

# 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 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 from stakeholders, we deal appropriately with the needs of each region, and at the same time, we share important issues related to global management throughout the Group and work to resolve them.

Comments or requests received from external stakeholders via the Canon CSR website\* are shared with relevant departments and answered promptly. We are working to develop Canon's CSR activities

further through appropriate opinion exchanges with corporate consultants, investors, and CSR experts, as well as a range of NGOs and NPOs.

Moreover, the preparation of this report involves several rounds of direct discussion with third parties regarding its content, starting from the planning stage (→P124-126). We also try to ensure report disclosures meet the expectations of all stakeholders by canvassing the views of investors, shareholders, and CSR experts.

Specific dialogue and engagement in 2020 with stakeholder groups that Canon regards as of high importance for its business activities are outlined below.

\* Inquiries about CSR Activities

<https://global.canon/en/contact/csr/csr-form-e.html>

## Examples of Joint Initiatives with Stakeholders

### Involvement as a founder member in OPEN COVID-19 DECLARATION

Canon, together with two founders, immediately and actively encouraged other companies under the state of emergency, and announced the OPEN COVID-19 DECLARATION. Without seeking compensation, declarers commit not to assert certain intellectual property right against any activities whose purpose is stopping the spread of COVID-19, including diagnosis, prevention, containment and treatment. Canon prepared a customizable template for the declaration to allow many companies to join easily.

Japan is the world leader in this initiative, which received the backing of the Japan office of the World Intellectual Property Organization (WIPO), Keidanren (Japan Business Federation), and other influential organizations. As of December 2020, a total of 101 firms and research organizations had joined the declaration.



### Disaster Recovery Support Activities

Since 2012, Canon has been involved in the "Fukushima Community Support" initiative to help build communities for those affected by the nuclear power disaster in Fukushima Prefecture. Canon employees take a role as instructors for activities such as photography classes and photo sessions, providing opportunities for participants to share and interact. To date, a total of 584 local residents have taken part in 34 sessions, including ones living in temporary accommodation or reconstruction public housing and those who have returned to their homes after evacuation orders were lifted.

In 2020, with COVID-19 restricting any onsite visits, photography classes and interaction sessions were held online by connecting Canon's Shimomaruko headquarters office in Tokyo with the town of Tomioka in Fukushima Prefecture with cooperation from the Tomioka Social Welfare Council.



Online photography class

| Stakeholder                                       | Topics of Interest  | Main Communication Methods  | Main Initiatives in 2020*  |
|---|---|---|--|
| <b>Educational/<br/>Research<br/>Institutions</b> | <ul style="list-style-type: none"> <li>Optical technology</li> <li>Cutting-edge technology</li> <li>Joint research</li> <li>Environmental education related to recycling</li> </ul>   | <ul style="list-style-type: none"> <li>Joint research</li> <li>Presentations at international conferences and technical working group meetings</li> <li>Business introductions</li> <li>Outreach classes and instructor dispatch</li> <li>Internship programs to support the career development of students</li> </ul>  | <ul style="list-style-type: none"> <li>Classes held at Utsunomiya University (Japan), Center for Optical Research and Education (24 times)</li> <li>Environmental classes for elementary school children (8 times)</li> <li>Visits to Canon Foundation grant recipients, including universities and research institutions (12 times)</li> <li>Meetings to promote joint research initiatives between industry and academia (11 times)</li> <li>Onsite briefings held at universities to introduce Canon and its business operations (approx. 150 times)</li> <li>Regular communications with educational and research institutions such as collaborative R&amp;D conducted with university hospitals in Japan</li> <li>Internships for special support school students (2 students from 1 school)</li> </ul> |
| <b>Employees</b>                                  | <ul style="list-style-type: none"> <li>Improvement in workplace environments</li> <li>Understanding of management policies</li> <li>Maintenance of employee welfare system</li> <li>Support for career development</li> <li>Maintenance of personnel evaluation system</li> <li>Maintenance of workplace safety system</li> <li>Cultivation of high company morale</li> </ul> | <ul style="list-style-type: none"> <li>Labor-management meetings</li> <li>Information sharing from top management</li> <li>Training programs</li> <li>Human resource hotline</li> <li>Whistleblower system</li> <li>Safety and Health Committee</li> <li>Company events</li> </ul>  | <ul style="list-style-type: none"> <li>Central labor-management meetings (7 times)</li> <li>Labor-management committees on wages, welfare, workplace reforms, etc. (6 times)</li> <li>Career matching system (189 employees)</li> <li>Compliance meetings (2 times)</li> <li>Central Safety and Health Committee meetings (2 times)</li> <li>Regional Safety and Health Committee meetings (at least once monthly at each operational site)</li> </ul>   |
| <b>NGOs/NPOs</b>                                  | <ul style="list-style-type: none"> <li>Issues affecting global society such as refugee issues and poverty</li> <li>Disaster relief support</li> <li>Ecosystem protection/conservation</li> <li>Supply chain risks</li> </ul>  | <ul style="list-style-type: none"> <li>Collaborative projects, including volunteer activities</li> <li>Information sharing/opinion exchange</li> </ul>  | <ul style="list-style-type: none"> <li>Partnership-based biodiversity conservation initiative "Furusato Project"</li> <li>Canon Bird Branch Project in collaboration with the Wild Bird Society of Japan</li> <li>Humanitarian and disaster-relief activities in disaster-affected areas</li> <li>Collaborative biodiversity conservation initiatives in areas around the world</li> <li>Collaboration to achieve a green supply chain</li> </ul>  |
| <b>Foreign<br/>Governments/<br/>Embassies</b>     | <ul style="list-style-type: none"> <li>Support for evaluating and addressing social issues at the bilateral and international levels</li> <li>Building, maintaining and promoting friendly relations with other countries</li> </ul>  | <ul style="list-style-type: none"> <li>Meeting/exchanging views with foreign dignitaries</li> <li>Participation in various types of events</li> <li>Responding to various types of inquiries</li> <li>Completing various surveys and studies</li> </ul>   | <ul style="list-style-type: none"> <li>Courtesy calls and participation in briefings or other meetings in response to requests from foreign governments and embassies</li> <li>Participation in international discussions and events designed to improve bilateral relations</li> <li>Completion of various surveys and studies</li> </ul>   |
| <b>Local<br/>Communities</b>                      | <ul style="list-style-type: none"> <li>Fulfilling responsibilities as corporate citizen to participate in local community activities</li> <li>Contributions to local communities through business operations</li> <li>Protection/conservation of local community ecosystems</li> </ul>  | <ul style="list-style-type: none"> <li>Emergency disaster-relief assistance</li> <li>Disaster-preparedness and crime-prevention drills</li> <li>Involvement in local groups/organizations</li> <li>Local events and volunteer activities</li> <li>Environmental education and awareness activities</li> <li>Community cleanups</li> </ul>                           | <ul style="list-style-type: none"> <li>Community-based social contribution activities including educational, sports and cultural programs</li> <li>Activities to protect and conserve local ecosystems, such as tree-planting programs</li> <li>Cleanup activities</li> <li>Employee volunteers sent to disaster-affected areas</li> <li>Employee donations for disaster relief</li> </ul>   |
| <b>Shareholders/<br/>Investors</b>                | <ul style="list-style-type: none"> <li>Medium- to long-term management strategy aimed at achieving continued growth</li> <li>Status of business portfolio transformation</li> <li>Business activity trends and results</li> <li>Financial condition</li> <li>ESG activities</li> </ul>  | <ul style="list-style-type: none"> <li>General meeting of shareholders</li> <li>Corporate strategy conference</li> <li>Conferences for institutional investors</li> <li>Individual meetings with institutional investors</li> <li>Conferences for individual investors</li> <li>Website for investors</li> <li>Corporate reports/brochures for investors</li> </ul> | <ul style="list-style-type: none"> <li>Financial results conferences (4 times)</li> <li>Release of corporate governance report</li> <li>Improved disclosure of financial results and related information</li> <li>Quick release of documents relating to general meeting of shareholders, enrichment of voluntary disclosure</li> <li>Publication of Canon Annual Report and Sustainability Report</li> <li>Inclusion of financial information in Sustainability Report</li> <li>Discussions aimed at improving content of Sustainability Report</li> </ul>  |
| <b>Suppliers</b>                                  | <ul style="list-style-type: none"> <li>Product/technology trends</li> <li>Improved efficiency of the chemical substance information transmission scheme</li> </ul>  | <ul style="list-style-type: none"> <li>Online supplier surveys</li> <li>Technology exhibitions by suppliers</li> <li>Promotion of green procurement</li> </ul>  | <ul style="list-style-type: none"> <li>Survey covering finance, corporate data, business ethics, responsible minerals sourcing, and environmental conservation (yearly)</li> <li>Product/technology exhibitions by suppliers (once)</li> <li>Collection and management of information for chemicals in products through chemSHERPA</li> </ul>  |
| <b>Central/Local<br/>Governments</b>              | <ul style="list-style-type: none"> <li>Active support for initiatives addressing societal issues</li> <li>Strengthening ties with companies</li> <li>Promotion of community revitalization</li> </ul>   | <ul style="list-style-type: none"> <li>Opinion exchange with government agencies</li> <li>Participation in economic organizations and industry groups</li> <li>Opinion exchange with municipalities</li> <li>Cooperation in surveys and questionnaires</li> </ul>   | <ul style="list-style-type: none"> <li>Policy recommendations via discussions with government agencies</li> <li>Policy recommendations via activities of economic organizations and industry groups</li> <li>Promoting/supporting personnel exchanges</li> <li>Holding discussions with municipalities, participation in and organization of various types of events</li> <li>Introduction/provision of new technologies and solutions, creation of PR videos for tourism</li> <li>Cooperation in surveys/questionnaires for government statistics, industry groups and economic organizations (66 items)</li> </ul>   |
| <b>Other<br/>Companies</b>                        | <ul style="list-style-type: none"> <li>Industry trends</li> <li>Addressing social issues that affect multiple industry sectors</li> <li>Product/technology trends</li> </ul>  | <ul style="list-style-type: none"> <li>Collaborative projects</li> <li>Participation in environmental technology initiatives</li> <li>Announcement/promotion of Open COVID-19 Declaration</li> </ul>  | <ul style="list-style-type: none"> <li>Joint research with other companies and undertaking of development work</li> <li>Provision of environmental protection technologies to platform</li> <li>Encouraged other companies to join Open COVID-19 Declaration, prepared affidavit</li> </ul>  |

\* Numbers in parentheses represent frequency of activities in 2020

Message from the CEO

Strategies and Policies

Canon's Value Creation

CSR Reporting

Management Foundation

Data Summary

Corporate Information, etc.