Third-Party Comments



Riyako Godai Chairman of the Citizen of the Year Screening Committee

The past few years have witnessed a spate of corporate scandals that resulted in a loss of trust from stakeholders, thereby reaffirming the importance of corporate social responsibility (CSR). CSR can be stated as the yardstick by which companies evaluate whether they are maintaining the trust of the public.

The Citizen Group upholds a business philosophy, true to its name, of "contributing to and striving to be respected by the citizens of the world," and has built a solid record of creating products focused on "precision technological capabilities forged in the micro-world." The Special Features in this report on the Group's "Business" and "Product Quality" are persuasive and document the business content and current activities of each Group company from a CSR perspective, conveying the Group's enthusiasm for having every employee participate in CSR efforts.

The definition and scope of CSR changes with the times, and currently there is a focus on the importance of work-life balance. Companies are rediscovering that environments that are easy to work in for men and women and encourage open communication help improve business value, accommodate issues stemming from declining birth rates and maintain diversity. In this aspect as well, the Group not only has child-care and nursing care leave systems (pooled time off available in two-hour units) but also other systems tailored to employee needs.

Reading the report, I could feel how the Group's environmental efforts functioned effectively among the collective companies. Citizen examines its manufacturing and products to see to what extent environmental impacts can be reduced at each stage while retaining high product quality. The Company also reviews and revises numerical targets for its goals and introduces sample cases where appropriate—including those from overseas.

However, I think the broad-based CSR activities being carried out at each department, including efforts toward compliance, risk management, customer satisfaction, and diversity, would be easier to follow if they were laid out in a table or other visual aid showing goals and results achieved. This would help the reader see how the textual content reflects the actual status of the Group's CSR activities. Along the same lines, I would like to see the array of efforts across the Group displayed in a comparison by years or a similar format in the next report.



One Akiyama President of Integrex Inc.

My comments are based on the view that CSR reports are not just reports of activities, but expressions of a company's commitment to efforts in the cycle of planning, doing, checking, and acting (PDCA)—as well as to reaffirming its principles—in the drive to realize its business philosophy.

1. Favorable Aspects

Ubiquitous reference to its business philosophy of "contributing to and striving to be respected by the citizens of the world" underscores that all of Citizen's business activities have a common foundation in its business philosophy. Also evident is the Group's commitment to people in its broad range of efforts toward having all employees help bring the business philosophy to fruition by improving company systems, recognizing employees' awareness, implementing educational training, having interactive dialogues, and creating the atmosphere of open communication.

In terms of environmental management, this CSR report lays down a long-term vision and plan for 2025 and 2010 based on Citizen's business philosophy and assesses this fiscal year's CSR activities in light of that vision and plan. Also presented are efforts that follow the PDCA cycle toward the goals for the coming fiscal year. Moreover, I give high marks for disclosing negative information, such as the groundwater contamination reported last year and Citizen's response, as well as the waste liquid leakage incident.

2. Areas for Additional Efforts and Improvements With the exception of environmental issues, overall coverage is limited to the "plan" and "do" steps of the PDCA cycle. Citizen's next challenge is to incorporate documentation of the "check" and "act" steps. Although last year's report included a table showing the status of efforts toward the achievement of department-specific CSR targets in line with the Citizen Group Code of Conduct, this table is unfortunately absent from this year's edition.

Furthermore, Citizen is a global corporation with overseas subsidiaries accounting for more than 60% of sales and staff. I would like to see more information on the issues faced and measures taken overseas, especially given the current growing importance of concerted CSR activities across international corporate groups.

3. Expectations for the Future

I anticipate that corporate activities that contribute to the sustainability of society will be important for the sustainability and competitiveness of corporations. I look forward to Citizen's advancement of efforts toward a solution to the major global issue of climate change in accordance with the aim of "contributing to and striving to be respected by the citizens of the world.'