CSR at the Citizen Group

CSR Principles

By embodying our corporate philosophy, the Citizen Group seeks to achieve sustainable development for society and growth for itself, being a company that is loved, respected, and truly needed by society. In conducting our business, we pursue CSR with the participation of all our employees based on the Citizen Group Code of Conduct, itself inspired by the spirit of the United Nations Global Compact. Moreover, to maximize the value we bring to society, we think it important to incorporate our stakeholders’ wishes and expectations into our management and to respond accurately to them. Therefore we strengthen communication with stakeholders.

CSR Promotion

The Citizen Holdings CSR Committee, with the president of Citizen Holdings providing ultimate oversight, sets policies and drafts and proposes measures for the Citizen Group. Additionally, it partners with the auditing departments of Group companies to improve their CSR and risk management programs. Together, they perform audits and evaluations on program effectiveness and efficiency, focusing on governance. The committee also conducts CSR seminars for management and whole-Group CSR/compliance training among other programs for raising awareness of these issues.

Schematic Diagram of Our CSR and Risk Management System

Relations with Stakeholders

The Citizen Group’s business activities are built upon relationships of trust with a variety of stakeholders. Our aim is to communicate with our stakeholders and to bring our corporate philosophy to fulfillment.

The Citizen Group’s Stakeholders

- **Customers**: We aim to improve customer satisfaction and to continue taking our customer feedback into consideration in all our businesses as we move forward.
- **Shareholders**: In order to ensure the trust of our shareholders and investors and to guarantee that we can meet their expectations, we proactively engage in dialogue with them and strive to disclose correct and significant information in a timely manner.
- **Suppliers and Contractors**: In order to grow and develop along with the suppliers and contractors who are our business partners, we aim to conduct our business in a fair and transparent manner.
- **Employees**: We respect each individual, acknowledge our employees’ diversity, and strive to create an environment in which anyone can work in security and comfort.
- **Government**: We conduct our business in an open and fair manner in accordance with the law and with societal norms, and each individual acts as a responsible member of society.
- **NGOs and NPOs**: We maintain dialogue with NGOs and NPOs, forging partnerships based on making use of our respective areas of strength.
- **Local Community**: We conduct a variety of social contribution programs based on our corporate philosophy in order to maintain harmony with the local community and the international community.
Citizen Group Code of Conduct

The Citizen Group formulated the Citizen Group Code of Conduct to coincide with its transition to a pure holding company structure on April 1, 2007. The Group conducts its business activities in accordance with this code, as it strives to fulfill its corporate social responsibility and contribute to the development of a sustainable society.

The company and its employees will make untiring efforts to observe this Code of Conduct. If a situation that contravenes this Code of Conduct arises, the company will strive to resolve it and prevent its recurrence, and make an appropriate public report. The company will also take strict disciplinary measures upon determining the responsibility and authority of those involved.

Effective April 6, 2007