

Our Material Issues

Advancing Responsible Procurement



Citizen Group's Procurement Basic Policy

Citizen group provides various kinds of products/services under its corporate philosophy "Loved by citizens, working for citizens." For the procurement of articles and services necessary for this, we have decided the following procurement basic policy in order to carry out fair, transparent, and free trading.

1. Fair and transparent trading

For the procurement of articles and services, we select our partners based on ethical standard measuring their compliance with laws and regulations, and social norms besides quality, price, and delivery date.

2. Compliance with laws and regulations, and social norms

We will comply with laws and regulations, and social norms of each country.

3. Respect for human rights and considerations for work environments

We respect internationally declared human rights standards and promote procurement activities with considerations for work environments.

4. Promotion of Green Procurements with considerations for the environment

To promote environmentally-friendly manufacturing, we adopt components with less environmental loads in a preferential manner, to contribute to the reduction of loads on the global environment.

5. Co-existence and co-prosperity with partners

We will build a better partnership with all the partners with whom we can share the goal, either in Japan or overseas.

Advancing Responsible Procurement

As part of the CITIZEN Group's corporate activities oriented towards becoming a "solid global company," one initiative we are pursuing is CSR procurement. Supply chain-related corporate procurement activities connected with social issues such as effects on the environment and problems with work environments are subject to increasing attention from consumers and society.

Within the CITIZEN Group, CITIZEN ELECTRONICS has led the way by inaugurating serious CSR procurement initiatives in June 2010. CITIZEN ELECTRONICS' corporate activities conforming to its adoption of international certifications such as ISO 9001 and ISO 14001 are the basis of its CSR procurement system.

Most of CITIZEN ELECTRONICS' clients are repeat customers. The company will build positive relations with its clients, work to grow together with them, discuss CSR procurement initiatives via daily communication, distribute "CSR procurement guidelines" to all clients, and request declarations of agreement with said guidelines.

At CITIZEN ELECTRONICS, once each year, we

conduct a "renewal examination" that checks areas such as ISO 9001, ISO 14001, human rights, and corruption prevention in order to grasp the status of our CSR procurement initiatives. When corrections or improvements are necessary, we request reports on corrective measures. Such procurement activity initiatives are not just a response to social issues — they create a variety of added values such as effective use of resources and corrections in manufacturing process management that enable lead time reduction; we wish to evaluate and share such examples in order to achieve further results.

In March 2016, coinciding with the publication of the "Citizen watch CSR Procurement Guidelines," we promoted CSR procurement initiatives even more proactively throughout the CITIZEN Group by conducting briefings at each Group company, sequentially distributing guidelines to clients from each company overseeing operations, and requesting the provision of declarations. In April 2017, we succeeded in publishing the Group-wide "Citizen Group CSR Procurement Guidelines." All of CITIZEN Group will continue to reinforce this initiative.

A Vision for "Ethical Product Making"

At CITIZEN WATCH, we are engaging in manufacturing that places responsible procurement activities at the forefront. "CITIZEN L" line, which features the realization of the "ethical product making" and light-powered "Eco-Drive," is created. Its individuality is expressed with approaches that assist in solving social problems related to the environment and human

rights, such as disclosure of the watch materials, a DRC conflict-free declaration rejecting the use of minerals from conflict zones, and disclosure of the amount of CO₂ emitted from the creation to the disposal of the product. "CITIZEN L" brand is now available in nearly 50 countries around the world, and it has received accolades such as the Good Design Award 2016.

What is the "CITIZEN L" ?

Not only does "CITIZEN L" feature an environmentally friendly core technology that CITIZEN has developed for many years — "Eco-Drive" that does not require regular replacement of batteries — on every model, but it is also a watch brand that realizes ethical product making that takes account of the planet, the environment, people, and society throughout material procurement and the manufacturing process. This is evidenced with features such as disclosure of materials used in the watches, a DRC conflict-free minerals audit, and disclosure of CO₂ emissions. We are offering it around the world with this commitment: "CITIZEN will do what we can for the earth, for society, and for people."



Features of CITIZEN L

CITIZEN L's Ethical Commitment

* CFP program recognition from the (General Incorporated Association) Japan Environmental Management Association for Industry

** Usage of minerals not connected to strife in conflict mineral exporting countries



Disclosure of materials

Disclosure of primary components comprising the watch as well as the amounts included



CO₂ Emissions Disclosure

A first in the world of watches: recognition from a third party organization*



DRC conflict-free** minerals audit

A strong will to eradicate usage of "conflict minerals"



Reduced-size user manual

Reduction of paper usage through digitalization



Sustainable packaging

Production of a "recyclable" watch package