

## Message from the Management

Bringing forth  
on a world stage the  
ideals inherent in the  
Citizen company name  
will allow us to achieve  
sustainable growth  
and development.



## Becoming a Truly Global Company

The Citizen Group unveiled the Citizen Global Plan 2018 in February 2013. This plan defines the path that the Group will take as it strives, in a rapidly changing market environment, to achieve sustainable growth and develop into a truly global company by fiscal 2018, the final year for the plan.

During fiscal 2013, the first year of the global plan, we undertook thorough efforts to reinforce our business structures. We introduced large-scale organizational restructuring and optimized human resources, revising core compensation and human resource systems. By pushing through with these initiatives, we aim to transform Citizen into a new company prepared to address the challenges of a new era. During the year, all employees drew together and assiduously sowed the seeds of this transformation.

## Transforming Ourselves through the Strength of Our Human Resources

We must promote the globalization of our human resources, not just our manufacturing and sales functions. The Citizen Group believes that the personnel needed for it to become a truly global company must have three essential qualities: they must take the lead and not be afraid to act; they must be cognizant of potential problems as well as highly aspirational; and they must have a strong sense of volition. I believe that invigorating employees who have these characteristics will transform us into a truly global company. To achieve these aims, we will invite lecturers from outside the Company to conduct training and expose our people to other industries, encouraging outward-directed measures giving our employees new resources to encourage their growth.

## Promoting Environmental Initiatives from a Global Perspective

Our environmental initiatives are based on the Citizen Group Medium-Term Environmental Plan 2018, which aims to enhance environmental management from a global perspective. We have formulated an action plan we call Eco-Action 100, and are pursuing activities toward medium-term targets. As part of these initiatives, we are reinforcing Group governance and promoting more-efficient environmental management by transitioning to consolidated Group certification under ISO 14001. Through consolidated certification, we expect to slim our systems and review and improve monitoring and supervision. Going forward, we will continue to strengthen our environmental management activities from a global perspective.

## Realizing the Ideals Inherent in the Citizen Company Name

Our company name clearly illustrates our desire to be a citizen of society. By this, we refer to people with a spirit of freedom who embody a culture that promotes reform—people who continuously effect change by taking on challenges on a daily basis. We have named our company Citizen to underscore our ideal of contributing to the development of such people. The company name of Citizen represents the point of origin for all we undertake and serves as an unswaying reference in times of indecision. We believe that retaining this awareness as we go about our daily business is in itself a CSR activity. I would ask all employees to carefully consider the meaning of our company name.

## Providing Value to Society through Our Business Activities

In addition to conventional CSR activities, social expectations have evolved toward an expectation of CSV, for “creating shared value.” Since the time of its establishment, the Citizen Group has been active in grassroots initiatives, promoting activities that contribute to society. From here on out, I believe it will also be important to consider how such actions link to corporate value. Looking back, efforts to meet customers’ needs led us to develop the world’s first solar-powered analog wristwatch, the solar-powered Eco-Drive, which greatly reduces power consumption; and Japan’s first wristwatch for people with visual disabilities. Ultimately, each of these products addressed a societal issue, and in this sense I would say they delivered CSV. Put another way, I believe that acting as a “citizen” in the course of our business activities leads to the creation of corporate value.

From here on out, to address the issues society faces from a more global perspective I would like to see us create value through our businesses by providing products and services as the Citizen Group through collaboration both inside and outside the Company. I will be entirely behind employees driven by a love of challenge as they undertake these endeavors.

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