

The CITIZEN Group's CSR

Our Approach to CSR

We have established the “Citizen Group Code of Conduct” based on the corporate philosophy, “Loved by citizens, working for citizens.” We believe that CSR activities contribute to the resolution of social issues, through disseminating this Code of Conduct to each and every employee and ensuring that it is practiced.

The concept of broadly contributing to the lives of

people throughout the world, through ‘manufacturing of products that are loved and trusted by citizens,’ has been a part of our company since its foundation. In addition to offering good products, the CITIZEN Group also aims to meet the demands of society through its corporate activities and to be a corporation that continues to be indispensable.

Features of Our CSR Activities

While referring international social standards such as the United Nations Global Compact, in FY2016 we revised the “Citizen Group Code of Conduct,” which embodies our corporate philosophy and solidifies the foundation of our CSR activities going forward. In addition, we reassessed the directionality of our CSR initiatives to date, based on factors such as the social landscape and demands from stakeholders including our customers and clients, and defined materiality

(material issues). We began “Workshop for Employees Raising Children” to create a pleasant work environment, published the group-wide “CSR Procurement Guideline” to advance responsible procurement, and encouraged environmental innovation to produce new, environmentally friendly products. Since April 2017, we have cooperated in temporary employee transfers to the Global Compact Network Japan.

*Please see the relevant pages of this digest and our CSR website for details on materiality.

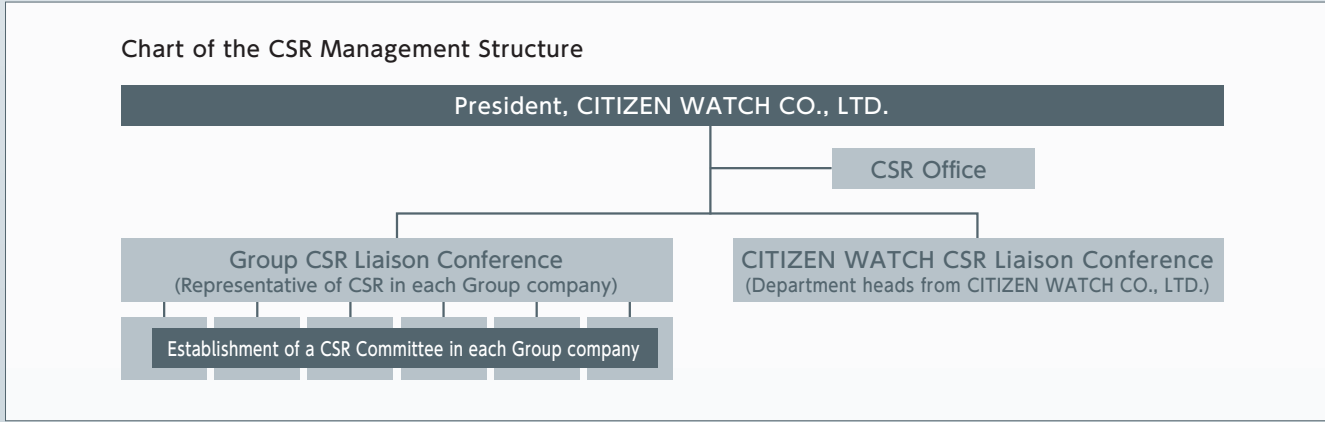
CSR Management Structure

In October 2016, the three companies of CITIZEN HOLDINGS CO., LTD., CITIZEN WATCH CO., LTD., and CITIZEN BUSINESS EXPERT CO., LTD. merged to begin corporate activities as the newly formed CITIZEN WATCH CO., LTD. Coinciding with this merger, we reassessed and reinforced the CSR activities implemented as the CITIZEN Group up to that point.

Centering on the CSR Department of CITIZEN WATCH, the CSR committee and CSR department in each Group company collaborate and share information. The CSR departments in each group

company periodically meet and hold a Group CSR Liaison Conference in which they discuss directions and measures regarding group-wide activities, and share best practices within the Group, such as confirming the status of activities in each company.

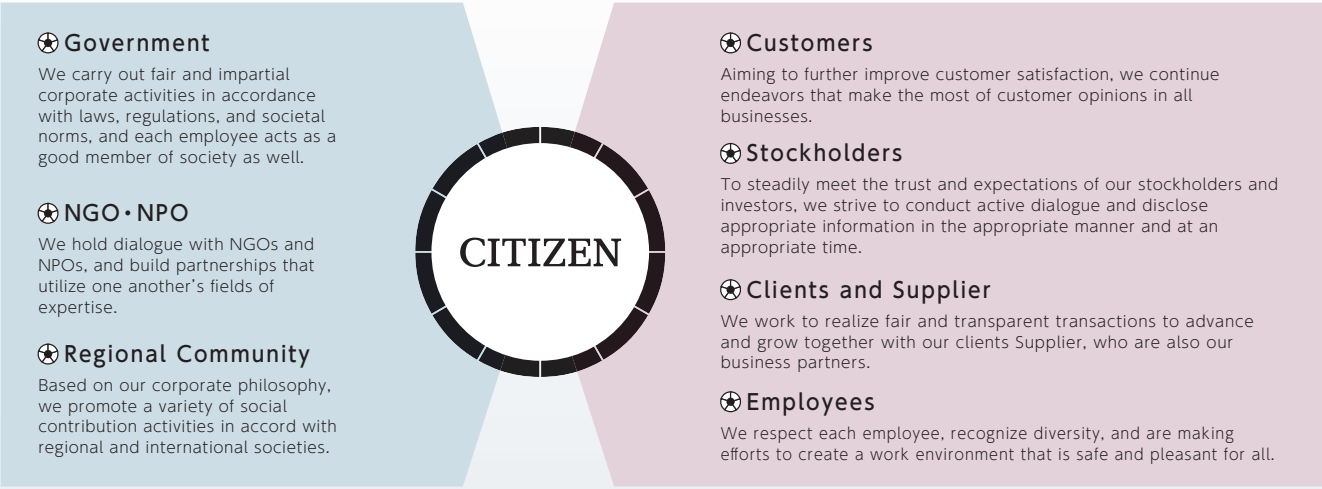
In addition, the CITIZEN Group has linked its CSR objectives to the “Citizen Group Code of Conduct,” and practices CSR activities in which everyone participates so that each employee contributes what they can to society on a daily basis without ever forgetting the origins.



Relationship with Stakeholders

The CITIZEN Group conducts corporate activities with the support of various stakeholders. We also communicate daily with our stakeholders to achieve our corporate philosophy, “Loved by citizens, working

for citizens.” We endeavor to gain the trust of society and appreciate our relationship with our stakeholders as we aim to be a corporation capable of continuing to provide value.



The CITIZEN Group's Materiality and Sustainable Development Goals (SDGs)

To establish materiality, the CITIZEN Group contemplated social issues important to society and our stakeholders, and examined them against our corporate philosophy, Code of Conduct, and business strategies from our medium-term management plan and other schemes in order to determine which are of the utmost importance to the CITIZEN Group. Moreover, linking the topics considered material to the CITIZEN Group to the

United Nations Sustainable Development Goals (SDGs) serves to reaffirm the importance of a sustainable society and clarifies anew what the CITIZEN Group can do to that end through its business activities.

The CITIZEN Group is taking long-term action and working earnestly to realize a sustainable society to take responsibility as a member of international society and become a “solid global company.”



3.GOOD HEALTH AND WELL-BEING 5.GENDER EQUALITY 7.AFFORDABLE AND CLEAN ENERGY 8.DECENT WORK AND ECONOMIC GROWTH 10.REDUCED INEQUALITIES 12.RESPONSIBLE CONSUMPTION AND PRODUCTION 13.CLIMATE ACTION 14.LIFE BELOW WATER 15. LIFE ON LAND 16.PEACE, JUSTICE AND STRONG INSTITUTIONS 17.PARTNERSHIPS FOR THE GOALS