

We will realize the Citizen Group's CSV*¹ and resolve social issues.

In doing so, we aim to be a company striving to be respected and trusted by the citizens of the world.



Entering the Next Stage in Realizing Further Growth

Our medium-term management plan “Citizen Global Plan 2018” commenced in fiscal 2013. With the conclusion of the first three years of the plan, fiscal 2016 represents our entrance into the next stage in realizing further growth under the second half of the plan. During the first half of the plan, we adopted and engaged in thorough initiatives in structural reform and reinforcement, including the integration of our manufacturing companies. However, we have still yet to see the accomplishments of these initiatives from such perspectives as improved profitability. In the next three years, we will make efforts to further reinforce our business structure while conducting aggressive marketing activities. Specifically, we will make efforts in Group-wide cooperation. By managing human resources and infrastructure in a more effective manner, I believe we can enhance the Group’s comprehensive power. To this end, we intend to transition Citizen Holdings to an operating holding company structure, dissolving the current Citizen Watch Co., Ltd., and taking on that name for the new company’s trade name. With this transition, we will promptly enhance Group functions and strengthen Group cohesiveness.

Providing Solutions with Citizen’s CSV^{*1} Initiatives

In March 2016, Citizen Watch released the ethical luxury watch brand CITIZEN L, the first of its kind in the watch industry. CITIZEN L brand watches not only offer beautiful designs; they are sustainable watches that give consideration to people and society as a whole, which only a manufacture d’horlogerie like Citizen can make. By giving consideration to the environment and human rights, we ensure the CITIZEN L brand’s transparency in terms of responding to conflict mineral issues and disclosing CO₂ emission amounts. As ethical products like CITIZEN L can help lead to the resolution of social issues, the selection of such products provides consumers with a new sense of values.

The creation of such offerings as CITIZEN L that not only satisfy the customer but also raise awareness of social issues and lead to their eventual resolution while, at the same time, contributing to corporate profits is precisely the kind of solution we are aiming for with our CSV initiatives. Furthermore, from the early stages of conception, CITIZEN L was created by female employees who were aiming for CSV. In that sense, as well, CITIZEN L has been a epoch-making project.

CITIZEN L demonstrates our corporate attitude. While CITIZEN L represents a CSV initiative in just one brand, we will leverage the strengths we have cultivated in each of our businesses to promote further CSV initiatives Group-wide going forward.

Promoting Diversity, an Indispensable Factor in Realizing Further Growth

In March 2016, the Citizen Group welcomed its first female director^{*2}. At Citizen, our ratio of female employees is at a standard level globally, and we have established a welcoming environment for female employees, reflecting, among other factors, the high percentage of female employees who have returned to work after taking childcare leave. However, historically, Citizen has not had a high number of female employees, and we view the low percentage of female employees in managerial positions as a serious issue demanding our prompt attention. As such, we aim to have female employees account for more than 7% of our managerial staff by the end of March 2021. To this end, we will establish an even more welcoming environment for female employees through such means as creating career plans, cultivating a workplace culture that encourages female employees to play an active role, and making reforms to internal systems. I believe that, amid these efforts, welcoming our first female director into the Group will have an extremely positive impact internally.

The Citizen Group will continue to promote diversity as it aims to become an enterprise that generates synergies among diverse human resources.

Striving to Be Respected and Trusted by the Citizens of the World

Citizen aims to enhance its corporate value and realize sustainable growth as a truly global company. To achieve this aim, we will maintain an awareness of social issues amid constant social change and promote in-depth communication with our customers and society as whole, using our corporate philosophy and code of conduct as our foundation. We will also engage in business planning and development that allows us to be one step ahead of our competitors in offering the products and services customers need. In these ways, we will continue to expand our business together with society. In fact, growing together with society represents the essence of the Citizen Group’s approach to CSV. By further pursuing this kind of growth, we aim to be a company striving to be respected and trusted by the citizens of the world.

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Toshio Tokura
President and CEO
Citizen Holdings Co., Ltd.

^{*1} CSV: Creating Shared Value

CSV represents efforts made by the Citizen Group to create shared value through its core business in order to resolve social issues.

^{*2} The Citizen Group’s first female director is the chief executive officer of Citizen Watches Australia Pty Ltd.