for departmental managers to develop their potential as management executives. The KPI applied to this initiative is the number of managers participating in the program to cultivate future executive candidates. This initiative is designed to contribute to enriching the human resource pool of executive candidates and to improve managerial quality.

Additionally, in the interest of securing diversity among corporate decision-makers, we are taking positive action by conducting an initiative to select and develop female manager candidates. The KPI applied here is the number of participants in the program to cultivate future female manager candidates. We are moreover monitoring as KPIs the ratio of female managers and the regular employee gender wage disparity by job position, which act as indicators of the progress of the above initiatives. We began these initiatives to cultivate senior management executives and to select and develop female manager candidates in the fiscal year ended March 31, 2023. Concurrently, we have further expanded the eligibility for these initiatives and enhanced the program content.

## Investment in human capital

Themes	KPIs	FYE 3/2023 results	2030 goals
Health and productivity management	Rate of usage of paid leave and childcare leave by male employees	78.2%	➡ 100%
	Health check follow-up implementation rate	78.6%	➡ 80%
	Percentage of employees with a healthy weight	69.7%	➡ 70%
	Smoking rate	13.3%	➡ 10%
Autonomous human resources	Proportion of regular employees covered by career training program	30.1%	➡ 95%
	Cumulative number of job challenge program participants	124	➡ 300
Strengthening management	Number of participants in future executive candidate cultivation program	4	➡ 50
	Number of participants in future female manager candidate cultivation program	7	➡ 90
	Ratio of female managers	6.7%	➡ 10%
	Regular employee gender wage disparity	74.6%	➡ 80%

Notes: 1. As it is difficult to give data for the consolidated Group, the results and goals cover those Group companies submitting information.

2. Temporary employees are included in the results and goals for the health check follow-up implementation rate, the percentage of employees with a healthy weight, and the smoking rate.

3. Regular employees are those among the regularly employed staff who are not employed on an indefinite contract.

## Practice sustainability management to contribute to a sustainable society

Guided by our corporate creed, we will work to combine sustainable corporate growth with initiatives toward resolving social issues.

KASHIO Takashi

Senior Executive Managing Officer  
Senior General Manager,  
Corporate Communication Headquarters



### Corporate creed and sustainability management

Since its establishment, Casio has placed value on the concept of “Creativity and Contribution,” which is its corporate creed. This refers to our commitment to contributing to society by maximizing the unique strengths of the Casio Group to create new culture according to the changing times. Through “Creativity and Contribution,” we aim to be a corporation that continuously creates new value, the most important value for those who need it as well as the type of value that blends seamlessly into the lifestyles of our customers.

Our products have always been appreciated by customers as part of their everyday lives. The products and services we provide help to enrich the minds, hearts, and lives of the people who use them. We believe that our ability to contribute in this way depends absolutely on preserving a safe society and a healthy natural environment.

To continue to be a corporation constantly creating new value that blends seamlessly into people’s lifestyles, we position sustainability as a key management concern that we need to address in our day-to-day operations.

### Sustainability promotion system

We changed our system for implementing sustainability in the fiscal year starting from April 1, 2023. The basic policy, however, remains unchanged under the new system.

Toward maximizing corporate value by the fiscal year ending March 31, 2031, the employees who carry our corporate activities must all identify with Casio’s social role and initiatives and unite in concerted efforts to implement them. To this end, we have integrated the two departments responsible for relevant internal and external communications—the Communication Design Department and the Public Relations Department—with the Sustainability Promotion Office. By strengthening positive messaging, we will put in place an environment where each employee is motivated to identify new challenges and address them as personal projects, thus

generating innovation based on autonomous initiative.

### Initiatives toward sustainable corporate growth and resolving social issues

Our corporate creed of “Creativity and Contribution” is unchanging. However, to keep the message focused, we need to support it with explanations that make it relevant to the times. We have launched a number of projects that ask how, under the new system, Casio can use its strengths to continuously address social issues and that also seek to specify the social role of the corporation in order to unite our employees in moving forward. One of these is the Purpose Project, whose aim is to establish a shared reference point for all day-to-day decision-making that can serve as the driving force of each individual’s action. We will pursue this initiative with the aim of ensuring continued “Creativity and Contribution” in a way that meets the needs of changing times.

Meanwhile, the frequent major natural disasters occurring worldwide as a result of climate change, along with increasing human rights risk, social division, and other issues, also pose a significant threat to Casio. With the transition to a decarbonized society now an urgent global issue, Casio has declared medium- to long-term CO<sub>2</sub> emissions reduction targets in line with international standards and is working toward an internal target for the renewable energy introduction ratio. We are also working to contribute to a sustainable society through our business activities by adapting our manufacturing to promote environment-friendly product development and mitigation of environmental impact in packaging, manufacturing processes, and other areas.

We engage in business activities from procurement to sale on a global basis through a worldwide supply chain in which there is a constantly developing network of stakeholder relationships. We believe that it is important to remain constantly vigilant regarding the potential impacts of our activities and to further reinforce our focus on

human rights in the supply chain as we proceed with our business activities. We will continue working to combine

sustainable corporate growth with initiatives toward resolving social issues.

## Information disclosure based on TCFD recommendations

Casio announced its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in April 2021 and discloses information in accordance with the recommendations as set out below. Going forward, Casio will work to further strengthen climate change-related governance, formulate strategy based on

analysis of risks and opportunities, and disclose information on associated financial impacts.

For details, please see [Information Disclosure Based on TCFD Recommendations](https://world.casio.com/csr/concept/tcfd/) on our website.  
 <https://world.casio.com/csr/concept/tcfd/>

<b>Governance</b>	Important matters relating to sustainability are decided by the Board of Directors following due discussion by the Sustainability Committee, which is composed mainly of the officers responsible for the various business units and functions and also works closely with the Management Meeting.
<b>Strategy</b>	In line with the TCFD recommendations, the level of importance of the risks and opportunities associated with the climate change impacts faced by the Group are assessed in terms of their likelihood of occurrence and impact on business. Identified risks are subjected to regular analysis in light of future environmental changes.
<b>Risk management</b>	Climate change-related risk is managed appropriately by the Sustainability Committee. Other risk, including natural disaster risk, is dealt with appropriately through collaboration between the relevant organizations, which also work closely with the Management Meeting, under the overall supervision of the Internal Control Committee.
<b>Indicators and targets</b>	The realization of a decarbonized society is positioned as a key issue in the Casio Group Basic Policies on the Environment. Science Based Targets initiative (SBTi) certification has been acquired. We have established the greenhouse gas reduction targets set out below and joined the RE100 initiative to promote greenhouse gas reduction in the supply chain. (1) Scope 1 + 2 emissions: 38% reduction by FYE 3/2031 compared to FYE 3/2019;* net zero emissions by FYE 3/2051. (2) Scope 3 emissions: 30% reduction in Category 1 and Category 11 by FYE 3/2031 compared to FYE 3/2019.* * SBT-validated targets

## Results of assessment based on scenario analysis

Category	Assumed scenario	Assessment items	Primary measures	Time frames*	Financial impact
1.5°C scenario (Transition risks)	<ul style="list-style-type: none"> <li>Strict regulations to address climate change are enforced worldwide, and temperature rise is kept within a certain range.</li> <li>No major increase in natural disasters. Population and income growth continue, primarily in emerging countries.</li> <li>Increase in carbon tax and other burdens causes sharp rise in energy and material prices.</li> </ul>	Initiatives to address key issues set out in the Casio Group Basic Policies on the Environment	<ul style="list-style-type: none"> <li>Active introduction of renewable energy</li> <li>Systematic introduction of high-efficiency facilities</li> <li>Promotion of supply chain optimization</li> <li>Conservation of forestry resources</li> </ul>	Short to long term	Medium
		Realizing a decarbonized society	<ul style="list-style-type: none"> <li>Promotion of circular economy</li> <li>Shift to environment-friendly materials</li> </ul>	Short to long term	Medium
3°C scenario (Physical risks)	<ul style="list-style-type: none"> <li>With insufficient reduction in greenhouse gas emissions, temperatures continue to rise.</li> <li>Natural disasters increase in frequency and scale.</li> <li>Population growth continues, primarily in emerging countries, but the income gap with developed countries expands.</li> <li>Limited effect of carbon tax and similar measures.</li> </ul>	Damage to business bases due to natural disasters	<ul style="list-style-type: none"> <li>Promotion of supplier disaster assessments</li> <li>Improvement of effectiveness of supply chain BCM</li> </ul>	Short to medium term	Small
		Damage to business bases due to rising sea levels	<ul style="list-style-type: none"> <li>Restructuring of global production and procurement system</li> </ul>	Medium to long term	Large
Opportunities	1.5°C/3°C scenario joint	Provision of opportunities to develop environmental technologies	<ul style="list-style-type: none"> <li>Expansion of products with longer service life, low power consumption, and multiple functions, development of product reuse/recycling system</li> <li>Provision of service value utilizing the internet</li> <li>Support for reduction in customer energy consumption</li> <li>Expansion of customer contact by strengthening e-commerce</li> <li>Provision of educational opportunities to emerging countries</li> </ul>	Short to long term	Large

\* Time frames: Short term: Up to 2024 Medium term: Up to 2030 Long term: Up to 2050