

Initiatives for Respecting Human Rights with a View to Sustainable Growth

The CITIZEN Group's initiatives for respecting human rights

Since its founding, the CITIZEN Group has upheld the statement "Loved by the citizens, working for citizens" as its Corporate Philosophy and has aspired to contribute broadly to the lives of people around the world through its business operations. In 2005, as a globally operating company, we joined the United Nations Global Compact comprising 10 principles in the areas of human rights, labor, the environment and anti-corruption as advocated by the UN.

The Citizen Group Code of Conduct, the standard for employee behavior, stipulates that in conducting business we need to respect the human rights of other employees of the Group as well as those of our suppliers, and we have proactively worked to raise

awareness of the policy. Upon the start of the Medium-term Management Plan 2021, and based on the policy to pursue group-wide Sustainable Management and to make more proactive contributions to achieving the SDGs through our business operations, we formulated the Citizen Group Human Rights Policy in April 2019 thereby demonstrating the Group's stance for the respect for human rights.

In April 2019, we also published the Citizen Group Modern Slavery and Human Trafficking Statement and the Citizen Group Conflict Minerals Policy. Based on the recognition of problems associated with human rights, we are determined to practice Sustainable Management to fulfill our responsibilities as a global company.

Formulation of Citizen Group Human Rights Policy

The CITIZEN Group endorses the UN Guiding Principles on Business and Human Rights and, in April 2019, formulated a Human Rights Policy accordingly. The Human Rights Policy pledges respect for the dignity and rights of all stakeholders in the business

of the CITIZEN Group and affirms that the Group does not take part in human rights abuses, and that in the event its business operations do negatively affect a person's human rights, the Group will offer remedy to the affected parties and take a corrective response.

Initiatives for Respecting Human Rights

To conduct business in a manner that respects the human rights of all stakeholders, the CITIZEN Group proactively conducts a range of communication activities and holds seminars to disseminate and instill policies and rules advocating respect for

human rights. To identify human rights-related risks, we conduct periodic supplier questionnaires and an employee awareness survey. To provide access points for remedy, we have established consultation and reporting desks.

| The CITIZEN Group's value chain and stakeholders | Supplier | CITIZEN Group (Employees, temporary employees, technical interns) | Local community (Consumers) |
|--|---|--|--------------------------------|
| Disseminate and instill policies and rules | *Citizen Group CSR Procurement Guideline *Citizen Group Conflict Minerals Policy | *Activities to disseminate the Citizen Group Code of Conduct across the group *Seminars on business and human rights | |
| Identifying risks | *Supplier questionnaires | *CSR awareness survey *Stress check (web-based) *Installing suggestion boxes to collect opinions and proposals at work sites *Group compliance hotline *Harassment consultation desk *Mental health counseling office (CITIZEN WATCH) *Health consultation | *Customer service |