

**Canon**

# **Canon Supplier CSR Guidelines**

July 2018

Canon Inc.

## Foreword

In accordance with our corporate philosophy of *kyosei* – Living and working together for the common good – Canon seeks to contribute to the realization of a better society as a good corporate citizen.

The responsibilities that society expects corporations to undertake continue to change along with the times. In the field of business as well, with the advancement of globalization the demand from customers and business partners to deal with companies that meet certain criteria in terms of consideration paid to the global environment and society is increasing.

Based on these demands, in May 2017, Canon established the Canon Group CSR Basic Statement with the aim of explaining to stakeholders in an easy-to-understand manner the Group's attitude toward fundamental and universal elements of corporate social responsibility.

In our Requests to Suppliers up to this point, we have asked our suppliers to cooperate with us in our procurement activities as members of our global supply chain. Following the establishment of the above Basic Statement, we have compiled Canon's approach towards procurement activities in our global supply chain in the form of these new Canon Supplier CSR Guidelines.

Canon hopes that you will understand the intent of these Guidelines and will cooperate in the promotion of sustainable procurement activities.

We also ask that you request to your suppliers that they, too, understand these Guidelines and put them into practice.

Canon Inc.  
Procurement Headquarters

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## **1. Procurement Policy**

Following its corporate philosophy of *kyosei*, Canon aims, as a truly global company, to contribute to the prosperity and wellbeing of the world by developing, manufacturing and marketing useful products, raising profits, and achieving sound corporate growth and development.

The Procurement Division adopts a global perspective in purchasing quality, appropriately priced merchandise in a timely manner.

This facilitates improvements in product quality and reductions in prices, and positions us to work with our suppliers to meet customer needs.

1. We comply with all applicable laws and regulations as well as the corporate ethics, and operate in a manner that is protective of the environment.
2. We are open to any and all suppliers, and promote fair and free competition in accordance with the principle of faith and trust.
3. We improve manufacturing by mutual growth with excellent and reliable suppliers, which are selected through fair evaluation process.

## **2. Canon Supplier CSR Guidelines**

Pursuant to the Canon Group Basic Procurement Policy and the Canon Group CSR Basic Statement, we set forth the Canon Supplier CSR Guidelines to promote global procurement activities that take social needs into full consideration. Accordingly, we ask our suppliers to conduct the below initiatives.

### **I. Consideration of human rights, labor, and health and safety of employees**

- (1) Respect fundamental human rights of employees and do not discriminate against them based on such factors as race, nationality, gender, religion, and creed
- (2) Endeavor to utilize diverse human resources
- (3) Do not engage in child labor or forced labor (including human trafficking)
- (4) Promote sincere dialogue between employees and management in accordance with the laws and regulations of the country/region of location
- (5) Pay employees wages equal to or greater than legally mandated wages in accordance with the laws and regulations of the country/region of location
- (6) Prevent excessive overtime work and grant appropriate holidays
- (7) Ensure occupational health and safety at the workplace, and prevent occupational injuries

### **II. Sound and fair business activities**

- (1) Comply with the laws, regulations and social norms of each country and region where business activities are conducted
- (2) Do not perform acts that obstruct fair, transparent and free competition
- (3) Manage and protect confidential information and personal information
- (4) Endeavor to prevent infringements of the intellectual property rights of others
- (5) Ensure thoroughness in security trade control in accordance with the laws and regulations of the country/region of location
- (6) Do not engage in corruption in all its forms including bribery
- (7) Endeavor to avoid complicity in armed insurgencies or anti-social forces
- (8) Endeavor to disclosure relevant and accurate corporate information

### **III. Environmental preservation**

- (1) Comply with the Canon Green Procurement Standards
- (2) Endeavor to minimize environmental burden through initiatives aimed at conserving energy, conserving resources, eliminating hazardous substances, and preserving biodiversity

### **IV. Guarantee of continuance of corporate and business activities**

- (1) Endeavor to preserve high level in quality, cost, delivery and technical aspects
- (2) Provide safe and secure products, parts, materials, services, etc.

### **V. Request to your suppliers for their cooperation**

- (1) Request to your suppliers that they cooperate with initiatives for social responsibility, including those that concern human rights, labor, safety, legal compliance, the environment and product quality/safety

### **3. Request for Cooperation with Periodic Survey**

In order to thoroughly manage its supply chains, Canon conducts periodic surveys of its suppliers once a year to verify the status of a wide range of initiatives that include those covering environmental and social aspects.

In particular, with regards to the aspects of “human rights and labor” in which stakeholders have a high level of interest, using International Labour Organization (ILO) standards and guidance by the Responsible Business Alliance (formerly EICC) as a reference, we have established survey items to verify whether adequate consideration is being given to matters such as child labor, human trafficking and other forms of forced labor, discrimination, minimum wage, working hours and dialogue with employees.

Should the presence of problems be verified, we may administer guidance, education, etc. geared to remedying those problems, and as such ask for your cooperation in that regard.

Canon will evaluate suppliers comprehensively based on the results of the aforementioned surveys, the company’s record of business dealings with those suppliers, and so forth.

### **4. Point of Contact Regarding CSR Risks in Procurement**

In order to go on to fulfill its social responsibility in its supply chain as well as in the Canon Group, Canon is endeavoring to elicit understanding from each of its suppliers with regards to the company’s basic stance towards procurement activities.

Should anyone have any specific concerns or information regarding human rights, labor, health and safety and other similar issues in Canon’s supply chain, including but not limited to the occurrence of child labor or forced labor, please contact us using the “[Feedback on CSR Activities](#)” page on Canon Inc.’s website.

Canon will perform investigation based on the information that it receives through that page.

### **5. Revision History**

March 2018 Released

July 2018 Change Link "feedback page that is related of the CSR activity"

**Canon**

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