

Casio's Sustainability Concept

Pursue Sustainable Growth for Both Company and Society

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

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

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

Corporate Creed and Sustainability Management

Casio believes that part of its social responsibility is to pass down the corporate creed, "Creativity and Contribution," to all of its employees without fail. Casio is determined to ensure that its businesses, which make something from nothing, or go from "0" to "1," continue to make a consistent contribution to a more sustainable global society.

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

Environmental and Social Material Issues

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

Disclosure Based on TCFD Recommendations

In April 2021, Casio expressed its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Here, Casio discloses information based on the TCFD recommendations.

Medium-Term Priority Strategies for Sustainability

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

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

Also review a schematic diagram of sustainability management.

Sustainability Goals

In 2019, Casio set sustainability goals for each business to address, in line with its Medium-Term Management Plan, and identified which SDGs Casio will seek to contribute to. Currently, Casio is reviewing its sustainability goals, taking into account changes made to its business operating structure in order to deliver on the goals of the new Medium-Term Management Plan. Read more about SDG initiatives in each business.

Casio's Corporate Creed and Sustainability Management

The Corporate Creed of "Creativity and Contribution"

Since its establishment, Casio has placed value on the concept of "Creativity and for Contribution," which is its our corporate philosophy. This refers to our commitment to benefiting society by maximizing the unique strengths of the Casio Group to create new culture according to the changing times.

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

Welcoming the Challenge of Helping to Build a More Sustainable Global Society

In recent years, there has been widespread concern over the sustainability of human civilization in its current form. While economic activity has enriched the lives of many people, it has also put great strain on the global environment and social systems. Cooperation is needed to overcome this global crisis and leave a sustainable global society to future generations. In order to achieve this, proactive initiatives need to be taken by individuals, companies, governments, and international organizations. A company has a much larger impact on society than an individual, and corporate activities are responsible for some of the current impact on the planet. This is why society now has much greater expectations for companies to actively implement their own initiatives to help resolve sustainability issues, or in other words, to fulfill their corporate social responsibility (CSR). In recent years, investment in enterprises based on environmental, social and governance (ESG) criteria has grown exponentially worldwide. Given this trend, companies that neglect their CSR initiatives and fail to fulfill their social responsibilities no longer hold any appeal for investors, and the continued existence of such companies holds no value for society.

Casio's corporate creed of "Creativity and Contribution" expresses the company's concept of using creativity in order to contribute—in other words, creating innovative products and services with original Casio technology to give back to society. Everyone working at Casio fully appreciates this corporate creed, and the company is always striving to help build a more sustainable global society by pursuing business activities designed to make something from nothing, or go from "0" to "1." This is Casio's CSR approach.

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

Casio has identified six material issues, shown below, to guide its efforts to address social and environmental issues that relate directly and indirectly to its business operations. By addressing these issues the company aims to help build a more sustainable global society.

The world today is faced with many complex economic, environmental and social problems of a very serious nature. Humanity as a whole needs to consider its own best future, and then find ways to move in that direction. If economic activities are to be maintained on this planet with limited resources, every member of society must try to help achieve sustainability.

Casio is determined to do its part to find solutions for social and environmental issues while continuing to provide new value to society, based on its corporate creed of "Creativity and Contribution." Casio will steadily pursue specific initiatives while always seeking to conceive of ideal solutions for each issue.

| Charter of Creativity for Casio and Casio Common Commitment

In 2003, Casio adopted the Charter of Creativity for Casio and Casio Common Commitment, a promise from everyone working at Casio. They are designed to ensure that Casio employees will be aware of the corporate creed at all times, and act upon it. These promises cover the three key aspects of CSR—economy, environment, and society—as well as the company's approach to compliance.

Charter of Creativity for Casio

First Chapter

We will value creativity, and ensure that our products meet universal needs*.

Second Chapter

We will strive to be of service to society, providing customers with delight, happiness, and pleasure.

Third Chapter

We will back up our words and actions with trustworthiness and integrity, and work as professionals.

*To create innovative products that everyone needs but no other company has ever produced. At Casio, this is the mission not only of product development, but of every other part of the business.

Charter of Creativity for Casio and Casio Common Commitment

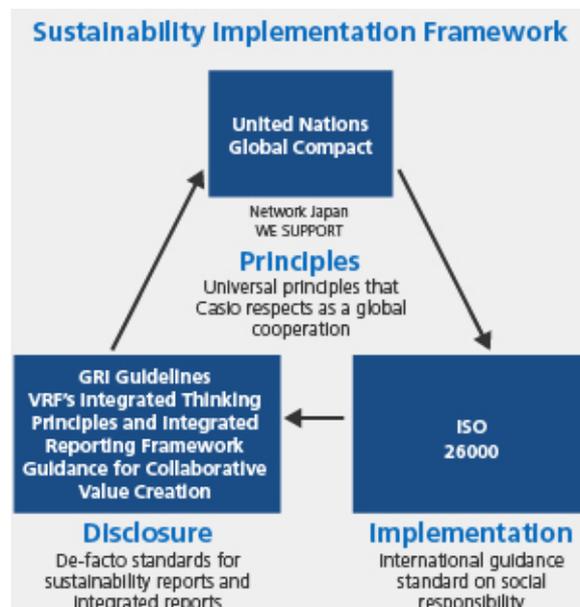
| Assessing Internal Familiarity with Casio's Sustainability Approach

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

Sustainability Implementation Framework

Casio joined the UN Global Compact in 2010. The company upholds the ten principles of the Global Compact, which concern human rights, labour, the environment and anti-corruption, and it has also fully adopted the corporate commitments.

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



United Nations Global Compact

Casio products are made through cooperation not just within the Casio Group, but with many other parts and consignment manufacturers. Casio products are distributed and sold around the world. In order for consumers worldwide to purchase Casio products with confidence, the company believes that it must support and adhere to common global principles for sustainable growth for the international community, beginning with Casio's global supply chain.

This is why, in December 2010, the company president signed a letter of commitment to support the United Nations Global Compact. With that step, Casio joined the compact, and it has been making employees thoroughly aware of it ever since, group-wide. While pursuing specific initiatives for the realization of the Global Compact principles, Casio is also appropriately disclosing progress.

Casio is also active at the local network level of the UN Global Compact, serving as a member of the Japanese Global Compact Network Japan (GCNJ).

| 10 Principles of the UN Global Compact

Human Rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.

Labor Standards

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labor;
5. the effective abolition of child labor; and
6. the elimination of discrimination in respect of employment and occupation.

Environment

7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

10. Businesses should work against all forms of corruption, including extortion and bribery.

| FY2022 Participation in Global Compact Network Japan (GCNJ) Subcommittees

SDG Subcommittee

ESG Subcommittee

Reporting Research Subcommittee

CSV Subcommittee

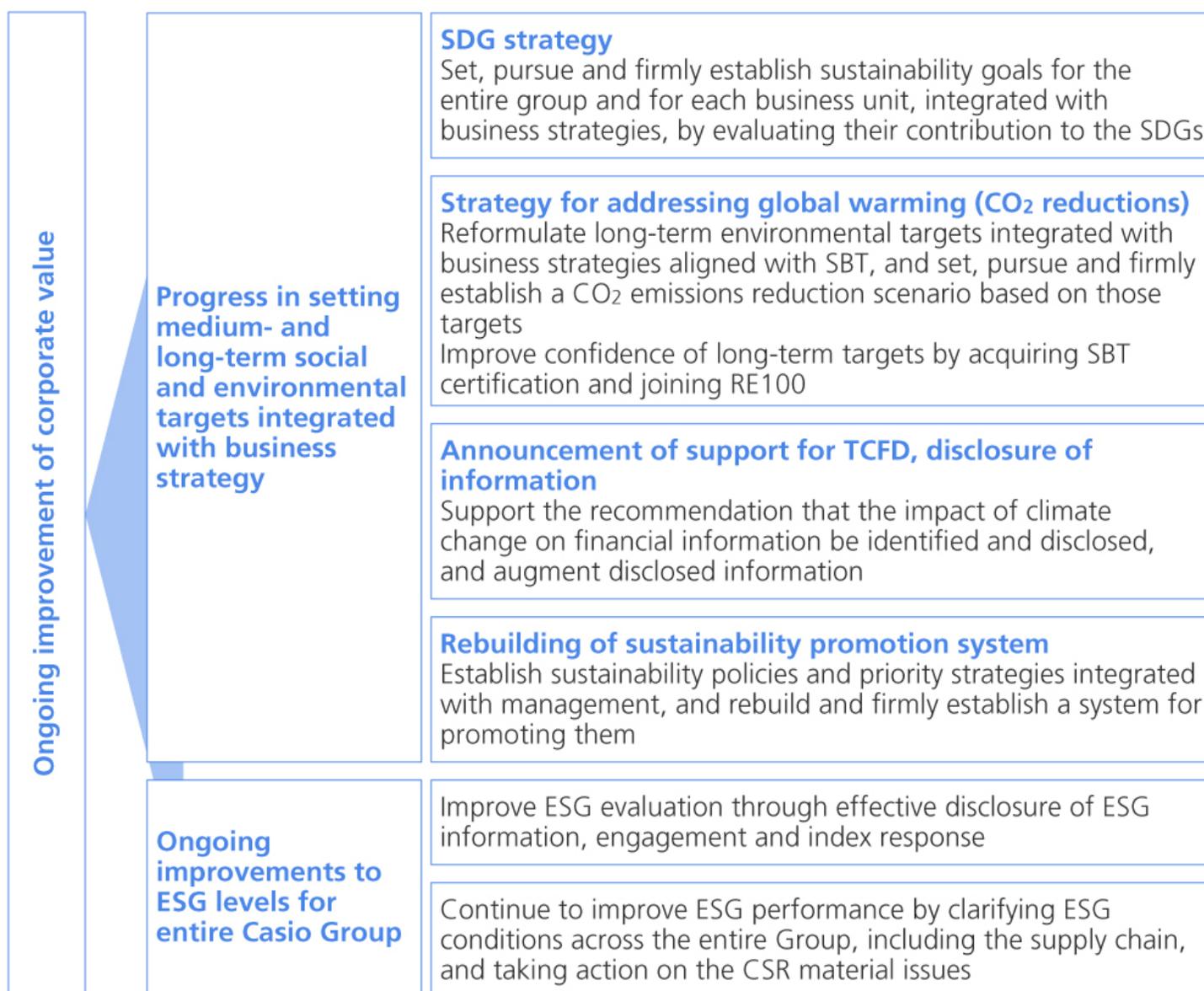
Related Links: [United Nations Global Compact](#)

Medium-Term Priority Strategies for Sustainability

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

Casio achieved the results described below in fiscal 2022, the final year of its medium-term priority strategies for the environment (E) and society (S) for fiscal 2021 and fiscal 2022, set out in fiscal 2021. Casio intends to identify the next medium-term priority strategies in conjunction with the New CASIO C30 Project, which is designed to maximize corporate value in fiscal 2031.

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



Performance in fiscal 2022 on the above-described medium-term priority strategies is shown below.

Priority	Issues to pursue	KPI (FY2022 goals)	Performance made in FY2022
	<p>SDG strategy Set, pursue and firmly establish sustainability goals for the entire group and for each business unit, integrated with business strategies, by evaluating their contribution to the SDGs</p>	<p>Sustainability goals for the entire group and for each BU that are integrated with the business strategy established, and the first phase completed Results evaluated based on the KPI and used to set targets for the next phase</p>	<p>Reviewed the medium-term business plans for each business and functional headquarters, upon which the medium-term sustainability goals are based. Also arranged SDGs embraced by Casio in the following areas: contributing to social issues through business; and reducing the environmental impact through business.</p> <p>Since the COVID-19 pandemic forced revisions of these medium-term business plans, evaluations based on KPIs were suspended. Going forward, they will be restarted together with the new medium-term business plans based on the CASIO C30 Project.</p> <p><u>Sustainability Goals</u></p>
<p>Progress in setting medium- and long-term social and environmental targets integrated with business strategy</p>	<p>Strategy for addressing global warming (CO₂ reductions) Reformulate long-term environmental targets integrated with business strategies aligned with SBT, and set, pursue and firmly establish a CO₂ emissions reduction scenario based on those targets Improve confidence of long-term targets by acquiring SBT certification and joining RE100</p>	<p>Long-term environmental targets based on new SBT standards set, and a CO₂ reduction scenario based on this devised SBT certification completed, RE100 initiative joined and renewable energy adoption policies established for entire Group</p>	<p>Enhanced Casio's medium- and long-term greenhouse gas reduction targets to conform to with SBT's new standards in October 2020, as shown below, and submitted them to the SBTi to request validation that these targets are based on scientific evidence.</p> <p>As a result, received validation from SBTi that the Casio FY2031 targets are aligned with the scientific evidence-based goal of limiting global warming to well below 2°C.</p> <p>Casio Greenhouse Gas Reduction Targets Validated by SBTi</p> <p>New Enhanced Greenhouse Gas Reduction Targets:</p> <ul style="list-style-type: none"> ■ Scopes 1 & 2 <ul style="list-style-type: none"> • 38% reduction by FY2031, compared to FY2019 • Net zero emissions by FY2051 ■ Scope 3 <ul style="list-style-type: none"> • 30% reduction of greenhouse gas emissions from the use of purchased goods and services (category 1) and use of sold products (category 11) by FY2031, compared to FY2019 <p>To achieve this goal, Casio switched six of its major business sites in Japan to electricity derived from renewable energy sources.</p>
	<p>Announcement of support for TCFD, disclosure of information Support the recommendation that the impact of climate change on financial information be identified and disclosed, and augment disclosed information</p>	<p>Support for TCFD announced and disclosure in line with its requirements augmented</p>	<p>In addition to enhancing greenhouse gas reduction targets to conform to with the new SBTi standards, also announced support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and disclosed relevant financial information.</p> <p>Casio analyzed risks and opportunities associated with climate change in its four core businesses of timepieces, education, electronic musical instruments, and system equipment, and worked to enhance information disclosure. The results were disclosed immediately.</p> <p><u>Information Disclosure Based on TCFD Recommendations</u></p> <p>Analysis and Disclosure of Climate Change Risks and Opportunities Based on the TCFD Recommendations</p>

Priority	Issues to pursue	KPI (FY2022 goals)	Performance made in FY2022
	<p>Rebuilding of sustainability promotion system</p> <p>Establish sustainability policies and priority strategies integrated with management, and rebuild and firmly establish a system for promoting them</p>	<p>A Sustainability Committee under the board of directors formed to discuss policies and strategies; in addition, by meeting in line with the PDCA cycle, measures reliably promoted</p>	<p>The Sustainability Committee is positioned between the board of directors and the Management Committee. It is chaired by the director in charge of ESG strategy, and its members include the CFO, CHRO, leaders of each business, and officers in charge of staff divisions. The committee began making concrete deliberations in FY2021. Key issues relating to sustainability are discussed by officers in the committee, the results of deliberations are reported to the board of directors and are then put into practice following necessary procedures.</p>
<p>Ongoing improvements to ESG levels for entire Casio Group</p>	<p>Improve ESG evaluation through effective disclosure of ESG information, engagement and index response</p>	<p>Effective response to key indices such as FTSE, MSCI and DJSI continued, reselected for DJSI WORLD index, stayed on FTSE and MSCI and remained in a position to be selected for ESG investment</p>	<p>A considerably updated integrated report was issued in FY2021 and was selected as one of the "most-improved integrated reports" by the GPIF.</p> <p>In addition, Casio is continuing to update its sustainability report with the improvement of access to published information. Casio will continue to review aspects such as the report structure, with the aim of creating reports that are even more easily understandable. For details on the adoption of ESG indices, refer to External Evaluation.</p>
	<p>Continue to improve ESG performance by clarifying ESG conditions across the entire Group, including the supply chain, and taking action on the CSR material issues</p>	<p>In light of progress with materiality through FY2021, the next materiality promotion plan established, and results evaluated based on KPI</p>	<p>To clarify ESG conditions in the supply chain, the Production Headquarters responsible for procurement is working to enhance the content of the annually-conducted supplier CSR surveys.</p> <p>In FY2022, Casio conducted surveys of its suppliers outside Japan concerning greenhouse gas emissions and the setting of reduction targets, as it already did in Japan.</p>

Environmental and Social Material Issues

Environmental and Social Material Issues

| Approach

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

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

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

Material Issues for Casio	FY2022 Targets and KPI	FY2022 Performance	Evaluation	FY2023 Targets and KPI
Realizing a low-carbon society★	Reduce the greenhouse gas emissions (Scopes 1 and 2) of group companies by 9.5% compared to FY2019, based on a market-based standard	Reduced 26.4% compared to FY2019	○	Reduce the greenhouse gas emissions (Scopes 1 and 2) of Casio Group by 12.7% compared to FY2019, based on a market-based standard
	Scope 3: Start survey of supply chain outside Japan and move further forward with survey of supply chain in Japan	Conducted supply chain survey with carefully examined content. Started survey of supply chain outside Japan as part of this	○	Move forward with survey of supply chain
Building a Recycling Society★	Maintain the Casio Green Star product sales ratio at 80% or more	Casio Green Star Product sales ratio: 76%	◎	Raise the Casio Green Star product sales ratio at 80% or more
	Reduce the amount of waste generated by entire Casio Group (including valuable waste) by at least 2% compared to FY2020	Reduced waste generated by Casio Group (including valuable waste) by 28% compared to FY2020	△	Reduce the amount of waste generated by entire Casio Group (including valuable waste) by at least 3% compared to FY2020
	Achieve a recycling rate for Casio Group site waste of at least 95%	Recycling rate for Casio Group: 96%		Achieve a recycling rate for Casio Group site waste of at least 96%
Living in harmony with nature	Reduce water usage for Casio Group by at least 2% compared to FY2020	Reduced water usage for Casio Group by 43% compared to FY2020	○	Reduce water usage for Casio Group by at least 3% compared to FY2020
	Ensure that 80% of product catalog paper used in Japan is paper from certified forests	70.4%	△	Examine re-setting of medium and long-term targets
Continue to re-examine medium and long-term targets, including the definition of sustainable paper	Collected and analyzed world trends	△		
Promoting CSR procurement	(1) Implement CSR education at Casio sites and at suppliers, and implement onsite audits at a total of 10 suppliers in China and Thailand	Implemented CSR education at Casio sites and at suppliers Did not implement onsite audits in China and Thailand due to COVID-19 pandemic	○	(1) Implement CSR education at Casio sites and at suppliers, and implement onsite audits at a total of 12 suppliers in China and Thailand
	(2) Conduct CSR surveys Conduct CSR surveys of all suppliers, and collect surveys from all of them	Conducted CSR surveys of 434 suppliers worldwide Surveys collected from 433 of 434 companies	○	(2) Conduct CSR surveys Conduct CSR surveys of all suppliers, and collect surveys from all of them

Material Issues for Casio	FY2022 Targets and KPI	FY2022 Performance	Evaluation	FY2023 Targets and KPI
Providing supportive workplace environments and promoting diversity & inclusion	<p>Women</p> <ul style="list-style-type: none"> Maintain childcare leave usage rate for eligible employees of 90% or more Maintain a rate of employee return after childcare leave of 90% or more (including contract employees) 	<p>Women</p> <ul style="list-style-type: none"> Achieved childcare leave usage rate for eligible employees of 100% Achieved a rate of employee return after childcare leave of 100% (including contract employees) 	◎	Achieve birth and childcare leave usage rate for eligible male employees of 50% (36% at present)
	Achieve a female employee recruitment rate of 25% or more	11 of the 44 employees who joined the company in April 2022 were women (25.0%)	△	Achieve a female employee recruitment rate of 25% or more
	Achieve legally mandated employment rate of people with disabilities at 2.3% or more	Employment rate of people with disabilities: 2.33% (as of April 1, 2022)	○	Achieve legally mandated employment rate of people with disabilities at 2.3% or more
	Follow-up measure implementation rate for annual checkups: 80% or more	<ul style="list-style-type: none"> Rate of regular health checkups: 99.9% Follow-up measure implementation rate: 76.9% <p>Reason 1 The implementation of follow-up measures was delayed due to the longer period for regular checkups because of the COVID-19 pandemic</p> <p>Reason 2 There were some employees who were reluctant to visit medical institutions due to the COVID-19 pandemic</p>	△	<p>Raise awareness of health</p> <ul style="list-style-type: none"> Rate of regular health checkups: 100% <p>Follow-up measure implementation rate for annual checkups: 80% or more</p>
	<ul style="list-style-type: none"> Ascertain the actual mental illness rate Implement e-learning training for new employees and managers Implement training for new managers Implement skill improvement training by job type for young employees 	<ul style="list-style-type: none"> Ascertained the mental illness rate (on a consolidated basis) Illness rate 1.1% Leave rate: 0.6% Mental illness rate on a consolidated basis (fiscal year end): 0.5% e-learning for new employees (November) Provided training to new managers (August, January) Provided follow-up training for second-year employees (December, January) Provided e-learning training for all managers (February) 	◎	<p>Measures to support employees with mental health issues</p> <ul style="list-style-type: none"> Ascertain the actual mental illness rate Implement e-learning training for new employees and managers Implement training for new managers Provide follow-up training for second-year employees Provide e-learning training for all managers
<ul style="list-style-type: none"> Ascertain the rate of employees with high stress (February) Consultations provide by industrial physicians to interested employees (February to March) Ascertain health risk rates by department (March) <p>Implement workplace analysis and feedback (March)</p>	<ul style="list-style-type: none"> Stress check participation rate: 92.2% Ascertained the rate of employees with high stress (February) Consultations provided by industrial physicians to interested employees (February to March) Ascertained health risk rates by department (March) Implemented workplace analysis and feedback (March) <p>Held consultations for departments in need of improvement (from July)</p>	◎	<ul style="list-style-type: none"> Ascertain the rate of employees with high stress (February) Consultations provide by industrial physicians to interested employees (February to March) Ascertain health risk rates by department (March) Implement workplace analysis and feedback (March) <p>Hold consultations for departments in need of improvement (from July)</p>	
Respecting human rights	(1) Summarize human rights checkups implemented in the past and formulate policy for implementing such checks for fiscal 2023 and beyond	Reviewed the results of human rights checkups implemented from 2016 onward as well as the human rights check tool	○	Implement human rights checkups and feedback at all production group companies
	(2) Implement human rights education for Sustainability Leaders	Shared information on Casio's human rights initiatives including a lecture on the topic of Business and Human Rights provided by non-profit organization ACE at the meeting for Sustainability Leaders in August 2021	○	(2) Implement human rights education for Sustainability Leaders

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

Materiality specification process

Step 1: Specification of issues with significance to the company

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

Step 2: Specification of issues with significance to stakeholders

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

Step 3: Summarization and finalization

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

Step 4: KPI formulation and implementation

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

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

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

| Step 2: Specification of issues with significance to stakeholders

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

Economic

Takeshi Mizuguchi, Professor

Takasaki City University of Economics

More detail

Environment

Sadayoshi Tobai

Conservation Director, WWF Japan

More detail

Labor Practices

Hiroki Sato, Professor

Chuo Graduate School of Strategic Management

More detail

Human Rights

Makoto Teranaka, Visiting Professor

Tokyo Keizai University

More detail

Society

Kaori Kuroda, Executive Director

CSO Network Japan

More detail

Product Responsibility

Kikuko Tatsumi, Executive Advisor

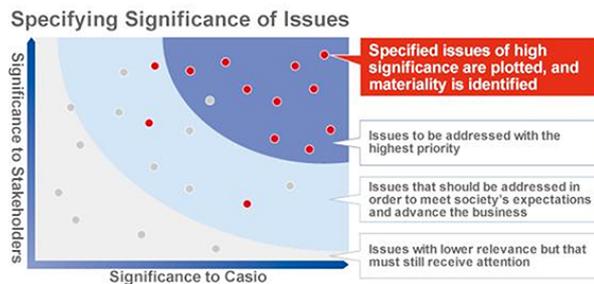
Nippon Association of Consumer Specialists

More detail

Step 3: Summarization and finalization

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

Material Issues for Casio



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

| Step 4: KPI formulation and implementation

KPI Formulation

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

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

Materiality Review

Casio continually worked to improve its efforts to address conventional material issues up through fiscal 2022. Continuing in fiscal 2023, the company is addressing and reviewing its current material issues while re-confirming its vision for fiscal 2030, its recognition of medium- and long-term environmental impacts, and the strategic direction for each business and function.

Sustainability Goals

SDG-Based Initiatives

The Sustainable Development Goals (SDGs) were unanimously adopted by world leaders at the United Nations Sustainable Development Summit in 2015. The SDGs outline priority global issues to be resolved by 2030 and specify common targets for the world. They indicate specific opportunities to put the planet on a sustainable path, including eliminating poverty and hunger, and pursuing clean energy, climate action, and peaceful societies.



In 2019, Casio incorporated SDG efforts into its business operations by establishing sustainability goals for each business unit to accompany its Medium-Term Management Plan. However, due to the impact of COVID-19, Casio decided to revise the Medium-Term Management Plan itself and to reconsider its sustainability goals accordingly. At present, Casio is reviewing the sustainability goals in terms of contributing to social issues through its businesses, planning primarily around business dimensions, and reducing environmental impact through its businesses, planning based on functional dimensions. In this process, Casio is also taking into account changes in its operational structure designed to fulfill the new Medium-Term Management Plan.

Casio will announce the sustainability goals and KPIs for each business on this website, as soon as they are finalized.

Information Disclosure Based on TCFD Recommendations

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

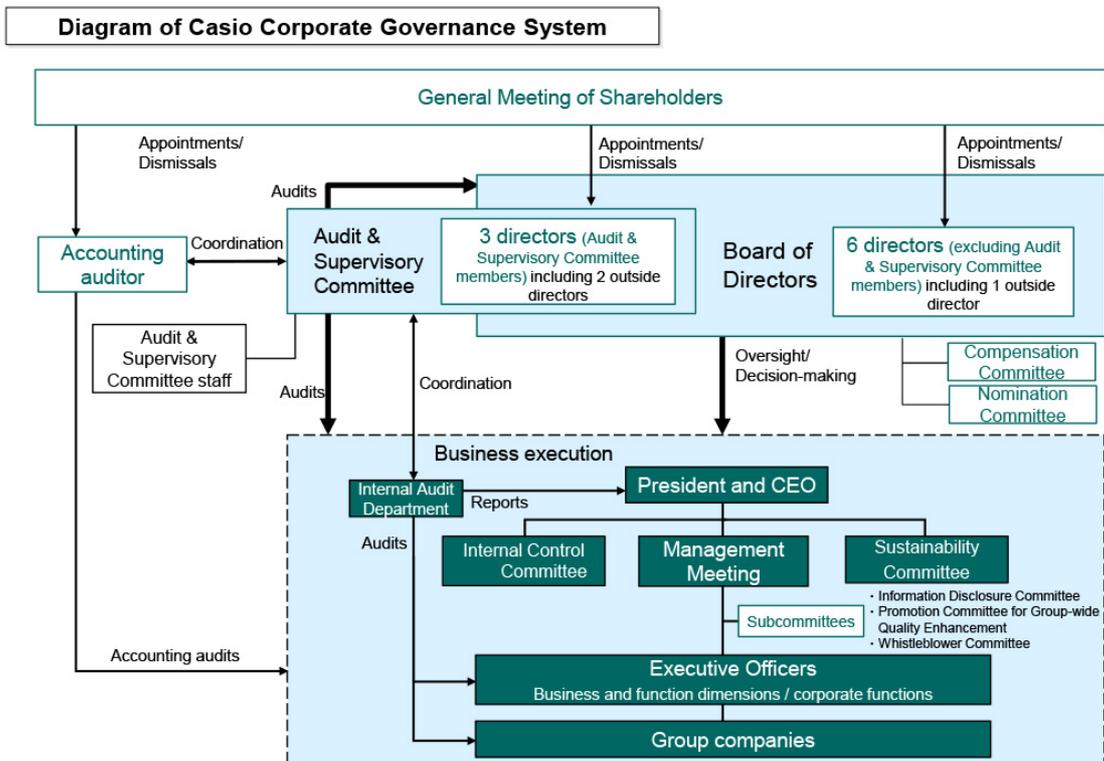


Governance

Casio has included climate change issues within its governance and management systems addressing sustainability.

Casio now has a system in place for appropriate oversight of management decision-making and monitoring of progress related to important sustainability issues, including climate change. The Sustainability Committee works closely with the Management Meeting, and its membership mainly consists of heads of each business and each functional headquarters. The committee fully discusses important sustainability issues and reports the results to the Board of Directors.

*Please refer below diagram of corporate governance system.



Strategy

In line with the TCFD recommendations, Casio has assessed the risks and opportunities posed by the impact of climate change that the Group faces in terms of their level of importance based on the likelihood of occurrence and the impact on business.

Casio will conduct regular analysis of the identified risks in light of future changes in the environment.

Results of Assessment based on Scenario Analysis

Category	Assumed scenario	Assessment items		Priority measures	Timeframe	Financial impact
1.5°C scenario (transition risks)	<ul style="list-style-type: none"> ■ Strict regulations to address climate change will be enforced around the world, and increases in temperature will be kept within a certain range. ■ There will be no major increase in natural disasters. ■ Population and income growth will continue, primarily in emerging countries. ■ Carbon tax and other burdens will increase, and energy and material prices will rise sharply. 	Initiatives to address key issues set out in the Casio Group Basic Policies on the Environment	Realizing a decarbonized society	<ul style="list-style-type: none"> • Active introduction of renewable energy • Systematic introduction of high-efficiency facilities • Promotion of supply chain optimization • Conservation of forest resources 	Short- to long-term	Medium
			Building a recycling society	<ul style="list-style-type: none"> • Promotion of circular economy • Shift to environmentally-friendly materials 	Short- to long-term	Medium
3°C scenario (physical risks)	<ul style="list-style-type: none"> ■ GHG emissions cannot be reduced sufficiently, and temperatures will continue to increase. ■ Natural disasters will increase and expand in terms of both frequency and scale. ■ Population growth will continue, primarily in emerging countries, but the income gap with developed countries will expand. ■ The effect of carbon tax and similar measures will be limited. 	Damage to business sites due to natural disasters		<ul style="list-style-type: none"> • Promotion of supplier disaster assessments • Enhancement of supply chain BCM effectiveness 	Short- to medium-term	Small
		Damage to business sites due to rising sea levels		<ul style="list-style-type: none"> • Reconstruction of global production and procurement systems 	Medium- to long-term	Large
Opportunities	Common to 1.5°C/3°C scenarios	Provision of opportunities to develop environmental technologies		<ul style="list-style-type: none"> • Expansion in products with longer service life, low power consumption, and multiple functions and development of system for reusing and recycling products • Provision of service value utilizing the internet • Provision of support for customer reductions in energy consumption • Expansion of customer contact by strengthening e-commerce • Provision of educational opportunities to emerging countries 	Short- to long-term	Large

Timeframes – Short term: up to 2024 Medium-term: up to 2030 Long-term: up to 2050

Risk Management

At Casio, the Sustainability Committee manages climate change-related risk appropriately.

Casio has a system in place in which the relevant organizations deal appropriately with other risks, including natural disaster risk, in collaboration with each other under the supervision of the Internal Control Committee while working closely with the Management Meeting.

*Please refer above diagram of corporate governance system.

Indicators and targets

Casio positions realizing a decarbonized society as a key issue in the Casio Group Basic Policies on the Environment, has established the following targets for reducing GHG emissions, and has had its targets validated by the Science Based Targets initiative.

Casio aims to reduce its Scope 1 and 2 emissions by 38%* compared to fiscal 2019 levels before the end of 2031 and is aiming for net zero emissions by 2051.

(1) For Categories 1 and 11 of Scope 3 emissions, the aim is for a 30% reduction compared to fiscal 2019, by 2031.*

(2) To achieve these goals, Casio has joined RE100 and is actively adopting renewable energy, while working with its business partners to reduce greenhouse gas emissions in the supply chain.

*SBT-validated targets

