

Initiatives for Society

Canon identifies items of materiality in the social domain by considering the positive and negative, as well as the potential and actual, impacts of its activities on society, and is pressing ahead with various initiatives to address them. This report focuses on respect for human rights and supply chain management, which we have positioned as very important items.

Respecting Human Rights

Indicator	Target	2025 result
Implementation rate for human rights due diligence	100% (every year)	100%
Implementation rate for human rights-related education and awareness activities	100% (until 2027)	80%

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 a human rights policy; (2) undertaking human rights due diligence; (3) instituting and operating a grievance mechanism; (4) conducting human rights awareness training; (5) engaging with stakeholders; and (6) addressing human rights risks in the supply chain.

Promotion System

Canon has established an internal Human Rights Secretariat, headed by the CFO, who serves as the executive in charge, to pursue 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.

The Risk Management Committee, established by resolution of the Board of Directors, identifies human rights violations as a significant risk, and 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. We also established a Human Rights Working Group in April 2024 under direction of the Sustainability Committee, which engages in the planning and promotion of human rights initiatives and activities aimed at ensuring appropriate disclosure.

(1) Formulating a Human Rights Policy

In 2021, under the direction of the Chairman & CEO, Canon established the Canon Group Human Rights Policy, and has been working to promote respect for human rights. This policy expresses Canon's commitment to respect human rights and to take measures to protect human rights under the corporate philosophy of *kyosei*, which we embed into our operational policies and procedures. It stipulates that Canon will conduct human rights due diligence, establish and operate a grievance mechanism, conduct awareness training, and engage in dialogue with stakeholders in addition to respecting internationally recognized human rights, including the prohibition of child labor, forced labor, unreasonable restrictions on movement and excessive overtime work, and also the respect for freedom of association and the right to collective bargaining. The Human Rights Policy is communicated to employees and stakeholders in each country and region via our website.

Canon Group Human Rights Policy

🔗 <https://global.canon/en/sustainability/society/human-rights/pdf/hr-policy-e.pdf>

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(2) Undertaking 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 conducts human rights due diligence in their respective business activities, including the supply chain, following the process shown in the diagram below. They identify and evaluate potential adverse human rights impacts and determine salient human rights risks. In assessing human rights risks, they refer to resources such as the country/region-specific human rights risk index provided by the Responsible Business Alliance (RBA).

In addition, we assess human rights risks for new businesses. For example, when conducting an acquisition, we examine the target company's compliance with labor standards, health and safety laws, and other regulations as part of due diligence to confirm that there are no serious human rights risks at the company that is newly joining the Group. Canon will continue to reinforce efforts to prevent and mitigate human rights risks.

Canon's human rights due diligence process



Ongoing Monitoring

Canon continuously monitors compliance with the commitments set forth 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 operations.

Salient Human Rights Risks for Canon

We have identified 11 items as salient human rights risks that may arise in Canon's business activities, including the supply chain. These include discrimination based on factors such 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 below, various measures are taken to prevent and mitigate these risks.

Significant Human Rights Risks and Responses at Canon

	Rights-holders				Measures
	Suppliers/Contractors	Canon employees	Customers/Consumers	Local communities	
Discrimination based on such factors as race, gender, or religion		●			Thoroughly communicate the Canon Group Code of Conduct throughout the company
Harassment		●			Raise awareness through training and meetings to prevent harassment
Child labor	●				Engagement through supplier questionnaires
Forced labor	●				
Unpaid wages/low wages	●				
Excessive overtime work		●			
Occupational health and safety	●	●			Formulate a health management strategy map to further promote health management and prevent the occurrence of occupational accidents
Protection of privacy		●			Monitor trends regarding tighter personal data protection regulations in various countries and regions, and ensure compliance with rules for handling cookie data
Procurement of conflict minerals			●		Create and ensure compliance with rules and guidelines for the communication of information through advertising, public relations, websites, and social media
Noise, environment pollution at operational sites				●	In all aspects of corporate activities, comply with applicable national and regional laws and agreements with other stakeholders, while promoting energy and resource conservation and the elimination of hazardous substances
Health damage or accident caused by product			●		Manage and understand quality issues that occur in the market as well as their severity, and take action to prevent their recurrence

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(3) Instituting and Operating a Grievance Mechanism

Canon Inc. has set up an internal reporting system through which employees can report specific human rights concerns. We also work to raise awareness of the reporting system via the company intranet and training programs, among other measures, and are taking steps to ensure its appropriate use. In addition, we have established a reporting system for external stakeholders. Both the internal and external systems give careful consideration to protecting the privacy of informants, such as allowing anonymous reporting, to ensure that informants are not treated unfairly. For reports of potential compliance violations, we investigate the facts and ultimately determine whether a violation has taken place. Based on the findings, in cases where a compliance violation has been recognized, we take necessary measures to remedy the problem and prevent recurrence. The table below shows the number of reported human rights-related whistleblowing reports, reported cases, and reported cases in which compliance violations were found, over the past three years. No cases of serious human rights-related compliance violations were found.

Responsible Business Conduct Hotline

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

Number of reported cases and compliance violation reports over the past three years	(no.)		
	2023	2024	2025
Reported cases during the year	94	140	141
Reported cases in which investigations were completed and compliance violations were found	17	27	29
Discrimination, harassment	14	23	25
Labor management	3	4	4

(4) Conducting Human Rights Awareness Training

Since 2021, Canon has been carrying out human rights awareness training programs for employees to instill basic knowledge about business and human rights and raise awareness of the Canon Group Human Rights Policy and other human rights initiatives. Training programs held overseas reflect national and local characteristics, with each company optimizing the content and translating it into each language. Canon positioned this activity under the Risk Management Committee starting in 2025 and set a target of achieving a 100% implementation rate* for human rights education and

awareness activities across the Group over the three-year period from 2025 to 2027. The rate as of the end of 2025 was 80%. We will continue to strengthen these education and awareness activities, aiming to further enhance the awareness of human rights among all employees.

* Implementation rate at Group companies selected by the Risk Management Committee secretariat to undertake human rights education activities

(5) Engaging with Stakeholders

The OECD Due Diligence Guidance for Responsible Business Conduct states that it is important for companies to engage with stakeholders at each stage, such as when identifying and assessing the actual or potential adverse impact caused by corporate activities or when devising measures to prevent or mitigate such impact. In addition to the Canon Workers' Union, Canon is engaged in dialogue with institutional investors, suppliers, and business partners.

Example of Stakeholder Engagement

To identify and assess salient human rights risks and to consider measures for prevention, we organized dialogue with the union (in Japan) relating to issues that represent human rights risks for employees, including discrimination based on factors such as race, gender, or religion; harassment; excessive overtime work; occupational health and safety; and protection of privacy. Through dialogue, we identified trends in corporate responses to human rights issues and are exchanging opinions on a wide range of concerns, including the active participation of women in the workforce, issues involving lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons and persons with disabilities, and consultations about harassment and efforts to address these issues, as well as concerns about employee career development and telework and other types of flexible work styles. The results of these discussions are taken into consideration when we identify and assess salient human rights risks for Canon and consider preventive measures.

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.



Human rights dialogue with the Canon Workers' Union

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(6) Addressing Human Rights Risks in the Supply Chain

Canon joined the RBA in 2019, with the aim of strengthening our initiatives for social responsibility within the supply chain, and formulated the Canon Supplier Code of Conduct, based on the RBA Code of Conduct. We communicate the Canon Supplier Code of Conduct to suppliers and also request our major suppliers to sign a compliance agreement on the RBA Code of Conduct. The RBA Code of Conduct has been translated into over 20 languages, including English, Chinese, Japanese, Thai, and Vietnamese. In line with our support for the Keidanren-led Declaration of Partnership Building initiative, Canon is also committed to cooperation and co-existence with business partners and strives to avoid unreasonable requests for cost reductions, orders with short turnarounds that do not reflect appropriate cost bearing, and requests for sudden changes in specifications. We also make efforts to set prices that take into account the impact of higher labor costs.

Respecting Human Rights of Employees

■ Human Rights Risk Assessments at Production Sites

In 2025, Canon conducted human rights risk assessments at 64 of our production sites in Japan and overseas using the RBA's Self-Assessment Questionnaire (SAQ). Through this assessment, Canon confirmed that there were no cases of child labor or forced labor, verified the actual conditions regarding worker's freedom of association and collective bargaining rights, and implemented improvements to address any identified risks. In 2025, nine sites worldwide underwent Validated Assessment Program (VAP) audits, a third-party auditing program of the RBA. Facilities audited in 2025 received feedback including in the following areas and are taking corrective measures.

Improvements Made Following the 2025 VAP Audit



Management of consecutive working days



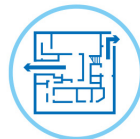
Improvements to employee protective equipment



Improvements to deficiencies in hazard labeling for chemical substances



Installation of emergency eyewash and shower facilities



Improvements to deficiencies in evacuation route maps

■ Prevention of Excessive Overtime Work

We have instituted a system to accurately ascertain the working hours of employees at production sites in Asia 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.

■ 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. 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 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.

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

We use the RBA's SAQ at Canon Group production sites in Japan and overseas. Based on the survey responses, we confirm that 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 through the SAQ that Group companies do not retain originals of employee personal ID documents or other personal documents, and that they have put regulations in place that clearly stipulate this. 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.

Compliance with Modern Slavery Act

Based on the laws and regulations of each country, such as the UK's Modern Slavery Act 2015, Australia's Modern Slavery Act 2018, and Canada's Supply Chains Act, Group companies subject to such laws publish statements outlining their policies and efforts to eliminate human trafficking, forced labor, and other illegal activities from their supply chains.

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Supply Chain Management

Indicator	Target	2025 result
Rate of requests for compliance with the Canon Sustainability Supplier Guidelines among major suppliers	100% (every year)	100%
Completion rate of risk assessments using SAQ surveys among major suppliers	At least 95% (every year)	99.5%

Basic Approach

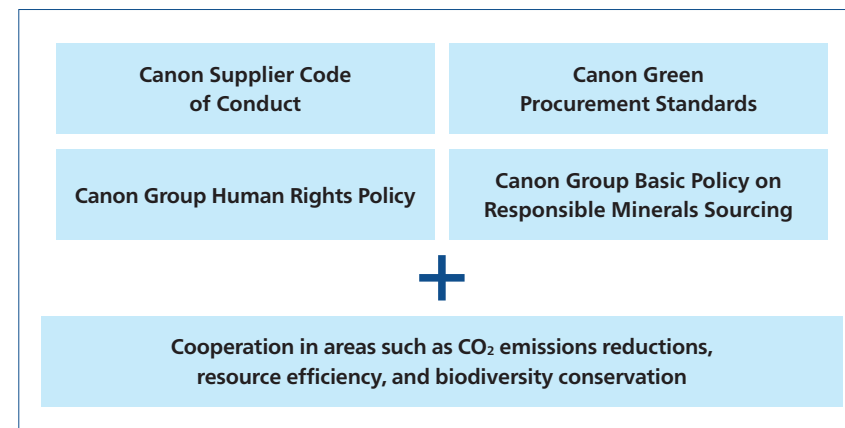
Having formed partnerships with suppliers worldwide, from whom it purchases considerable numbers of components, such as electronic parts, mechanical parts, units and materials, Canon believes it has a responsibility as a global manufacturer to consider the social and environmental impact of its procurement activities. In 2019, in line with this approach, Canon joined the Responsible Business Alliance (RBA), a coalition of companies that promotes socially responsible global supply chains.

Besides focusing on legal and regulatory compliance related to procurement from a global standpoint, Canon believes in the importance of dealing with suppliers in a fair and transparent manner. We promote an open procurement approach utilizing a broad base of suppliers worldwide.

Policies

Canon's Procurement Policy establishes our basic stance on procurement, with the emphasis placed on observing corporate ethics, environmental conservation, and fair and equitable business conduct. We are working to develop a socially responsible global supply chain on issues such as labor, occupational health and safety, the environment, corporate ethics, and management systems. We have also formulated the Canon Supplier Code of Conduct, based on the RBA Code of Conduct. In July 2024, we also formulated and distributed to suppliers the Canon Sustainability Supplier Guidelines, which summarize our initiatives for addressing climate change, human rights, and other important issues related to sustainability; requests for supplier cooperation and surveys; and the standards set out in the Canon Supplier Code of Conduct and Canon Green Procurement Standards. Based on these guidelines, we will continue to strengthen sustainable procurement in our supply chain. Our Procurement Policy and the Canon Sustainability Supplier Guidelines are published on our website to inform all stakeholders.

Canon Sustainability Supplier Guidelines



To strengthen cooperation with our major suppliers, we hold a procurement meetings to explain procurement policies, request compliance with the Canon Sustainability Supplier Guidelines, and report on related activities. In addition, we raise awareness of the code by conducting an annual survey of our suppliers worldwide, while also asking first-tier suppliers to ensure their supply chain (Canon's second-tier suppliers) understands and complies with the Canon Sustainability Supplier Guidelines. In 2025, we requested all major suppliers to comply with the Canon Sustainability Supplier Guidelines.

Procurement Policy

➤ <https://global.canon/en/procurement/policy.html>

Canon Sustainability Supplier Guidelines

➤ <https://global.canon/en/procurement/sustainability.html>

Promotion System

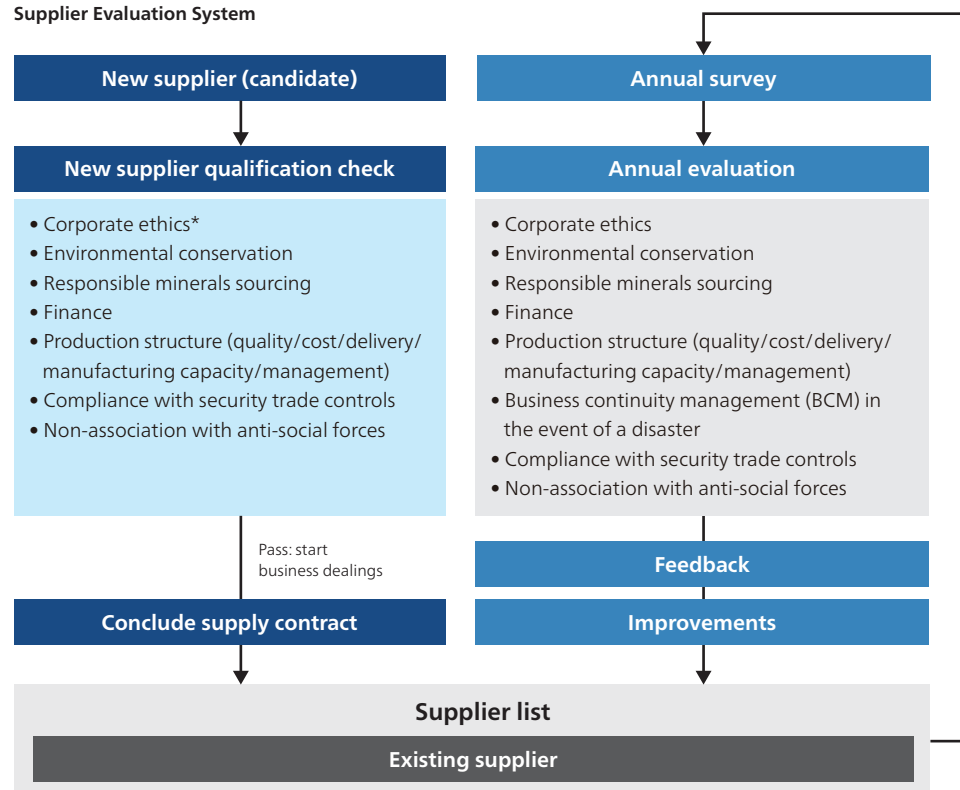
The executive officer in charge of the Procurement Headquarters at Canon Inc. oversees and promotes procurement activities across the Group. A central unit has also been established to manage internal controls, including setting rules, monitoring operational status, and training staff. Furthermore, policy items and significant matters regarding legal violations and risks relating to business operations are deliberated by the Risk Management Committee in terms of how to respond to business risks and what measures are required. The results are then reported to the CEO and the Board of Directors.

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Initiatives with Suppliers

Before starting business dealings with a new supplier, Canon conducts assessments in accordance with the supplier evaluation process (shown below) based on the Canon Sustainability Supplier Guidelines. Only those suppliers who meet these criteria are accepted as suppliers. We then conduct a comprehensive evaluation based on the results of an annual survey and transaction history, giving priority to transactions with highly rated suppliers. In addition, we conduct on-site audits of suppliers with low evaluations, providing guidance and instruction for improvement. In particular, Canon may choose to terminate business with suppliers if they are not complying with laws and social norms covering areas such as human rights, labor, and the environment.

Supplier Evaluation System



* Corporate ethics covers areas including legal compliance, product safety, management of confidential information, human rights, labor, health and safety, and intellectual property right protection.

We request major suppliers to sign an agreement concerning actions related to the RBA Code of Conduct. In 2025, agreements were signed with 367 of 375 major suppliers, equivalent to a consent rate of 97.9%. Canon also uses an RBA-approved Self-Assessment Questionnaire (SAQ) to identify and assess labor, health and safety, environmental, and ethical risks. Our goal is to consistently achieve a risk assessment response rate of over 95%. The response rate was 99.2% in 2025 (372 responses out of 375 companies surveyed).

Suppliers that did not reply to the survey were followed up individually. No businesses were identified as high risk among major suppliers, but we provided feedback on the results to our major suppliers and requested that they identify weaknesses and improve on them. We also conduct online meetings and arrange site visits to help verify the SAQ responses of a select number of major suppliers.

Addressing the Issue of Responsible Minerals Sourcing

Products manufactured and sold by the Canon Group and numerous other corporations contain materials that originate from a variety of minerals. These materials are sourced through diverse supply chains from their places of origin throughout the world. Mineral mining sites, smelters, or other processing sites for some of those materials have been shown to have links to armed groups, serious human rights violations, or environmental destruction. Corporations are therefore being called upon to exercise their social responsibility by identifying conflict/high-risk regions and avoiding the use of materials supplied from business operators disrespecting human rights or environmental conservation in those regions.

To reassure customers using Canon products, we are working with suppliers and industry bodies on responsible mineral sourcing initiatives.

In 2025, Canon requested CMRT/EMRT-based surveys relating to 3TG and cobalt sourcing from eligible suppliers. The response rates were approximately 91.7% for 3TG and 90.9% for cobalt (provisional response rate as of March 23, 2026). Based on the survey responses, there is no evidence pointing towards significant human rights or environmental risks in Canon's supply chain. If a significant risk is identified as a result of these surveys, we request that the supplier switch to a lower-risk supply chain and work to reduce the risk. In line with OECD Guidance, the assessment framework of Canon Group surveys, the results, risk analyses, and information relating to specific smelters are published annually in the Conflict Minerals Report on Canon's website.

Responsible Minerals Sourcing Report (3TG)

🔗 <https://global.canon/ja/sustainability/society/conflict/pdf/minerallssourcingreport2024.pdf>

■ Cooperation with Industry Groups

Since April 2015, Canon has supported the activities of the Responsible Minerals Initiative (RMI), an international program focused on addressing the issue of conflict minerals. In Japan, Canon is active as a leading member of the Responsible Minerals Trade Working Group of the Japan Electronics and Information Technology Industries Association (JEITA).