Putting CSV into Practice Group-Wide



# Tackling the Challenge of Ethical Manufacturing

Taking action now to build a better future

Citizen has continued to create products that are both people-friendly and environmentally friendly, including its "Eco-Drive" and "Super Titanium $^{\text{TM}}$ " series of watches. Currently, we are further promoting our CSV initiatives and tackling the challenge of creating ethical watches.

#### Creating Watches That Realize an Ethical Spirit

At Citizen, we asked ourselves, what kind of efforts can we make to better connect our products to the resolution of social issues?

The answer to our question was ethical manufacturing.

The word "ethical" implies an approach that attempts to resolve social issues.

In addition to giving consideration to the natural environment, ethical initiatives work to realize production, distribution, and consumption that bear in mind human rights and social norms.

Ethical initiatives include improving work environments,

resolving poverty issues in developing countries, and engaging in fair trade.

With the spirit of ethical initiatives resonating throughout the Citizen Group,

we have created CITIZEN L Ambiluna, a luxury watch that offers new value and a fresh sensation.





## Providing a New Luxury Watch That Embodies Confidence and Courage

At Citizen, we believe that beautiful things emanate from a beautiful mind. This belief means that our products have a rich story behind their creation and give consideration to people and society as whole, rather than being just something worn in extravagance.

This belief also reflects our 21st century view on luxury, which is having a product design with universal and timeless beauty.

These days, an increasing number of consumers are selecting products based on the new value they offer, not just their price.

For example, consumers now have the option to choose products that are made through sustainable initiatives that give consideration to people, society, and the natural environment.

These products include cosmetics that were not tested on animals, jewelry that does not use conflict minerals, and fashion apparel that uses organic cotton. Equipped with the light-powered "Eco-Drive" technology, CITIZEN L Ambiluna is a watch that possesses both beauty and an ethical spirit. Accordingly, CITIZEN L Ambiluna embodies confidence and courage for women seeking to make the world a better place.

#### Assessing Our Current Course of Action as the Culmination of CSV

At Citizen, we give consideration to what we can do now to build a better future. While making superior products that sell is an obvious task for us as a corporate group, these products must also be good for the environment, people, and society itself. As such, we place equal importance on activities to improve corporate value and initiatives to resolve social issues.

The creation of CITIZEN L Ambiluna represents exactly the kind of efforts we can engage in today to make tomorrow even better.

The passion incorporated into CITIZEN L Ambiluna and the process we use to manufacture the watch embody the culmination of CSV.

Going forward, we will continue to take initiatives to build a better future.



### Promoting the Ethical Commitment of CITIZEN L



#### Disclosure of materials

CITIZEN L is completely transparent about the disclosure of the materials—both what and how much—we use for every component.



## Disclosure of CO<sub>2</sub> emissions

We present the total volume of greenhouse gases emitted from the whole product life cycle and receive third-party\* verification, a watch-industry first.



#### "DRC conflict-free" mineral audit

We do not use any minerals sourced from smelters linked to illegal mining operations in the Democratic Republic of Congo whose profits go toward financing armed groups. (Tantalum, tungsten, gold, and tin are all examples of conflict minerals.)



## Reduced-size user manual

We eliminated the use of paper for instruction manuals by putting the watch's nine-language instruction manual online, reducing environmental impact.



## Sustainable packaging

Instead of a disposable box designed solely to protect the watch prior to purchase, we have created an improved package that can be reused for other purposes afterwards.

<sup>\*</sup> Approved by JEMAI (Japan Environmental Association for Industry) under the CFP (Carbon Footprint of Products) program.