

# Sustainability at Canon

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## Approach to Sustainability

Since 1988, Canon has been striving to uphold our corporate philosophy of *kyosei* (living and working together for the common good) in order to contribute to worldwide prosperity and happiness.

A society in which all people live and work together, respecting one another and coexisting happily, regardless of culture, customs, language, ethnicity, or region. And a society in harmony with nature, able to preserve Earth's abundant resources for future generations.

To realize such a society, Canon will create new value through the power of technology and innovation, providing world-first technologies and world-leading products and services while also contributing to solutions for the problems our society faces. By providing greater value while using fewer resources throughout all product lifecycles, we aim to enable affluent lifestyles while protecting the environment.

Through our corporate activities, Canon proactively works toward realizing a sustainable society.

Reference: Approach to Sustainability (formulated in October 2021)

### Sustainability-related policies

- General policies: [Canon Group CSR Basic Statement](#)
- Environment: [Canon Group Environmental Charter](#), [Canon Environmental Vision](#)
- Human rights: [Canon Group Human Rights Policy](#)
- Supply chain: [Canon Supplier Code of Conduct](#)
- Design: [Principles of Universal Design](#)
- Social contribution: [Canon Group CSR Activity Policy](#)
- Compliance: Canon Group Code of Conduct (→P76)

### Engagement in Initiatives

- Responsible Business Alliance (RBA)
- Responsible Minerals Initiative (RMI)
- Task Force on Climate-related Financial Disclosures (TCFD)
- CDP
- Japan Climate Initiative (JCI)
- WIPO GREEN
- 30by30 Alliance for Biodiversity
- Joint Article Management Promotion-consortium (JAMP)

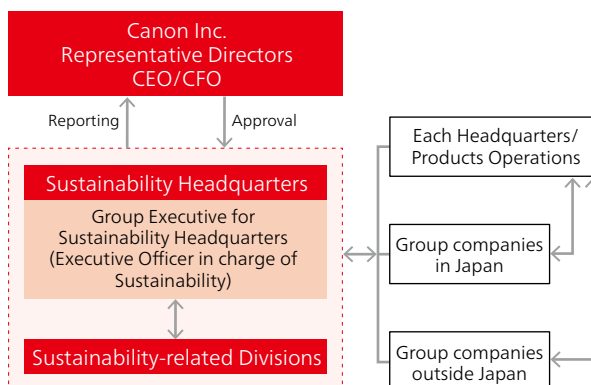
### Promotion System

Besides coordinating activities across the Canon Group to promote sustainability from social and environmental angles, Sustainability Headquarters of Canon Inc. draws on the expertise of divisions to address specialist issues in specific areas such as the environment, legal affairs, human resources, procurement, and quality. With any issues that require a cross-divisional approach, it assembles a project team to coordinate the planning and implementation of specific activities.

The division overseeing activities reports as required on the direction and content of measures to the CEO and the CFO. Once approval is received, it then promotes activities in cooperation with the relevant divisions in Japan and overseas.

Based on management approval, this report provides annual disclosures of our sustainability-related initiatives.

### Promotion System



Sustainability-related issues:  
 Environment, human rights, human resources development, diversity, quality assurance, sociocultural support activities, corporate governance, risk management, supply chain risks, etc.

### Driving Awareness across the Group

To revitalize activities and help develop a sustainability mindset across the Group, we share the direction of sustainability activities and related details at meetings such as our global management conferences for the senior managers of major Group companies. Moreover, we have introduced the consolidated performance evaluation system that considers the social and environmental contribution activities of each operating division and manufacturing/marketing company, alongside the results achieved under business policies. Results from these evaluations are shared twice a year at Group executive meetings to support Group-wide improvements.

In addition to that, we are conducting a range of sustainability-related training for managers and general employees to drive awareness of sustainability issues.

### Specific examples of initiatives

- Education programs for specialist areas such as environmental protection, respect for human rights, data management and compliance
- Sustainability awards system based on categories (e.g., environment, quality)
- Sharing of information on sustainability activities via the company intranet
- Information-sharing meetings involving personnel responsible for sustainability across Group companies
- Online events providing sustainability information based on themes such as refugee issues, food waste, SDGs, etc. (see the column below)



Presentation on sustainability activities at global management conferences



Environmental Award for excellent environmental practices

### Canon Sustainability Channel

With the aim of spurring innovation, Canon holds monthly interactive online events in which anyone can participate to enhance the understanding of individual employees about sustainability issues in a social context.

Guest speakers at events have included people working with the UNHCR or on LGBTQ-related initiatives. These events also introduce Canon’s in-house sustainability activities to help provide information on a range of topics. In 2022, a total of 2,686 employees participated in 11 online events.

Reference: Topics addressed to date  
<https://global.canon/en/sustainability/society/pdf/csc-e.pdf>



Online event in action

# Environmental and Social Material Topics

GRI2-23 GRI2-25 GRI3-1 GRI3-2 GRI3-3

Based on the GRI Standards as revised in 2021, Canon used the three-step process outlined below to identify six material topics by considering the positive and negative, direct and indirect impacts of Group activities to the environmental and social areas.

Of the six topics identified, four were regarded as of greater importance: three themes (Climate Change; Resource Efficiency, Chemical Substances) due to being issues our society faces, while also affecting Canon's operating sites and product competitiveness due to the trend towards stricter regulation worldwide; and the fourth topic (Human Rights and Labor) as being vital to underpin the mutual respect between individuals that helps create workplaces with innovative potential, thereby sustaining our business development. Although important, the fifth theme (Biodiversity) was regarded as having a lesser impact on our business,

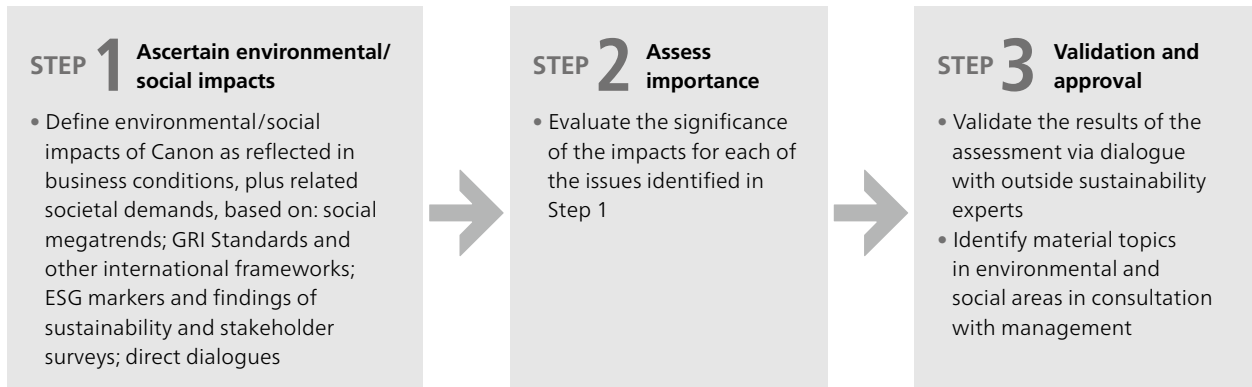
while the sixth topic (Sociocultural Support Activities) was deemed important since Canon has always implemented such activities and will continue to do so in the future. Results from this analysis were discussed with outside experts to maintain objectivity, before approval by management.

Going forward, we will review Canon's material topics for the next report, based on an assessment of societal changes and issues as gleaned from stakeholder dialogue and an analysis of how such factors relate to the management of the business.

Regarding the activities that are critical to our sustained growth such as product responsibility, corporate governance, risk management and supply chain management, are positioned and reported as part of the management foundation.

## Identification Process

The environmental and social material topics were identified via the following three-step process.



## Canon is contributing to achievement of various SDGs



### Net zero CO<sub>2</sub> emissions by 2050

We are working to reduce CO<sub>2</sub> emissions over entire product lifecycles by making more compact, lightweight, and energy-efficient products; by boosting efficiency in logistics; by introducing renewables at Canon production sites to raise energy efficiency; and by recycling products.



### Product-to-product resource recycling

Besides restricting resource consumption, we are developing systems to enable the global recycling of resources so these can be used repeatedly.



### Strict management of chemical substances

Canon has a Group-wide environmental assurance system for chemical substances contained in products, and we address this issue during product development.

Environmental and Social Material Topics

	Identified material topics	Main initiatives covered in Sustainability Report 2023	Significance
<b>Environmental domain</b>	<b>Climate change</b>	<ul style="list-style-type: none"> <li>• Designing energy-efficient products (→P22)</li> <li>• Improving energy efficiency at operational sites (→P23)</li> <li>• Reducing CO<sub>2</sub> emissions from logistics (→P24)</li> <li>• Expanding use of renewable energy (→P24)</li> </ul>	Very important
	<b>Resource efficiency</b>	<ul style="list-style-type: none"> <li>• Designing more compact, lighter weight products (→P27)</li> <li>• Reducing waste through prevention, reuse and recycling (→P26)</li> <li>• Remanufacturing products (→P27)</li> <li>• Recycling consumables (→P27)</li> <li>• Using sustainable water resources (→P29)</li> </ul>	Very important
	<b>Chemical substances</b>	<ul style="list-style-type: none"> <li>• Managing chemicals contained in products (→P31)</li> <li>• Meeting international standards (→P31)</li> <li>• Managing chemical substances in production processes (→P32)</li> <li>• Reducing discharge into air, water, and soil (→P32)</li> <li>• Green supply chain (→P31)</li> </ul>	Very important
	<b>Biodiversity</b>	<ul style="list-style-type: none"> <li>• Biodiversity Policy (→P34)</li> <li>• Basic Policy on the Procurement of Timber Products (→P34)</li> <li>• Canon Bird Branch Project (→P35)</li> <li>• Preservation of natural habitats and biodiversity, forest conservation (→P35)</li> <li>• Tree-planting initiatives (→P36)</li> </ul>	Important
<b>Social domain</b>	<b>Human rights and labor</b>	<ul style="list-style-type: none"> <li>• Respecting human rights (→P39)</li> <li>• Hiring and treatment of human resources (→P44)</li> <li>• Diversity and inclusion (→P48)</li> <li>• Occupational safety and health management (→P50)</li> <li>• Human resource development and personal growth (→P54)</li> </ul>	Very important
	<b>Sociocultural support activities</b>	<ul style="list-style-type: none"> <li>• 4E's Project (→P58)</li> <li>• Canon Young People Programme (→P59)</li> <li>• <i>Miraisha</i> Programme (→P59)</li> <li>• Tsuzuri Project (→P60)</li> </ul>	Important



**Canon Bird Branch Project**

Canon promotes various activities at its sites in Japan and overseas on the theme of birds, which occupy an apex position in local ecosystems above plants, insects and small animals.



**Due diligence on human rights**

This involves assessing human rights risk in workplaces while using outside expert advice. We use the RBA's SAQ to assess risk within our supply chain. Sustainable procurement activities are our aim.



***Miraisha* Programme**

This social investment initiative in Africa aims to promote and expand employment by enhancing the skills of young workers in fields such as photography, video and printing through workshops and a related guidance program.