CITIZEN Group Modern Slavery and Human Trafficking Statement for the Fiscal Year Ended March 31, 2024

This statement is made pursuant to the United Kingdom Modern Slavery Act of 2015.

The CITIZEN Group (CITIZEN WATCH CO., LTD. and its group companies) endeavors to ensure that there are no violations of human rights nor complicity in the violation of human rights in any way in our own business operations or our supply chains. We hereby provide this disclosure statement regarding our activities to prevent and tackle modern slavery and human trafficking.

1. Organizational structure, businesses and supply chains

The CITIZEN Group has been engaged in the manufacturing and sales of products in various business fields, such as Watches, Machine Tools, Devices & Components and Electronic Products, based on the compact precision technology which CITIZEN has developed since its establishment in 1918. Details of our corporate and business information can be found on the “About Us” page of the CITIZEN WATCH’s website.

Our business activities in the UK consist of sales of products and provision of services by our group companies: CITIZEN WATCHE UNITED KINGDOM, LTD. and CITIZEN MACHINERY UK LTD.

Materials, parts and some finished products used for production by the CITIZEN Group are purchased from external suppliers in and outside of Japan. The majority of our overseas suppliers are located in China, the Philippines, Thailand, Vietnam and Malaysia.

2. Policies related to modern slavery and human trafficking in operations and supply chains

-CITIZEN Group Code of Conduct
The CITIZEN Group Code of Conduct, which sets forth the basic stance of the CITIZEN Group's social responsibility and serves as a standard for the behavior and judgment required of each and every employee of the Group, has been established

and translated into 10 languages for global deployment.

-CITIZEN Group Human Rights Policy
Based on the "respect for human rights" and "responsible and sustainable procurement" as stipulated in the CITIZEN Group Code of Conduct, we have formulated the CITIZEN Group Human Rights Policy to further respect "universal and fundamental human rights" and apply the policy to all officers and employees within the CITIZEN Group.

-CITIZEN Group CSR Procurement Guideline
Through the CITIZEN Group CSR Procurement Guideline, we strongly demand that suppliers in our supply chain prohibit "forced labor, inhumane treatment, and child labor". At the same time, we require their cooperation in ensuring that the CITIZEN Group addresses social issues related to human rights, labor, the environment, and anti-corruption throughout its supply chain, to promote responsible procurement that supports the development of a sustainable society. These efforts are in line with the Ten Principles of the UN Global Compact.

-CITIZEN Group Responsible Mineral Procurement Policy
The CITIZEN Group recognizes that the use of minerals (tantalum, tin, tungsten, gold, and cobalt) originating from conflict and high-risk areas (CAHRAs), such as the Democratic Republic of the Congo and its neighboring countries, as a source of funding for armed groups, contributing to conflict, human rights abuses and environmental destruction, is an important international issue. The CITIZEN Group Responsible Mineral Procurement Policy states that the Group will not use any mineral that may contribute to human rights abuses, such as child labor and forced labor, environmental destruction, conflicts, terrorist financing, money laundering, corruption, or illicit financing through mining, trading, handling, or export. Under our policy of not using these minerals, we are conducting surveys in line with the Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict and High Risk Areas, issued by the Organization for Economic Cooperation and Development (OECD).

The CITIZEN Group has also supported the Ten Principles of the UN Global Compact since we joined in it in April 2005.

3. Due diligence process and risk assessment related to modern slavery and human trafficking

Within the CITIZEN Group, we conduct human rights and labor monitoring surveys annually in accordance with the above “CITIZEN Group Human Rights Policy” to ensure that there is no child labor or and forced labor practices. In addition, officers and employees of the CITIZEN Group can report to the internal or external compliance hotline if they know that the Code of Conduct has been, or is likely to be, violated. Whistleblowers are protected as they can report anonymously and any prejudicial treatment of whistleblowers is prohibited. The CITIZEN Group endeavors to detect and correct human rights risks as early as possible, by establishing various compliance hotlines.

An audit was conducted at the two companies in the Citizen Group where foreign technical intern trainees are enrolled. As a result, no typical behaviors or situations were identified, such as passport retention by the company and illegal long working hours.

With regard to possible human rights risks in the supply chain, the CITIZEN Group is working on group-wide risk management such as human rights and procurement risk identification and improvement under the leadership of the CITIZEN Group Sustainable Procurement Committee (human rights risks within the Group are promoted by the CITIZEN Group Human Resources Committee). Specifically, we endeavor to identify risks in the watch business by referring to the human rights risk identification method learned at the Sustainable Procurement Committee's expert workshop (first meeting in FY2021). As a result, potential risks were identified in the labor environment of suppliers that provide conflict minerals and raw materials. In FY2022, a study was made to minimize the risk of conflict minerals. We also sought to identify human rights risks at each of our operating companies.

In FY2023, on-site inspections were conducted on five Chinese suppliers in our watch business as part of efforts to address human rights risks. For FY2024, we plan to verify the labor conditions at the raw material procurement sources for our watch business. The Citizen Group will actively carry out discussions to improve measures aimed at minimizing human rights risks. With regard to our suppliers, we are working to eliminate risks in the supply chain, including modern slavery and

human trafficking, by requesting suppliers to comply with the CITIZEN Group CSR Procurement Guideline. In FY2023, supplier briefing sessions were conducted, including video streaming formats. A remote method was also used in practical surveys (referred to as supplier audits), which were conducted with 25 companies. We will continue to expand the scope of our self-assessment and factfinding surveys, and request appropriate corrective measures in cases where there is a risk of human rights violations on the part of suppliers.

The CITIZEN Group implements responsible mineral procurement initiatives in conjunction with CSR procurement. Targets and results are reported at the CITIZEN Group Sustainable Procurement Committee, which meets twice a year, and are linked to ongoing efforts and improvements aimed at realizing the CITIZEN Group Human Rights Policy.

4. Training and capacity building related to modern slavery and human traffic

To deepen understanding of the importance of human rights and how it ties into our business, we designated December as “CITIZEN Group Human Rights Month”, starting in the year ended March 31, 2019. In FY2023, our understanding was deepened with respect to gender diversity among people working in our workplaces, focusing on “promoting awareness and understanding of sexual diversity”.

Each year, the CITIZEN Group Sustainable Procurement Committee invites outside lecturers to conduct "expert study sessions" to improve procurement risks and resolve issues. In fiscal year 2023, workshops were held to learn about the practical aspects of supplier audits, by utilizing external advisory services.

This statement was approved by the Board of Directors of CITIZEN WATCH CO., LTD. on June 20, 2024.

June 20, 2024

President & CEO
CITIZEN WATCH CO., LTD.