

Sustainable management structure

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In April 2020, the CITIZEN Group established the Sustainability Committee to put sustainable management into practice by continuing to produce sustainable products in sustainable factories while also contributing to solutions to the materiality identified. Chaired by the president & CEO of CITIZEN WATCH, this Committee, whose membership consists of the executive directors of CITIZEN WATCH and operating companies' presidents, promotes sustainable management throughout the CITIZEN Group. The CSR section and Management Planning

Division of CITIZEN WATCH, which serve as the secretariat for this Committee, work together with the CSR sections and management planning sections of Group companies and with the secretariats of each committee in charge of assigned materiality. They hold periodic sustainability secretariat conferences to periodically review sustainability issues in each company and check on matters, such as the state of progress of related initiatives. Proposals and reports from each company are presented to the Sustainability Committee for deliberation.

■ Sustainability Committee

Objectives and Functions	To promote sustainable management in the CITIZEN Group: (1) Identification and periodic review of materiality (2) Promoting efforts in existing businesses to improve their sustainability and contribute to resolving social issues (3) Formulating policies for addressing ESG issues and monitoring activities based on those policies
Meets	Quarterly (every three months)

The following subcommittees of the Sustainability Committee have been established: the Group Quality Compliance Committee, which deliberates on quality compliance in the Group; the Group HR Committee, which deliberates on hiring and human-resources development and addresses discrimination by nationality, LGBT status, and others, as well as human rights; and the Group Environmental Committee, which deliberates on such subjects as group wide opportunities, risks, and measures related to environmental issues in general. The Group Sustainable Procurement Committee was newly established in 2020 to deliberate on revisions of the supplier management

structure group wide to be more sustainable and responsible.

We also established the Group Information Governance Committee, the Group Legal/Compliance Committee, and the Group Business Continuity Management Committee to address matters related to the handling of management-related risks and making the Group's management base more resilient. These committees addressing risks related to the management base have been established under the Management Committee, which meets monthly, as a structure that enables swift detection of and deliberation on problems as well as immediate responses to them.

Sustainability promotion structure

