

# Citizen and its Employees

Our activities during fiscal 2008 revolved around the concept of “people-oriented management,” as the first step towards creating an environment in which people (employees) can excel. First and foremost, we believe that it is important to give employees the opportunity to put their skills to the best possible use and create an environment in which individuals can truly appreciate this. Having started by examining individuals at every level across all Group companies, we are working on the ongoing process of developing a framework within which to nurture and effectively harness human resources. In terms of human resource development, during fiscal 2008 we identified personnel who are expected to take over management roles at each company in the future and introduced a rotation system between subsidiaries.



**Takeshi Kakishima**  
Director  
Citizen Holdings Co., Ltd.

## Respecting Diversity

### ● Group Policy

We consider it to be the Citizen Group's duty as a company to respect individuals, embrace diversity and create an environment in which employees can thrive.

### ● Recruitment activities and promoting contract employees to permanent positions

We hire new graduate recruits on a regular basis and experienced mid-career recruits from a long-term perspective at all Citizen Group companies. We also promote employees on fixed-term contracts to permanent employees on a regular basis, depending on factors such as their level of enthusiasm and capabilities. When recruiting personnel, we focus on individual skills, aptitude and drive, in an effort to ensure equal opportunities and diversity.

#### Recruitment at 17 Major Group Companies

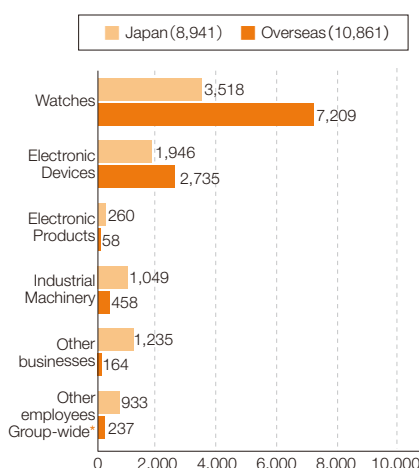
##### New graduates

	FY2007	FY2008
Male	122	91
Female	41	32
Total	163	123

##### Mid-career recruits

	FY2007	FY2008
Male	52	51
Female	35	10
Total	87	61

Number of Employees by Business Segment (as of March 31, 2009)



\*Refers to employees in management departments not classifiable into specific segments

### ● Promoting employment of people with disabilities

We actively employ people with disabilities based on our basic policy of “working together.” Although our employment rate for people with disabilities fell short of the previous year according to our statutory report for fiscal 2008 (dated June 1), subsequent recruitment activities brought our employment rate back up the year-ago level by the end of March 2009. We remain committed to employing more people with disabilities and increasing the range of eligible job opportunities in the future.

#### Employment of People with Disabilities at 17 Major Group Companies

	FY2007	FY2008
Employment rate	1.64%	1.58%

Note: Tabulated from reports (as of June 1) by each company to the Public Employment Security Office

## Example initiative

## Citizen Watch

### Improving internal communication

One of the Technical Development Division's aims last year was to transform the culture within the division and develop human resources. As one of our initiatives, we made improved communication to harness our combined strengths as a key priority. As a large division, we needed to address two main issues, namely (1) difficulties maintaining communication with all members of staff as part of daily operations and (2) insufficient interaction between employees in different departments.

In an effort to resolve these issues, we organize a series of two or three lunches each month whereby a number of employees are invited to join the Senior General Manager and Deputy Senior General Manager for lunch. After having lunch together, members of staff start to interact more naturally with one another when their paths cross at work, creating an atmosphere that is more conducive to discussion. Feedback from younger members of staff has included comments such as “I was a bit nervous, but I was able to talk to the Division Manager and Deputy Manager for the first time and get to know them a little better” and “it was a good opportunity to talk to people from other departments.” We intend to continue lunches such as this in the future so that all members of staff can take part.



Lunch meeting