

# Responding to Conflict Minerals and Human Rights

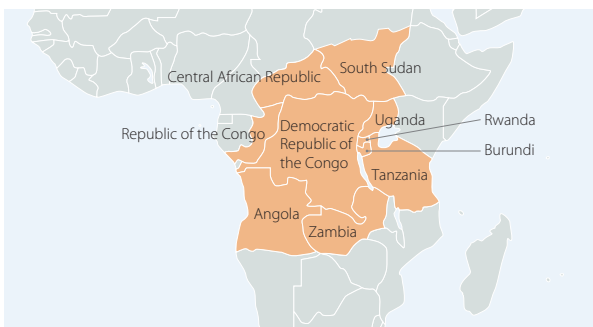
The Citizen Watch Group recognizes that tantalum, tin, gold, and tungsten (“conflict minerals”) produced in DRC countries\* represents an important source of funding for armed insurgents in these countries. Recognizing this issue to be of major international importance, we and our business partners pursue responsible procurement to ensure against complicity in human-rights abuses.

We have asked Ms. Taniguchi, from Amnesty International Japan, to explain the situation regarding conflict minerals and producing countries.

## Realizing a Society without War Initiatives to Protect Human Rights

The concept of “conflict minerals” ballooned into a major international issue due to the role these minerals have played in providing funds to support protracted conflict by armed insurgents in the Congo. Extended conflict prompts declines in public safety, and attracts a host of human-rights abuses, such as the use of child soldiers and the abuse of women. Stamping out the use of conflict minerals is akin to helping protect the human rights of children and women.

In the past, global companies have been keen to reduce their environmental impact and eliminate practices such as child labor, and have taken an early stance in these areas. Awareness of conflict minerals remains low, however, and the link between using such minerals and contributing



\* DRC countries: The 10 countries identified in the Dodd-Frank Wall Street Reform and Consumer Protection Act as being producers of conflict minerals



Children working in tin mines

to human-rights abuses in conflict-plagued areas is not well recognized. The fact that the term “conflict minerals” has even emerged suggests an increase in awareness and a small step forward to resolving this international problem.

I believe that if global companies address the issue of conflict minerals head on, consumer awareness will change. Consumers will then become willing to pay slightly more for “conflict-free” products that do not employ conflict minerals. Once society accepts “human rights expense” as a cost incurred in the same manner as raw materials, labor, and advertising expenses, the issue of conflict minerals will surely fade away. Being involved in this process is also certain to generate corporate trust.

As a global company, I hope that Citizen will continue to eschew the use of minerals throughout the Group.

(Ms. Reiko Taniguchi, Amnesty International Japan)

## Promoting CSR Procurement

The Citizen Electronics Group promotes CSR procurement to fulfill its social responsibility throughout the supply chain. Specifically, it asks suppliers to comply with the CSR Procurement Guidelines, a statement of requirements concerning observance of human rights, environmental protection, occupational safety and health, fair trade, and so on in accordance with the United Nations Global Compact and the Citizen Group Code of Conduct. We will continue strengthening partnerships with our business partners to ensure social responsibility is practiced throughout the supply chain and our craftsmanship is loved and favored by customers.