### Approach (Society) GRI2-23 GRI2-25 GRI3-2 GRI3-3

Why Is this Important?

#### **Human Rights and Labor**

#### **Respecting Human Rights**

Canon recognizes that its business activities, including supply chains, can impact human rights in various negative ways. We believe in the importance of identifying notable human rights risks and taking countermeasures to prevent or mitigate such risks.

#### Hiring and Treatment of Human Resources/Diversity, **Equity and Inclusion**

Enterprises that operate globally have employees with varied personalities and values. Mutual respect for such diversity is critical in maximizing the potential of every individual, leading to the creation of original innovations. It also demands attractive working environments that can enable everyone to play an active part.

In line with this thinking, Canon respects the diversity of each employee, including culture, customs, language, and ethnicity. We also believe in the importance of the fair recruitment and utilization of human resources, irrespective of gender, age or disability.

#### **Occupational Safety and Health Management** The health and safety of employees is a fundamental tenet of corporate activities.

Canon believes it is essential to create safe, secure work environments for employees. This is critical to ensuring the workplace helps to foster vitality and improve productivity.

**Human Resource Development and Personal Growth** Employee growth is the source of being competitive in business. Canon believes it is critical to develop HR systems based around on-the-job training (OJT) in the workplace, while also providing career development support to help individual employees realize their goals.

#### **Sociocultural Support Activities**

Canon recognizes that business enterprises only thrive when society as a whole flourishes. While striving for the company's own growth through sound and fair business activities, we believe it is vital to help bring about a better society as a good corporate citizen.

#### Relevant Guidelines

- UN Universal Declaration of Human Rights
- The International Labour Organization (ILO) International Labour Standards
- The United Nations Guiding Principles on Business and **Human Rights**
- Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational **Enterprises**
- Children's Rights and Business Principles developed by the UN Global Compact
- UN Sustainable Development Goals (SDGs)

- Sociocultural Support Activities

- Diversity, Equity and Inclusion

### **Activity Report**

### **Respecting Human Rights**

Canon respects the human rights of all stakeholders involved in its business activities, including employees and business partners.

#### **Basic Approach**

Based on the UN Guiding Principles on Business and Human Rights, Canon respects the human rights of employees, business partners and other stakeholders involved in its business activities. Based on the advice of outside experts, Canon works to ensure human rights using the following measures: (1) formulating and reviewing the Human Rights Policy; (2) undertaking human rights due diligence; (3) instituting and operating a grievance mechanism; (4) conducting human rights awareness training; (5) activities aimed at engaging with stakeholders on human rights issues; and (6) addressing human rights risks in the supply chain. In 2021, the Canon Group Human Rights Policy was established with the approval of the Chairman and CEO of Canon Inc. as part of promoting efforts to respect human rights. Published in Japanese and English, this policy is available to all stakeholders worldwide via the Canon website.

#### **Canon Group Human Rights Policy**

Since Canon's founding in 1937, all employees have been treated the same on a fair and equal basis, without any discrimination due to status, gender, age or occupation. This stance was based on a complete respect for humanity.

Following half a century of operations, we adopted our corporate philosophy of *kyosei* in 1988. *Kyosei* is the aspiration to create a society in which all people, regardless of race, religion or culture, live and work together for the common good. It sets the goal of human happiness and prosperity above the profits earned by any single company or nation. *Kyosei* expresses our commitment to and global aspiration for a respect for humanity and makes clear the company's firm stance to working together with stakeholders around the world to achieve this.

This policy expresses Canon Group's commitment to respect human rights and to take measures to protect human rights under the corporate philosophy stated above, which we embed into our operational policies and procedures.

#### 1. Respect for Human Rights

Canon commits to respect internationally recognized human rights across its business activities, as set out in the Universal Declaration of Human Rights, International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, UN Guiding Principles on Business and Human Rights, and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises. Specifically, Canon commits to respect fundamental human rights, prohibit discrimination, harassment or violence based on such factors as race, nationality, gender, religion and creed, promote diversity, prohibit child labor and forced labor (including human trafficking), prohibit unreasonable restriction on movement, respect freedom of association and the right to collective bargaining in accordance with the laws and regulations of each country and region, pay employees wages equal to or greater than legally mandated wages, prevent excessive overtime work and grant appropriate holidays, ensure occupational health and safety, prevent occupational injuries, protect privacy, and promote responsible minerals sourcing.

#### 2. Human Rights Due Diligence

In accordance with the UN Guiding Principles on Business and Human Rights, Canon conducts human rights due diligence to identify adverse human rights impacts that are linked to its business activities, and to prevent or mitigate any adverse impacts. In consideration of the findings of human rights due diligence, Canon will review and update this policy, where necessary.

#### 3. Grievance Mechanism

Canon establishes and operates an effective internal and external reporting system to understand adverse human rights impacts that are linked to its business activities. When Canon identifies that it has caused or contributed to adverse human rights impacts, Canon will take appropriate steps to remedy the situation.

#### 4. Awareness Training

Canon conducts human rights awareness training on a continuous basis to enable its executives and employees to deepen their understanding of international initiatives relating to human rights and this policy, and to respond appropriately to human rights issues.

#### 5. Dialogue with Stakeholders

Canon communicates its human rights approach, as stated in this policy, to stakeholders through our website and other communication channels. In a series of initiatives under this policy, Canon learns from the human rights expertise of external experts and has dialogue with stakeholders such as employees and suppliers who are or could potentially be affected by our business activities in relation to human rights.

Canon seeks to contribute to our stakeholders' understanding of the international circumstances surrounding human rights. By cooperating with surveys and audits conducted by Canon, as well as with our responses to the risks uncovered through our initiatives, we encourage our stakeholders to join Canon in addressing human rights issues.

Reference: Canon Group Human Rights Policy https://global.canon/en/csr/people-and-society/pdf/hr-policy-e.pdf

#### **Promotion System**

At Canon, the CFO holds the responsibility as the executive of human rights, while the sustainability, legal, and human resources divisions of Canon Inc. serve as the secretariat, pursuing human rights initiatives. The secretariat formulates an overall plan for human

rights initiatives, establishes and operates grievance mechanisms, conducts stakeholder engagement, and reports important matters to the executive in charge. Potential human rights violation risks have been identified as a significant risk by the Risk Management Committee established by resolution of the Board of

Message from the CEO

Directors. Each Canon Inc. division and Group company is implementing initiatives to prevent and mitigate human rights risks. The results are evaluated annually by the Risk Management Committee and reported to the CEO and Board of Directors.

Reference: Risk Management Committee (→P74)

#### **Implementation of Human Rights Due Diligence**

Based on the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct, we undertake human rights due diligence across the Group, as one of the activities under the Risk Management Committee. Each Canon Inc. division and Group company identifies and evaluates the potential adverse human rights impacts in their respective business activities, including the supply chain, and identifies the salient human rights risks. Subsequently, the secretariat aggregates, analyzes and evaluates those risks, and through stakeholder engagement (→P44), identifies salient human rights risks for Canon. In assessing human rights risk, we also refer to the human rights risk country/region index provided by the RBA (Responsible Business Alliance). Additional measures have been initiated to prevent or mitigate salient human rights risks identified by Canon Inc. divisions or Group companies where it is believed current actions are deemed insufficient.

As part of an International Labour Organization (ILO) initiative entitled "Building Responsible Value Chains in Asia" funded by the METI\* in Japan, Canon's initiatives in this area were cited as an example of good corporate practices in Japan and introduced in a feature article on the JETRO website.

Feature: A New Era of Human Rights Due Diligence – As Told by Japanese Firms (Japanese website only)

https://www.jetro.go.jp/biz/areareports/special/2023/0302/ 45d4ef866d20d8b4.html

#### **Dialogues with Outside Experts**

We are actively organizing dialogues with outside experts to effectively implement human rights due diligence at Canon. In 2023, besides participating in human rights training sponsored by the United Nations Development Programme (UNDP), we sought individual guidance from the UNDP and experts worldwide to advise on future activities, based on an explanation of Canon's current initiatives and related issues, and current trends in the area. This advice will help to improve future activities.

#### **Salient Human Rights Risks for Canon**

Within the human rights risks that may arise in Canon's business activities, 11 of those were identified as salient human rights risks, which include discrimination based on such factors as race, gender, or religion, harassment, child labor, forced labor, unpaid wages/low wages, excessive overtime work, occupational health and safety, and protection of privacy. As shown in the table of the next page, various measures are taken to prevent and mitigate these risks. Canon also assesses human rights risks for new businesses. For example, when conducting M&As, we review the status of compliance with laws and regulations related to labor standards and health and safety as part of our due diligence, to ensure that there are no serious human rights risks in the company newly joining the Group.

#### **Grievance Mechanism**

Canon has an internal reporting system for Canon Inc. and most Group companies worldwide through which employees can report specific human rights concerns in their own language. We also work to raise awareness of the reporting system via the company intranet and training programs. In addition, Canon Inc. has a point of contact on our website for external stakeholders to report specific human rights concerns about Canon's corporate activities. Both internal and external contact points maintain the privacy of informants and allow them to report anonymously to ensure that they do not suffer unfair treatment as a result. The facts in any whistle-blowing case are investigated, where it is received. If Canon judges that there is a problem, with appropriate steps and procedures, Canon works to remedy such problem and prevent any recurrence. In 2023, Canon received 94 cases concerning human rights-related issues (discrimination/harassment, wages, working hours, etc.). Out of these 94 cases, 17 cases for which Canon completed investigations as of the end of 2023 required remedying.

For cases that required remedying, we issued warnings or guidance to the employees at fault or relevant departments, including disciplinary action or transfers.

A grievance mechanism is also available via a CSR promotion entity for supply chains. Since Canon is a member, Canon stakeholders can report specific human rights concerns through this platform as well.

Responsible Business Conduct Hotline https://global.canon/en/contact/csr/csr-form-e.html

<sup>\*</sup> Ministry of Economy, Trade and Industry

- Diversity, Equity and Inclusion
- Occupational Safety and Health Management
- Human Resource Development and Personal Growth
- Sociocultural Support Activities

#### Salient Human Rights Risks for Canon

	Rights-holders						
	Suppliers/ Contractors	Canon employees	Customers/ Consumers	Local communities	Measures taken by Canon		
Discrimination based on such factors as race, gender, or religion		•			P51	Diversity, Equity and Inclusion	
Harassment		•			P45	Prevention of Harassment	
Child labor	•				P46	Respect for Human Rights in the Supply Chain	
Forced labor	•				P46	Respect for Human Rights in the Supply Chain	
Unpaid wages/low wages	•				P46	Respect for Human Rights in the Supply Chain	
Excessive overtime work	•	•			P45 P46	Prevention of Excessive Overtime Work Respect for Human Rights in the Supply Chain	
Occupational health and safety	•	•			P54	Occupational Safety and Health Management	
Protection of privacy		•	•		P83	Protecting Personal Information	
Procurement of conflict minerals				•	P89	Addressing the Issue of Responsible Minerals Sourcing	
Noise, environment pollution at operational sites				•	P13	Environment	
Health damage or accident caused by product			•		P67	Product Responsibility	

#### **Human Rights Awareness Training**

Since 2021, we have been carrying out an online learning program for employees to instill basic knowledge about business and human rights and raise awareness of Canon's human rights initiatives. Starting with Canon Inc., this program has been expanded to Canon Group companies in Japan, and was extended to overseas Group companies in 2023 (completion rate 99.4%). The training programs delivered overseas reflect national and local characteristics, and each company has optimized the content and translated it into each language.

#### **Stakeholder Engagement**

The OECD Due Diligence Guidance for Responsible Business Conduct states that it is important for companies to engage with stakeholders at the time they identify the actual or potential adverse impact caused by corporate activities. In addition to the Canon Workers' Union, Canon is engaged in dialogue with institutional investors, suppliers, and business partners.

#### **Handbook to Inform Employees**

The employee handbook issued by Canon Vietnam aims to further improve the working environment and help deepen the mutual understanding

between the company and employees. It includes items such as the Canon Group Code of Conduct, the RBA Code of Conduct, and internal rules of Canon Vietnam, including respect for human rights.



Activity Report

- Respecting Human Rights - Hiring and Treatment of Human Resources

## Stakeholder Engagement: Example 1 (Canon Workers' Union)

To identify salient risks as part of Canon's human rights due diligence, we organized dialogues with the union relating to issues that represent human rights risks for employees, including discrimination based on such factors as race, gender, or religion; harassment; excessive overtime work; occupational health and safety; and protection of privacy. Besides acknowledging union positions on such issues, dialogues provide an opportunity to exchange views on matters such as changes in work styles due to the adoption of telework and the use of childcare leave by male employees. For Canon, these dialogues help to identify the salient human rights risks.

# Stakeholder Engagement: Example 2 (Business Partner, Industrial Equipment)

Canon develops, manufactures and sells semiconductor steppers and other industrial equipment on a global basis. One of the salient human rights risks in the industrial equipment sector is the risk of accident or worker injury to employees of Canon or subcontractors during the transport or the installation of equipment. The massive size and mass of these systems means that any lack of OHS care could result in a serious accident such as being caught in machinery or falling from a height. As well as taking steps to prevent injury to its employees, Canon Inc. regularly discusses safety issues with delivery/installation subcontractors, including examples of near-misses and rule violations, and related problems.



Machine installation

#### **Respect for Human Rights of Employees**

#### **Prevention of Excessive Overtime Work**

We have instituted a system to accurately ascertain the working hours of employees at overseas production sites deemed to be subject to a notably high risk of excessive overtime work. Actual results on working time management, including overtime work, are reported annually to the HR division of Canon Inc. Work guidelines were introduced to Canon Group production companies based in Asia in 2015 as part of human rights risk-related initiatives. In 2022, we overhauled these guidelines to make them consistent with RBA standards, extending them to all our domestic and overseas Group production companies.

# Respect for Freedom of Association and the Right to Collective Bargaining

As stated in the Canon Group Human Rights Policy, Canon respects freedom of association and the right to collective bargaining. We also strive to address various labor issues by promoting dialogue between labor and management. For example, the labor agreement between Canon Inc. and the Canon Workers' Union commits both sides to work in good faith to peacefully resolve issues in a timely manner.

#### **Prevention of Harassment**

In line with the principle of respect for humanity that Canon has followed since its foundation, Canon not only prohibits discrimination on such factors as gender or occupation, but also maintains a zero-tolerance policy on harassment, which it communicates to all management executives and employees. In addition to sexual harassment and abuse of authority (power harassment), Canon Inc.'s employment rules and Harassment Prevention Provisions prohibit other forms of harassment, including maternity harassment. These provisions have been disseminated throughout Group companies in Japan, and many have instituted similar rules based on them. In a further effort to maintain a comfortable workplace environment, Canon Inc. and its many Group companies in Japan have established a Harassment Hotline. Confidentiality surrounding employee consultations is strictly maintained and a firm guarantee against unfair treatment is provided to victims and informants. In terms of preventing harassment, regular liaison meetings are held for persons responsible at Canon Inc. operational sites and Group companies in Japan, enabling the operational status of hotlines to be monitored and shared. Meeting participants review procedure manuals and share knowledge on how to respond to reports of harassment.

- Occupational Safety and Health Management - Human Resource Development and Personal Growth

Sociocultural Support Activities

# Evaluation & Improvement of Human Rights Risk-related Activities at Canon Group Production Sites

We utilize the RBA's Self-Assessment Questionnaire (SAQ) to evaluate the risk of human rights violations at 59 Canon Group production sites worldwide. The SAQ can help to identify if a site makes use of child/forced labor, or disrespects workers' freedom of association and the right to collective bargaining. In addition to SAQ, we conduct voluntary internal audits and undergo external audits through the RBA. From 2022 to 2023, 21 production sites in Japan and overseas underwent external RBA audits. We completed corrections and improvements or continue to pursue improvements for the items that were indicated as follows:

- Management of working hours at some overseas production companies
- Inadequate emergency exits, fire extinguishing equipment, or evacuation route maps in factories, cafeterias, and dormitories
- Maintenance of first aid kits and personal protective equipment
- Risk assessment relating to pregnancy and childbirth

### Prevention of Child and Forced Labor and Unreasonable Restrictions on Movements

We use the RBA's SAQ at Canon Group domestic and overseas production sites. Based on the survey responses, we confirm there is no evidence of child or forced labor or any unreasonable restrictions on workers' movements on the site or while at work. In addition, we have confirmed that the Group companies do not retain original documents of employees' personal ID documents through the SAQ.

In order to prevent child labor, we thoroughly check the age of employees when they enter the company, and we have developed a response flow in case an employee who is under the minimum working age is found. In addition, young workers under the age of 18 are prohibited from working any overtime or night time, or engaging in dangerous work, thereby giving consideration to their health.

Respect for Human Rights in the Supply Chain We have formulated the Canon Supplier Code of Conduct, which is based on the RBA Code of Conduct, to promote sound procurement activities that take proper account of labor, health and safety and environmental concerns, and management systems. We have collected a letter of agreement concerning adherence to the RBA Code of Conduct from our major suppliers. In addition, we conduct annual checks of our major suppliers using the RBA's SAQ as part of efforts to prevent in our supply chain the use of any child/forced labor, unreasonable movement restrictions, or excessive working hours, alongside good health and safety measures. We also perform our own checks on some major suppliers, which may include conducting a local audit. Consistent with Canon's support for the Keidanren-led "Declaration of Partnership Building" initiative, Canon is committed to cooperation and co-existence with business partners through fair trade. Canon strives to avoid unreasonable cost reduction requirements, short delivery orders without appropriate cost bearing, and requests for sudden changes in specifications. We also make efforts to set prices that take into account the impact on labor cost increases. Canon is also working with suppliers and industry bodies on responsible mineral sourcing initiatives.

Reference: Supply Chain Management (→P86)

#### **Ongoing Monitoring**

Canon continuously monitors compliance with the content set out in the Canon Group Human Rights Policy. We also pursue ongoing efforts to improve our identification and assessment methods for human rights due diligence, and periodically review them throughout the Group. We also review the Group's human rights initiatives in accordance with social demand, dialogue with stakeholders, and Canon's business operation.

#### **Compliance with Modern Slavery Act**

Canon discloses information to comply with requirements of the Modern Slavery Act, which mandates enterprises to publish annual statements verifying the risks of forced labor, human trafficking and child labor in their operations and supply chains.

Reference: Compliance with Modern Slavery Act  $(\rightarrow P90)$ 

**Activity Report** 

- Respecting Human Rights - Hiring and Treatment of Human Resources

### **Hiring and Treatment of Human Resources**

We strive to create an attractive, motivational workplace environment for employees.

#### **Basic Approach**

Canon believes that in order to become a truly excellent global corporation, each employee must be an "excellent person."

Based on this recognition, we are building a corporate culture that encourages an enterprising spirit by guaranteeing respect for the values of ambition, responsibility and mission, as well as fair and impartial assignments, evaluations, and treatment based on merit.

The San-ji (Three Selfs) Spirit has been a central guiding principle for Canon since its founding. The three "selfs" refer to 1) self-motivation: proactively taking the initiative; 2) self-management: conducting oneself responsibly and with accountability; and 3) self-awareness: knowing one's position, roles and circumstances.

Canon encourages all employees to embrace the *San-ji* Spirit as they pursue their work with a positive and forward-looking attitude, and promotes this approach at Group companies worldwide.

#### **Guiding Principles**

Three Selfs	Adhere to the principles of self- motivation, self-management and self-awareness in day-to-day activities
Meritocracy	Make vitality (V), specialty (S), originality (O), and personality (P), daily pursuits
Internationalism	Strive to become a culturally sensitive, internationally minded, sincere and active person
Familism	Strengthen trust and understanding of others and work together in a spirit of harmony
Health First	Live by the motto "healthy and happy" and work to cultivate character

#### **Promotion System**

Canon Group companies inside and outside Japan implement HR policies in line with national and regional laws and regulations, while also collaborating on various related Group-wide initiatives.

#### **Hiring and Retaining Talent**

Canon seeks to hire and retain talent that can drive globalization and innovation in its businesses with the ultimate goal of sustainable growth. With this in mind, we follow a uniform policy for hiring, job placement and human resource development.

In 2023, Canon Inc. and Group companies in Japan actively continued their recruitment programs, resulting in the hiring of 1,590 employees in total. Canon has established various programs and systems, such as a career matching system (→P59) and a work-life balance program for employees engaged in childcare or nursing care to support the continued employment of all employees so that they remain motivated and can maximize their skills and abilities over the long term (→P49). Canon also conducts biennial in-house employee awareness surveys, with the results providing feedback to management across each division as a way of helping inform policy formulation while increasing employee engagement. Thanks to these initiatives, Canon Inc. boasts one of the highest retention rates in the industry in Japan. And in its 2023 employee opinion survey, compared to the previous survey, the positive response rate had increased for all categories, including "autonomy in one's own tasks" and "personal growth." In particular, there has been a steady improvement in areas related to engagement, such as employee motivation, personal growth, and flexible working environment. As part of maintaining employee engagement, regular employee awareness surveys are conducted by Group companies in Japan, Canon U.S.A., Canon Europe, and Group marketing companies in Asia.

In terms of non-employee workers, a total of 7,283 people worked at the Canon Group as of the end of 2023. Canon generally outsources services such as security, cleaning and the operation of onsite worker canteens, based on corporate contracts.

#### Promoting Globalization of Executive Management

As part of promoting the development of globalized management, Canon appoints appropriate personnel, regardless of nationality, as presidents, executive officers, and managers of subsidiaries in each country and region where it operates (→P57).

For example, within the region overseen by Canon Europe, the HR globalization ratio\* is 86% for Presidents and 94% for managerial positions.

\* Ratio of non-Japanese in CEO/managerial positions

## **Creating Local Employment Opportunities** at Production Sites

In order to help stimulate local communities and economies through job creation, we focus on local employment at production sites.

For example, our production sites in Asia employ over 50,000 local employees. In every region of the world,

- Occupational Safety and Health Management

- Human Resource Development and Personal Growth

- Sociocultural Support Activities

Canon ensures its employees are paid substantially more than the local minimum wage.

Reference: Comparison of Canon's Minimum Wage to Local Minimum Wage

https://global.canon/en/sustainability/report/pdf/data-2024-e.pdf

#### **Fair and Impartial Compensation System**

#### **Salary Linked to Duties and Performance**

Canon Inc. has introduced a position-based pay system to evaluate and compensate individuals fairly and impartially, regardless of gender or age.

In this system, remuneration is based on duties and performance. Basic pay scales incorporate the level of position in the company based on responsibilities and other factors. An employee's achievements as well as work-related processes and performance during the year are evaluated to determine annual remuneration. Bonuses reflect individual achievements and company performance. In 2021, to enhance further the balance of Canon's remuneration system, the level of "OS" (for OutStanding) was added to the individual evaluation scale to recognize special contributions in the development of groundbreaking or innovative products, or for other types of superlative achievement at work. Employees awarded an evaluation of OS are paid a special annual bonus.

This system is being promoted across the Group worldwide, and has been adopted by most Group companies in Japan and manufacturing subsidiaries in Asia. Systems for determining compensation based on duties and performance have already been established at Canon U.S.A. and Canon Europe, along with other Group companies in those regions, as well as Group marketing companies in Asia.

Regarding basic salary amounts and increases as well as calculation and payment of bonuses, a wage committee meets with the Canon Workers' Union (Japan) three or four times a year to check whether remuneration is being paid in accordance with the rules of the labor agreement. The minutes of these meetings are made available to all employees. The committee also facilitates discussions between labor and management on the implementation and improvement of the compensation system.

#### **Corporate Pension Plan**

At Canon Inc., we offer employees the defined-benefit Canon Corporate Pension as a form of performance-based pay—a role- and grade-based retirement system—to supplement their public pension and contribute to a more comfortable retirement. A company-run pension fund manages pension assets, so employees do not need to provide any additional funds. Canon Inc. also offers a defined-contribution pension plan with matching contributions, which, coupled with the defined-benefit pension plan, provides solid financial security.

Other Group companies in Japan have also set up their own corporate pension plans.

#### **Employee Benefit Programs**

Canon offers various employee benefit programs, covering each stage of life from hiring to retirement, enabling employees to lead comfortable and enjoyable lives.

For example, as well as providing staff canteens and sporting facilities, Canon funds or subsidizes programs and clubs that bring together people with shared interests to foster better workplace communication. We host various events for employees and family members that incorporate the local culture of each region. In addition, benefit programs have been developed in line with employee needs.

With a view to securing their futures, in addition to national social insurance programs, employees of Canon Inc. and Canon Group companies in Japan are eligible for added benefits that include a corporate pension plan as well as membership in our welfare association and health insurance society. Canon Inc. also offers a voluntary employee stock ownership plan, a savings plan and group life insurance policies, among other benefits.

#### **Reducing Total Work Hours**

Canon works diligently to ensure that employee work hours comply with the laws of each country and region where it operates, targeting reductions in hours where appropriate.

For example, at Canon Inc., we have been reviewing and revising work practices. We have promoted an open vacation program where employees can take five consecutive days of vacation once per year. We have also encouraged the taking of paid leave in various ways, such as having employees submit a plan for taking five or more days of annual vacation at their first meeting with their supervisor in the new year. Average paid leave taken in 2023 was 17.7 days. Total hours worked per employee were 1,734, a 65-hour decrease from 2010 (1,799 hours), when activities to reduce total working hours began.

#### Flexible Work Styles

We promote flexible work styles in line with national and regional employment customs.

For instance, in 2005, Canon Inc. formulated an action plan following the guidelines of Japan's Ministry of Health, Labour and Welfare, and is encouraging the adoption of flexible work styles while helping employees achieve work-life balance and taking steps to aid the development of the next generation.

#### **Promoting Flexible Work Styles**

Canon Inc. has several leave programs that enable employees to take time off flexibly in line with personal circumstances, including a program that facilitates leave in 30-minute blocks for reasons such as childcare, nursing care, injury or illness. We also have a long-service leave system where those employed for certain numbers of years can then take a vacation to refresh. In 2020, we introduced a remote working system aimed at boosting productivity by promoting flexible work styles not limited by time or location. The current initiatives make up the eighth phase of the action plan spanning the three-year period from April 2024 to March 2027.

In addition, Canon Inc. conducts surveys on flexible work styles to assess the circumstances and needs of employees, aiming to create a flexible workplace environment.

#### A System for Supporting Working Parents/ Care Givers

To enable employees to focus on childcare responsibilities with peace of mind, Canon Inc. offers an array of programs that go beyond the legally stipulated minimum requirements, including a childcare leave program that enables employees to take leave until their child reaches the age of three, and a system for reducing work hours to support childcare, making it possible for employees to reduce their workday by up to two hours until their child has finished the third grade of primary school. In 2023, 460 employees (361 men, 99 women) started to utilize our childcare leave system.

Furthermore, to support employees who are undertaking fertility treatment, we have put in place a fertility treatment subsidy program that subsidizes 50% of treatment costs (excluding costs covered by health

insurance), up to a ceiling of ¥1 million, together with a fertility treatment leave program to enable employees to take leave for the period required for treatment. Furthermore, we have implemented a system that allows male employees whose spouses have given birth to take two days of paternity leave.

In addition, to support the work-life balance of those in our local community, Canon Inc. established Poppins Nursery School Tamagawa. Located on our property adjacent to the Shimomaruko headquarters, the school is certified by the Tokyo Metropolitan Government and open to local residents. Approximately 50 children are enrolled at the school.

# Comment from a Male Employee after Childcare Leave

I'd always really wanted to be fully involved in caring for my children, so when my son was born, I took about two months of childcare leave. During the leave, I took charge of housework and caring for my son—my attitude was that I would do everything except breastfeed—and my wife and I together were able to engage fully in caring for our son. Seeing his growth up close was a priceless time in my life.

I'm very grateful to my superiors and colleagues who were considerate of my wishes and covered for me. Coming back to work, I have an even better balance between work and private life and am more motivated than ever.

Ryuichi Shibutani Canon Inc. Production Engineering Headquarters

#### Action Plan Phase VIII (from April 2024 to March 2027)

Action Plan Measures Results as of 2023 End Continue leave programs, hold related discussions and information seminars, and provide individuals with materials and online training and hold (1) Promote use of work-life While female employees typically make up the majority of interviews on leave-related systems and balance programs with aim of procedures for people wishing to take leave. those taking advantage of the programs, the number of raising participation rate. Hold seminars to assist both male and female male employees is also increasing significantly. employees seeking to balance work and childcare by increasing their understanding of related systems and providing related career support. (2) Support diverse work styles · Designating July-September as Work-Life Balance months, while promoting further reform implemented earlier work hours and continued efforts to by encouraging work styles that · Using total work hours as an indicator for promote work style reforms. Provided employee benefit do not rely on overtime; by continuing efforts to promote work-life balance, bolster measures to encourage use of paid leave and maintain an programs to encourage self-development during the period of earlier work hours. Due to productivity gains and the promotion of work-life use of paid leave; and by appropriate level. maintaining an appropriate level of total work hours. balance, total work hours decreased by 65 hours compared to 2010. (3) Continuing from Phase VII. Continued to carry out the following initiatives carry out community (1) Unique learning programs for children, including contribution activities open to Continue reaching out to local regions and environmental education outreach program and participation by children communities and implement appropriate career education who are the future of our initiatives from April 2024 to March 2027 (2) Photography classes communities — through social (3) Tag rugby lessons, rugby meet-and-greet events, etc. contribution activities

- Occupational Safety and Health Management
- Human Resource Development and Personal Growth
- Sociocultural Support Activities

To help employees caring for aged relatives, we provide various support systems that go beyond the legally stipulated minimum requirements, including nursing care leave available for up to one year, sympathy money, and a system for reduced work hours to support nursing care, enabling employees to reduce their workday by up to two hours a day. A total of 29 employees began using our nursing care leave system in 2023.

Hotlines have been set up at each of our operational sites to handle employee inquiries about these systems.

#### **External Recognition**

Canon Inc., Canon Marketing Japan, Oita Canon Materials, Fukushima Canon, Canon Precision, and Canon IT Solutions have all been granted "Platinum Kurumin" accreditation by the Japanese Ministry of Labour Health and Welfare to

Labour, Health and Welfare to recognize that their family-friendly HR policies and initiatives are of a particularly high standard. The Kurumin Mark recognizes activities by companies to support childrearing activities.



#### **Supporting Employees' Volunteer Activities**

Canon Inc. has in place a volunteer leave system for interested employees. Under this system, employees wishing to participate in volunteer activities certified by the company may take up to one year of leave (two years and four months in the case of JICA Japan Overseas Cooperation Volunteers).

#### **Worker-Management Relations**

At Canon Inc. and Canon Group companies in Japan, worker-management relations are founded on the principle of prior consultation, that is, finding solutions through thorough discussion. Candid discussions between management and the labor union are held whenever policies that affect wages, working hours, safety and health, and benefit programs are to be implemented.

Canon Inc. convenes a Central Worker/Management Conference with the Canon Workers' Union\*1 to exchange opinions and information spanning a range of subjects. The CEO and other senior management attend the conferences.

In addition, special committees have been created to establish programs and enact new policies relating to wages, working hours, OHS issues, and benefit programs, based on discussions between labor and management. As of the end of 2023, combined employee membership in the Canon Workers' Union totaled 23,164, with a union membership rate of 79% for Canon Inc.'s workforce. The working conditions for non-unionized workers of Canon Inc. are stipulated via our employment regulations.

The annual Canon Group Workers' Union Conference is held for Group companies in Japan and representatives from Canon Inc. to enable discussions on working conditions, the status of the business, and other issues. The conference brings together 18 Group workers' unions and executives from 23 Group companies in Japan. As of the end of 2023, there were 49,452 employees in unions that belonged to the Canon Group Workers' Union Conference, for a union membership rate of 80% in the workforce of the 23 Group companies in Japan.

Dialogue-based proper labor-management relations are also maintained within Group companies outside Japan, in accordance with national and regional labor laws. The union membership rate\*2 for employees of major overseas Canon Group companies is 73%.

- \*1 The Canon Workers' Union consists of employees from Canon Inc., Canon Marketing Japan, Fukushima Canon, and Ueno Canon Materials.
- \*2 Calculated for companies that have internal workers' unions.

### Minimum Notification Period for Changes in Work Duties

Canon Inc. has established a minimum notification period clause within its labor agreement to ensure that personnel transfers do not negatively impact the lives of employees.

The minimum official notification period is four weeks for personnel transfers requiring relocation, two weeks for assignments not requiring relocation, and one week for other types of transfers.

Additionally, Group companies worldwide have established minimum notification periods in accordance with the laws and regulations of the countries and regions where they operate.

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### **Diversity, Equity and Inclusion**

We aspire to be a company that grows by openly accepting and working with people having different characteristics and values.

#### **Basic Approach**

Guided by the corporate philosophy of *kyosei*, Canon believes in the importance of allowing individual employees with varied personalities and values to fulfil their potential by playing an active role, without restricting opportunities. In line with this thinking, we respect diversity of culture, customs, language, and ethnicity, and actively encourage recruitment and deployment of employees, regardless of gender, age or disability.

#### **Promotion System**

Canon Inc. established Vital workforce and Value Innovation through Diversity (VIVID) in 2012 as a horizontally integrated organization to help promote diversity across the company. Headed by the CFO of Canon Inc. and governed by its own policies, VIVID is engaged in a range of initiatives.

These policies are published on Canon's home page and the Intranet.

Reference: VIVID Activities Policy https://global.canon/en/sustainability/society/pdf/vivid-activities-policy-e.pdf

#### **Major Policies and KPIs**

Two themes of our pro-diversity policies are "Promoting the Active Participation of Women" and "Encouraging Men to Participate in Childcare." We are taking a range of measures and have set specific targets and KPIs as defined below.

- Increase ratio of female managers by 3x by end-2025 from 2011 level
- Increase ratio of male employees taking childcare leave to at least 50% by end-2025

# **Promoting the Active Participation of Women**

Canon is committed to providing equal opportunities according to ability and fair treatment for all, irrespective of gender.

In Japan, in addition to formulating action plans and disclosing information as mandated by the Act on the Promotion of Female Participation and Career Advancement in the Workplace, we are conducting our own original initiatives. For example, at Canon Inc., we organize leadership training for women as part of efforts

to develop female candidates for managerial positions. Using the theme of developing a new business proposal, the training provides an opportunity to develop leadership qualities. Since its launch in 2012, a cumulative total of 267 women have completed the training program. One tangible result of this initiative is that the ratio of female managers, a KPI of women's participation in the company, has already reached 93% of the target we set for the end of 2025. We therefore aim to achieve this goal ahead of schedule. Going forward, we will look to step up the recruitment of female engineers and technicians and, in the future, aim to achieve parity between the ratio of female managers and the percentage of women overall in the company (16.9% at end-2023). We are also supportive of the Keidanren's challenge of achieving 30% of female executives by 2030.\*

Furthermore, we hold return-to-work seminars for employees returning from childcare leave and their supervisors, and provide mentoring by female managers. By hosting lectures and interviews with female executives and organizing events to share the experiences of female managers, we are creating opportunities that help raise awareness around working with purpose and balancing work with life events.

Group companies in Japan are promoting a range of initiatives to support career development for women, including roundtable discussions between presidents and female employees and surveys to gauge awareness, as well as networking events with female leadership candidates inside and outside the company, career advancement training, and career training for women who have returned from childcare leave.

Outside Japan as well, to coincide with International Women's Day, since 2020 Group companies in the Middle East and Africa have begun the SHE RISE Program, an in-house campaign to encourage the active participation of women. Canon U.S.A. is also running a project called Women in Leadership Levels (WiLL) to support the participation of women through a variety of opportunities, including networking events, lectures, and mentoring. In addition, Canon Europe formulated a set of diversity and inclusion commitments, and is monitoring and reviewing these in the regions it oversees. The commitments include activities to raise awareness of diversity and recruitment of diverse personnel.

<sup>\*</sup> The year before VIVID was introduced.

<sup>\*</sup> Raise the ratio of female executives to 30% or more by 2030  $\,$ 

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## Comment from a Participant in Leadership Training for Women

I attended this training for about half a year in 2022, the tenth year of the program. It was a great experience to be able to have in-depth conversations about leadership with trainees my own age, at a time when I was in mid-career and was anxious about a lot of things. I learned that, even though the work we do and our work circumstances are different, we shared similar concerns and aspirations, and I had the valuable opportunity to think about what the essence

of being a leader is. I feel like I gained greater perspective through the training. I was also able to make connections with colleagues from other divisions whom I don't often get a chance to meet in the course of my normal work, giving me a supportive network that will help my work going forward.



Kumi Fujiwara Canon Inc. Imaging Business Operations

#### **External Recognition**

Fukui Canon Materials and Fukushima Canon were granted Grade 3 Eruboshi certification for its outstanding efforts to empower women in the workplace, while Canon Marketing Japan and Canon IT Solutions were granted Grade 2 certification.

The Eruboshi certification is granted by the Japanese Ministry of Health, Labour and Welfare based on satisfying certain evaluation criteria.

#### **Encouraging Men to Participate in Childcare**

Canon is promoting initiatives to encourage men to participate in childcare, with the goal of realizing a society where men and women participate equally as parents.

At Canon Inc. and Group companies in Japan, we organize roundtable talks by, and publish interviews with men who have used childcare leave-related systems, and we hold seminars to introduce our childcare-related programs to male employees. These initiatives have proven effective: average childcare leave taken by male employees of Canon Inc. in 2023 was 71 days per year; moreover, the childcare leave participation rate for the same group was 65.8% in 2023, up from just 1.9% in 2011. As a result, Canon's KPI to increase the childcare leave participation rate for male employees to at least 50% by 2025 was achieved ahead of target.

#### **LGBTQ+ Inclusion**

The Canon Group Code of Conduct emphasizes respect for the individual and prohibits discrimination based on race, religion, nationality, gender, age, sexual orientation or gender identity. Our initiatives also cover sexual minorities, including lesbian, gay, bisexual, trans and queer (LGBTQ+) persons. With the goal of eliminating all forms of discrimination from the workplace, training for managers includes education on preventing discrimination. In addition, we make use of various opportunities to educate employees, such as departmental staff meetings and compliance meetings. The Barrier-free Mindsets training program, which we provide for employees of Canon Inc. and Canon Group companies in Japan, features content relating to sexual minorities and aims to deepen understanding of related issues. The Barrier-free Mindsets program is an online training module that aims to help employees understand the problems and hurt created by barriers within society, along with the many issues experienced by those with disabilities or members of sexual minorities, plus related points to consider. Around 84% of employees of Canon Inc. and Canon Group companies in Japan received this training between 2019 and 2023.

Another provision to promote a barrier-free environment is gender-neutral washrooms. We also provide counseling and consultation services with a specialist counselor.

#### **Utilizing the Abilities of Veteran Employees**

Canon Inc. was among the pioneers of the post-retirement hiring system in Japan. In 1977, we became one of the first Japanese companies to adopt a mandatory retirement age of 60, to allow veteran employees to maximize the benefits of their extensive knowledge and experience. We further raised the retirement age to 65 in 2007. In addition, we have established a system that allows employees to work flexibly according to their stage in life, including shortened working hours. As of the end of 2023, 2,419 employees rehired after reaching retirement age were active in the Group, 82% of which were rehired under the post-retirement hiring system.

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## Proactive Support for the Participation of People with Disabilities in Society

Respecting the ideal of normalization\*1, Canon proactively employs persons with disabilities at Canon Inc. and Canon Group companies in Japan.

The employment ratio at Canon Inc. for people with disabilities was 2.55% in 2023, exceeding the statutory minimum of 2.3%. Our recruitment processes also include workplace experience days and site tours to ensure all recruits can adapt quickly to life at work.

Moreover, we are doing our utmost to make workplaces more comfortable and accessible for people with disabilities by improving facilities, including providing greater barrier-free access. We are also working to expand the range and nature of jobs for people with disabilities.

Canon Wind\*2 primarily hires people with intellectual disabilities. It maintains a high employee retention rate, with a payroll of 25 persons at the end of December 2023. Employees perform specific roles tailored to those with disabilities, while receiving lifestyle support services as well. With the help of our engineering divisions, we have created special jigs to enable employees to be a part of EOS-series camera production. By utilizing a rational approach and the cooperation of related departments, we are creating a work environment that enables disabled people to contribute in an efficient and reliable manner, thereby deriving more satisfaction from work. Canon Wind has been recognized as a progressive leader in this field, which included receiving an MHLW award for excellence in the employment of disabled persons in 2020.



Work is tailored to suit the individual

Canon Inc. and Group companies in Japan have set up on-site hotlines after the 2016 amendment of the Promotion of Employment of Disabled Persons Law prohibiting discrimination and mandating reasonable consideration for people with disabilities. Canon's measures to prevent discrimination against people with disabilities and ensure reasonable consideration at each site include providing individual consultations and personalized assistance or instruction during evacuation training drills and disaster preparedness training.

Since 2004, Canon Inc. and Canon Group companies in Japan have organized training courses and created e-learning modules to ensure workplaces are attentive to the needs of the hearing impaired. The training provides an accurate understanding of hearing impairments and introduces sign language to help promote smoother workflow. A total of 1,035 employees participated in this training up to and including 2023.

- \*1 According to the World Programme of Action concerning Disabled Persons adopted by the United Nations in 1982, society is made up of many different types of people and it is normal for people with and without disabilities to coexist in all settings. Therefore, we should create an environment in which all people can live and work together.
- \*2 A subsidiary of Oita Canon formed in 2008 as a joint venture with the Social Welfare Corporation Gyoun Welfare Association with the aim of promoting employment for persons with intellectual disabilities.

## Support for Balancing Work and Nursing Care

Preventing the flow of people leaving their jobs to provide nursing care for family members has become an important social issue in Japan, which has a falling birthrate and an aging society. At Canon, we are taking steps to reduce the number of employees leaving work for nursing care by promoting activities to support them in balancing both priorities. Canon Inc. and Group companies in Japan hold nursing care seminars, conduct interviews with employees engaged in nursing care, and offer information on steps to take when a relative begins to need care and on nursing care-related systems, both public and internal.

Since 2020, we have been holding online nursing care seminars in cooperation with local authorities.

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### Occupational Safety and Health Management

We pursue initiatives aimed at improving occupational safety and health so employees can feel safe and secure in their work environment.

#### **Basic Approach**

Based on the principle that "management without safety is not management," the safety and health of employees forms the foundation of business activities at Canon.

Moreover, in line with the "Health First" principle, we take a proactive stance on the promotion of health management to ensure employees stay healthy in body and mind.

#### **Promotion System**

Canon has established the Central Safety and Health Committee as its highest body overseeing safety and health activities. Chaired by the CFO of Canon Inc., the committee establishes its central activity policies and plans for safety and health, while labor and management also work together to promote the elimination of occupational accidents, the maintenance and improvement of health, traffic safety, fire and disaster prevention, and the creation of pleasant workplaces.

In line with labor agreements, management also works with unions to ensure working conditions are safe for employees.

Canon Inc. and Group companies in Japan have established safety and health teams at each operational site, and set targets based on the situation at each site in line with the policies of the Central Safety and Health Committee, to build healthy and safe work environments for all workers, including those of contractors. We also hold health and safety conferences with contractors to maintain and improve health and safety on site.

We are applying an integrated approach across the Group's overseas production sites, while taking into consideration the specific circumstances of each region and Group company.

#### **Priority Targets and Initiatives**

Occupational Safety and Health (OSH)

Canon strives to create workplaces that are safe and secure. Canon Inc. and Group companies in Japan have worked on the following priority targets and initiatives.

### **Priority Targets for 2023**

- 1. Eliminate all types of machinery-related accidents (0 cases)
- 2. Eliminate accidents caused by highly hazardous chemical substances (0 cases)

#### **Priority Initiatives**

- Canon Group Occupational Safety and Health Management System
- 2. Risk assessments
- 3. Enhanced employee OSH awareness

#### **Health Management**

Canon Inc. and Group companies in Japan have declared their commitment to addressing the following priority targets and initiatives through the Central Safety and Health Committee. Health care initiatives carried out in collaboration with the health insurance union include long-term health targets and measures formulated in line with health care plans based on an analysis of medical cost and diagnostic data.

# The Central Safety and Health Committee Medium-Term Plan (2022-2024)

#### **Priority Targets**

- 1. Reduce number of lost work days
- 2. Reduce presenteeism\*
- 3. Reduce number of people at high risk
- 4. Reduce number of people with metabolic syndrome
- 5. Establish practice of taking cancer screening tests

#### Initiatives

- 1. Mental health-related measures
- 2. Lifestyle disease prevention
- 3. Improving health literacy
- 4. COVID-19 response

<sup>\*</sup> Decrease in productivity when an employee comes to work with health issues

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#### **Occupational Safety and Health**

#### **Prevention of Workplace Accidents**

In 2023, serious occupational accidents requiring time off work at Canon Inc. and Group companies in Japan comprised one case relating to use of machinery (getting pinched or caught). There were no accidents caused by hazardous chemical substances. We are taking steps to prevent accidents from reoccurring, in terms of both education and equipment, such as investigating the underlying cause of any accident, retraining workplace personnel, and improving the operability of machinery. We conduct a thorough safety inspection and risk assessment to determine if similar risks exist at the site where any accident occurs. In addition, information about accidents is promptly shared with Group companies, particularly production sites, to prevent similar occurrences elsewhere.

### Promoting Effective Operation of Canon Group Occupational Safety and Health Management System

We are expanding the Canon Group Occupational Safety and Health Management System in an effort to promote autonomous safety and health activities across countries and regions. System requirements are based on the Occupational Safety and Health Management System of the Japan Industrial Safety and Health Association and reflect Canon Inc.'s standards and rules. We are also working to cultivate best practices across all sites based on reciprocal supervision as well as develop measures to tackle a variety of issues.

Canon sites are currently transitioning from the international OHS management system standard OHSAS 18001 to the new ISO 45001 standard. As of the end of December 2023, approximately 31% of Canon Inc. and Canon Group sites around the world had acquired ISO 45001 certification.

Reference: ISO 45001 Certifications https://global.canon/en/sustainability/society/pdf/iso45001-e.pdf

### Entrenchment of Risk Assessments and Promotion of Effective Use

Canon conducts risk assessments for all installed machinery and related operations based on common Group-wide standards. For all operations with high risk of injury, illness, or accident, we take appropriate risk mitigation measures and manage any residual risk. Recognizing the especially serious risks posed by machinery-related accidents, we review existing equipment at least once a year. For new businesses, we also identify and evaluate risks from the R&D stage and implement OHS measures based on risk assessment outcomes.

To ensure common standards are applied to risk assessment across the Canon Group, we provide online learning programs for workplace managers and employees with responsibility for equipment operations to deepen their understanding of assessment methods.

In addition, if a specific risk is identified, all relevant workers are notified of the risk and given the requisite training, including steps to confirm understanding and mastery of any new work processes.

### Improving Health and Safety Awareness by Enhancing Education and Training

Whenever an occupational accident occurs at Canon, we immediately brief all operational sites in Japan and overseas production sites, as well as publish the causes and countermeasures on our intranet to prevent a similar accident from occurring elsewhere.

To help eliminate workplace accidents, we also provide training to managers involved in on-site workplace risk assessment, along with online learning programs to ensure all employees involved with risk assessments have a good understanding of assessment objectives and procedures. A total of 8,801 people received such training up to and including 2023.

In addition, we are also taking steps to foster a workplace culture that is constantly aware of health and safety. For example, at Canon Inc. and Group companies in Japan, we provide health and safety training and use original awareness-raising posters and leaflets to educate employees about checking and enforcing basic safety behaviors in their work.

Canon is working to implement an occupational safety and health management system overseas, mainly at its production sites, on the same level as in Japan. For example, to help employees understand health and safety matters in their native language, we make effective use of work manuals, health and safety training materials, posters, leaflets, and other materials prepared by Canon Inc. in Japanese, English, Chinese, and Vietnamese to suit the situation of each site. For example, at Canon Vietnam, we are making a focused effort to promote activities for early prevention of hazards by raising employees' health and safety awareness. These include an experiential training facility called the Safety Experience Ring that enables trainees to experience the importance of safety through simulated hazard experiences, as well as risk assessment activities and a program for sharing improvement proposals based on on-site experience.

#### **Health Management**

#### **Mental Health-Related Measures**

Canon conducts a variety of programs to promote comprehensive mental health at Group companies in Japan. These incorporate four types of care: self-care, care from workplace supervisors, care from occupational health staff, and care from external organizations. There are also programs to promote primary, secondary, and tertiary prevention. Specific measures include illness recovery and return-to-work support programs, and training programs to help HR and health management

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personnel build the relevant skills.

The stress check participation rate is high at Canon Inc., reaching 95.4% in 2023. In addition to check-ups with an occupational physician, any employees showing signs of high stress receive individualized health consultations. The results of grouped data analysis are distributed to management in the form of a "Health Report" detailing the health status of each division. We also organize related worksite meetings. The completion rate for online mental health training for managers, which is aimed at enhancing workplace support capabilities, was over 90% of all eligible participants in 2023.

#### **Lifestyle Disease Prevention**

We identify the priority health areas and steps based on an analysis of employee data. Lack of sleep, smoking, rapid eating and other factors have been identified as priority areas because analysis of physical exam data has linked them with the onset of metabolic syndrome. For sleep, besides activities to raise awareness, we have also introduced individual guidance using sleep monitors. This helped not only to improve sleep, but also physical exam results and presenteeism (working even while sick). Smoking is banned inside workplaces at Canon Inc. and all Group companies in Japan, and we provide seminars and online programs to help employees quit smoking. As part of our comprehensive program to prevent serious illness, all employees at Canon Inc. and Group companies in Japan receive an annual health check-up, together with personalized follow-up and educational measures based on a common quantitative standard and set of measures.

Based on cooperation with health insurance unions, the provision of health guidance from expert providers has resulted in a decline in the numbers of employees either at high risk of metabolic syndrome or subject to specific health guidance. To prevent and detect cancers, we utilize the cancer screening system of the Canon Health Insurance Union, while ensuring a balance between treatment and work for employees living with cancer

#### **Improving Health Literacy**

We promote health self-management at Canon Inc. and Group companies in Japan in a range of ways, including conducting health campaigns on the themes of sleep, nutrition, and exercise; disseminating information regularly to raise awareness via the intranet; and using ICT tools to manage healthy activity goals and in-house events.

Canon's campaigns to encourage exercise include regular seminars, along with an annual walking competition involving the use of ICT tools. We provide online learning programs tailored to different ranks and ages, including specific age- and gender-related information, plus an opt-in, points-based self-health management system. In addition, the Canon Health Call

service provided by the health insurance union offers personal health support to Canon Group employees, including employees on overseas assignments and their families, on a 24/7 basis.

Canon Group companies outside Japan also conduct health support programs and initiatives tailored to the characteristics of each region. Canon USA, Inc. and Canon (China) Co., Ltd. are among the companies that organize mental health seminars by occupational physicians as part of efforts to raise awareness of various health issues.

#### **Infectious Disease Prevention**

The response of Canon Inc. to the COVID pandemic has focused on efforts to prevent infection, provide access to consultation, offer support to staff at higher risk, and share related information. Besides offering employees up to four COVID vaccination shots, we also provide annual access to vaccination against seasonal influenza. Canon Inc. provides training to staff traveling or being assigned overseas related to HIV, malaria, and other infectious diseases, based on information put out by the Quarantine Information Office of Japan's Ministry of Health, Labour, and Welfare. In addition, the company also recommends various vaccinations depending on the destination country or region, based on information from both the Quarantine Information Office and the Ministry of Foreign Affairs, and covers the cost of such vaccinations.

#### **Health Training for Contract Workers**

With increasing rates of heat stroke occurring in both indoor and outdoor worksites throughout Japan, we provide ongoing training to contract workers on heat stroke prevention. We also take preventative measures in the workplace environment.

#### **External Recognition**

For five years in a row, from 2019 to 2023, Canon Inc. was selected as a "Health & Productivity Stock" under a scheme administered jointly by the Japanese Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE). In addition, Canon has been certified for seven years in a row in the Large Organization category of the "White 500" Health & Productivity scheme jointly administered by METI and Nippon Kenko Kaigi. Our progressive health management approach, which is based on the "Health First" principle to which we have adhered since Canon's earliest days, has received external recognition in these ways.





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### **Human Resource Development and Personal Growth**

We provide all employees the opportunity to build and advance their career.

#### **Basic Approach**

Based on the principle of "respect for human rights," a constant element of our corporate DNA since the company's foundation, we actively invest in human resources since we regard the growth of employees as a source of business competitiveness.

We support employee growth through a system of training/study programs and traineeships, based on the desire of every individual to grow in line with the *San-ji* (Three Selfs) spirit, along with on-the-job (OJT) training that relies on support provided by superiors and workplace colleagues.

We have also created specialist in-house bodies and programs to support business strategy in certain domains. Developing next-generation leaders, software engineers and other human resources will help to drive Canon's future growth.

#### **Promotion System**

Led by the Human Resources Management & Organization Headquarters, Canon has put in place a wide range of HR development systems, based on the idea of "developing our people in-house." As a rule, this means training the course trainers in-house as well.

Technical HR development committees have been established for each specialist area. Composed of in-house experts from each field, the groups discuss related HR development issues and training set-ups to support the systematic development of specialist engineering human resources.

In addition, we have created systems to allow Canon engineers to gain the latest external knowledge and technical skills through assignments to universities and research institutions in Japan and abroad.

#### **Developing Globally Minded Personnel**

With 347 operational sites\* worldwide as of the end of 2023 the globalization of Canon's operations is proceeding apace. Against this backdrop, we are stepping up training to develop human resources with leadership abilities that can be utilized on the international stage.

\* Number of operational sites includes Canon Inc., consolidated subsidiaries and equity-method affiliates.

# Vitalizing Human Resources Through International Assignments

Canon established the Canon Global Assignment Policy (CGAP) as an international assignment system for its Group companies worldwide to stimulate international personnel exchanges, not only from Japan to other countries, but also from other countries to Japan and within the international Canon Group. The goal of this program is to promote global business cooperation and the development of human resources capable of functioning at the global level.

CGAP is an international personnel dispatch policy shared by our Group companies, and personnel assignment policies in each respective country or region are based on it. Combining these policies allows us to promote personnel exchanges and to share basic philosophies and systems, while providing for flexibility in dealing with the special characteristics of each region, such as laws and culture.

For example, in Europe and the United States we have the US/Europe Exchange Program, which enables employees with at least three years of service to participate in a personnel exchange for a period of one year; and, in Asia we have the ASIA CGAP, which is a one-year training program in Europe and the United States for developing executive management candidates from Asia.

As of the end of 2023, a total of 1,073 employees were deployed on international assignments under these programs.

#### **Global Training for Young Employees**

In order to help employees acquire language and international business skills, Canon Inc. has established a system to allow employees to gain overseas work experience early in their careers.

In 2020, we launched the Canon Global Marketing & Sales Trainee Program for new employees. With the aim of fostering human resources who will play an active role in Canon's future global marketing fields, participants spend a year and a half both in Japan and overseas acquiring sales experience and language proficiency.

The Overseas Study Program for Technicians is intended to develop engineers and technicians who can function internationally, as well as enable them to acquire skills that they can use to contribute to Canon's core businesses in the future. This program began in 1984, and to date, a total of 130 employees have participated in the program, studying at universities abroad. In line with our strategy to improve our R&D system in the United States and Europe, we plan to select several employees each year for overseas study.

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#### **Fostering Experts in Various Fields**

**Development of Human Resources in Engineering** To aid development of next-generation engineering human resources, Canon Inc. has built specializationspecific training set-ups for machinery, electronics, optics, materials, software, and other areas. We have also set up committees to oversee development of human resources across these core specializations. Each committee develops rank-based training programs for personnel from new hires and junior engineers to experienced leaders, as well as conducting courses and implementing other initiatives. We also provide training in some non-core specializations such as analytical technology. In 2023, a total of 6,638 engineers from Group companies in Japan took part in 273 related programs. Since 2021, we have also held online training to build general IT literacy for Canon employees across all job types. In 2023, we augmented this further with DX literacy courses to help build literacy in DX-related areas; 4,000 staff took the course in its inaugural year.

In 2023, to help recognize advanced technical knowledge, we added the "Top Scientist" and "Top Engineer" designations to our HR system. Recipients are selected by a special committee once a year and are recognized as engineers who drive Canon's technology. This system promises to boost the motivation of engineers and enable them to further contribute to Canon's business success.

#### **Development of Software Engineers**

Canon Inc. set up the Canon Institute of Software Technology (CIST) in 2018 to cultivate software engineers. Programs at CIST provide systematic support for the development of human resources in this area, from upskilling for engineers within product development teams to providing basic training for new recruits and people joining from other occupational fields.

Elsewhere, we have sent 6 people to the "Top SE (system engineer) course" programs hosted by the National Institute of Informatics; and 3 people to the "Smart SE course" business school program organized by Japan's Waseda University that focuses on AI, IoT and Big Data technologies.



Based in Tokyo, the CIST develops software engineers



Software engineer training at CIST

## Development of Global Human Resources in Manufacturing

At Canon, we are focusing on developing human resources who support production activities, mainly through the Monozukuri Advancement Center of Canon Inc.

In 2023, 308 employees working at nine overseas production sites took part in a total of 60 online training programs organized by the Monozukuri Advancement Center.

To promote training at overseas production sites, Canon is also focusing on on-site instructordevelopment training. A total of 66 personnel took part in 20 online training workshops for instructors in 2023. Site-based instructors across the Canon Group provided training to around 4,000 personnel in 2023.

A technical skill testing program, following the same standards as in Japan, has also been established at overseas sites. In 2023, testing was carried out for seven types of work skills, including injection molding, board mounting, and metal stamping, at a total of six sites in Thailand, Vietnam, Malaysia, etc., with approximately 420 employees participating.

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#### **Human Resource Development System**

To motivate employees and enhance skill specialization, Canon Inc. maintains an educational system for rankbased, elective, and self-development training that is in principle open to all employees.

Rank-based training is carried out to help employees more readily understand and fulfill their respective roles and to foster awareness of the actions and behaviors defined by Canon's guiding principles. We also supplement this with elective training that includes e-learning programs and other programs.

On average, Canon Inc. employees spent about 23 hours on average in training in 2023. Related training costs per employee amounted to approximately ¥165,000 at Canon Inc., and about ¥93,000 at major Canon Group companies in Japan and overseas marketing companies.

#### **Managerial Development**

For the development of management personnel, we operate the Canon Management School and the Canon Leadership Development (LEAD) Program. The Canon Management School, aimed at division managers and general managers, is designed to develop top-class management leaders. Led by our CEO, the school invites as instructors experts from such fields as politics, foreign diplomacy, economics, and science and technology. The program has produced many of our Group executives. The LEAD Program is designed to help candidates switch to a management-oriented mindset and develop their leadership abilities while also reinforcing strategy planning and execution capabilities. It provides training prior to and after appointments to management positions, as well as assessments prior to appointments. Our goal is to further reinforce efforts to systematically cultivate the next generation at Canon, concentrating on the development of management personnel as well as personnel for global, technological, and manufacturing roles. These training programs cover such issues as harassment prevention and compliance.

#### **Canon Inc.'s Career Development Support Programs**

#### ■ Regular Performance and Career Reviews

Since we evaluate the conduct and performance of every employee under our position-based pay system, supervisors have meetings with all their team members individually three times a year—at the start, midpoint, and end—to confirm duties and targets, monitor progress, and discuss future career development based on a "career sheet" filled out by the employee.

When discussing the evaluation, supervisors offer advice and guidance on improving results and work performance. This enables employees to objectively understand their own strengths and weaknesses, which aids them in achieving further growth. Supervisors also use this information in future development plans for the employee.

#### ■ Career Matching System

Canon Inc. has also established an internal career matching system to support its employees in pursuing satisfying careers. The system matches the right people to the right jobs, promotes internal mobility of human resources, and brings greater vitality to the company.

We also provide a trainee-style career matching system featuring a combination of training and internal recruitment. Employees who wish to take on new work challenges in a field where they have no experience can receive training opportunities to gain requisite skills, and then take up a position based on their skill level. In 2023, a total of 304 moved jobs via our internal recruitment system.

# Comment from a Trainee-Style Career Matching System User

After joining the company on the administrative staff, I was responsible for promoting sales of photobook production services. Collaborating with the development department made me realize that I wanted to gain technical knowledge and get involved in development, so I requested to switch job types, even though I had no experience. In the training, participants focused on learning the basics of software development by doing mock development in teams. I'm currently in charge of developing applications related to imaging and photography. Going forward,

I would love to draw on my previous experience to become a developer who can use technology to resolve sales issues. To me, this kind of environment, that allowed me to dive into a field I wanted to take on, felt like a really appealing part of this company.



Moeka Yonaga Canon Inc. Imaging Business

#### ■ Career Development Support for Young Employees

At Canon Inc., discussions are organized by the Human Resources Division for all employees after working for three years to review the suitability of their job and working environment and provide peace of mind and help them fulfill their potential.

In 2022, we introduced a training program for young employees in their third year with the company that includes group work and discussions with a career counselor. The program aims to build awareness and motivation for career development. A total of 289 employees attended this training program in 2023.

- Diversity, Equity and Inclusion
- Occupational Safety and Health Management
- Human Resource Development and Personal Growth
- Sociocultural Support Activities

#### ■ Post-Retirement Career and Life-plan Training

Canon holds Creative Life Seminars for employees when they reach the ages of 50 and 54 in order to help them plan for their retirement years. By providing employees with an opportunity to think about their life plan and career plan at an early stage, we help them to systematically plan and prepare for life after the age of 60.

#### ■ Supporting Organizational Invigoration

Canon aims to realize individual and organizational growth at the same time as achieving success in business. To this end, we have established a dedicated division for organizational development, which supports organizational invigoration through consulting on increasingly diverse organizational challenges, post-activity support, and rank-specific training. As of 2023, the division has provided support to 468 divisions and 16,500 employees, including Group companies worldwide.

#### ■ Other Career Development Support

To offer a more diverse range of learning opportunities and support the career development of self-motivated

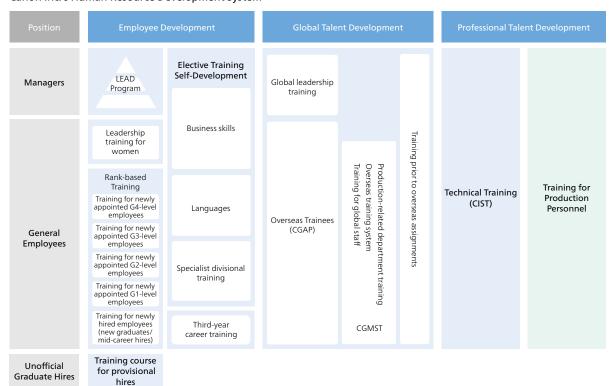
employees, we are developing e-learning content. In 2023, around 8,000 employees participated in these programs.

#### **Various Certification and Award Programs**

Canon has established certification and award programs to honor Group employees for their outstanding achievements.

At the Canon Summit Awards, Canon honors Group companies, divisions, teams, and individual employees who have made a major contribution to the development of the company in terms of activities or products. Canon recognizes employees with numerous other accolades: the Invention Award for employees who make inventions and contribute to intellectual property activities; the Quality Award and the Production Innovation Award for excellence that contributes to improvements in quality and productivity; the Canon Meister Certification/Commendation for contributions to advancements in manufacturing using a wide range of skills; the Canon Master Craftsman certification for outstanding skills that Canon should pass down; and the Environment Award for excellent environmental practice.

Canon Inc.'s Human Resource Development System



CGMST: Canon Global Marketing & Sales Trainee CIST: Canon Institute of Software Technology

### **Sociocultural Support Activities**

We are contributing to the sustainable development of local communities using technology and knowledge gained in business.

#### **Basic Approach**

Contributing to society through business activities has been the ethos underpinning our corporate culture ever since Canon was founded. Based on this thinking, in the important field of social contribution activities, we are engaged in educational and sociocultural support activities that use the technologies Canon has cultivated over many years in the Imaging Group and the Printing Group, and participate in projects that provide medical services to impoverished regions, drawing on the technologies of the Medical Group. These activities are instrumental to four industry-oriented groups we have positioned as means of boosting our competitiveness in the key strategies under our medium- to long-term management plan. Canon is leveraging the technology and knowledge cultivated through these businesses to help bring about the sustainable development of regional communities.

Furthermore, we support the Children's Rights and Business Principles formulated by UNICEF jointly with the United Nations Global Compact and Save the Children. In support of the next generation, Canon is engaged in activities to help protect the rights of children.

#### **Policies**

Based on the Canon Group CSR Activity Policy, we are engaged in activities that support the arts, culture and sports; in providing humanitarian aid and disaster relief; and in activities that enrich local communities while also taking care of the global environment. Under this policy, we are developing sociocultural support activities across the Canon Group by leveraging the Group's strengths in terms of advanced technological capabilities, global business development expertise, and diverse, specialized human resources

Reference: Canon Group CSR Activity Policy https://global.canon/en/sustainability/society/pdf/csr-activity-e.pdf

#### **Promotion System**

The Sustainability Headquarters at Canon Inc. oversees and promotes sociocultural activities across the entire Canon Group. The Group Executive for Sustainability Headquarters, who is an executive officer of Canon Inc., reports important matters periodically to the Chairman & CEO and Executive Vice President for approval.

Moreover, staff in charge of social contribution activities at Group companies around the world regularly share information on such matters, while we actively use our intranet and social media platforms to share with employees information on Group activities, action on the

SDGs, and other related topics to promote sociocultural support activities across the Group.

#### **Major Initiatives**

Miraisha Programme Aims to Increase Employment
Opportunities and Technical Skills in Africa
High youth unemployment is a severe problem in Africa.
Moreover, while demand is increasing for photography,

video production, and printing, most of this business is done by foreign companies because local skill levels often do not reach international standards. In response to this situation, Canon Europe has been promoting its Miraisha Programme, a social investment initiative in Africa. Miraisha is a portmanteau of the Japanese word *mirai*, meaning future, and the Swahili word maisha, meaning life. Through the program, Canon aims to improve the technical skills of and increase employment opportunities for local young people in Africa's growing photography, video production, and print industries. Workshops in photography, film-making, and professional printing have been conducted in Kenya, Ghana, Nigeria, DRC, Uganda, Cameroon, Ivory Coast, and other countries. Through partnerships with local organizations, educational institutions, event organizers, and with the assistance of Canon Ambassadors, and Trainers, the Miraisha Programme has so far provided training to more than 6,500 workshop participants.

In 2023, 300 people participated, bringing the total to 7,000 participants trained. Canon has also organized a training program to develop local photographers and videographers as Canon-accredited trainers for the *Miraisha* Programme. By 2023, a total of 25 Canon Certified *Miraisha* trainers were working throughout Africa, three of whom were recruited as Canon Group employees.



Miraisha students on a photography and film workshop in Mombasa, Kenya

- Occupational Safety and Health Management
- Human Resource Development and Personal Growth
- Sociocultural Support Activities

#### Canon Young People Programme Harnesses the **Power of Positive Visual Storytelling**

The Canon Young People Programme (YPP) runs across Europe, Middle East and Africa (EMEA) with the objective to give young people a voice to create a better and more sustainable future by introducing them to the power of creative visual storytelling and critical thinking, aligned to the United Nations SDGs. We achieve this by supporting young people from disadvantaged backgrounds across EMEA to develop the creative storytelling skills they need to succeed in the workplace of tomorrow. The program is run in partnership with local NGOs in each country and through this close collaboration helps us reach the local communities, run the workshops and amplify the voice of the participants. The program is diverse, creative and enabling, giving us the opportunity to work with young people with great ideas, willing to contribute, and to work hard to make the world a better place and really make a significant difference to their community.

In 2023 YPP workshops were held across EMEA in over 31 countries, supporting over 1,300 young people to have their voices heard, and their stories told. Canon YPP workshops also featured at global United Nations events including UN LDC5 in Qatar and the UN SDG Action Awards in Italy.



UN Young Delegates took part in Canon YPP workshops during LDC5 in Qatar

#### **Inclusivity Initiatives Using Elevated Printing Technology**

Canon Production Printing boasts a unique elevated printing technology involving the layering of UV-curable ink. Using this technology, the company reproduced Vermeer's masterpiece "Girl with a Pearl Earring," including the unevenness and luster of the oil painting. The reproduction is now available as a tactile painting at the Mauritshuis museum in The Hague.

In 2024, photographer Mariko Tagashira and White Hand Chorus NIPPON Artistic Director Erika Colon created "FUGA." the latest installment in the collaboration's Beethoven's Symphony No.9 series. It is a sign-language rendition of the fugue section of the symphony's fourth movement. Elevated printing to express the trajectory of the hand movements was used to create works that allow people both with and without visual impairments to appreciate the photographs in an inclusive manner.



Production of the "FUGA" photographs using elevated printing technology

#### Comment from the Global Director of the UN SDG Action Campaign

Inspirational storytelling is key to effectively communicating SDG impact to an engaged global audience. The YPP's collaborations with the UN SDG Action Campaign for the 2023 LDC5 Conference in Doha, Qatar, and for the 2023 SDG Action Awards in Rome, Italy, have provided invaluable guidance, support, and critical photographic equipment to empower our civil society and youth partners in expressing their commitment to the Sustainable Development Goals and give voice to their community experiences. We look forward to continuing this fruitful partnership because when it comes to communicating the SDG impact of our partners around the world, a picture is truly worth a thousand words.



Marina Ponti Global Director UN SDG Action Campaign

#### The Research and Education Program "Eyes on Yellowstone" Made Possible by Canon U.S.A. Helps to Communicate the Importance of Environmental Conservation

Canon U.S.A. donates products and funds to Yellowstone Forever, the official nonprofit partner of the globally renowned Yellowstone National Park in the U.S.A. to support initiatives such as surveillance activities targeting endangered wildlife species.

Eyes on Yellowstone allows Yellowstone's scientists and managers to break new ground in conservation, endangered species protection, and the application of cutting-edge science and technology to park wildlife and ecosystem management. The data collected from these projects have educated and inspired millions of people around the world. Eyes on Yellowstone helps enrich the visitor experience—real and virtual—and encourages the public to become more involved in national parks and, more broadly, environmental protection.

In 2023, Canon U.S.A., Inc. donated the 4K Outdoor PTZ Camera, which is installed opposite Old Faithful, so you can see a live stream of world-famous geyser Old Faithful.



Live stream recording of Old Faithful using a Canon 4K remote camera

#### The 4E's Project in India

Canon India carries out the 4E's Project in partnership with the NGO Humana People to People India. The project provides various forms of assistance in the four fields of eye care, education, environment, and empowerment to impoverished villages near to the Canon India offices.

Especially in the field of eye-care, Canon strives to provide improved medical assistance to the people with vision impairment by utilizing its technology from the Medical Group that Canon plans to further strengthen and expand its operation as part of the priority business strategy. In India, despite the fact that 80% of cataracts, a major cause of visual impairment, are believed to be preventable or treatable, the issue is lack of access to

appropriate diagnostic or therapeutic care due to insufficiently developed healthcare infrastructure. Canon India opens vision centers in selected villages to provide eye examinations using equipment made by Canon.

A total of 4,089 people visited these centers in 2023, with 764 receiving free eyeglasses, and 156 patients being referred for treatment in hospital. There were 20,081 beneficiaries in the entire 4E's Project.



#### **Support for Education in Asia**

Canon supports the education of children across Asia who will become leaders of the next generation.

Respecting the right of every child to receive an education, we have set up 11 Canon Hope Elementary Schools in China to provide a better educational environment through improved access to education.

In Vietnam, since 2007 we have been pursuing the Canon Friendship School Chain Project, which involves constructing school buildings, providing desks and chairs, and donating school supplies to improve the learning environment for children. We opened our 51st school in 2023 in an impoverished area in the mountainous region of northeastern Vietnam.

In Thailand as well, Canon staff are engaged in ongoing volunteer activities to support children in impoverished areas in receiving a high-quality education in conducive environments. Employees visit schools to repair facilities, photograph and print student IDs, and donate books and toys collected from employees.

Elsewhere, Canon employees can make donations under a matching gift program. Since 1997, Canon Inc. has organized an annual Charity Book Fair to allow employees of the Canon Group in Japan to donate unwanted books, CDs, and DVDs for sale at an in-house bazaar. The company matches the proceeds generated by the sales, and these funds are donated to organizations supporting education and medical services in Asian countries, including Thailand, Laos, and Cambodia.

- Sociocultural Support Activities



Donating school supplies to the newly opened school in Vietnam

Disaster Recovery Efforts (Tohoku Region)

Established in 2012, the year after the Great East Japan Earthquake, the Tohoku Reconstruction Promotion Office of Canon Marketing Japan, based in Sendai in the Tohoku region, is working to address various issues faced by the disaster-stricken region as it continues to recover, including related communications and trust-building.

In 2023, 242 people participated in photography workshops organized at various locations in the region.

## Preserving Ancient Japanese Cultural Assets for the Future Through the Tsuzuri Project

Canon and Kyoto Culture Association (NPO) have been running the Cultural Heritage Inheritance Project, commonly known as the Tsuzuri Project, since 2007.

Many of Japanese precious ancient cultural assets have limited viewing opportunities, often because they have been moved overseas or are preserved in storage as designated national treasures. The Tsuzuri Project combines Canon's imaging technology with traditional craftsmanship from Kyoto to create high-resolution facsimiles that are as close to the original as possible.

The facsimiles are utilized in a range of ways, including in public exhibitions held by the donating institution and for educational purposes.

Moreover, in 2023, we held special exhibits in various venues displaying high-resolution facsimiles of artwork created by the Tsuzuri Project, drawing around 40,000 visitors. The Fukushima City Museum of Photography exhibited the facsimiles of five national treasures and also conducted projection mapping to project the worldview of the artworks. At Canon Gallery S in Tokyo, we held a special exhibit using popular artworks to convey the diverse beauty of Japanese art. Also, at Kenninji Temple, the oldest Zen temple in Kyoto, we exhibited high-resolution facsimiles of 19 masterpieces from the collection of the Smithsonian's National Museum of Asian Art, offering a distinctive viewing experience within the temple space. By utilizing facsimiles, all the venues allowed visitors to leisurely appreciate the exhibits without glass cases, providing a valuable and close encounter with Japanese cultural assets.



Artworks on tour (from the exhibition at Fukushima City Museum of Photography)

Reference: The Tsuzuri Project https://global.canon/en/tsuzuri/

# A Special Appreciation Experience of Japanese Art Made Possible by the High-Resolution Facsimiles of the Tsuzuri Project

The special exhibition celebrating the 100th Anniversary of the Smithsonian's National Museum of Asian Art brought together 19 high-resolution facsimiles of the most important Japanese paintings in our collection which cannot be lent. It was unlike any other exhibition. The concept would not have worked without the high-resolution facsimiles which create extremely accurate reproductions of the original paintings. The abbot's quarters at Kyoto's

oldest Zen temple, Kenninji, allowed us to display the works without glass and in natural light within a historic setting. This, too, was not possible using the original paintings. This opportunity created a unique experience for visitors and specialists alike, allowing them to travel back in time and admire the works in the original context for which they were made. We look forward to cooperating in future projects that create special experiences by bringing artworks from inside our collections to people around the world.



High-resolution facsimile of "Dragon and Clouds" by Tawaraya Sotatsu (from the exhibition at Kenninii)



Frank Feltens
Curator of Japanese Art
Smithsonian's National
Museum of Asian Art

**Activity Report** 

- Respecting Human Rights - Hiring and Treatment of Human Resources

#### **Contributing to Society Through Rugby**

Canon Inc. manages the Yokohama Canon Eagles, part of Japan's Rugby League One, with the aim of creating and sharing thrilling experiences with sports fans and local residents through the sport of rugby.

As a social contribution activity targeting elementary, junior high, and high school students nationwide, the team holds career education classes and tag rugby workshops run by current Eagles players and staff. The goal is to contribute to the healthy development of children through rugby by letting them experience the importance of team play and the joy of physical activity.

In 2023, the team held career education classes and tag rugby workshops at 25 elementary schools, with a total of 1,882 students participating. The team also hosted the "Eagles Cup 2023" mini-rugby tournament for rugby schools from the region at their training ground at Canon Sports Park in Tokyo.



"Eagles Cup 2023" mini-rugby tournament

Reference: Corporate sports https://global.canon/en/sports/list/index.html

# Supporting Research Activities that Contribute to the Sustainable Development of Humankind Through the Canon Foundation

The Canon Foundation was established in 2008 with the aim of contributing to the development of science and technology. Operating completely independently of Canon's business activities, it provides assistance in a wide range of science and technology research fields.

The foundation's aim has been to create new value for society by adopting an approach of supporting research that addresses cutting-edge fields of science and technology. Based on this concept, the foundation supports two research programs, focusing on the themes of "Science and Technology that Achieve a

Good Future" and "Science and Technology that Create New Industries."

Over the past 15 years, the Canon Foundation has disbursed a total of 221 research grants totaling ¥4.0 billion. The foundation enjoys recognition from

universities and public research institutions across Japan as a distinctive research grant foundation which provides an average project grant of around ¥18 million—a relatively high amount mainly for fledgling research projects and young researchers just starting out.

Reference: Canon Foundation website https://jp.foundation.canon/eng/index.html



14th Research Grant Award Ceremony

#### Canon Institute for Global Studies Aims to Help Address Problems Faced by Humankind

The Canon Institute for Global Studies (CIGS) is a non-profit private-sector think tank established in 2008 as a general incorporated foundation in commemoration of Canon Inc.'s 70th anniversary.

CIGS brings together researchers with diverse backgrounds in business, academia, and government to exchange ideas and engage in global activities, seeking to analyze the current situation from the perspective of Japan's position in the global community and provide strategic recommendations across a wide array of areas, including the global economy, foreign affairs and national security, and energy and the environment. The institute is active in disseminating information and making policy proposals to governments through online events and research seminars.

Reference: The Canon Institute for Global Studies https://cigs.canon/en/



Japanese and French experts lead a workshop on economic trends in the EU and Japan

- Human Resource Development and Personal Growth
- Sociocultural Support Activities

#### Other Major Sociocultural Support Activities

Area	Name of Activity	Overview	Notes
Humanitarian Aid and Disaster Relief	Donations	In February 2023, we donated 100,000 euros (about ¥14 million) to organizations such as the Japanese Red Cross Society and the Turkish Red Crescent Society in response to the damage caused by the earthquake that struck southeastern Turkey, as well as donating medical equipment to support victims of the disaster.  We also donated ¥30 million through the Japanese Red Cross Society to support areas affected by the Noto Peninsula earthquake in January 2024.	Canon donated six tablet-type diagnostic ultrasound devices used for medical support in Turkey
	Cooperation with UN Support Programs	Canon helped sponsor the Refugee Film Festival, organized by Japan for UNHCR*1, with the cooperation of the UNHCR Representation in Japan. We also participate in activities to support the Japan Association for the World Food Programme*2.	*1 The national partner of UNHCR in Japan *2 The national partner of the World Food Programme (WFP) in Japan
Local Communities	American Cancer Society	2023 marks Canon U.S.A.'s 25th anniversary as a flagship sponsor of the Making Strides Against Breast Cancer Walk. The funds raised and donated by Canon go to the American Cancer Society to support breast cancer research, education, and patient services.	URL: https://www.usa.canon.com/ about-us/community-and-social- involvement/walk-for-american- cancer-society
	Food Donations	We carry out food drives and food bank activities to donate food to organizations in need at our Shimomaruko headquarters, Utsunomiya Office, Canon U.S.A., Canon Canada, and other locations.	
Education and Science	Junior Photographers	This project organizes nature-themed photography classes for children with the aims of raising environmental awareness and fostering richer artistic sensitivity. In 2023, photography workshops were held at 19 locations, attended by 586 participants.	
	Internship Program for Students	Group companies conducted various internships, including programs aimed at supporting the career development of students. Canon Inc. offered a total of 1,710 internships to students on administrative, technical or specialist tracks in 2023.	
Art, Culture, and Sports	New Cosmos of Photography	We supported this cultural project for three decades since its inception in 1991. Its aim was to discover, nurture, and support new photographers. Public solicitations were concluded in 2021, but in 2023, we published a 30th anniversary book highlighting the history of the project and held an exhibition on the project at Sendai Mediatheque.	URL: https://global.canon/en/ newcosmos/