

# Labor Practices

The Citizen Group endeavors to provide true value to stakeholders by ensuring a safe and pleasant working environment, encouraging the development of its employees' abilities and energies, and invigorating each of its workers. We conduct a variety of educational and training programs to augment skills and foster an environment where employees can further their personal growth.

## Support of Activities for Employees with Disabilities

At Citizen Watch Goodrington (China) Ltd., 13 employees with disabilities are fulfilling various roles on the production floor. Each of these employees participates actively as part of the company's valued workforce. We are innovating and improving operations so that employees with or without disabilities can further enhance their potential. In doing so, we are making concerted efforts to create a welcoming work environment for all employees.

The Citizen Group regards the employment of people with disabilities as a social responsibility of a public entity to secure a valuable addition to its workforce and does not do so simply because it is stipulated by law. Under this belief, we aim to be a lively enterprise where all employees have a proper understanding of disabilities and diversity and are

able to work together by leveraging the strengths of others while fully exercising their own abilities.



Innovations being made to the work environment

## An Invigorating Work Environment

Citizen Watch Goodrington listens carefully to the opinions of its employees. With the aim of it becoming an even more competitive company that works hand-in-hand with its employees, we are strengthening our communication with labor unions. In addition, we are making efforts to establish a work environment where employees can voice their opinions and suggestions at any time, not just during deliberations on important projects. The content of these efforts is shared between the company and labor unions.

Furthermore, we are enhancing our employee welfare programs and taking initiatives to deepen exchange among employees by holding athletic meets and basketball tournaments. In these ways, we are focusing our efforts on establishing a welcoming work environment where employees can

better understand each other and carry out their duties with peace of mind.



Basketball tournament

## IkuBoss Conference

The term *IkuBoss* refers to managers or supervisors who are understanding of male employees and subordinates' participation in raising children and work to establish an environment where employees can balance their work life with parenting through the promotion of childcare leave and other means.

Citizen Electronics Co., Ltd., held visiting lectures on *IkuBoss* sponsored by the Fujiyoshida City Gender Equality Promotion Council. At these lectures, employees who are raising children engaged in discussion with their supervisors on establishing an environment that is conducive to maintaining a work-life balance. While these employees are highly satisfied with the company's childcare leave, many expressed the need for the company to make it easier to

take regular paid leave as well as the need to control over-time hours. Through such discussion, these lectures offered an opportunity for us to reconsider the current state and future outlook of the workplace.



*IkuBoss* lecture

# Human Rights

Recognizing itself as a member of international society, the Citizen Group values and respects the different cultures and customs of other countries and seeks to eliminate discrimination in all forms. Meanwhile, we accept and respect employees' characters, individuality, and diversity in our efforts to achieve further increases in corporate value.

## ▶ Initiatives to Prevent Harassment

In June 2015, Citizen Holdings, Citizen Watch, and Citizen Business Expert Co., Ltd., established regulations related to the prevention of sexual harassment and power harassment, which have become major social issues. In conjunction with the establishment of these regulations, we invited Yasuo Mikami, an attorney, to conduct a seminar on harassment prevention at our offices in September 2015. This seminar served as a way to raise employee understanding and awareness of harassment as well as to ensure compliance with in-house regulations. The seminar targeted management personnel who held a position above section head and shared practical and specific details on harassment, focusing primarily on situations during day-to-day work where harassment often occurs. In doing so, the seminar provided our management personnel with an opportunity to deepen their understanding of harassment prevention and in-house regulations.

Going forward, we will continue to make efforts to establish a healthy work environment by further enhancing employee understanding toward harassment prevention and thoroughly enforcing in-house regulations.



Seminar on harassment prevention

## ▶ People-Friendly Corporate Management

The Citizen Group has made a swift entrance into Thailand, with several production bases already established. We position the country as a primary location for our manufacturing bases following China.

In 2001, Keiichi Nakajima, the current president of Citizen Machinery Co., Ltd., set up Citizen Machinery Asia Co., Ltd., with only three employees. At a time when most companies considered local hiring to be only for the purpose of providing manpower, Mr. Nakajima respected and valued his employees as important business partners. Due to the success of that approach, Citizen Machinery Asia became a model for Japanese companies' entrance into Thailand and was publicly honored by the country's king.

Carrying on this tradition of respecting and valuing employees, we hold regular events to communicate to our employees the excitement and importance of working

together as a team as well as to encourage them to act independently.



Citizen Machinery Asia employees

## ▶ Response to the Act to Advance Women's Success in Their Working Life

To create an employment environment where women can play an active role, the Citizen Group is taking steps to enhance career training and has established various action plans, including plans to reform work habits to place greater emphasis on maintaining a work-life balance. In addition,

Citizen Holdings, Citizen Watch, and Citizen Business Expert, which are scheduled to merge into one company in October 2016, have set a target to have more than 7% of female employees working as managers by fiscal 2021; as of fiscal 2015, the percentage of female managers was 5.7%.