

Third-Party Comments



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The report conveys that the corporate principle of “contributing to striving to be respected by citizens of the world” incorporated into the group name has taken hold among employees and is put into practice in work sites. The Citizen of the Year Program, conducted annually since 1990, not only embodies this corporate principle, but is noteworthy for its scrupulous and fair screening process.

The reported examples from Chinese subsidiaries include measures to create worker-friendly workplaces, efforts to improve internal communications, and organizational measures such as reform of human resource programs as well as the establishment of a branch police station adjacent to the company to improve safety, the installation of a postal ATM to enhance convenience, and consideration of the creation of a park. These social contribution measures designed to enhance community development taken in collaboration with local governmental bodies are noteworthy examples of pioneering activities.

In contrast, reporting on these types of pioneering measures overseas is fragmentary, and it is difficult to get an overall picture. The overseas subsidiaries of many companies, particularly in Asia, face uncertainty in measures addressing issues of the environment, human rights, and labor practices, and understanding these issues and controlling them is an urgent matter. The Citizen Group has a high percentage of overseas employees—just under 70 percent—and overseas sales account for more than 60% of total sales, and consequently, comprehensive reporting of overseas CSR activities is vital. I look forward to seeing this in the future.

I conducted interviews to write this opinion. From these interviews, I learned that risk management is given a prominent position in the performance of CSR activities and that PDCA is performed by the Management Committee to deal with management risks and by CSR divisions to deal with operational risks. I can imagine that there are action plans and targets based on these activities, but this report includes information only on the Medium-Term Environmental Plan 2018, which focuses on environmental activities. As a result, it is difficult to understand the progress of CSR activities as a whole. The status of implementation of individual programs is well understood, but there is a sense that the degree of attainment of targets with respect to current activities and issues that need to be addressed in the future cannot be seen. I think it would be advisable to consider disclosing medium to long-term action plans and reporting on their progress.

Also, under Citizen's CSR programs, issues relating to the Group Code of Conduct are identified by taking into consideration stakeholder needs and priority issues, but how reporting topics are selected is not indicated, giving rise to the question whether there are important issues that were not reported. Reporting about this topic selection process too will not only contribute to deepening reader understanding, I believe it will also lead to higher confidence in the report content. I have high expectations for improvement in this area in the future.

The Carbon Disclosure Project is a symbol of the demands placed on companies to make accurate disclosures of information concerning environmental issues as well as the importance of raising reliability. I recommend that the company consider third-party verification of the appropriateness on the range of activities in environmental, economic, and social data as well as accuracy and reliability in data calculation methods.

* These comments do not indicate whether measurements or calculations in this report were performed accurately and in compliance with preparation standards for environmental reports recognized as fair and proper or whether matters are reported without omission.

Response to the Third-Party Comments

I would like to thank Mr. Tokura for his valuable opinions. The Citizen Group is undertaking business activities with the aim of becoming a truly global company as described in the Citizen Global Plan 2018 medium-term plan. We are aware that in addition to legal compliance, building trust with the public and creating new value through dialogue with society are important. With regard to the overseas business development that was pointed out, we are currently conducting systematic investigations of key risk management issues and making improvements, and the next step will be undertaking comprehensive management of Group-wide activities including environmental activities.

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