

Citizen Group
Green Procurement Guidelines

Revision 14.2 Issued – July 1, 2024

Citizen Watch Co., Ltd.

1. Objective of the Guidelines

The "Citizen Group Green Procurement Guidelines" (hereinafter referred to as "the Guidelines") was established by our Company and its subsidiaries (hereinafter referred to as the "Citizen Group") to prioritize the purchase of products, parts, and raw materials with low environmental impact from suppliers that promote environmental management activities.

2. Scope of Application of the Guidelines

The scope of the Guidelines applies to the products, parts, raw materials, packing materials, packaging materials, accessories, etc. delivered to Citizen Group companies (hereinafter collectively referred to as "procured items").

However, equipment and office supplies are excluded.

3. Green Procurement Guidelines

(1) Evaluation of procured items

We have established the following Chemical Substance Control Standard Ranks 1 to 4 for substances contained in procured items (hereinafter referred to as "chemical substances contained") according to their risks involved. The names, thresholds, standards, etc. of the chemical substances contained are described in the Annex posted at the following URL.

1) Rank 1

These are standards for substances whose use in materials is prohibited.

2) Rank 2

These are standards for substances whose use is restricted by conditions such as thresholds and content parts.

3) Rank 3

These are standards for substances for which accurate information must be provided, as well as the identification and management of content and content parts.

4) Rank 4

These are standards for substances that are prohibited from use in the manufacturing process of procured items.

URL of Annex: <https://www.citizen.co.jp/global/sustainability/social/sourcing.html#green-procurement>

(2) Suppliers' quality and environmental management systems

- 1) Suppliers are requested to establish the following quality/environmental management systems for the production and distribution of procured items, or develop specific plans to establish them.
 - (i) Acquisition of certification (ISO, etc.) by external certification bodies
 - (ii) Establishment of other quality and environmental management systems other than (i), including proprietary quality and environmental management systems
- 2) Suppliers are requested to confirm that the supplier is not using materials corresponding to Rank 4 in the manufacturing process of procured items or that it has a plan for complete discontinuation.
- 3) Citizen Group may conduct an audit or investigation of your company's quality and environmental management system. In such cases, we ask for your cooperation in conducting the audit or investigation.

4. Requests to Suppliers

(1) Verification of chemical substances contained in procured items

- Suppliers are requested to verify that the procured items do not contain Rank 1 substances or Rank 2 substances that exceed the threshold values. After confirming 3(1) and 3(2), Suppliers are requested to submit the "Declaration of Conformity to the Citizen Group Green Procurement Guidelines" (hereinafter collectively referred to as "Declaration of Conformity") available at the following URL:
<https://www.citizen.co.jp/global/csr/environment/green/index.html>
- For procured items, excluding packing and packaging materials, suppliers are requested to submit, to each of the Citizen Group companies, an information communication sheet for each item.

The information communication sheet should be submitted in one of the following formats. (As a general rule, please use Form A.)

Format A:

Suppliers are requested to obtain the chemSHERPA-AI/CI tool from the following URL, create a data file, and submit it.

In principle, 100% of the ingredients must be disclosed.

<https://chemsherpa.net/english>

Format B:

Suppliers are requested to fill in and submit the information on the information communication sheet specified by us.

Please consult with each of the Citizen Group companies to which you will be submitting the information.

Format C:

Steel Inspection Certificate (Mill Sheet).

This is only required if the procured items are metal, ceramic, etc. The Steel Inspection Certificate shall contain both standard values and actual manufacturing values.

- In addition to the information transmission sheet, depending on the individual procured items and their applications, we may request the submission of analytical test results to prove conformance to the Guidelines or documents related to contents not included in the Guidelines, as necessary.

(2) Compliance with laws and regulations

Based on our compliance assessment, we may refuse delivery of a procured item if it contains a relevant substance, regardless of whether its presence is intentional or not.

(3) The Guidelines or the appendices

If there are any revisions to the Guidelines or any appendices, we will provide the revised

content to our suppliers. If the Guidelines are revised, resubmission of the Declaration of Compliance will be necessary. Additionally, if any appendices are revised, submission of the procurement confirmation document sent from each of the Citizen Group companies, as designated recipients, will be required. After the revised content is presented to our suppliers, we kindly request submission of these documents within 90 days. If you are unable to submit the required document, please contact each of the Citizen Group companies as designated recipients, promptly. If we do not receive your communication within 90 days from the date of notification, the Citizen Group will assume that you have accepted the revised content.

5. Contact information

If you have any questions about the Guidelines, please contact below.

Environmental Management Office, Citizen Watch Co., Ltd.

Postal Code 188-8511 6-1-12 Tanashi-cho, Nishitokyo-shi, Tokyo

Phone 042-468-4908 (Direct)

Fax 042-468-4655

or

The Green Procurement Department of each of the Citizen Group companies
as designated recipients

Revision history of the Green Procurement Guidelines

Issuance of the first version	June 1, 2004
Revision 2 issued	March 15, 2005
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Revision 4 issued	April 24, 2007
Revision 5 issued	April 17, 2008
Revision 6 issued	June 1, 2009
Revision 7 issued	January 27, 2010
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Revision 9 issued	September 24, 2012
Revision 10 issued	April 1, 2014
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Issuing Department: Environmental Management Office, Citizen Watch Co., Ltd.