

## **Declaration of Compliance with the Modern Slavery Act 2015**

Casio Electronics Co. Ltd. (Casio UK, hereinafter “the Company”) makes the declaration as follows based on Article 54 of the Modern Slavery Act 2015, confirming that neither the business that the Company operates nor the supply chain related to its business involve practices amounting to modern slavery such as forced labour and human trafficking.

### **Organisation and Business Operations**

The Company is the UK sales company for Casio Computer Co. Ltd. (hereinafter “Casio”), headquartered in Japan, and supplies Casio brand products and services. During the 2015 – 2016 accounting year, the Company recorded net sales of approximately £50.2 million (consolidated net sales for Casio Group: approximately £2,201.6 million).

Casio, the parent company, has formed the Casio Group, which operates worldwide, manufacturing and selling consumer products such as watches, electronic calculators, electronic musical instruments, and digital cameras, and system products such as page printers and handheld terminals. The Company sells Casio products and also supplies consumables, accessories, software and other items related to those products.

### **Supply Chain**

With regard to procurement activities, the Company procures a limited number of items such as attachments for musical instruments and power cables for cash registers and data projectors from suppliers in the UK. The bulk of procurement for other main components and materials is conducted by Casio, the parent company.

Casio is supplied with materials by approximately 500 suppliers in around 20 countries around the world. In addition, most production is conducted at Casio’s own plants in Japan, China, Thailand and other countries (six group companies) and by 20 production subcontractors (EMS). The Casio Group continually strives to fulfil its social responsibilities across the entire supply chain.

### **Policies**

The Company confirms that neither its business nor the supply chain related to its business involve practices such as forced labour and human trafficking. The Company’s approach to and initiatives on modern slavery are based on the following Casio Group policies.

#### **◆ Casio Group Policy on Human Rights**

The Casio Group recognises that it is essential to practice good governance in the area of respect for human rights when promoting global business expansion. Accordingly, Casio established the Casio Group Policy on Human Rights as the foundation for fulfilling its responsibility to respect human rights as well as to express the Casio Group’s respect for and commitment to human rights to stakeholders.

### ◆ Casio Group Code of Conduct

Casio established the Casio Group Code of Conduct in order to ensure that all Casio Group officers and employees act with high ethical standards and sound common sense in their daily activities to implement sound initiatives across the supply chain. This includes compliance with international norms and the laws of individual countries and/or regions, respect for human rights, safety for workers, and environmental conservation.

### ◆ Procurement Policies

Casio established Casio Procurement Policies in order to execute its social responsibilities, which include legal compliance, respecting human rights, labour, safety, and health, environmental protection such as biodiversity preservation and risk control of chemical substances, and information security, across the supply chain based on fair and equitable transactions.

The Casio Group has also joined the UN Global Compact in order to uphold and comply with, throughout its supply chain, common global principles which facilitate the sustainable development of the international community.

### **Due Diligence**

#### 1) Casio Group

In 2012, the Casio Group took stock of human rights issues, guided by ISO 26000. In conjunction with this, the Group referred to The Danish Institute for Human Rights' Human Rights Compliance Assessment Quick Check and received advice from experts to establish an independently developed tool to check on human rights practices. Using this tool, the Group regularly conducts checks on human rights issues to study the status of initiatives to address human rights issues, including protection of workers, at Group companies. Based on the results of these studies, CSR Promotion Office carries out interviews of Group companies, analyses specific issues and trends, provides feedback to each site, and promotes the implementation of improvement measures. Going forward, Casio will continue to publish the results from the implementation of checks on human rights issues in its annual Sustainability Report.

#### 2) Suppliers

Casio requests all of its suppliers to fill out a CSR questionnaire. The questionnaire covers human rights and labour, safety and health, the environment, fair trade and ethics, quality and safety, information security, and social contribution. The responses to the questionnaire are aggregated and analysed. Feedback is provided to suppliers on the results of the analysis as well as the approach Casio takes to CSR procurement, and support is provided for activities to make improvements at each company.

Moreover, in China and Thailand, local staff engaged in CSR promotion projects conduct onsite inspections of suppliers, and they have been increasing the number of these visits. Based on the cumulative number of visits up to 2014, onsite inspections had been conducted at suppliers representing 69.4% of transaction value in China and suppliers representing 58.6% of transaction value in Thailand.

### 3) Protection of Whistleblowers

Casio has established points of contact for its Whistleblower Hotline inside and outside the company with the aim of protecting the human rights of whistleblowers. Counselling and reporting is available in Japanese, English, and Chinese online, and in Japanese and English by telephone, and the hotline system also handles reports from Group companies.

#### **Education and Training**

The Casio Group provides in-house education in order to raise awareness of CSR. In CSR education programmes, which are provided on a regular basis, respect for human rights was chosen as one of the themes for special focus, and education on topics such as the UN's Guiding Principles on Business and Human Rights and the Casio Group Policy on Human Rights was conducted via an e-learning platform. Casio also included topics such as its firm stance against forced labour and the prohibition of human trafficking in the curriculum in order to foster the understanding and awareness of participants.



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Managing Director

Casio Electronics Co. Ltd.

28th September 2016