

The Citizen Group's Environmental Management

Citizen's Vision for the Environment and Society, Environmental Policies

We have revised the Citizen Group Environmental Policy in line with our Vision for the Environment and Society in 2025. We have also adopted the slogan “Small is Eco” in an effort to capture the common purpose spanning all of our Group companies.

We have long since focused on improving productivity within the Citizen Group, revolving primarily around our compact precision technology. From an environmental standpoint, this is based on the equation “improving productivity = reducing environmental impact = generating profit”. Looking at it another way, you could regard this as environmental value, in terms of saving space, resources and energy. We realized that we were already implementing fairly extensive environmental activities on a daily basis as part of our manufacturing operations.

Citizen's Vision for the Environment and Society in 2025

Based on our philosophy of “Contributing to and Striving to be Respected by the Citizens of the World,” we contribute to a citizen-based sustainable society in which people can enjoy life with a sense of security and fulfillment. Citizen offers products that are always close at hand and are good for people and the world.

Enacted July 20, 2004
Revised April 1, 2007

Citizen Group Environmental Policy Slogan

“Small is Eco”

- Promoting downsizing**
We will minimize environmental impact through production and technological innovation and reduce CO₂ emissions whilst also generating profits.
- Creating new environmental value through Citizen Environmental Products**
We will identify new environmental possibilities through our products and components.
- Minimizing environmental risks**
We will comply with worldwide environmental legislation (REACH regulations, US regulations, Chinese regulations, etc.)
- Enhancing communication with local communities through environmental and social contribution activities**

Revised April 1, 2010

By adding an environmental (ecological) dimension to our existing efforts to manufacture products that are as small as possible, we came up with the slogan “Small is Eco”, a principle that we intend to establish as a form of environmental value throughout the Citizen Group.

Targets and Results for Fiscal 2010

Evaluations:○: Achieved
△: Partly achieved
×: Not achieved

Targets for FY2010	Results for FY2010	Evaluation
1. Downsizing		
•We will minimize our impact on the environment through production and technical innovation, reducing CO ₂ emissions while generating profits.	Tokyo: Activities carried out to address 94 objectives Tokorozawa: Activities carried out to address 38 objectives	
•We will select environment-related objectives from our business targets (policy management): resource conservation, energy conservation, space saving, enhanced recyclability, reduced chemicals consumption, increased operation ratio, etc.	Citizen Watch applies the concept of expected effect to calculations of the results of downsizing	○
2. Creating new environmental value through Citizen Environmental Products		
•We will identify new environmental possibilities through our products and components.	• No specific actions were taken. • Some premises replaced hazardous chemicals and maintained chemicals management.	
•We will create new value of the Eco-Drive (watch).	• Overseas environmental certifications were obtained (Taiwan's Green Mark certification obtained in November 2010).	△
3. Minimizing environmental risks		
•We will comply with worldwide environmental legislation.	Information on amendments to the REACH regulation, U.S. regulations, Chinese regulations, and other regulations was collected.	○
•We will comply with the Act on the Rational Use of Energy, and specifically cut CO ₂ emissions from power and gas consumption by 1% per annum in principle.		
Reduce CO ₂ emissions at Tokyo offices by 50% (11,800 tons) compared with FY1999	Reduced CO ₂ emissions by 54% compared to fiscal 1999 (10,803 tons)	○
Reduce CO ₂ emissions at Tokorozawa offices by 12.6% (10,900 tons) compared with FY1999	Reduced CO ₂ emissions by 17% compared to fiscal 1999 (10,346 tons)	○
•Promoting waste reduction activities		
Reduce and manage industrial waste at Tokyo offices	Reduced 64% (100 tons) compared with FY1999	○
Reduce and manage industrial waste at Tokorozawa offices	Reduced 50% (85 tons) compared with FY1999	○
Achieve a 99% group-wide recycling rate	99%	○
4. Bolstering communication with local communities through environmental and social contribution activities		
	Undertaken as part of CSR activities	○



For more detailed information, please refer to our website.

Citizen Holdings > CSR Activities > Citizen and the Environment >

Citizen's Vision for the Environment and Society / Environmental Policies

Environmental Management

Environmental Management System

We have established a group-wide environmental management system to efficiently and precisely promote environmental management throughout the Citizen Group. We hold two meetings of the Group Environmental Management Committee each year, bringing together environmental managers at domestic offices to ascertain progress with activities at each company, review annual environmental management policies and common issues, and make decisions accordingly.

Our domestic production companies have obtained ISO 14001 certification and conduct environmental management based on the nature of their business.

At our overseas production companies meanwhile, we focus on initiatives that are crucial to manufacturing environmentally-friendly products, including green procurement and chemical substance management, and continue to make steady progress in terms of ISO 14001 certification. We also carry out activities aimed at reducing environmental impact at non-manufacturing companies, based on the nature of each company's operations.

Environmental Education and Awareness Building Efforts

In practicing environmental management, it is essential that all Group employees are aware of the importance of the activities. For instance, Citizen Holdings' Tokyo Office incorporates environmental education into its training for new recruits. It also provides Environmental Personnel Training, Internal Auditor Training, and Environmental Statutory Compliance Assessment Training annually for personnel working on the environment in each department. Production departments handling toxic, harmful, and other hazardous substances conduct emergency drills.

We have introduced the Citizen Business License scheme, an original scheme that encourages and supports proactive efforts to acquire public qualifications such as those for pollution control managers and energy managers.

Business Activities and Environmental Impact

We accurately ascertain the total input of energy and chemical substances, and total emissions of CO₂ and

Example Initiative

Introducing Environmental Accounting Book Scheme to Build Environmental Awareness amongst Employees

Based on the awareness that the sensitivity of individual employees is fundamental to action, Citizen Finetech Miyota runs an environmental accounting scheme. For fiscal 2010, the number of participants in the scheme surged to 433, or 61% of all officers and employees. While keeping records of their household lighting, fuel expenses, and other items, more and more employees are taking actions in their households, such as investing in solar power generation and other renewable energy, or switching from liquefied petroleum gas to utility gas and other sources of energy with reduced global warming potential, to reduce carbon dioxide emissions. Meanwhile, an increasing number of employees are involved in the CO₂ Reduction Action Campaign and the Shinshu Eco-Point Program run by the Nagano Prefectural Government. This initiative allows participants to use their existing environmental accounting books while becoming involved in local community activities. To encourage family- and community-wide activities that are vital to today's society, we will strive to increase the use of environmental accounting.



An awards ceremony under the environmental accounting scheme

Environmental Risk Management

Our environmental risk management activities within the Citizen Group cover areas such as compliance with environmental legislation, management of chemical substances contained in our products, waste and recycling governance and measures to combat soil and groundwater contamination. We aim to implement effective measures at all Group companies based on information exchanged via the Group Environmental Management Committee.

waste, for the Group and apply this knowledge to well-planned activities to reduce environmental impacts.

INPUT		
Total energy input (GJ)	Japan Overseas	2,358,062 1,062,238
Water resource input (km ³)	Japan Overseas	1,676 1,998
Repeated use of water within the organization (km ³)	Japan Overseas	384 7
Chemical substances input (tons)	Japan Overseas	574 2,547
Containers and packaging used (tons)	Japan Overseas	619 1,209

Citizen Group's business activities

OUTPUT		
CO ₂ emissions (tons-CO ₂)	Japan Overseas	94,198 38,577
BOD emissions (tons)	Japan Overseas	43 19
NOx emissions (tons)	Japan Overseas	6 6
COD emissions (tons)	Japan Overseas	7 79
SOx emissions (tons)	Japan Overseas	5 5
Waste generated (tons)	Japan Overseas	6,967 2,906
Water drainage (km ³)	Japan Overseas	1,343 1,377
Waste land-filled (tons)	Japan Overseas	22 1,790

Input and output data does not include environmental impact at the distribution/sales, usage or procurement stages.

Period: April 1, 2010 to March 31, 2011

Scope: 21 domestic companies, 10 overseas companies



For more detailed information, please refer to our website.

Citizen Holdings > CSR Activities > Citizen and the Environment > Environmental Management / Business Activities and Environmental Impact

Citizen Group CSR Report 2011