

Stakeholder Engagement

Basic Approach

Canon thinks it is important to have ongoing dialogue with its diverse stakeholders to communicate the company's thinking to them and to listen carefully to their own feedback with the aim of deepening mutual understanding. We consequently strive to maintain close communication with stakeholders using departments in charge at Group companies worldwide as points of contact. Responding to the issues identified based on the opinions we receive,

Stakeholder	Main Communication Methods	Main Initiatives in 2017	Topics of Interest
Educational/ Research Institutions	<ul style="list-style-type: none"> Joint research Presentations at international conferences and technical groups Business introductions Participation in surveys and studies Outreach classes and instructor dispatch Onsite briefings at schools and school visits (university/technical college level) 	<ul style="list-style-type: none"> Instructors dispatched to Utsunomiya University (Japan), Center for Optical Research and Education (15 times) Chuo University (Japan) classes held on intellectual property law and corporate law Environmental classes held at elementary schools (37 times) Recruitment visits organized to universities (approx. 80 times) Outreach classes held at universities, research institutions and other Canon Foundation grant recipients (17 occasions) Visits to promote joint research initiatives between industry and academia (15 times) <p>Other efforts to maintain regular communications with educational and research institutions included onsite briefings held at universities to introduce Canon and its business operations (approx. 100 times) and collaborative R&D conducted with university hospitals in Japan.</p>	<ul style="list-style-type: none"> Optical technology Cutting-edge technology Joint research Environmental education related to recycling technology
Employees	<ul style="list-style-type: none"> Labor-management meetings Information sharing from top management (intranet, in-house magazine, executive meetings, site visits) Training programs Employee surveys Human resource hotline Whistleblower system Safety and Health Committee Internal award system Summer festivals and other events 	<ul style="list-style-type: none"> Labor-management meetings held (11 times) Employee surveys conducted (once every two years) Information security seminars held (12 times) Environmental training conducted <p>Various other initiatives were implemented to help make individual workplaces more rewarding. Monthly workplace safety committee meetings were also held as part of efforts to build a framework for utilizing employee feedback.</p>	<ul style="list-style-type: none"> Improve working environments Develop workplace safety set-up Develop personnel evaluation set-up Build understanding of management policies Develop employee welfare set-up Cultivate high internal morale
NGOs/NPOs	<ul style="list-style-type: none"> Collaborative projects, including volunteer activities 	<ul style="list-style-type: none"> Support provided for UNHCR Refugee Film Festival and UNHCR photo exhibition about the Refugee Olympic Team that competed in the 2016 Olympic Games in Rio de Janeiro sponsored and organized by UNHCR Representation in Japan and Japan for UNHCR* Biodiversity conservation initiatives (such as <i>Furusato Project—Linking Our Dream to the Future</i>) Canon Bird Branch Project <p>Continuous support was provided for humanitarian and disaster-relief activities based on information gathered from organizations (including NGOs/NPOs and social welfare associations) working in disaster-affected areas; other support included various collaborative biodiversity and green procurement initiatives.</p> <p>* The National partner of UNHCR in Japan</p>	<ul style="list-style-type: none"> Ecosystem protection/conservation Issues affecting global society such as refugee issues and poverty Aiding disaster-struck areas
Embassies/ Foreign Governments	<ul style="list-style-type: none"> Involvement in international exchanges and events Cooperation with events commemorating the establishment of diplomatic relations with Japan 	<ul style="list-style-type: none"> Courtesy calls and participation in hearings or other meetings organized in response to requests from embassies and foreign governments (over 50 times) Ongoing active participation in international discussions and events designed to improve bilateral relations 	<ul style="list-style-type: none"> Addressing social issues at the national and international levels
Local Communities	<ul style="list-style-type: none"> Social-contribution activities, including community cleanups Emergency disaster-relief assistance Participation in disaster-preparedness and crime-prevention drills Involvement in local groups/organizations Participation in local events and volunteer activities Environmental education and awareness activities 	<ul style="list-style-type: none"> Involvement in various community-based social contribution activities, including area clean-ups and educational, sports and cultural programs Activities to protect and conserve local ecosystems, such as tree-planting programs <p>Other efforts continue to be made to deepen ties with local communities through support for drills aimed at improving traffic safety and disaster preparedness.</p>	<ul style="list-style-type: none"> Protection/conservation of local community ecosystems Contributions to local communities through business operations Understanding local communities Fulfilling responsibilities as corporate citizen to participate in local community activities

we deal appropriately with the needs of each region, and at the same time, we are sharing the important issues related to global management throughout the Group and working to resolve the issues. Here, we introduce our methods of communicating with stakeholders and introduce some specific initiatives. This report covers all stakeholders that Canon believes are of high importance in terms of its business activities.

Stakeholder	Main Communication Methods	Main Initiatives in 2017	Topics of Interest
Shareholders/ Investors	<ul style="list-style-type: none"> General Meeting of Shareholders Briefings for institutional investors Individual meetings with institutional investors Briefings for individual investors Disclosure of information on website for investors Publication of corporate reports/brochures for investors 	<ul style="list-style-type: none"> Financial results announcements, corporate strategy briefings (5 times) Publication of the Canon Annual Report and Sustainability Report Establish business introduction pages with additional ESG information, renewal of website aimed at investors Expanding disclosure of information through such means as revised documents explaining financial results Quick release of documents relating to the general meeting of shareholders in full 	<ul style="list-style-type: none"> Medium-to-long-term management strategy aimed at achieving continued growth Business activity trends and results Financial condition ESG initiatives
Suppliers	<ul style="list-style-type: none"> Online supplier surveys Briefings on business trends Technology exhibitions by suppliers Promotion of green procurement 	<ul style="list-style-type: none"> Annual survey conducted covering finance, corporate information and business ethics Briefings held on business trends (9 times) Supplier product/technology exhibitions hosted (once) Collecting and managing product information for products containing chemical substances through chemSHERPA 	<ul style="list-style-type: none"> Understanding of Canon Group procurement standards Implementation of procurement standards Product/technology trends General business activity trends Improve efficiency of the chemical substance information transmission scheme.
Customers	<ul style="list-style-type: none"> Corporate website Technology exhibitions and other events Assistance at service centers Factory tours and showroom tours Corporate reports, brochures Response to inquiries by telephone and email Support for reducing environmental impact 	<ul style="list-style-type: none"> Environmental website information upgraded Corporate stand organized at EcoPro 2017 Business briefings held for customers <p>Other efforts to build customer trust include onsite product servicing for corporate clients and regular follow-up calls.</p>	<ul style="list-style-type: none"> General environmental/ CSR activities General business-related information on technology, production, products and services Response to customer feedback/complaints Administrative policies to deal with social problems at a national and local government level.
National/Local Governments	<ul style="list-style-type: none"> Exchange of opinions with government agencies on business environment and national policies Exchange of opinions centered on local government Policy recommendations through economic organizations and industry groups Cooperation in surveys and questionnaires such as government statistics 	<ul style="list-style-type: none"> Opportunities to exchange opinions with government agencies and municipalities, including visits, hearings and meetings (over 250 times) <p>Other activities include ongoing active cooperation in the evaluation of actual business conditions and related issues, and efforts to implement economic policies relating to intellectual property, trade, taxation, labor, the environment and other areas.</p>	<ul style="list-style-type: none"> Government policies on social issues at national and local levels
Other Companies	<ul style="list-style-type: none"> Collaborative projects 	<ul style="list-style-type: none"> Joint research with other companies and outsourcing of development work 	<ul style="list-style-type: none"> Industry trends Addressing social issues that affect multiple industry sectors Product/technology trends